

**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD TUESDAY, AUGUST 8, 2023, 5:00 P.M. AT THE LAKE LURE MUNICIPAL  
CENTER**

**PRESENT:** Mayor Carol C. Pritchett  
Mayor Pro Tem David DiOrio  
Commissioner Scott Doster  
Commissioner Patrick Bryant  
Commissioner Jim Proctor

William Morgan, Jr., Town Attorney  
William Hank Perkins, Jr., Town Manager  
Michael Dydula, Project Manager  
Laura Krejci, Communications Director  
Stephen Ford, Finance Director  
Jill Vang, Martin and Starnes Associates

**ABSENT:** N/A

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the meeting to order at 5:00 p.m. Council members led the pledge of allegiance and Commissioner Patrick Bryant led invocation.

**II. APPROVE THE AGENDA**

Commissioner Scott Doster made a motion to approve the agenda, as presented. Commissioner DiOrio seconded and the motion carried 4-0.

**III. MAYOR'S COMMUNICATIONS**

Mayor Pritchett thanked all individuals in attendance.

#### **IV. TOWN MANAGER COMMUNICATIONS**

Town Manager Hank Perkins summarized highlights from his Manager's Report for July (available in the meeting packet).

#### **V. COUNCIL LIAISON REPORTS & COMMENTS**

Commissioner Scott Doster reported the activities of the ABC Board and the Zoning and Planning Board.

Commissioner David DiOrio reported the activities of the Lake Advisory Board and noted that the Board of Adjustment / Lake Structure Appeals Board met.

Commissioner Jim Proctor reported the activities of the Parks and Recreation Board. Commissioner Proctor also mentioned that there had been infiltration issues at the green space and Project Manager Michael Dydula reported that the NCDOT should be fixing the culvert soon.

#### **VI. PRESENTATIONS**

##### **A. AUDIT PRESENTATION**

Finance Director Stephen Ford introduced Jill Vang with Martin and Starnes Associates. Ms. Vang reported the Local Government Commission (LGC) approved the audit last week. Ms. Vang presented the 2022 Audit Financial Statements (Attachment A) and reviewed audit highlights.

Commissioner DiOrio noted that he found the amount of reserve interesting and that the Town had an increase of expenditures naturally because of major infrastructure projects. Commissioner DiOrio added that because the Town is expending for the sewer project, more funds are having to be kept available outside of the reserve funds. Commissioner DiOrio noted that because of that, he believes that that should not be included as a finding since it is inevitable. Ms. Vang expressed that many times state and federal funds are reimbursements and won't have an impact, but noted that issues such as increased debris removal may have an impact. Director Ford agreed to further follow-up on what impacted this finding.

Mayor Pritchett thanked Ms. Vang and expressed optimism for the future.

#### **VII. PUBLIC COMMENT**

Mayor Carol C. Pritchett invited the audience to speak.

Ron Nidetch, 120 Howell Road, explained that he served in the United States Air Force and had a medical retirement. Mr. Nidetch further explained that today is the third day out of his wheel chair. Mr. Nidetch noted that his wife is a nurse practitioner in Colorado, so she is back and

forth between states. Mr. Nidetch expressed concern that he and his wife are not able to enjoy the beach and kayaking because he is not a Lake Lure resident even though he has a Lake Lure address. Mr. Nidetch added that he and his wife volunteer throughout the community and their property line is right outside of town limits. Mr. Nidetch requested the having the boat permit benefits of a Lake Lure residents since his address is in Lake Lure. Mr. Nidetch thanked Council and expressed that he hopes that his request considered.

There were no further comments from the public.

## **VIII. CONSENT AGENDA**

Mayor Carol C. Pritchett presented the Consent Agenda items and asked if any items should be removed before calling for action.

Commissioner Proctor made a motion to approve the Consent Agenda, as presented. Commissioner Bryant seconded. Therefore, the Consent Agenda incorporating the following items was unanimously approved and adopted:

- A. Approval of the July 11, 2023 Regular Town Council Meeting Minutes, the July 26, 2023 Special Town Council Meeting Minutes, the July 26, 2023 Town Council Work Session Meeting Minutes, and the July 28, 2023 Special Town Council Meeting Minutes
- B. Resolution No. 23-08-08 Approving LaBella Task 5 Amendment
- C. Budget Amendment #353 for LaBella Task 5 Amendment
- D. Resolution No. 23-08-08A Supporting Foothills Rural Planning Organization (RPO) Prioritization 7 Submittals
- E. Budget Amendment #352 for Lake Lure Flowering Bridge Parking Lot

### **RESOLUTION NO. 23-08-08**

#### **RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE APPROVING LABELLA TASK 5 AMENDMENT**

**WHEREAS**, the Town of Lake Lure entered into a Professional Services Agreement with LaBella Associates for on-call engineering services on January 14, 2020; and

**WHEREAS**, the Town of Lake Lure approved and signed LaBella Task 5 for Administrative Services on June 18, 2021; and

**WHEREAS**, LaBella Associates submitted a proposal letter for an extension of budget for various on-call services not specifically addressed by other approved Tasks and previously addressed by Task 5; and

**WHEREAS**, LaBella Associates is proposing to add \$25,000 to the Task 5 Budget, for a total amount of \$50,000 for Task 5.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA:**

**SECTION ONE.** Town Council approves Amendment #1 to LaBella Task 5 for Administrative Services.

**SECTION TWO.** LaBella Associates and the Town of Lake Lure shall adhere to all guidelines detailed in Task 5 and in Amendment #1 to Task 5.

**READ APPROVED AND ADOPTED** this 8<sup>th</sup> day of August, 2023

**RESOLUTION NO. 23-08-08A**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
SUPPORTING FOOTHILLS REGIONAL RPO PRIORITIZATION 7 SUBMITTALS**

**WHEREAS**, the Town of Lake Lure, the Foothills Rural Planning Organization, and The North Carolina Department of Transportation actively worked to develop comprehensive transportation submittals for Your Government and the Foothills Rural Planning Organization region; and

**WHEREAS**, the Town of Lake Lure, The Foothills Rural Planning Organization, and The North Carolina Department of Transportation are submitting transportation projects in accordance with the North Carolina Strategic Transportation Investments Law; and

**WHEREAS**, the Town of Lake Lure wishes to improve all modes of transportation for the region; and

**WHEREAS**, after full study of the submittals, the Town of Lake Lure wishes to support these submittals to the State Transportation Improvement Program during Prioritization 7.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA:**

**SECTION ONE.** The Town of Lake Lure supports Prioritization 7 submittals to the State Transportation Improvement Program.

**READ APPROVED AND ADOPTED** this 8<sup>th</sup> day of August, 2023.

**IX. UNFINISHED BUSINESS**

There was no unfinished business to discuss.

**X. NEW BUSINESS**

**A. RESOLUTION NO. 23-08-08B APPROVING CHANGE ORDER TO SYNAGRO AGREEMENT FOR LAKE LURE WASTEWATER TREATMENT FACILITY SLUDGE REMOVAL**

Manager Perkins explained the change order to the agreement with Synagro for the wastewater treatment facility sludge removal was discussed at the July work session and welcomed any questions.

Commissioner Proctor made a motion to approve Resolution No. 23-08-08B. Commissioner DiOrio seconded and all voted in favor. Resolution No. 23-08-08B was adopted as follows:

**RESOLUTION NO. 23-08-08B**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
APPROVING CHANGE ORDER TO SYNAGRO AGREEMENT FOR LAKE LURE  
WASTEWATER TREATMENT FACILITY SLUDGE REMOVAL**

**WHEREAS**, the Town of Lake Lure entered into a Materials Management Agreement with Synagro for the Lake Lure Wastewater Treatment Facility sludge removal in 2020; and

**WHEREAS**, Synagro has submitted a proposed change order to the 2020 agreement; and

**WHEREAS**, sludge removal is curcual to the success of operations at the Lake Lure Wastewater Treatment Facility; and

**WHEREAS**, the scope included in the change order is for the removal of sludge, piping, and disposing of material at a local land fill adhering to state and federal regulations; and

**WHEREAS**, the scope also includes supplying uninterrupted access to the project site for the duration of the project during normal working hours, supplying potable water to the project site within 50 ft. at 100 gpm 60psi; and

**WHEREAS**, Pricing includes a one-time \$23,529 fee for mobilization and demobilization, and \$1,360 per dry ton associated with hauling and land application; and

**WHEREAS**, the total price estimate for the completion of the sludge removal is \$100,000.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA:**

**SECTION ONE.** Town Council approves the proposed change order to the Synagro Agreement for Lake Lure Wastewater Treatment Facility Sludge Removal

**READ APPROVED AND ADOPTED** this 8<sup>th</sup> day of August, 2023

**X. NEW BUSINESS**

**B. BUDGET AMENDMENT #354 FOR SYNAGRO AGREEMENT CHANGE ORDER**

Manager Perkins explained that the budget amendment was related to the resolution that was passed under the previous agenda item for the Synagro agreement change order.

