

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Special Meeting May 19, 2009

I. CALL TO ORDER

Mayor Rick Owen called the Budget Workshop for the Beech Mountain Town Council to order at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Pete Chamberlin and Randy Corn. Town Manager Randy Feierabend was also present.

II. Adoption of Agenda – The Agenda was adopted as presented.

III. Budget Discussion 2009-2010 – Mayor Owen indicated that the proposed Water & Sewer Budget was not included in the budget packet and would be available at the next meeting. Councilman Corn requested work sheets for the Council have the totals highlighted.

IV. Closed Session – Councilman Chamberlin moved to go into Closed Session at 6:05 p.m. under G.S. 143-318.11(a) (6) to discuss personnel matters. Councilman Corn seconded the motion and it passed unanimously. Councilman Chamberlin moved to come out of closed session at 6:50 p.m. Councilman Corn seconded the motion and it passed unanimously. No action was taken.

V. Other Business – There was no other business to come before the Council.

VI. Recessed – Councilman Corn moved to recess the Budget Workshop at 6:51 p.m. to be reconvened on Thursday, May 21, 2009 at 2:00 p.m. in the Town Hall Council Chambers. Councilman Chamberlin seconded the motion and it passed unanimously.

VII. Reconvened – Mayor Rick Owen reconvened the Budget Workshop meeting of the Beech Mountain Town Council at 2:00 p.m. on May 21, 2009 in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Finance Officer Tabitha Estep and Recreation Director Eric Jelinski. There were a number of interested parties in the audience.

VIII. Budget Discussion 2009-2010 – Mayor Owen asked for an overview of the Budget for 2009-2010. Mrs. Estep gave the overview starting with Administration, noting that the tax collection rate was currently at 91% and the projected collection rate for the end of the 2008-2009 fiscal year was 96%. The interest on investments is estimated to be down approximately 50%. Councilman Corn recommended that the funds be placed in CD's to receive a better rate. Checking with the individual banks was noted to be the best way to find a good return on investments. Mayor Owen stressed his concern that the funds be properly insured. There were questions regarding numerous line items; line 16 to which Mr. Jelinski noted that the Town did not qualify for the Wellness Grant; line 19 included a fine for a modular home delivery; line item 22 was associated with Charter Cable operating in the Town; item 23, beer and wine tax, was revenue received from the Town's portion of taxes from sales at the Tynecastle ABC store; line 31, Building Inspection fees, had a decrease in new homes being built. Councilman Corn noted that he was not inclined to approve the requested from the TDA to forgo the scheduled contribution to the town. Dale Waterhouse, 131 Raven Road, reiterated that 1/3 of the income received by the TDA was given to the Recreation Center. Mayor Owen noted that the state mandated that 1/3 go to recreation. Mr. Waterhouse questioned the salary figures, indicating that the proposed budget and the budget letter did not match up. Mayor Owen asked that Mrs. Estep look over

the figures. Councilman Corn asked for clarification in the various payroll departments. Councilman Chamberlin asked about the salary line item for maintenance, noting that the employee had a substantial allowance for supplies when he was hired. Mr. Feierabend indicated that Ricky Hodges would be moving into the Lake Coffey water treatment plant, the area is large enough for a workshop. The funds were to purchase items such as a table saws, etc. Councilman Corn noted that in line item 98, contract services, list a water cooler. Mr. Jelinski indicated that two of the coolers were at the Recreation Center, in the exercise areas. Councilman Corn indicated that the Town Hall cooler was an unnecessary expenditure. Line item 149, travel and training, Mr. Feierabend noted, would not include overnight trips for training. Councilman Chamberlin stated that the Town needed to improving communications with its citizens and asked that the Beech Mountain Ear be published. The Council asked that Mr. Feierabend look into quotes for printing as well as other cost related to mailing out a newsletter.

Mr. Feierabend reported that the staff had looked into the remote deposit options available for the utility and tax payments. A report will be forth coming. Councilman Corn indicated that the process could possible result in one less employee to do the work once the deposit system was in place. The Council moved on to the Recreation Center with Mr. Jelinski giving a brief rundown on the part time salaries. The utilities line item prompted a discussion on the outside maintenance. Councilman Corn and Mr. Jelinski felt that the outdoor recreation employees could take care of the weed eating and mowing if they had the equipment, eliminating the lawn maintenance contract. Councilman Adams excused himself from the meeting at 4:55 p.m. The Council felt that this would save money after the initial start up cost of purchasing the necessary equipment. Mr. Feierabend indicated that the TDA had asked for a contribution toward the July 4th fireworks. After a brief discussion, the Council indicated that further consideration will be given to the request.

