

SPECIAL MEETING

The Town Council of the Town of La Grange, North Carolina met in a Special Meeting at the Town Hall on June 11, 2007, at 7 pm with the following present:

Mayor Woodard H. Gurley; Mayor Pro Tem Bobby R. Wooten; Council Members Larry Gladney, Walter Ellis, Jr., George Koonce, Elliott Sutton; Town Manager, John P. Craft; Nelda H. Johnson, CMC, Town Clerk.

Absent: Jeff Thomas, Council Member
 George Jenkins, Jr., Town Attorney

Guest: 2

The purpose of the Special Meeting was discussion of the FY 2007-2008 Municipal Budget.

Mayor Gurley called the meeting to order and ask Mayor Pro Tem Wooten to give the invocation.

Mayor Gurley turned the meeting over to Manager Craft for discussion and review of the FY 2007 -2008 budget that he had prepared.

Manager Craft reviewed in detail the proposed budget recommendations with the Council. The following is an overview of the budget.

- 3% cost of living adjustment for all employees and a limited number of merit increases
- Retiree health and dental insurance coverage - \$31,631 expenditure to be divided among the departments
- Health and dental insurance for all full time employees - \$152,799 expenditure to be divided among the departments
- Approximately \$13,000 increase in fuel use for vehicles
- Marketing Campaign for the Town - \$35,000 expenditure to be divided among the three Funds
- With the water and sewer rate changes, the water rates for all users will go down. The corresponding increase in sewer rates will equate to the decrease for customers in Town, so that their monthly bill will remain unchanged (if their usage remains constant).

GENERAL FUND

- No tax rate increase

General Government (10-4100)

- \$70,000 appropriation recommended to fund the Council Chambers addition
- \$20,000 appropriation recommended for Town's marketing campaign
- \$20,000 appropriation recommended for demolition of substandard houses

Administration (10-4200)

- \$13,000 decrease in salaries expenditure due to the reallocation of expenditure
- \$3,163 appropriation recommended for share of retiree health and dental insurance coverage due to Phyllis Harrison's retirement

Building Inspections (10-4300)

- Increase in salary for building inspector as building inspections certificates are received

Police Department (10-5100)

- Recommendation of the purchase of 3 new vehicles through a 4-year lease purchase
- Recommendation for a new investigator position
- \$42,000 Gang Grant
- \$6,000 appropriation recommended to replace one of the heating units at Police Department

The Council discussed the Police Department's policy on "take-home vehicles by full time officers". At present the policy states that an officer is allowed to drive their assigned vehicle home if they live within 15 miles.

Council Member Gladney stated that he felt it was unfair to the other officers who lived outside the 15 mile policy.

After discussion, it was decided that this issue would be discussed again at the Public Hearing on Wednesday, June 13th.

Funding for a bicycle rodeo to be sponsored by the Police Department is included in FY 07-08 budget.

Contracted Services – Fire Protection (10-5300)

- \$2,000 appropriation recommended to increase in funding to the Fire Department (previously approved when the Moseley Hall Fire District budget was approved)

Street Department (10-5600)

- \$6,000 decrease in budget due to reallocation of employee expenditures
- \$4,500 increase in fuel expenditures
- Recommendation not to fill Andrew Whitfield's position as he has not announced his retirement at this time. Consideration will be given to hire someone in his position approximately 3 months prior his retirement
- \$20,000 appropriation recommended for storm drainage improvement in Eastwood area
- \$6,326 appropriation recommended for retiree health and dental insurance coverage

Tyrone Morgan, Superintendent Public Works, was present and expressed his opinion that 2 additional employees are needed in his department.

Manager Craft stated that if a disaster were to happen that contractors are in place with prices already negotiated for storm debris removal and electric line work that would be paid for by FEMA; and that the Town could not afford to staff for disaster situations.

After discussion, Manager Craft stated that the Town had just begun the use of 4 inmates through our inmate labor contract on a daily basis and we would continue to utilize their services.

Also, Tyrone Morgan will go to Kinston as soon as possible to look at their grapple machines to see if he feels if this type of machine would be compatible to our needs in picking up street trash, limbs and debris.

Powell Bill Fund (10-5700)

- Decrease in allocation to Street Department
- \$30,000 appropriation recommended for storm drainage work
- No proposed resurfacing projects
- \$3,000 appropriation recommended for purchase of snow plow

Sanitation (10-5800)

\$10,000 increase in budget due to number of carts being serviced

Recreation (10-6200)

- Appropriation of funds for a walking trail
- \$500 appropriation recommended to Arts Council

Cemeteries (10-6400)

- Major expense is contracted services
- No capital outlay or equipment purchases proposed
- Recommendation that no additional streets be opened
- Consider contracting the opening and closing of graves

Clinic (10-6600)

- The entire expenditures within this department have been eliminated and incorporated into other municipal departments.

