

JUNE 15TH 2010
MINUTES OF TOWN COUNCIL MEETING
6:00 P.M.

COUNCIL PRESENT:

Bob Gibbs, Mayor
Gerelene Blevins
Eddie Bowman
Beverly Fry
Donnie Potter
Joe Wesson

STAFF PRESENT

Robert Frye
Terry Taylor

CALL TO ORDER:

Mayor Gibbs called the meeting to order.

INVOCATION:

Reverend Buford Pennell gave the invocation

PLEDGE OF ALLEGIANCE:

Mayor Gibbs led the Pledge of Allegiance.

APPROVAL OF May 18th MEETING MINUTES:

Mayor Gibbs asked for a motion to approve the May 18th 2010 minutes.

On a motion by Eddie Bowman and seconded by Beverly Fry, the minutes were approved. All were in favor.

ADOPT AGENDA:

Mayor Gibbs asked for a motion to adopt the agenda.

On a motion by Joe Wesson and seconded by Donnie Potter, the agenda was adopted as presented. All were in favor.

PUBLIC HEARING: PROPOSED FY 2010-11 BUDGET

Mayor Gibbs asked for a motion open the public hearing.

Donnie Potter made the motion to open the public hearing with Eddie Bowman seconding. All were in favor.

STAFF COMMENTS: Town administrator Robert Frye presented the proposed FY 2010-11 budget.

General Fund Expenditures:

Governing Body	\$26,900.00
Administration	\$438,500.00
Finance	\$58,200.00
Public Works	\$167,300.00
Streets	\$698,200.00
Sanitation	\$286,350.00
Parks and Recreation	\$244,750.00
Community Development	\$2,750.00
Interlocal Transfer (Reinvestment Committee)	\$400,000.00

Total	\$2,322,950.00
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Fund Balance Appropriated	\$326,755.00
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Utility Fund Expenditures:

Water	\$442,432.00
Sewer	\$107,900.00

Total	\$550,332.00
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Total Budget	\$2,879,282.00
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The fiscal year FY 2010-11 budget includes a five cent increase in the Town's ad valorem property tax increasing it from its current fifteen cents per one hundred dollars of property valuation to twenty cents.

Minimum usage rates for water are proposed to increase by \$1.00. Current rate of \$12.00 for the first 2,000 gallons usage will increase to \$13.00. The charge for each additional 1,000 gallons of usage will remain at \$4.00

Minimum usage rates for sewer are proposed to increase by \$1.00. Current rate of \$14.00 for the first 2,000 gallons usage will increase to \$15.00. The charge for each additional 1,000 gallons of usage will remain at \$4.00

No increase in the Solid Waste Fee levied by the Town is contemplated. The fee will remain at its current \$4.00 per month or \$48.00 per year per household.

The proposed budget reinstates Council pay and includes a monthly payment of \$150.00 for Council members and \$250.00 for the mayor.

The proposed budget also includes a 3% cost of living adjustment for Town employees.

PUBLIC COMMENTS:

The following persons spoke in opposition to the proposed .05 cent tax increase.

Johnny Perry
Edward Lineback
Johnny Wilson
Tim Pope
David Powell
Shirley Pruet
John Rothrock
George Fetherbay
Tressie Andrews
Jack Helton

Grace Robbins
Pat Holden
William Eckard
Mike Ramsey
Ralph Eker
Paula Watson
Tom Land
Drew Estes
Kyle Clontz

COUNCIL COMMENTS:

Councilwoman Gerelene Blevins stated that she had some concerns about several of the items in the budget; including the tax increase, but felt that overall it was a good budget.

Councilman Eddie Bowman stated that the council had spent many hours working on the budget and had many discussions concerning a tax increase; but in the end decided that a tax increase was necessary.

Councilwoman Beverley Fry stated that raising taxes was a difficult decision to make but felt that it was needed if the Town was to continue to progress.

Councilman Donnie Potter echoed the sentiments of the other council members and added that the job of the council was to consider the needs of the town as a whole; not just one small group; and that the council had a responsibility to look to the future and to those that would come after those in the audience and on the council were gone.