Commissioner Bryant asked if fund will be from the Water/Sewer funds and Manager Perkins answered yes.

Commissioner Bryant made a motion to approve Budget Amendment #354 for Synagro Agreement change order. Commissioner DiOrio seconded and all voted in favor.

**X. NEW BUSINESS**

**C. BUDGET AMENDMENT #355 FOR 177 TRYON BAY CIRCLE DEMOLITION**

Manager Perkins explained that there was a bid opening for the demolition at 177 Tryon Bay Circle and DH Griffin was the responsible low bidder. Mr. Perkins noted that the contract does not require Council approval, but a Council approved budget amendment is necessary.

Commissioner Doster made a motion to approve Budget Amendment #355 for 177 Tryon Bay Circle Demolition. Commissioner DiOrio seconded and all voted in favor.

Mr. Garland Pruitt noted that he lives next to the property and everyone in the Tryon Bay Cove has had a huge jump in morale because the demolition is finally taking place. Mr. Pruitt expressed that this Council has made more progress on the demolition than any others in 14 years. Mr. Pruitt also expressed excitement for the completion of the demolition and thanked Council.

Commissioner Doster asked Project Manager Dydula if he has a time frame for completion. Project Manager Dydula stated that the project schedule is three to four weeks and if everything goes well he hopes the demolition to begin on August 14th. Project Manager Dydula added that work will not be done on Fridays in order to avoid traffic. Manager Perkins noted that

Communications Director Laura Krejci will be working to communicate with homeowners in Tryon Bay and will post details on the Town website.

**X. NEW BUSINESS**

**D. RESOLUTION NO. 23-08-08C AMENDING 2023-2024 LAKE DRAWDOWN SCHEDULE**

Project Manager Dydula explained that several months ago he asked Council for a five-month drawdown, but since then the reservoir drain project has been delayed due to materials not being procurable until mid-December. Project Manager Dydula stated that as a result, he is now asking for a drawdown period extending from January 1, 2024 to March 31, 2024. There were no concerns expressed.

Mayor Pritchett noted that Council will only drawdown the lake when necessary and that the Town will maintain communication with the public regarding drawdowns.

Commissioner Bryant made a motion to adopt Resolution No. 23-08-08C Amending 2023-2024 Lake Drawdown Schedule. Commissioner Doster seconded and all voted in favor. Resolution No. 23-08-08C was adopted as follows:

**RESOLUTION NO. 23-08-08C**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
AMENDING THE 2023-2024 LAKE DRAWDOWN SCHEDULE**

**WHEREAS**, the Town Council of the Town of Lake Lure adopted the initial 2023-2024 Lake Drawdown Schedule on June 13, 2023; and

**WHEREAS**, it has been determined that there is a scheduling conflict between the original 2023-2024 lake drawdown schedule and the installation of the Lake Lure Dam reservoir drain valve; and

**WHEREAS**, the installation of the Lake Lure Dam reservoir drain valve is crucial to the future of Lake Lure's infrastructure; and

**WHEREAS**, the Town has coordinated with key players involved in both the installation of the reservoir drain and the sewer replacement project; and

**WHEREAS**, all key players have deemed it appropriate to reduce the span of the originally adopted 2023-2024 Lake Drawdown Schedule in order for all projects to successfully progress.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA:**

**SECTION ONE.** Town Council hereby amends the 2023-2024 Lake Drawdown Schedule beginning with the drawdown of the lake on January 1, 2024 and refill beginning on March 31, 2024.

**READ APPROVED AND ADOPTED** this 8<sup>th</sup> day of August, 2023.

**X. NEW BUSINESS**

**E. AMEND 2023 TOWN COUNCIL MEETING SCHEDULE TO HOLD THE AUGUST WORK SESSION MEETING ON AUGUST 16<sup>TH</sup>**

Manager Perkins noted that the original date was for the August work session meeting was the 23rd, but will now be held on the 16th at 8:30.

Commissioner Proctor made a motion to amend the 2023 Town Council meeting schedule to hold the August work session meeting on August 16th. Commissioner DiOrio seconded and all voted in favor.

**XI. CLOSED SESSION**

Commissioner Doster made a motion to enter into closed session in accordance with G.S. 143-318.11(a) (3) for attorney client privilege and G.S. 143-318.11(a) (5) for the purpose of discussing property acquisition. Commissioner Bryant seconded and all voted in favor.

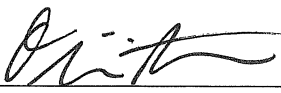
During closed session, Council members discussed possible properties of interest for future infrastructure projects and an encroachment concern.

Commissioner Bryant made a motion to return to open session. Commissioner Doster seconded and all voted in favor.

**XII. ADJOURNMENT**

With no further business, Commissioner Proctor made a motion to adjourn the meeting at 6:35 p.m. Commissioner Bryant seconded and the motion carried 4-0.

ATTEST:

