

**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL
HELD WEDNESDAY, JUNE 28, 2023, 5:00 P.M. AT THE LAKE LURE MUNICIPAL
HALL**

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

William Hank Perkins, Jr., Town Manager
Stephen Ford, Finance Director

ABSENT: Commissioner Jim Proctor
William Morgan, Jr., Town Attorney

I. CALL TO ORDER

Mayor Carol C. Pritchett called the special meeting to order at 5:00 p.m.

II. AGENDA ADOPTION

Commissioner Doster made a motion to adopt the agenda, as presented. Commissioner DiOrio seconded and the motion carried 3-0.

**III. PUBLIC HEARING FOR ORDINANCE NO. 23-06-28 ADOPTING THE FISCAL
YEAR 2023-2024 BUDGET**

i. STAFF REPORT

Town Manager Hank Perkins read the following message:

Honorable Mayor and Town Council and those in attendance,

*This evening, we are having a public hearing on the **Town of Lake Lure Budget for Fiscal Year 2023-2024** commencing July 1st, 2023, and ending June 30th, 2024. This budget is based on careful analysis of departmental operating budgets, Capital requests, and prioritized needs identified by department heads through one-on-one meetings and with consideration of discussions and outcomes that resulted from our Council Planning Meeting on January 11th, 2023 and subsequent budget deliberations held by Council.*

This budget was originally presented at a council meeting on May 17th, 2023. As stated previously stated, the Town Council met to conduct budget reviews and deliberations on three dates in the months of May and June. The budget for consideration during this evening's public hearing, is a result of those meetings with the Council.

The general fund budget is proposed as balanced at \$9,511,465. This includes \$219,014 in appropriated fund balance for non-recurring capital costs and projects first year cost of debt service for a new Fire Truck apparatus.

The County of Rutherford conducted a re-valuation in 2022. As a result of that revaluation, Lake Lure property values are estimated to have increased by 56.3 percent over previous valuations. North Carolina General Statutes require that a "revenue neutral" tax rate be stated as a part of the town's proposed budget message, which was presented on May 17th. The final revenue-neutral rate for the Town of Lake Lure is calculated at \$0.357 per \$100 of property value. The budget as presented for approval is balanced at the final calculated revenue neutral tax rate of \$0.357 per \$100 of property value. Thus, the following tax rate factors are as stands: a 15.7 cent rate for municipal services, 7.3 cent rate for fire protection services and a 12.7 cent rate for dam capital reserve fund. The total net taxable value is \$1,327,199,558. This should generate \$4,666,604 in tax revenue on real, personal, and utility property, assuming the current collection rate by Rutherford County of 98%.

The Water and Sewer Fund is proposed as balanced at \$1,650,360. With no recommended changes for Water/Sewer Rates as compared to Fiscal Year 22-23.

The Town has a Hydro Fund that is balanced at \$300,150 with revenue derived from a power purchase agreement with Duke Energy. The hydropower generation equipment is used as a method to regulate lake levels while generating income through hydropower production.

Provision of Services

The budget anticipates the service levels of Fire, Police, Public Services, Administration, Communications, Community Development, Parks/Recreation & Lake, and Utilities to continue at current service levels.

The budget does provide for new initiatives such as planning the development of a new Fire Department facility, the continued implementation of the Morse Park Master Plan, the planning process for the redevelopment of the park space, and a transportation

initiative that will hopefully lead to establishing crucial pedestrian connectivity with the Chimney Rock Village.

Capital Infrastructure Projects and Lake Dredging

Outside of our regular operations, this budget also provides support to crucial major infrastructure projects such as the Replacement Dam project, the replacement of our subaqueous sewer system, and our wastewater treatment plant. All of which are major multiyear projects.

It is anticipated that the Town will be engaged in a project to install drain valves in our dam to provide the ability to drain the lake if necessary to as low as 20'. The valves themselves were purchased in fiscal year 2022-2023. The cost of the project is expected to be approximately \$8 million and is expected to be completed in the spring of 2024. The cost of this project will come from capital reserves that are dedicated to the replacement of the Dam. The first reserve has a balance of approximately \$3.2 million and is funded by an annual contribution from the general fund of \$1.6 million. The second capital reserve is approximately \$16 million dollars which was established by an appropriation by the North Carolina General Assembly.

Lake Lure's infrastructure projects for the replacement sewer system, as well as the replacement wastewater sewer plant, are both supported by funds from the American Rescue Plan (ARPA) for \$8 million and a State Revolving Loan from the State of North Carolina for \$12.5 million.