Councilman Joe Wesson stated that the decision to raise taxes was a difficult one but that he felt that the tax increase was needed and he would support adoption of the budget as presented.

CLOSE PUBLIC HEARING: Mayor Gibbs asked for a motion to close the public hearing.

On a motion by Joe Wesson and seconded by Eddie Bowman, the public hearing was closed. All were in favor.

COUNCIL ACTION:

On a motion made Joe Wesson and seconded by Donnie Potter, Council adopted the proposed FY 2010-11 budget. All were in favor.

FINANCIAL MATTERS:

BID AWARD AUTOMATED SOLUTIONS WATERLINE PROJECT

Town Administrator Robert Frye stated that the following two bids were received and that the low bid of \$192,327.00 was \$3,109.00 over budget.

Bell Construction Co (Statesville)	\$192,327.00
Locke-Lane Construction (Statesville)	\$197,520.60

Mr. Frye recommend that Council Award Bell Construction the contract for the construction of the Automated Solutions Waterline in the amount of \$192,327.00 and that Council agree to cover the \$3,109.00 not covered by available grant funds.

On a motion by Eddie Bowman and seconded by Joe Wesson, Council awarded the bid for the construction of the Automated Solutions water line to Bell Construction n the amount of \$192,237.00 and to cover the \$3,109.00 not covered by available grant funds. All were in favor.

FINANCIAL MATTERS:

BID AWARD MAY ROAD CDBG-R PROJECT

Town Administrator Robert Frye stated that the following four bids were received:

Bell Construction Co (Statesville)	\$69,912.00
C & W Utilities (Shelby)	\$39,299.00
Prestwood Water & Sewer (Lenoir)	\$55,769.00
Trans-State Construction (Denver)	\$58,390.00

Project Budget:

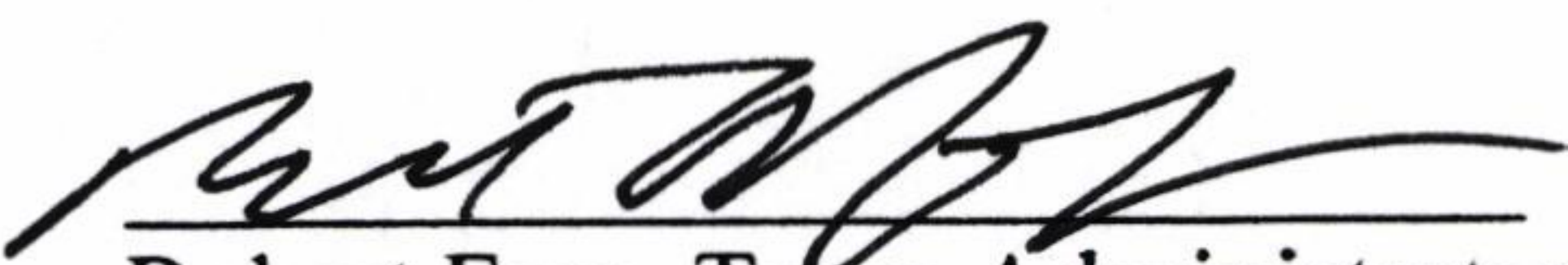
CDBG-R Grant Funds Available	\$58,000.00
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Mr. Frye would recommend that Council Award C & W Utilities the contract for the May Road CDBG-R Waterline Project in the amount of \$39,299.00

On a motion by Joe Wesson and seconded by Donnie Potter, Council awarded C & W Utilities the contract for the May Road CDBG-R Waterline Project in the amount of \$39,299.00. All were in favor.

ADJOURMENT:

On a motion made by Donnie Potter and seconded Joe Wesson, the meeting was adjourned at 7: 48 p.m.


Robert Frye, Town Administrator


Bob Gibbs, Mayor

FY 10 – 11 Budget Ordinance

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SAWMILLS, NORTH CAROLINA:

The following anticipated fund revenues, departmental expenditures, and interfund transfers are approved and appropriated for the Town of Sawmills' operations for the Fiscal Year beginning July 1, 2010, and ending June 30, 2011.