  
Olivia Stewman, Town Clerk

  
Mayor Carol C. Pritchett



# Town of Lake Lure

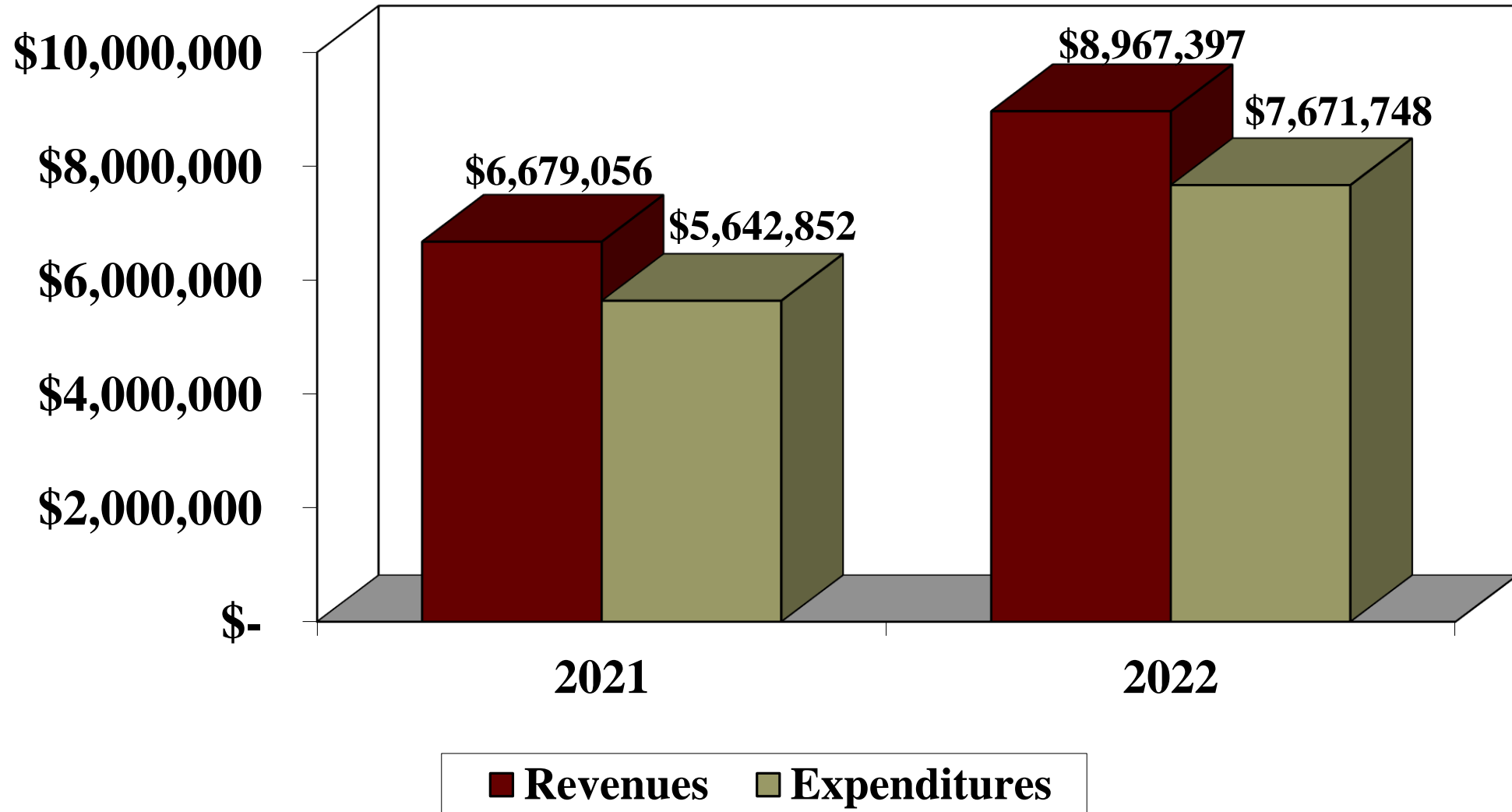
2022 Audit Financial Statements



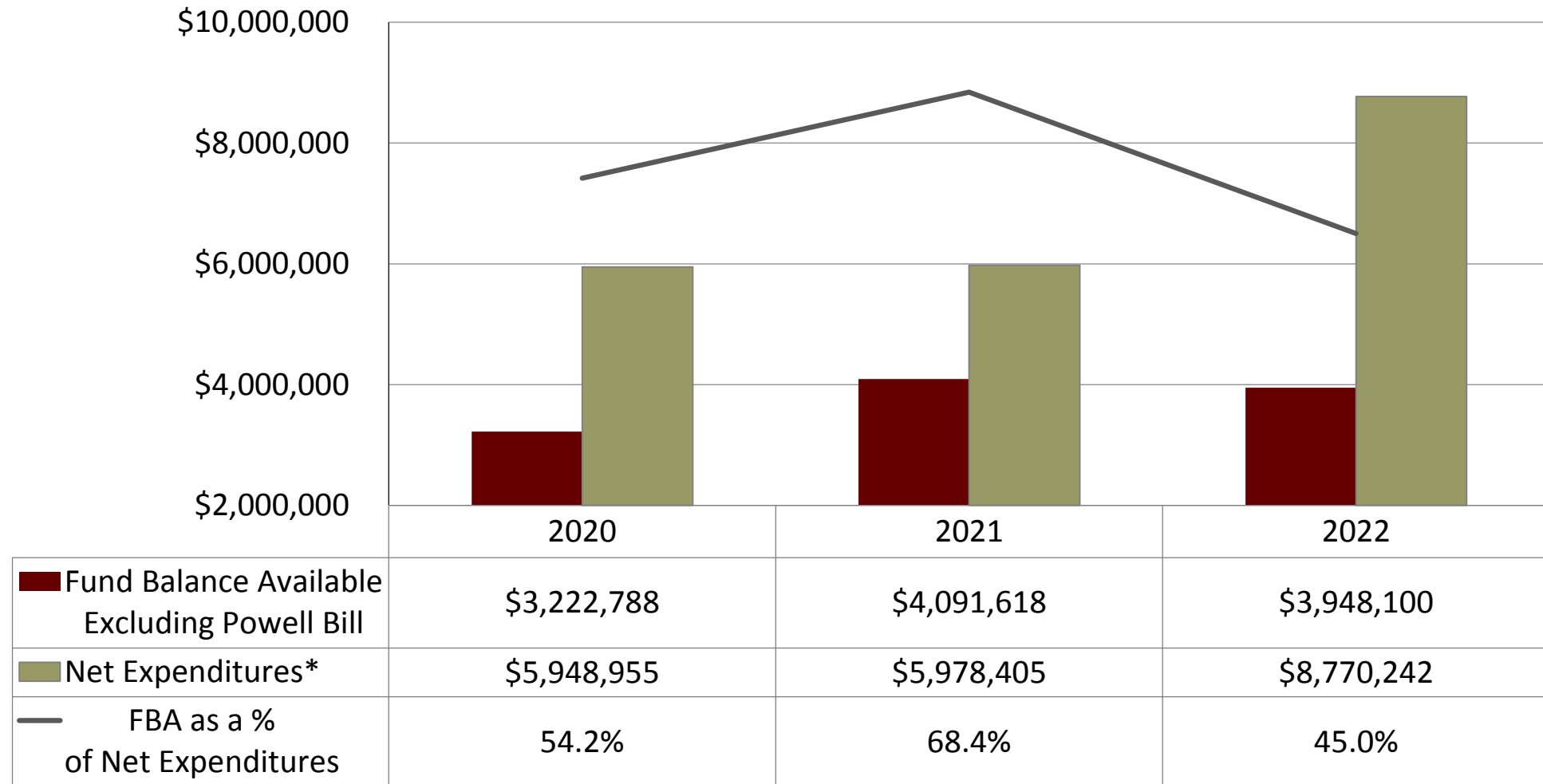
# Audit Highlights

- ❑ **UNMODIFIED OPINION**
- ❑ **SINGLE AUDIT REPORTING**
  - ❑ **2022 TESTED 2 PROGRAMS**
- ❑ **GASB 87 IMPLEMENTED (LEASES)**
- ❑ **PERFORMANCE INDICATORS & FINDINGS**
  - ❑ **SELF REPORTING**