IX. Recessed – Councilman Holcombe moved to recess the meeting at 5:10 p.m. to be reconvened on May 26, 2009 at 6:00 p.m. Councilman Corn seconded the motion and it passed unanimously.

X. Reconvened – Mayor Rick Owen reconvened the Budget Workshop meeting of the Beech Mountain Town Council on May 26, 2009 at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Police Chief Jay Hefner, Systems Administrator Dave Davis, Recreation Director Eric Jelinski and Special Projects Manager Joe Perry. There were a number of interested parties in the audience.

XI. Adoption of Agenda – Mayor Owen indicated that the Agenda would consist of a Public Hearing on the Budget as well as a Budget discussion.

XII. Public Hearing – Mayor Owen opened the Public Hearing on the Fiscal Budget 2009-2010 at 6:00 p.m. Mr. Urs Gsteiger, 115 W. Shamrock, addressed the Council with a number of Budget questions. Mr. Gsteiger asked why the budget was not on the web site who which Mayor Owen indicated that the proposed budget was a work in progress and the final budget would be on the site, and a copy is available for review at Town hall. Among the budget items that were questioned were Contract Services. Mayor Owen indicated that this line item included the services of the Town attorney, computer maintenance and other part time individuals working on an ‘as needed’ basis. Councilman Holcombe asked how the employee growth and the Town growth compared. Mr. Perry responded that it had basically remained the same, the Police Department has increased the force by one ½ time position since 1990 and the Public works has had an increase of 2 since before the Town was incorporated, in addition to the Recreation Center staff and the maintenance employee. Health Insurance for employees and children it is 100% and 70% for spouse. There is a co-pay and deductible. Mr. Gsteiger asked about the drug task force, Chief Heffner indicated that the program was a joint effort with 4 surrounding towns to deal with drug issue. The Banner Elk Police Department provides working space for the

officer. A grant from the Governors Crime Commission in Raleigh pays for the program. The salaries line items for the Fire Department would be used for the full time employee working in conjunction with the volunteer fire department. Councilman Corn indicated that line item #22, Special Events Income, 'Fundraising Expenses', in the Recreation Department was a misleading term and should read 'Special Events Expenses' to fund such events as the 'Cool 5". Mr. Paul Piquet, 121 Hollow Tree Road, stated that the Town could not accomplish its goals without a work force and was disappointed that the employees were not receiving a merit raise or cost of living raise and asked the Council to reconsider their decision. Councilman Corn indicated that the cost of living had gone down 7/10% to which Mr. Piquet stated that they were staying flat and it was wrong. Councilman Holcombe moved to close the Public Hearing at 6:20 p.m. Councilman Corn seconded the motion and it passed unanimously.