SECTION 1 – General Fund

Revenues:

Property Taxes	\$409,000.00
Local Sales Tax	\$618,341.00
Powell Bill Allocation	\$698,200.00
Other Revenue	\$155,654.00
Solid Waste Fee	\$115,000.00
Fund Balance Appropriated	\$326,755.00

TOTAL ESTIMATED GENERAL FUND REVENUES \$2,322,950.00

Expenditures:

Governing Body	\$26,900.00
Administration	\$438,500.00
Finance	\$58,200.00
Public Works	\$167,300.00
Streets and Highways	\$698,200.00
Sanitation	\$286,300.00
Community Development	\$2,750.00
Parks and Recreation	\$244,750.00
Interlocal Transfer to Caldwell County	\$400,000.00

TOTAL ESTIMATED GENERAL FUND EXPENDITURES \$2,322,950.00

SECTION 2 – Utility Fund

Revenues:

Water	\$467,231.00
Sewer	\$107,900.00
TOTAL ESTIMATED UTILITY FUND REVENUES	\$575,131.00

Expenditures:

Water	\$467,231.00
Sewer	\$107,900.00
TOTAL ESTIMATED UTILITY FUND EXPENDITURES	\$575,131.00

SECTION 3 – Ad Valorem Taxes

An Ad Valorem tax rate of \$0.20 per one hundred (\$100) valuation of taxable property, as listed for taxes as of January 1, 2010, is hereby levied and established as the official tax rate for the Town of Sawmills for Fiscal Year 2010-11. The rate is based upon a total projected valuation of \$192,141,300 and an estimated collection rate of 95%. The purpose of the ad valorem tax levy is to raise sufficient revenue to assist in financing necessary municipal government operations in Sawmills.

SECTION 4 – Documentation

Copies of this ordinance will be kept on file at Town Hall and shall be furnished to the Town Clerk and Finance Director to provide direction in the collection of revenues and disbursement of Town funds.

SECTION 5 – Special Authorization, Budget Officer

- A. The Town Administrator shall serve as Budget Officer.
- B. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department.

- C. The Budget Officer is authorized to effect interdepartmental transfers of minor budget amendments not to exceed ten percent (10%) of the appropriated funds for the department's allocation which is being reduced. Notification of all such transfers or amendments shall be made to the Town Council at their next regular meeting of that body following the transfers.

SECTION 6 – Restrictions

- A. Interfund transfers of moneys shall be accomplished only by authorization from the Town Council.
- B. The utilization of any contingency appropriation, in any amount, shall be accomplished only by the authorization from the Town Council. Approval of a contingency appropriation shall be deemed a budget amendment, which transfers funds from the contingency appropriation to the appropriate object of expenditure.