# GENERAL FUND SUMMARY

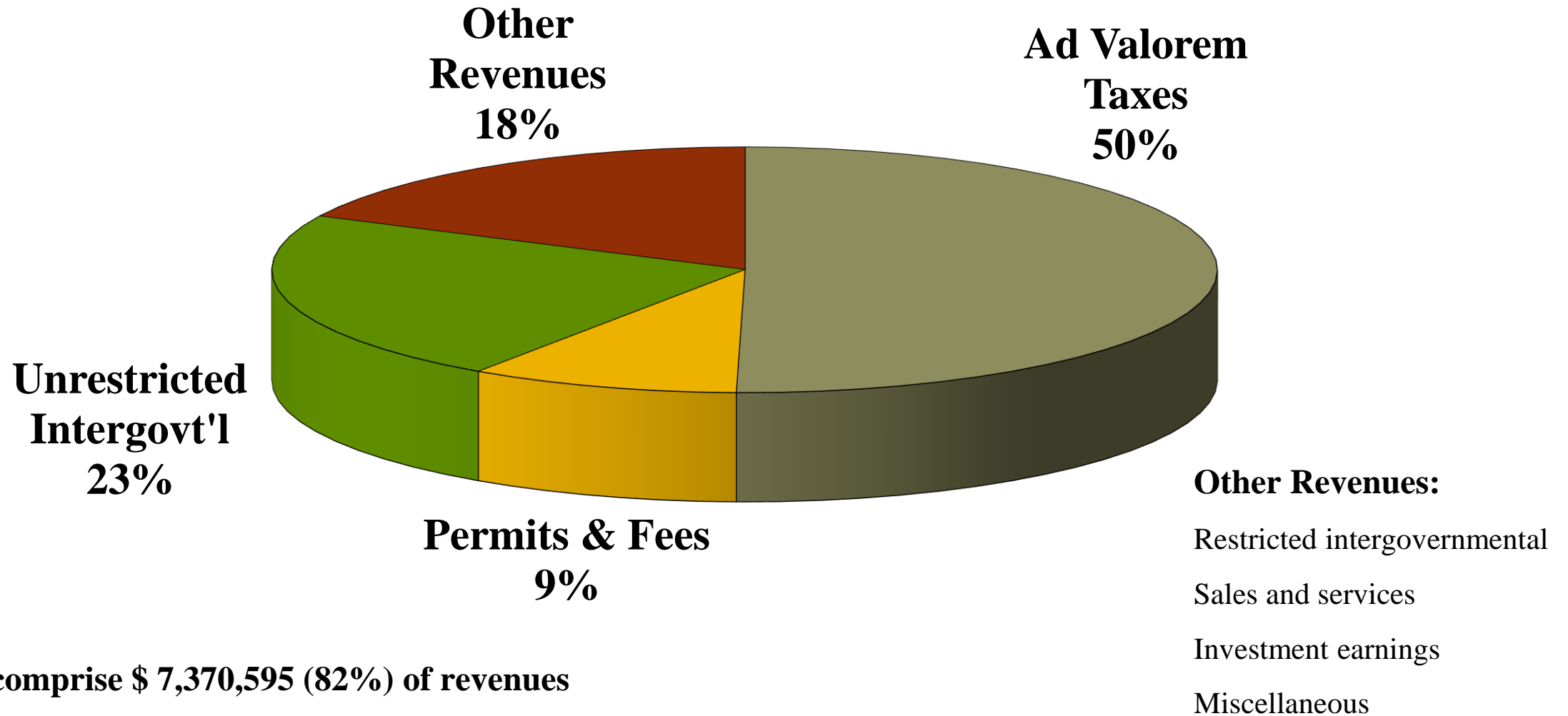


# FUND BALANCE-GENERAL FUND

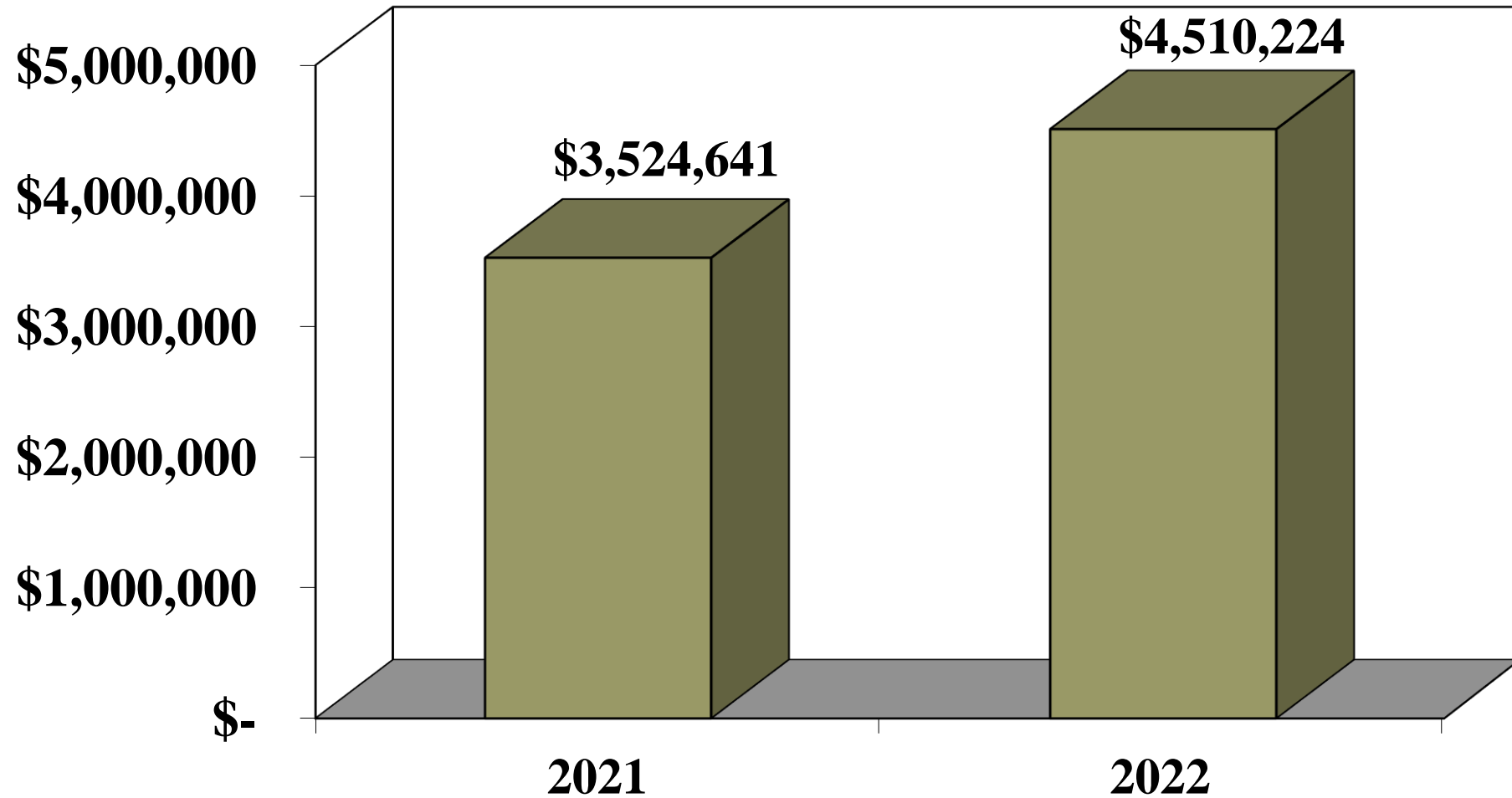


\*Net expenditures = Total expenditures + Transfers out – Debt proceeds – Powell Bill  
Powell Bill funds are excluded from Available Fund Balance in this calculation.