XIII. Budget – Mayor Owen indicated the Council would continue the review of the proposed Fiscal Year 2009-2010 Budget. Councilman Adams asked that the Council reconsider the decision that the Outdoor Recreation employees take over the lawn maintenance for Town Hall, Recreation Center area and the ball field. Councilman Adams felt the two employees had a sufficient amount of work and setting a schedule could be interrupted by weather conditions. Councilman Corn indicated that he felt they did have extra time. Councilman Chamberlin noted that in previous years the water plant employees had cut the grass at the ball field. Mr. Hatch stated that they did not have time to take care of the maintenance because they were reading meters without the assistance of the other public works employees. Councilman Holcombe asked how often the grass was scheduled to be cut to which Mr. Feierabend indicated that the proposed contract was once a week for a total of 31 weeks. The Council was agreed to leave the lawn maintenance to the recreation employees and have \$2,500 in the line item for beautification. Councilman Adams noted that the line item for Landscaping still indicated \$1,400 to which Mr. Feierabend indicated it still contained the mowing contract, which would be adjusted. The Public Safety department was discussed with Councilman Corn suggestion that the Police Dispatch be taken over by the county, noting that the Town spent too much on the Police Department. Chief Heffner indicated that a lot of the dispatch work was service to the community, not all just emergency calls and the County would not make that available. Councilman Adams indicated that the Town was a resort community and the service was valuable and he would not support doing away with dispatch. Councilman Corn indicated with the addition of a paid fire department employee, they would be able to assist the public safety. Councilman Chamberlin agreed with Councilman Adams. Councilman Chamberlin indicated that the officers had been stopping too many people, noting that it was in bad taste. Mayor Owen reported that Councilman Holcombe had send out a survey to a number of property owners; the police department had received positive feedback. Mr. Miller and Mr. Piquet both indicated that they felt the police department should remain as it is. The Council discussed the possibility of combining the duties of the EMT's and the police department. Councilman Corn proposed that the police not hire when a position comes available, rather hire another employee for the fire department. Councilman Holcombe asked about the police vehicle. Chief Hefner indicated the cars were rotated with the older one being used as a spare. After a lengthy discussion, there was no consensus to remove the vehicle from the budget. The paid fire department position had been advertised. A meeting to review resumes would be held at 4:00, May 28th in the Town Hall Council Chambers. Councilman Corn noted that the Planning Department had just hired a Planner. After a brief discussion, Councilman Corn indicated that he felt the Planner had hired at a low rate and recommended that 10% be included in the budget for a raise. Councilman Corn asked how much of the vehicle maintenance was done in house. Mr. Hatch indicated that most all the work was taken care of, however heavy equipment required contract labor. Councilman Chamberlin asked about road maintenance, inquiring as to how much the Town was paying for gravel. Mr. Hatch indicated that he had taken bids and found a place in Marion that was 75¢ less expensive per ton than last year. Councilman Corn indicated that the line item should be increased. Councilman

Chamberlin asked how many roads were taken care of per year, current and past. Mr. Hatch was asked to provide the Council with a map indicating the roads that the Town had put gravel on this year as well as last year. Mayor Owen also asked the cost to resurface a mile of road, noting that the Town had not kept up with the resurfacing of 2 miles of road per year. Councilman Corn inquired on the capital outlay #265, truck replacement. Mr. Hatch indicated that the Town was using a 1979 Reo Tandem dump truck; replacement parts are no longer made. The proposal was for the new truck to be fitted with a swap loader for the trash bins costing approximately \$50,000. GDS charges the Town \$200 per round trip. Councilman Corn stated that the Town should let GDS haul the recycling, and not fit the special equipment on the dump truck. Councilman Corn also asked that Mr. Hatch look into finding a used truck. The gain on sale, 63, was the sale of the track hoe. Mayor Owen reported that the Tourism Development Authority had tentatively set their budget for \$189,000. The Authority is currently holding budget workshops. The Council continued the budget discussion, moving onto the Water and Sewer Fund. It was noted that the availability fees, 49, and tap fees, 50, were down. Mr. Feierabend had requested \$1,608,558 for the fiscal budget. \$252,758 would be required to balance the fund. Councilman Chamberlin noted that utility rates would have to be increased if the proposed Senate Bill passed. The Water Resource Policy Act of 2009, Senate Bill #907, would require that Towns set the utility bills at a rate that would fully cover the cost. Councilman Corn indicated that Mr. Feierabend was considering the options for a comprehensive plan of all the engineering projects related to the water and sewer system upgrades. The Council agreed to further review the Water and Sewer Fund. Mayor Owen indicated that the capital outlay was for meter replacement. Councilman Chamberlin asked for an updated report on the I n I situation. Councilman Corn asked that the Council be provided with figures showing a balanced budget.

XIV. Closed Session – Councilman Chamberlin moved to go into Closed Session at 9:10 p.m. under G.S. 143-318.11(a) (6) to discuss personnel matters. Councilman Corn seconded the motion and it passed unanimously. Councilman Chamberlin moved to come out of closed session at 9:30 p.m. Councilman Corn seconded the motion and it passed unanimously. No action was taken.

XV. Adjourned – Councilman Corn moved to adjourn the meeting at 9:30 p.m. Councilman Chamberlin seconded the motion and it passed unanimously. Mayor Owen reminded the Council of the Budget Workshop scheduled for Tuesday, June 2, 2009 at 6:00 p.m. in the Town Hall Council Chambers.

Minutes approved by Town Council on July 14, 2009.

Mayor

ATTEST:

Town Clerk

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Special Meeting May 26, 2009

I. CALL TO ORDER

Mayor Rick Owen called the special budget workshop meeting of the Beech Mountain Town Council to order at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Police Chief Jay Hefner, Recreation Director Eric Jelinski and Special Projects Manager Joe Perry. There were a number of interested parties in the audience.