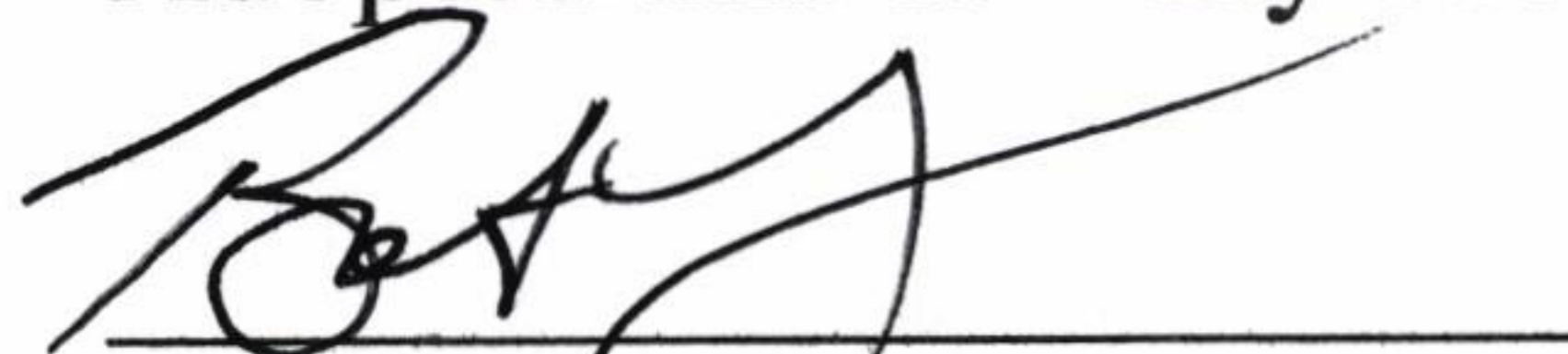
SECTION 7 – Budget Amendments

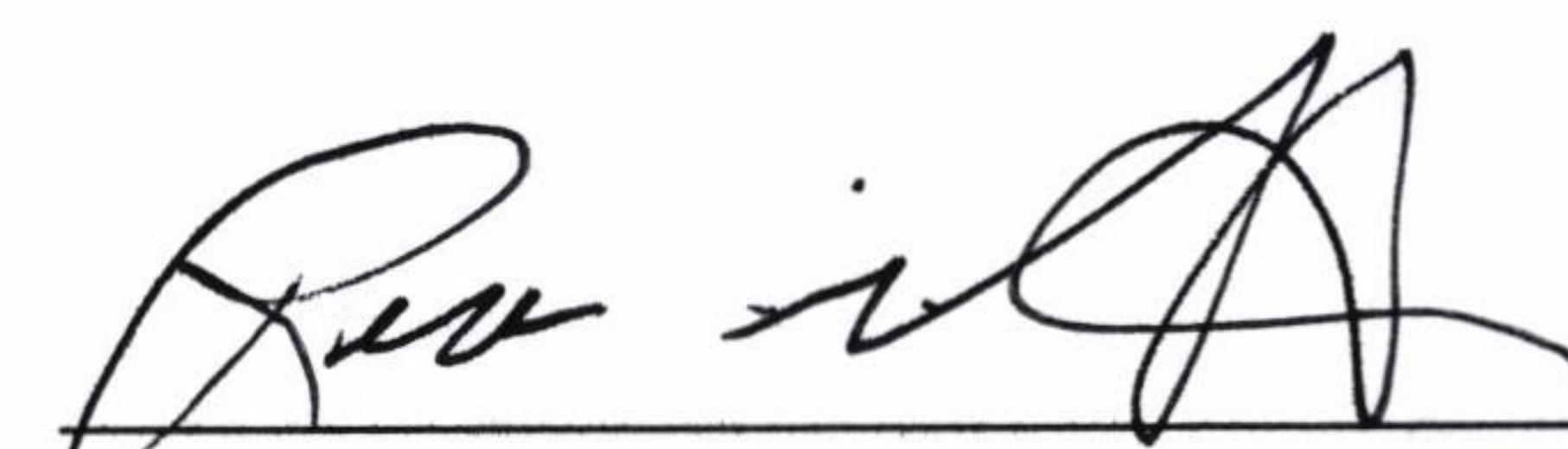
The North Carolina Local Government Budget and Fiscal Control Act allows the Town Council to amend the budget ordinance any time during the fiscal year, so long as it complies with the North Carolina General Statutes. The Town Council must approve all budget amendments, except where the Budget Officer is authorized to make limited transfers. Please review sections 5 and 6, which outline special authorizations and restrictions related to budget amendments.

SECTION 8 – Utilization of Budget and Budget Ordinance

This ordinance and the budget documents shall be the basis for the financial plan of the Town of Sawmills during the 2010-11 Fiscal Year. The Budget Officer shall administer the budget. The accounting system shall establish records that are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina.

Adopted this 15th day of June, 2009.


Bob Gibbs, Mayor


Robert Frye, Town Administrator

**FY 2010-11 AUTOMATED SOLUTIONS BUILDING RENOVATION
PROJECT ORDINANCE**

BE IT ORDAINED by the Governing Board of the Town of Sawmills, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted.