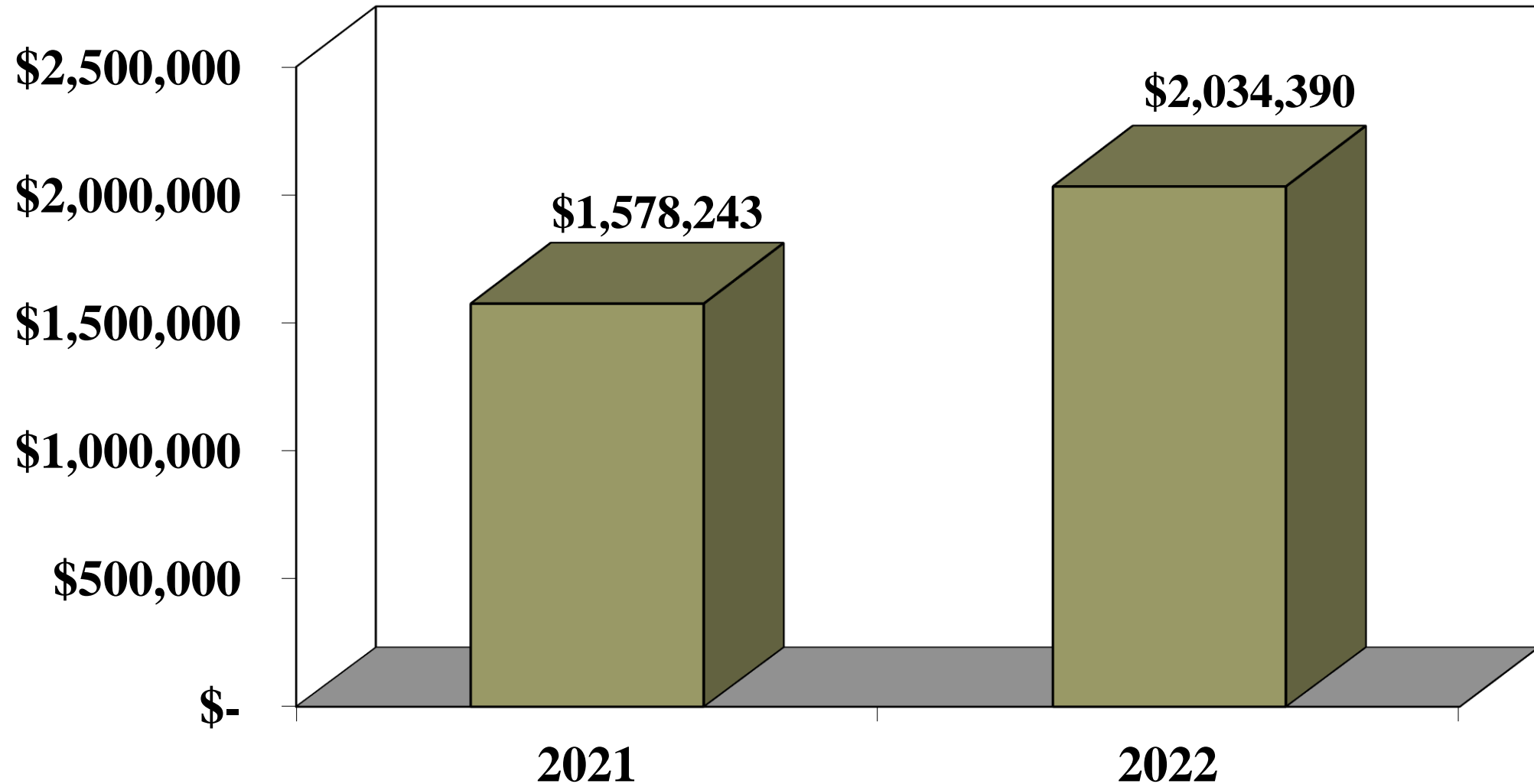
# TOP 3 REVENUES: GENERAL FUND



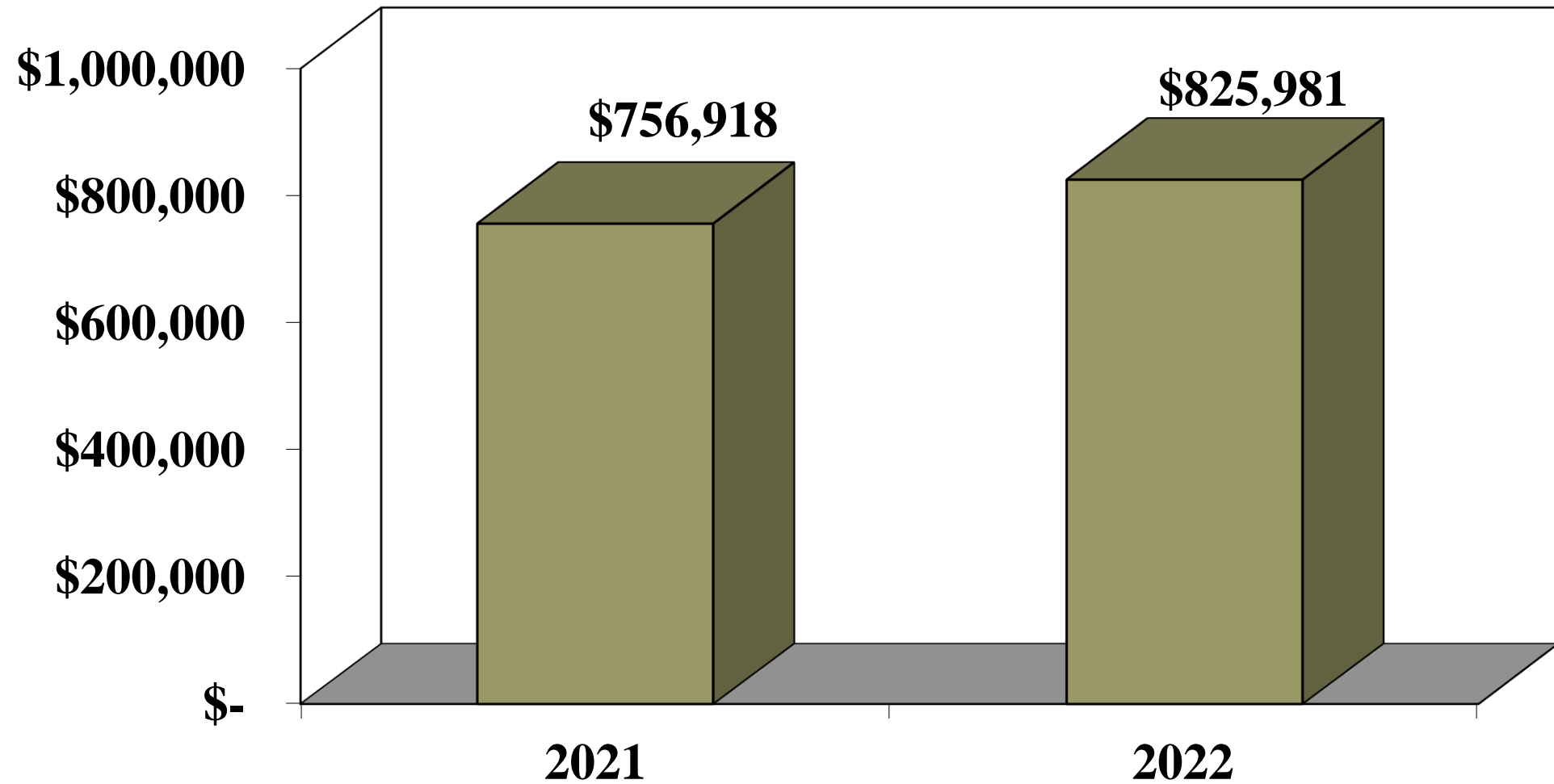
# AD VALOREM TAXES



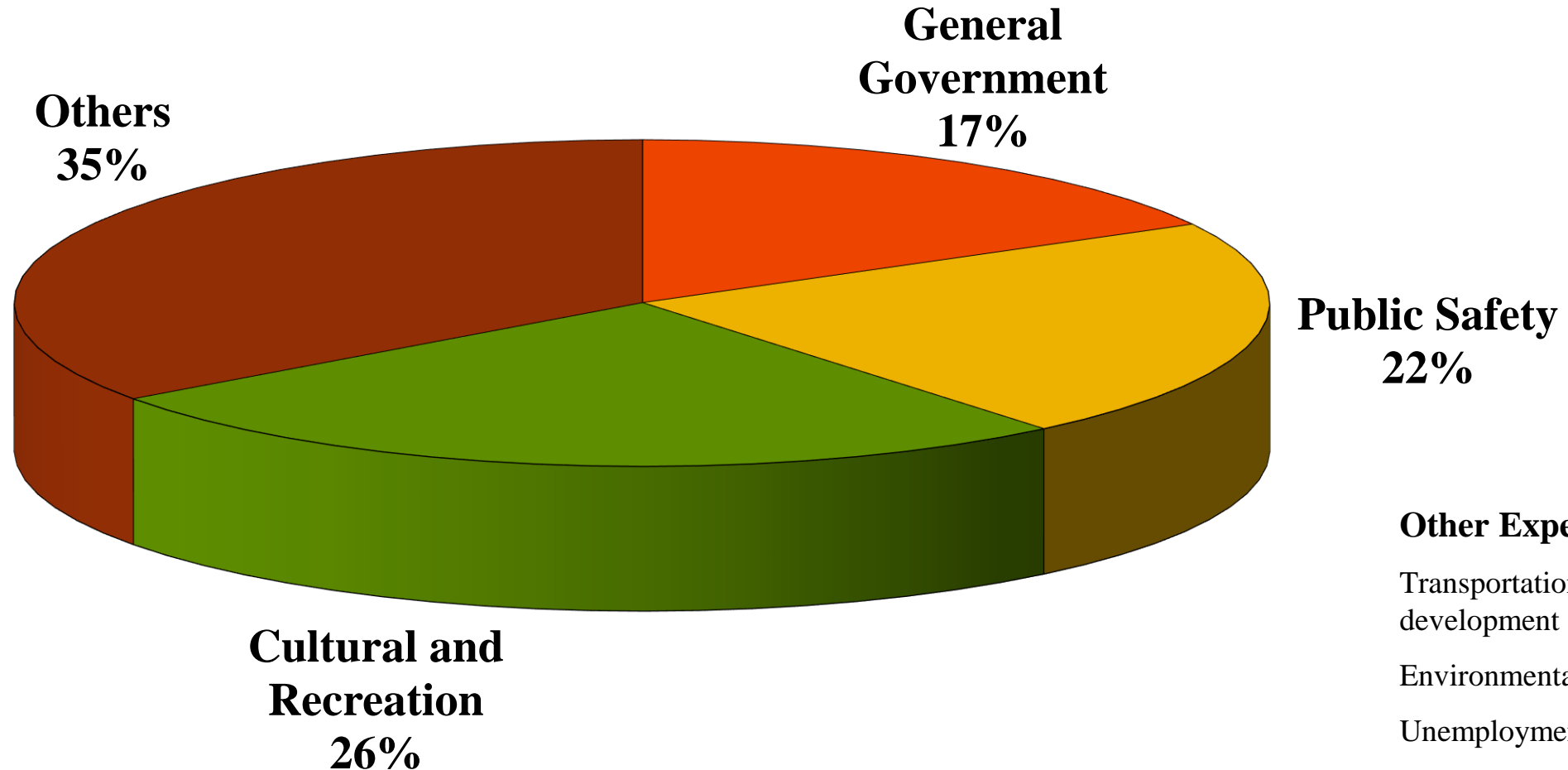
# UNRESTRICTED INTERGOVERNMENTAL REVENUES