II. Adoption of Agenda – Mayor Owen indicated that the Agenda would consist of a Public Hearing on the Budget as well as a Budget discussion.

III. Public Hearing – Mayor Owen opened the Public Hearing on the Fiscal Budget 2009-2010 at 6:00 p.m. Mr. Urs Gsteiger, 115 W. Shamrock, addressed the Council asking that the budget be posted as soon as it was available. Councilman Holcombe moved to close the Public Hearing at 6:05 p.m. Councilman Corn seconded the motion and it passed unanimously.

IV. Budget – Mayor Owen indicated the Council would continue the review of the proposed Fiscal Year 2009-2010 Budget. Councilman Adams asked that the Council reconsider the decision that the Outdoor Recreation employees take over the lawn maintenance. Councilman Chamberlin asked that the utility rates be set to have a fair billing for all customers and not base the amount on the meter size. Staff was asked to provide the Council with a revised utility rate proposal with the ¾", 2", 4" and 8" water lines indicated. The Town currently had a deficit in the water and sewer budget and there were accounts with outstanding amounts. Mayor Owen recommended that further discussion on the budget be continued on June 2, 2009.

V. Adjourned – Councilman Corn moved to adjourn the meeting at 6:25 p.m. Councilman Chamberlin seconded the motion and it passed unanimously.

Minutes approved by Town Council on August 11, 2009.

Mayor

ATTEST:

Town Clerk

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Special Budget Meeting June 2, 2009

I. CALL TO ORDER

Mayor Rick Owen called the Special Meeting of the Beech Mountain Town Council to order at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Police Chief Jay Hefner, Systems Administrator Dave Davis, Finance Officer Tabitha Estep, and Special Projects Manager Joe Perry. There were a number of interested parties in the audience.

II. Adoption of Agenda – The Agenda was adopted as presented.

III. Budget Discussion – Fiscal Year 2009 - 2010 – Mayor Owen indicated that the Council was working with a revised budget, changes from the budget workshops were indicated with a blue highlight. Contract services, item 106, and landscaping, item 96, had been cut. The planning department, item 211, had a 10% increase to allow for a pay increase for the new planner. Capital outlay, item 265, indicated an \$80,000 decrease due to the decision to purchase a used tandem dump truck and not have the swap loader, necessary to empty dumpsters. Mr. Hatch noted that he had made some calls and felt \$80,000 would cover the cost of a used truck. Mayor Owen felt the funds should be transferred to road maintenance. Professional services in the water and sewer department were to cover the cost of an engineer to review the plans presented by other engineering firms, in an effort to decide what the priority should be. Councilman Corn noted that line item #408 in the taps and system maintenance should have been placed in the meter replacement, #411, showing the line item to be \$57,000. Mayor Owen noted the water and sewer shortfall. Mrs. Estep had presented a water rate proposal that would balance the budget. The utilities would have to be increased 35%. Last fiscal year, 2008-2009, the rates had been raised 21% for residential and 5% on the commercial accounts. A lengthy discussion followed, Mayor Owen asked the staff to prepare a list of condominiums with the number of units in each, size of the meter that services the units and their past water usage. Councilman Corn presented the Council and audience with a chart breaking down the percent of funds the Town spends on each department. Councilman Corn indicated that the Town would have to cut spending; in his opinion the Police Budget would be the place to start. Mayor Owen indicated that the Fund Balance was set aside of years such as the one we are experiencing and pointed out that the budget was \$450,000 less than last fiscal year. Councilman Holcombe indicated that the Town had worked hard to get to its current position and asked what the Council members what they felt was essential on the chart presented by Councilman Corn. It was understood that everyone had an item that they felt was more important or less important and it would be difficult to reach a consensus. Councilman Corn felt the water and sewer increases should be set up in a way that was fair to all its customers. Councilman Chamberlin indicated that the Town had no choice but to continue with the infrastructure. Councilman Adams pointed out that the Council paid the town manager to make budget decisions. Mr. Feierabend indicated that the administrative department was balanced, cuts had been made. The water and sewer fund operated on a deficit. Mrs. Estep indicated that the fire department showed the largest increase in spending. Mayor Owen reported that the next 30 days were critical with regards to the

Town's budget, based on the tax rate collection. After much discussion, the Council agreed to include the budget discussion regarding water and sewer rates on the agenda for the regular meeting, Tuesday, June 9, 2009.