Section 1. The project authorized is the renovation of the 75,222 sq ft Hammary Building for occupation and reuse by Automated Solutions, LLC.

Section 2. The following anticipated fund revenues, expenditures, and inter fund transfers are approved and appropriated for the Automated Solutions Building Renovation Project.

Revenues:

FY 2010-13	
NC Rural Center Building Renovation Grant	\$375,000.00
Total Estimated Project Revenues	\$375,000.00

Expenditures:

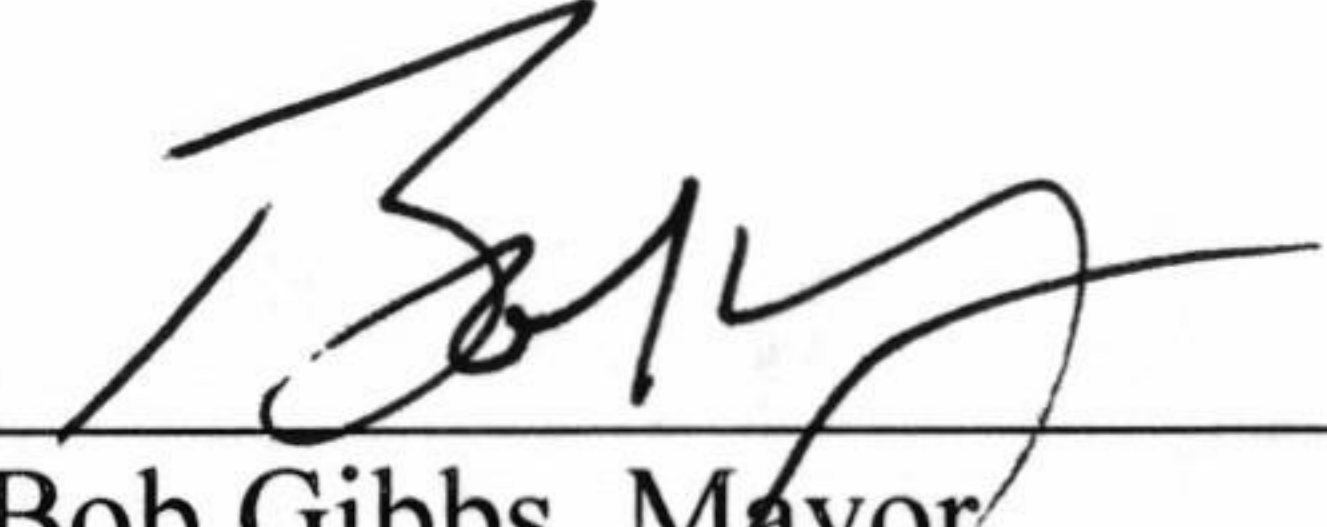
Hammary Building Renovation	\$375,000.00
Total Estimated Project Expenditures	\$375,000.00

Section 3. The following revenues are available to complete this project

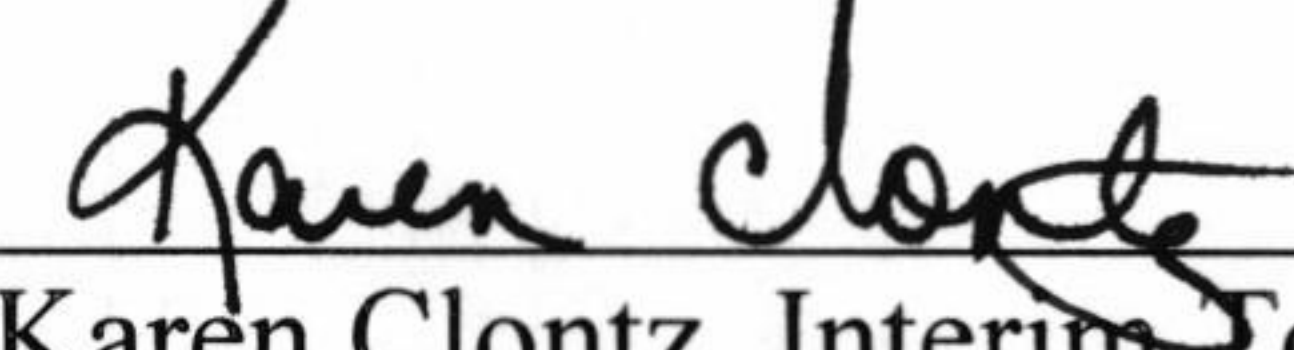
FY 2010-13	
N.C. Rural Center Building Renovation Grant	\$375,000.00