# PERMITS & FEES



# TOP 3 EXPENDITURES: GENERAL FUND

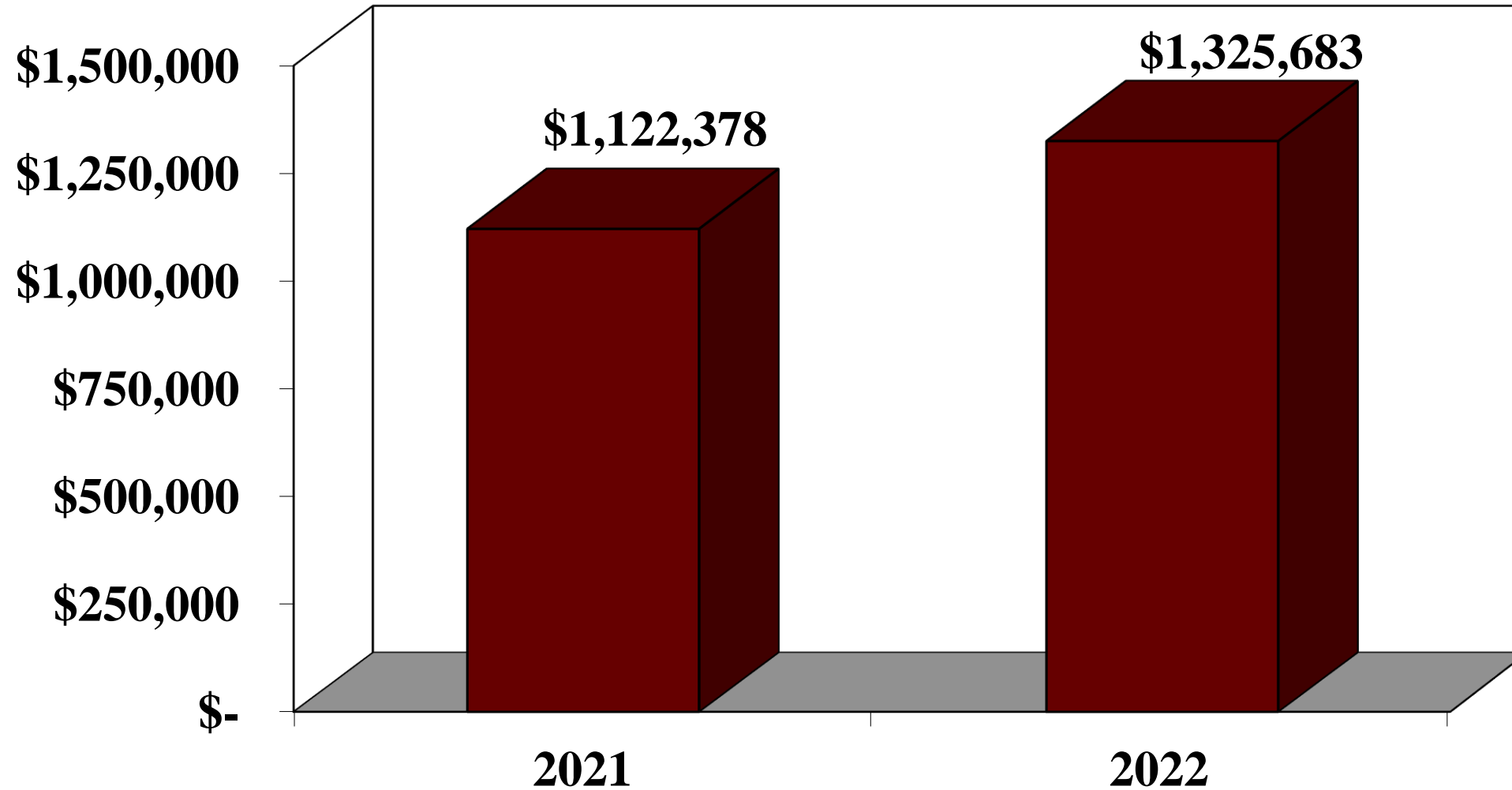


**Top 3 comprise \$ 5,028,247 (65%) of expenditures**

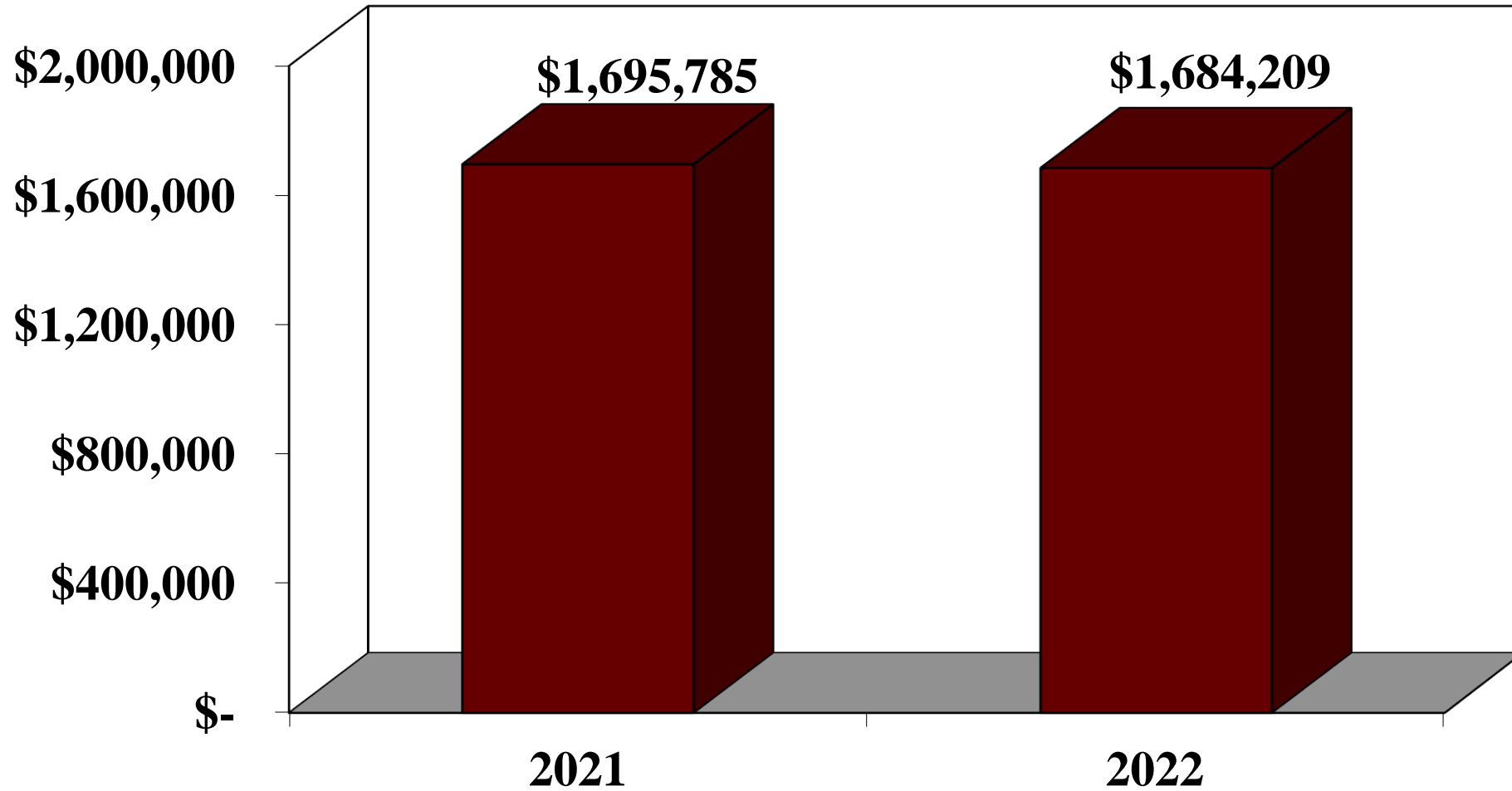
## **Other Expenditures:**

Transportation and Physical development  
Environmental Protection  
Unemployment and insurance  
Special projects  
Debt service