IV. Closed Session – Mayor Owen noted there were no items to be discussed in a closed session.

V. Other Business – There was no other business to come before the Council.

VI. Adjourned – Councilman Holcombe moved to adjourn the meeting at 7:25 p.m. Councilman Adams seconded the motion and it passed unanimously.

Minutes approved by Town Council on July 14, 2009.

Mayor

ATTEST:

Town Clerk

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Special Budget Meeting June 16, 2009

I. CALL TO ORDER

Mayor Rick Owen called the Special Meeting of the Beech Mountain Town Council to order at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Police Chief Jay Hefner, Finance Officer Tabitha Estep, and Special Projects Manager Joe Perry. There were a number of interested parties in the audience.

II. Adoption of Agenda – The Agenda was adopted as presented.

III. Public Comment – Mr. Urs Gsteiger, 115 W. Shamrock, addressed the Council with comments on the budget; a water rate proposal of a cross the board increase, a cut in employee benefits and a review of personnel cost. Mr. Gsteiger also suggested a citizen's review committee for staffing and salaries. Councilman Corn noted that the state required the Town to make contributions to the 401K for the police department. Mayor Owen indicated that a few years ago the Town had set up a 401K for non police employees using monies that had been earmarked for their raises. Councilman Corn noted that the Council had asked for a compensations study for the Town employees and perhaps a citizen's review board should be considered.

IV. Budget Discussion – Fiscal Year 2009 - 2010 – Mayor Owen indicated that the Council was working with a revised budget with updates from the previous meeting. Mrs. Estep provided the Council with proposed water rate increases for Town water customers. Mrs. Estep also noted that the projected deficit for the water and sewer budget was \$277,000. The Council reviewed the proposed rates from the NC Rural Water Association showing a flat fee of \$36.36 plus \$48.44 per 1000 gallon of usage with commercial and residential paying the same. The NCRWA had used the figures in order to balance the water and sewer budget. Mr. Feierabend indicated that the Senate Bill 907, which would require a self sustaining system, was not expected to pass this session. The Council next considered the tabulations Mrs. Estep had prepared with Councilman Corn. The proposal would balance the water and sewer budget in 3 years. The Council reviewed the breakdown of the 4 sizes of water lines, ¾", 2", 4" and 8". The collection rate for utilities is currently 85%; Mayor Owen felt a large increase, in conjunction with the economy, would have customers paying their utilities last. The Council indicated that the largest increase would be in the Pinnacle Inn's billing. After much discussion, the Council asked that the staff recalculated the increases at 9%. Councilman Chamberlin noted that the 9% rate would bring the system's billing to the states requirement, should the proposed bill pass. Councilman Holcombe felt the Town should adopt a rate that would cover the proposed state requirements. Councilman Adams the Town should subsidize the utility budget with the money in reserves to lessen the impact on the homeowner. Mayor Owen asked if the Council had other budget items to review to which the Councilmen indicated that they did not.

V. Recessed – Upon a motion by Councilman Holcombe, seconded by Councilman Chamberlin, the Council recessed the Special Budget Meeting at 7:30 p.m. to resume at 6:00 p.m. on June 23, 2009 in the Town Hall Council Chambers.

VI. Reconvened – Mayor Owen reconvened the Special Budget Meeting of June 16, 2009 on June 23, 2009 at 6:00 p.m. in the Town Hall Council Chambers.

VII. Called to Order – Mayor Rick Owen reconvened the Special Meeting of June 16, 2009 on June 23, 2009 at 6:00 p.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, Police Sergeant Jerry Turbyfill, Finance Officer Tabitha Estep, and Special Projects Manager Joe Perry. There were a number of interested parties in the audience.