The budget provides funds of \$1 million annually for lake dredging activities. We have support from the State of North Carolina for a grant reimbursement of up to \$750,000 in support of these activities.

Personnel

The budget as proposed supports 41 full-time equivalent (FTE) positions. Of these full-time positions, 38 are in the General Fund, 2 full-time positions are in the Utility Fund and 1 full-time position is in the Hydro Fund. This includes one additional position that is recommended for inclusion in the Fire Department starting for Fiscal Year 2023-2024.

The Town provides a full benefits package including medical, dental, vision, retirement, and 401(k) match of up to 5%. In addition, Lake Lure provides a post-retirement benefit to provide health insurance after retirement with at least 5 years of service to the Town of Lake Lure.

We have included a market adjustment of 6.25% to adjust the Town's annual compensation for both existing and new employees. A 10% increase is provided for health insurance with no expected increases for either dental or vision plans.

Conclusion

I wish to recognize the monumental efforts of staff in the formulation of this budget, specifically Mr. Stephen Ford, Finance Director, and our professional department heads and their staff. Without their tireless efforts, it would not have been possible for this budget to be prepared.

Lastly, I wish to acknowledge the support of the Town Council. On behalf of the staff, thank you for the efforts that you put forth every day for the Town of Lake Lure. Your guidance has been essential in our ability to develop and put forth this proposed budget for your consideration.

ii. PUBLIC HEARING

Mayor Pritchett opened the public hearing.

There were no comments.

Commissioner Doster made a motion to close the public hearing. Commissioner Bryant seconded and the motion carried 3-0.

iii. COUNCIL DELIBERATION

There was no Council deliberation.

<p>IV. CONSIDERATION OF ADOPTION OF ORDINANCE NO. 23-06-28 ADOPTING THE FISCAL YEAR 2023-2024 BUDGET</p>

Council members reviewed Ordinance No. 23-06-28 Adopting the Fiscal Year 2023-2024 Budget.

Commissioner Doster made a motion to adopt the Ordinance No. 23-06-28 Adopting the Fiscal Year 2023-2024 Budget. Commissioner Bryant seconded and the motion carried 3-0. Ordinance No. 23-06-28 was adopted as follows:

ORDINANCE NO. 23-06-28

AN ORDINANCE ADOPTING THE FISCAL YEAR 2023-2024 BUDGET FOR THE TOWN OF LAKE LURE, NORTH CAROLINA

SECTION 1. In accordance with G.S. 159-13 (a), the Town Council of the Town of Lake Lure adopts this ordinance entitled Town of Lake Lure 2023-2024 Budget.

SECTION 2. This ordinance includes revenues and expenditures in the General Fund, Water/Sewer Fund and Electric Fund. Revenues and expenditures in those funds are as follows:

REVENUES

I. GENERAL FUND

Ad Valorem and Vehicle Taxes	4,666,604
State Shared Revenues & Grants	2,860,050
Land Use Fees	67,255
Cultural and Recreation	1,252,800
Miscellaneous Revenues	60,742
Transfer from Capital Reserve	219,014
Installment Agreement Proceeds	385,000

TOTAL GENERAL 9,511,465

II. WATER/SEWER FUND

TOTAL WATER/SEWER 1,650,360

III. ELECTRIC FUND

TOTAL ELECTRIC 300,150

GRAND TOTAL - ALL FUNDS 11,461,975

EXPENDITURES

I. GENERAL FUND

Governing Board	43,800
Administration	1,198,000
IT/Telecommunications	118,200
Police	1,040,735
Fire	1,046,405
Sanitation	235,000

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Public Works	697,200
Economic Development	118,800
Community Development	513,300
Parks, Recreation & Lake	721,900
Beach & Marina	17,500
Dam/Watershed Protection	25,000
Non-Governmental	188,000
Capital Outlay & Projects	1,566,000
Debt Service	381,625
Transfer to Dam Capital Reserve Fund	1,600,000
TOTAL GENERAL	9,511,465

II. WATER/SEWER FUND

Water Operations	371,200
Sewer Operations	598,800
Capital Outlay and Bonus	335,000
Debt Service	119,945
Transfer to Fund Balance (Equity)	225,415
TOTAL WATER/SEWER	1,650,360

III. ELECTRIC FUND

Operations	300,150
Capital Outlay	-

TOTAL HYDRO-ELECTRIC FUND	300,150
<u>GRAND TOTAL – ALL FUNDS</u>	11,461,975

SECTION 3. To achieve this budget program, the Town Council of the Town of Lake Lure, in accordance with G.S. 159-13 (c), the tax rate shall be 0.357 per \$100.00 of property valuation (municipal services at 0.157 per \$100.00, Dam capital .127 per \$100.00 and fire district tax at 0.073 per \$100.00 of property valuation).