Library (10-6800)

- Slight decrease in overall expenditures
- Major expenditures are utilities (electric, water, sewer and gas); insurance

Council on Aging (10-6900)

- \$1,000 appropriation recommended to Council on Aging
- Major expenditures are utilities and insurance

Scout Facility (10-7100)

- \$500 appropriation recommended to Local Boy Scout Program
- Major expense are utilities and insurance

Council Member Sutton stated that the Scout program in La Grange was strong and that he wanted the Town to continue to support the program.

WATER AND SEWER FUND

Water Distribution (30-8200)

- Slight decrease in budget due to decreased personnel costs and the reallocation of employee expenses to the most appropriate department
- Increase in retiree health and dental insurance related to Aubrey Rouse, Phyllis Harrison and Jimmy Sutton
- Recommendation of additional funding to expend the Town's meter replacement program
- Recommendation of nearly a 100% increase in expenditures related to the water distribution maintenance
- \$5,000 appropriation recommended for Town's marketing campaign
- \$12,000 appropriation recommended for 1/3 cost a vacuum trailer to clean out the lift stations, storm drains, grit chamber at the Wastewater Treatment Plant and water valve boxes
- \$100,000 appropriation recommended to go into the reserve fund for future water purchases
- Does not recommend two additional employees in this department at this time

Water Supply (30-8250)

- Slight increase due to a scheduled increase in the maintenance contract for the maintenance of the overhead storage tanks
- \$2,372 appropriation recommended for retired health and dental insurance coverage due to Gerald Severson's retirement

Sewer Department/Wastewater Treatment Plant – (30-8300)

- Increase in salary expenses due to Wesley Sutton's salary being reallocated
- Increase in the vehicle maintenance expenses due to a possible replacement of the transmission in one of the trucks
- \$12,000 appropriation recommended for 1/3 cost of a vacuum trailer
- \$5,000 appropriation recommended for Town's marketing campaign
- \$5,536 appropriation recommended for retiree health insurance coverage due to Gerald Severson's retirement

CWMTF – RE-Use Project (30-8350)

- The department reflects the expenditures that will be made in relation to the RE-Use Project
- This budget includes funds to cover the acquisition of the 63 acres as proposed, the installation of the force main, the pump station, and the installation of the irrigation system and equipment required to complete the project, based on the engineer's estimates. The funding for the project is comprised of the Clean Water Management Trust Fund Grant, a grant from the Lower Neuse Basis Association, and a required match by the Town.

Wastewater Collection (30-8400)

- \$12,000 appropriation recommended for 1/3 cost of a vacuum trailer
- Increase in departmental supplies
- Significant increase in pump station maintenance which results from the State's requirement that the Town have spare pumps on hand for every pump station that we have in service
- Significant increase in collections system maintenance
- Decrease in overall budget due to the Frink Sewer Project being completed
- Decrease in salary due the reallocation of Wesley Sutton's salary to other departments
- Does not recommend the hiring of two additional employees at this time
- Included is a portion of the retiree health insurance coverage for Jimmy Sutton Aubrey Rouse and Phyllis Harrison

ELECTRIC FUND

- There are no changes recommended in the rate structure for the Electric Fund.

Electric Department (40-8500)

- \$4,000 increase in the overall electric budget compared to FY 06-07
- \$5,000 appropriation recommended for the Town's marketing campaign
- No proposed changes to electric rates
- No new major equipment purchases proposed
- Included is a portion of the retiree health and dental insurance coverage for Jimmy Sutton and Phyllis Harrison

ANNOUNCEMENTS

A public hearing is scheduled for Wednesday, July 13, 2007, at 7 p.m. for the adoption of the FY 2007-2008 Municipal Budget.

The first meeting for the marketing campaign for the Town of La Grange will be held on Monday, July 16, 2007, at 6 p.m. at the La Grange-Frink Alumni and Friends Culture Center. Manager Craft requested that all Council Members please have their recommended list of potential interested members for this campaign to him as soon as possible.

There being no further business, motion was made by Mayor Pro Tem Wooten, seconded by Council Member Sutton to adjourn. Motion carried 5-0 in favor of motion.

Nelda H. Johnson, CMC, Town Clerk

Woodard H. Gurley, Mayor