Section 4. Copies of this ordinance will be kept on file at Town hall and shall be furnished to the Town Administrator and Finance Director to provide direction in the collection of revenues and disbursement of Town Funds

Adopted this 15th day of June, 2010.



Bob Gibbs, Mayor



Karen Clontz, Interim Town Administrator

FY 2010-11 AUTOMATED SOLUTIONS WATERLINE EXTENSION PROJECT ORDINANCE

BE IT ORDAINED by the Governing Board of the Town of Sawmills, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted.

Section 1. The project authorized is the construction of 1,650 LF of 12 inch waterline and related booster pump apparatus to supply mandated fire protection requirements to the Automated Solutions facility.

Section 2. The following anticipated fund revenues, expenditures and inter fund transfers are approved and appropriated for the Automated Solutions Waterline Extension Project.

Revenues:

Waterline Construction	\$173,625.00
Booster Pump Construction	\$44,000.00
Total Estimated Project Revenues	\$217,625.00

Expenditures:

Waterline Construction	\$173,625.00
Booster Pump Construction	\$44,000.00
Total Estimated Project Expenditures	\$217,625.00

Section 3. The following revenues are available to complete this project:

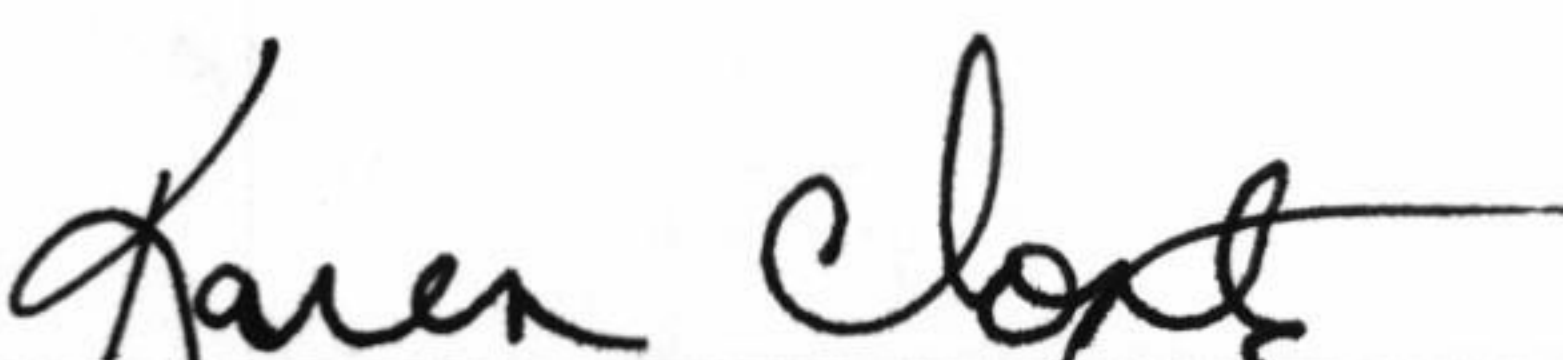
FY 2010-12	
Caldwell County	\$44,000.00
Economic Development Commission Business Incentive	
FY 2010-13	
NC Department of Commerce Infrastructure Grant	\$173,625.00

Section 4. Copies of this ordinance will be kept on file at Town Hall and shall be furnished to the Town Administrator and Finance Director to provide direction in the collection of revenues and disbursement of Town Funds.

Adopted this 15th day of June, 2010.



Bob Gibbs, Mayor



Karen Clontz, Interim Town Administrator