SECTION 4. Pursuant to the authority set forth in Article 20, Chapter 160A of the North Carolina General Statutes, the Town of Lake Lure and Rutherford County have entered into a contractual agreement to provide for centralized and systemized billing and collection of property taxes in Rutherford County. Under this agreement the County will perform for itself and the Town all of the tax collection functions prescribed in Subchapter 50 of Chapter 105 of the North Carolina General Statutes (often referred to as the Machinery Act). This joint tax collection system shall commence with the tax levy for the fiscal year beginning July 1, 2023. In accordance with section V. of this agreement, the Town of Lake Lure hereby adopts the same tax discount schedule as the County for the Town's tax levy for the fiscal year commencing July 1, 2023.

Adopted the 28th day of June, 2023.

V. CONSIDERATION OF ADOPTION OF FISCAL YEAR 2023-2024 FEE SCHEDULE

Manager Perkins noted that Council was provided with the proposed Fiscal Year 2023-2024 Fee Schedule in the meeting packet, but there was a recommendation to increase the fee for recycling bins from \$18 to \$25 in order to cover the costs of the bins.

Commissioner DiOrio asked if the Lake Use Fee Schedule was not included because it is the responsibility of the Marine Commission and it was explained that the Lake Use Fee Schedule is adopted by the Marine Commission on a calendar-year basis.

Commissioner Bryant made a motion to adopt the Fiscal Year 2023-2024 Fee Schedule. Commissioner DiOrio seconded and all voted in favor. The Fiscal Year 2023-2024 Fee Schedule was adopted as follows:

GENERAL FEES		Effective: FY 2023-2024		
Rental Facilities	Standard Rate	Discounted Rate (for qualifying charitable events /Town Employees	Security Deposit	Trash Disposal Fee
Lake Lure Pavilion (Gazebo) - per event	\$500	\$100	\$250	\$200
Community Hall - Half Day Rental (<4 Hours)	\$100	\$50	\$250	
Community Hall - Full Day Rental (>4 Hours)	\$200	\$50	\$250	
Morse Park Meadows Rental Rates	Standard Rate		Security Deposit	Trash Disposal
Meadows - Full Day Rental	\$250		\$250	\$200
Meadows - Full Day Rental - Qualifying Charitable Event	\$100		\$250	\$200
Electric Hook-up	\$10 per day			
Water Hook-up	\$10 per day			