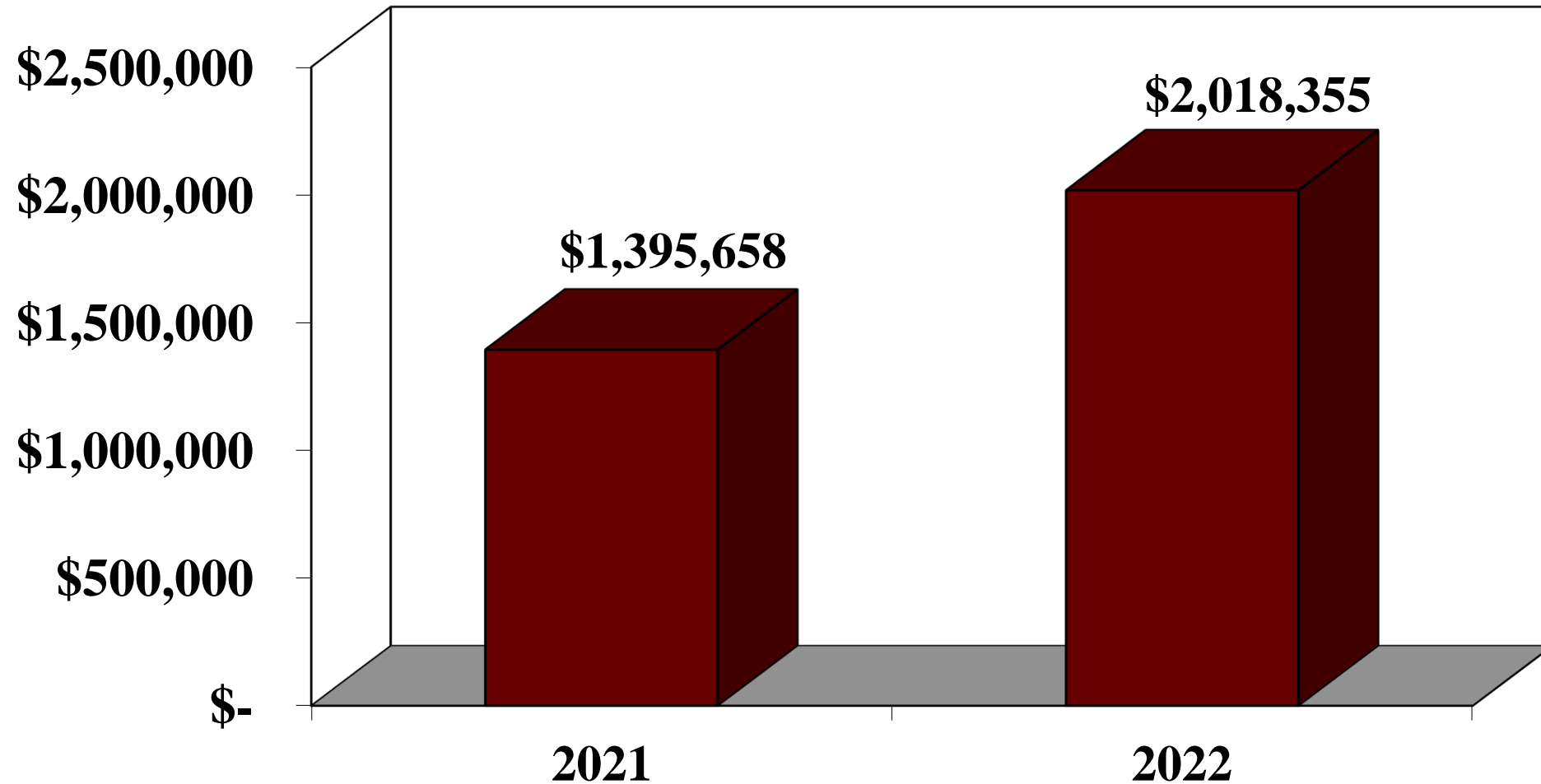
# GENERAL GOVERNMENT EXPENDITURES



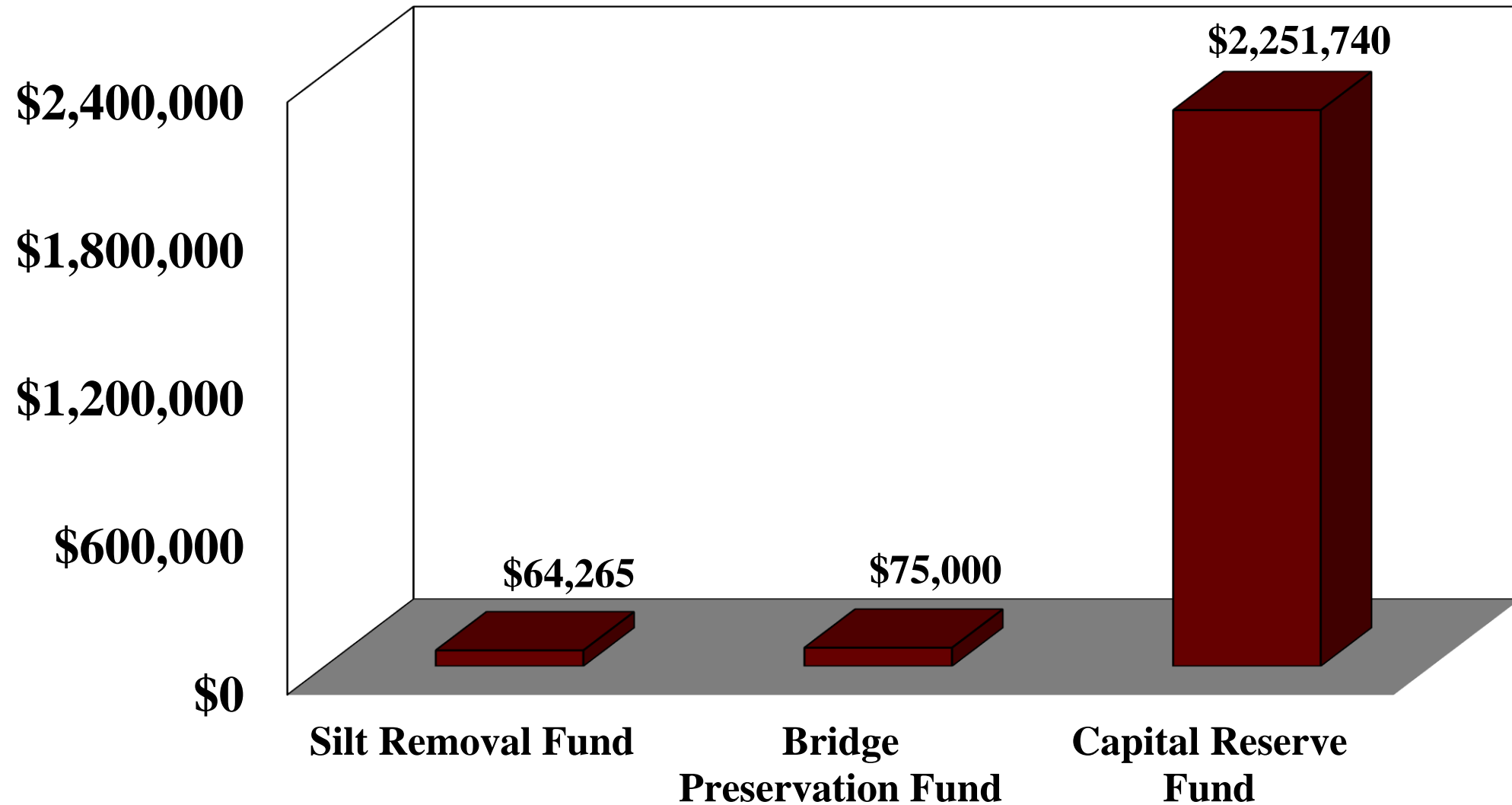
# PUBLIC SAFETY EXPENDITURES



# CULTURAL & RECREATION EXPENDITURES



# RESERVE FUNDS



# ELECTRIC FUND

## June 30, 2022

### Charges For Services

\$ 321,999

### Unrestricted Net Position

\$ (448,740)