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Beach Rental Rates	Standard Rate	Organizations qualified with a 501(c)(3) designation		
Beach Rental Rates (outside of the established business hours)	\$50 per hour	\$0		
Vendor Fees for Town Events				
12 x 12 Booth	\$75.00			
Electricity	\$25.00			
Water Hook-up	\$25.00			
Beer & Wine Permits	Beer	Fortified Wine & Unfortified Wine	Unfortified Wine	Fortified Wine
Off Premise (annual)	\$5	\$10	\$10	
On Premise (annual)	\$15	\$15	\$10	\$15
Public Records Research & Reproduction (extensive)				
Labor - Town Manager (hourly rate)	\$65			
Labor - Town Clerk (hourly rate)	\$25			
Paper Copies (Black/White) each	\$0.05			
Paper Copies -Color (each page)	\$0.10			
CD/DVD	\$1.25			
Other Administrative Fees/Rates				
Lake Lure License Plates	\$15			
Lake Front Address Signs	\$15			
County Maps	\$5			
Copies (each 8 1/2" X 11")	\$0.25			
Large Format Copy Black/White 24"	\$3.00			
Large Format Copy Black/White 36"	\$4.00			
Large Format Copy Black/White 42"	\$5.00			
Large Format Copy Color 24"	\$6.00			
Large Format Copy Color 36"	\$8.00			
Large Format Copy Color 42"	\$10.00			
Fax (sending)	\$5, for up to 5 pgs. (\$1/each add. pg.)			
NSF - Return Check Fee	\$25			
Printed Police Report	\$3			
FIRE (these fees do not apply to non-profit and charitable events in Town)				
Fire Inspection	Inspection Fee	Reinspection	2nd Reinspection	
0 - 2,500 Square Feet	\$20.00	No Fee	\$40.00	
2501 - 5,000 Square Feet	\$30.00	No Fee	\$60.00	
5,001 - 10,000 Square Feet	\$50.00	No Fee	\$100.00	
10,001 - 25,000 Square Feet	\$60.00	No Fee	\$120.00	
25,001 - 50,000 Square Feet	\$70.00	No Fee	\$140.00	
50,001 - 100,000 Square Feet	\$80.00	No Fee	\$160.00	
100,001 - 500,000 Square Feet	\$100.00	No Fee	\$200.00	
500,001 - PLUS Square Feet	\$150.00	No Fee	\$300.00	
Fire Protection Ordinance Civil fines				
Class A	\$300.00			
Class B	\$150.00			
Class C	\$75.00			
Class D	\$50.00			
Carnivals and Fairs	\$50 per event			
Covered Mall Buildings	\$500 per year			
Explosives	\$50 for 48 hours			
	\$100 for 30 days			
Use of Outdoor Fireworks (does not include personnel or standby)	\$100 per event (\$500/event after 5th permit issued in fiscal year)			
Flammable Liquids	\$50.00			
Fumigation and thermal insecticidal fogging	\$100.00			
Liquid or gas vehicles or equip. in assembly	\$50.00			
Open burning and open flame use	\$50.00			
Pyrotechnics Special Effects	\$50.00			
Fireworks Tent	\$300 for 30 days			
Assembly Tent	\$50.00			
All other Tents requiring a Permit				
Any other operational permits not listed above required by NC Fire Code	\$50.00			
Dedicated Services of Fire/Rescue Personnel				
Firefighter (hourly rate or portion of any hour, 2-hour min.)	\$30.00			
Fire Inspector/Company Officer (hourly rate or portion of any hour, 2-hour min.)	\$50.00			
Chief Officer (hourly rate or portion of any hour, 2-hour min.)				
Dedicated Standby of Emergency Apparatus				
Support Vehicle Chiefs Vehicle	\$25 per hour			
Light duty/quick response vehicle, boat	\$50 per hour			
Brush Truck	\$75 per hour			
Fireboat	\$100 per hour			
Fire Engine/Tanker	\$150 per hour			

UTILITY BILLING		Effective: FY 2023-2024		
Water & Sewer Connections	Water Inside Rate	Water Outside Rate	Sewer Inside Rate	Sewer Outside Rate
Connection 3/4" or less	\$1,155	\$1,445		
Connection 1"	\$1,735	\$2,080		
Connection 2"	\$2,890	\$3,235		
Connection 3"	\$4,045	\$4,620		
Connection 4"	\$5,780	\$6,355		
Connection 4" or less			\$1,155	\$1,445
Connection 6"			\$1,735	\$2,080
Connections 8"			\$2,890	\$3,235
Discovery of Unapproved Connection:			Double Tap Fee + 2 yrs service back pay	
Monthly Water Rates				
Basic Service Residential	\$35.00	\$70.00		
Basic Service Commercial	\$42.00	\$85.00		
Usage 0-5,000 gals. (per 1,000 gal. rate)	\$5.80	\$11.60		
Usage over 5,000 - 20,000 gals.	\$6.66	\$13.32		
Usage over 20,000 gals.	\$7.44	\$14.88		
Monthly Sewer Rates				
Residential User			\$90.00	\$180
Comm.- Small User			\$103.00	\$206
Comm.-Medium User			\$182.00	\$364
Comm.- Large User			\$286.00	\$572
Comm.- X Large User			\$627.00	\$1,254
Comm.- XX Large User			\$1,254.00	\$2,508
Other Fees				
Late Payment	\$25.00	\$25.00	\$25.00	\$25.00
Water Turn-On Fee (voluntarily turned off)	\$40.00	\$40.00		
Utility deposit for renters	\$200.00	\$200.00	\$200.00	\$200.00
Transfer Fee	\$20.00	\$20.00	\$20.00	\$20.00
Re-connection Fee (non-payment cutoff)	\$200.00	\$200.00	\$200.00	\$200.00
Chimney Rock Water Bimonthly Rates				
Basic Service Residential	\$60.00			
Usage 0-5,000 gals. (per 1,000 gal. rate)	\$2.50			
Usage over 5,000 - 20,000 gals.	\$3.00			
Usage over 20,000 gals.	\$4.00			

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Garbage / Recycling			
Curbside Residential Garbage Collection (weekly)	free	included in taxes	
Curbside Collection of Hard Trash or Lake Debris	free	by appointment	
Curbside Recycling Collections	\$8.50/month		
Recycle Bin & Lid	\$25.00		

LAND USE				Effective: FY 2023-2024
Subdivision Applications				
Master Plan Application	\$330			
Minor - Final Plat	\$250			
Major Preliminary Plat	\$820 + \$50 per lot			
Major Final Plat	\$500			
Plat Review	\$90			
Professional Fees for DRC Reviews	<1 acres of land disturbance	1-5 acres of land disturbance	5 or more acres of land disturbance	
Erosion Control Plan	\$250	\$390	\$550	
Stormwater System	\$250	\$390	\$550	
Water System	\$90	\$330	\$400	
Sewer System	\$90	\$330	\$530	
Road Plan	\$50	\$320	\$430	
Sketch Plan (if requested)	\$370	\$370	\$370	
Each additional acre			\$90	
Zoning Applications				
Certificate of Zoning Compliance	see below			
Class I	\$210			
Class II	\$250			
Class III	\$290			
Class IV	\$330			
Vacation Rental Permit	\$300			
Conditional Use Permit	\$410			
Special Use Permit	\$410			
Conditional District Application	\$1,040			
Community Shopping Center	\$820			
Zoning Variance	\$480			
Zoning Text Amendment	\$510			
Zoning Map Amendment	\$510			
Zoning Appeal	\$300			
Permanent Sign	\$120 + \$1 per sq. ft. over 24			
Temporary Sign	\$120 + \$1 per day (waived for nonprofit comm. events)			
Mobile Food Vendor Permit	\$100			
Civil Penalties for Zoning Violations (For each day the violation is not corrected, the violator will be				
Notice of Violation	\$0			
1st Citation	\$65			
2nd Citation	\$130			
3rd Citation	\$260			
4th Citation	\$510			
Code Enforcement Appeal (Non-Zoning)				
Appeals Other than Zoning	\$80			
GIS Maps (Custom Mapping)				
24"	\$25			
36"	\$30			
42"	\$40			

ENVIRONMENTAL MANAGEMENT			
Land Disturbance Applications	<1 acres of land disturbance	1-4.9 acres of land disturbance	5 or more acres of disturbance
<100 sq. ft.	no permit		
100 sq. ft. - 499 sq. ft.	\$15		
500 sq. ft. - 10,000 sq. ft.	\$160		
> 10,000 sq. ft.	\$160/10,00 sq. ft.		
One Acre (43,560Sq. Ft.)		\$640	
Each 10,000 over 1 acre		\$160	
Five Acres			\$4,000
Each Additional Acre			\$800
Licenses			
Tree Service Provider	\$20.00		
Tree Service Hanbook	\$12.50		

VI. BUDGET AMENDMENT #348 – PRIOR YEAR CAPITAL ROLLOVER FUNDING/EXPENDITURES FOR PUBLIC WORKS VEHICLE (FY 22-23)

It was noted that Budget Amendment #348 was discussed during the June 28th work session meeting.

Commissioner DiOrio made a motion to approve Budget Amendment #348 for prior year capital rollover funding/expenditures for public works vehicle (FY 22-23). Commissioner Bryant seconded and all voted in favor.

VII. BUDGET AMENDMENT #349 – INSURANCE PROCEEDS RECOGNITION (FY 22-23)

It was noted that Budget Amendment #349 was discussed during the June 28th work session meeting.

Commissioner DiOrio made a motion to approve Budget Amendment #349 for insurance proceeds recognition (FY 22-23). Commissioner Doster seconded and all voted in favor.

VIII. BUDGET AMENDMENT #350 – PRIOR YEAR CAPITAL EXPENDITURES ROLLOVER FUNDING FOR GENERAL (FY 22-23)

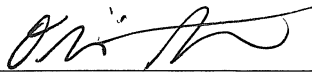
It was noted that Budget Amendment #350 was discussed during the June 28th work session meeting.

Commissioner DiOrio made a motion to approve Budget Amendment #350 for prior year capital expenditures rollover funding for general (FY 22-23). Commissioner Bryant seconded and all voted in favor.

IX. ADJOURNMENT

Commissioner Bryant made a motion to adjourn. Commissioner Doster seconded and all voted in favor. The meeting was adjourned at 5:16 p.m.

ATTEST:



Olivia Stewman, Town Clerk



Mayor Carol C. Pritchett