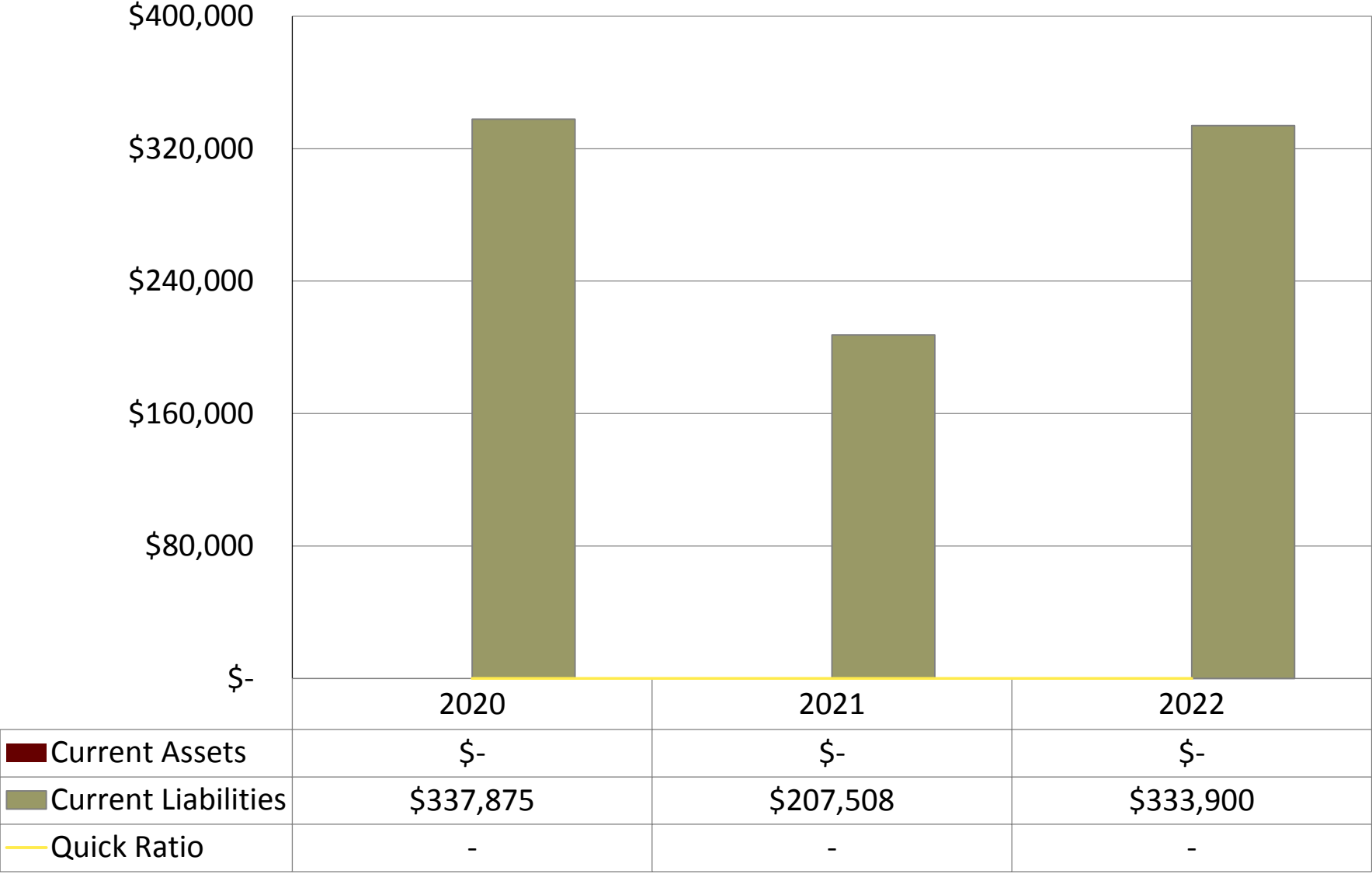
## Comparison to June 30, 2021

\$ 727,802

\$ (342,551)



# QUICK RATIO – ELECTRIC



# WATER & SEWER FUND

June 30, 2022

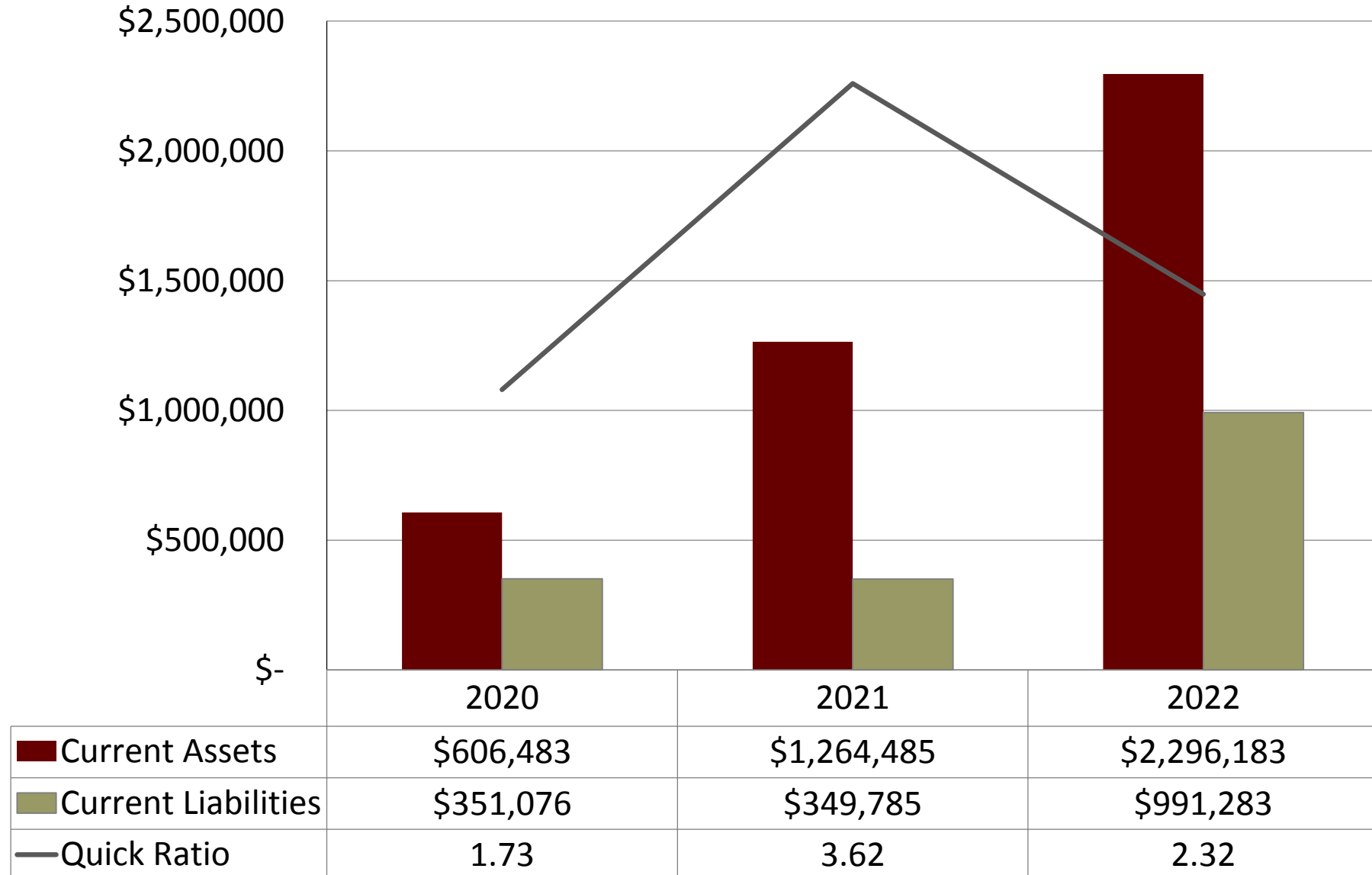
<u>Required Debt Service</u>	<u>Charges For Services</u>	<u>Unrestricted Net Position</u>
\$ 126,393	\$ 1,564,834	\$ 1,267,843

Comparison to June 30, 2021

\$ 127,682	\$ 1,611,096	\$ 883,581
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# QUICK RATIO – WATER & SEWER FUND



# KEY PERFORMANCE INDICATORS

- ❖ Performance Indicators/Findings – Response Required
  - ❖ Audit submitted after LGC deadline
  - ❖ Segregation of Duties
  - ❖ Bank Reconciliation
  - ❖ Significant Audit Adjustments
  - ❖ Compliance Findings
  - ❖ Electric Fund Quick Ratio



# KEY PERFORMANCE INDICATORS

- ❖ Positive performance indicators
  - ❑ GF available fund balance %
  - ❑ W&S fund quick ratio
  - ❑ Stable property tax valuation & collection %
  - ❑ W&S operating net income and cash to expense ratio





# Questions?

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