VIII. Public Comment – Mr. Bill Ament, a Pinnacle Inn owner, addressed the Council asking if the Council had received a letter from Gerald Waszkowiak, President of the Pinnacle Inn Homeowners Association. The Council had received the letter. Mr. Ament then asked if the Council could justify the large increase proposed on the Pinnacle Inn and if the dates of the Town meetings were published for citizens who wished to attend. Mayor Owen indicated that the Public Comment portion did not allow the Council to respond, however Mayor Owen did feel the questions Mr. Ament had asked would be answered during the course of the meeting. Mr. Fred Barth, owner of the Beech Alpen Inn and Top of The Beech, felt his businesses should not be in the condo section of the price ratings. Mrs. Judy Decker, Pinnacle Inn Manager, noted that the Inn had regular rate increases and produced a bill from 2007, 2008 and 2009 with the 5% increase noted. Councilman Corn stated that the bills had the increases for rates automatically printed on all the bills when homeowners had received an increase, and indicated that the rates for the Pinnacle had not increased since they had been annexed into the Town. Mr. Urs Gsteiger, 115 W. Shamrock, felt the homeowners in the Town had been subsidizing the Pinnacle. Joseph Flynn and Linda Smith, both own a Pinnacle Inn unit, expressed their concerns over the proposed increase. Mayor Owen, on behalf of the Council, thanked the audience for their comments and noted that the utility bills helped to maintain the meters, lines, water and sewer stations and the entire infrastructure necessary to operate the Town.

IX. Budget Discussion – Fiscal Year 2009 - 2010 – Mayor Owen opened the discussion on the water and sewer budget with the consideration of 4 new water rate proposals. Councilman Chamberlin stated that the object of the rate study was to eliminate discrimination on the lower use users. Councilman Chamberlin further noted that the Town's responsibility for water service ended at the meter. Councilman Corn indicated that the water and sewer budget collected less than was spent on the utilities with upkeep, the infrastructure maintenance and electric cost incurred in getting the water from Buckeye Lake to the top of the mountain. Councilman Corn indicated that he had initially proposed the largest increase in the billing in order to balance the budget. Councilman Adams stated that the utility billing should be equal and the funds to balance the budget as it is, should be taken from the Fund Balance. Mrs. Estep stated that she had reviewed the Pinnacle's last 10 years of billings and they had actually gone down, the May 1998 amount was \$5,818 and the November 2008 was \$3,467. Councilman Holcombe indicated that he felt Mr. Barth's Inn's should not be in the condo category and Councilman Corn agreed that he did have a legitimate complaint. After further discussion, Mayor Owen indicated that it did not look as though the Council could vote on the water and sewer budget without further information. Mayor Owen proposed that the Council set the rates as they are currently and cover the short fall with reserve monies; The Council did agree that the billing rates should not be based on meter size. Council Chamberlin indicated that a deadline for resolving the rate issue should be set. Councilman

Holcombe moved to add the water and sewer budget discussion to the July 14, 2009 Council meeting, to be adopted at the August 11, 2009 meeting. Councilman Chamberlin seconded the motion and it passed unanimously.

X. Recessed – Councilman Holcombe moved to adjourn the June 16 2009 Special Meeting until June 25, 2009 at 10:00 a.m. in the Town Hall Council Chambers. Councilman Corn seconded the motion and it passed unanimously.

XI. Reconvened – Mayor Owen reconvened the June 16, 2009 Special Council Meeting on June 25, 2009 at 10:00 a.m. in the Town Hall Council Chambers. Other Council Members present were Gil Adams, Pete Chamberlin, Randy Corn and Alan Holcombe. Also present were Town Manager Randy Feierabend, Public Works Director Riley Hatch, and Finance Officer Tabitha Estep. There were a number of interested parties in the audience.

XII. Budget Discussion – Fiscal Year 2009 - 2010 – Mayor Owen opened the meeting with a continued discussion on the Fiscal Year 2009-2010. Councilman Corn indicated that the salary figures for Mr. Feierabend did not add up. Mrs. Estep stated that the living expenses had not been included. Councilman Corn asked that a foot note on the pay page be added with an explanation of Mr. Feierabend’s salary and other benefits. Councilman Corn asked about metered water sales. The collection rate for the utility department is 85%. Councilman Corn asked that a line item be added for metered sales that were outstanding. After further discussion, Councilman Holcombe moved to adopt the Fiscal Year 2009-2010 Budget as amended. Councilman Corn stated that he felt the Town was spending too much on recreation when road and water maintenance was crucial. Councilman Corn indicated that he felt the Council would not raise the tax rate in next year’s budget; however he did feel the employees would receive a raise. Councilman Corn asked that he be on record as a protest vote. Councilman Chamberlin seconded the motion. The motion passed with a 4 to 1 vote, Councilman Corn voted nay. Councilman Adams, Councilman Chamberlin, Councilman Holcombe and Mayor Owen voted yea.

XIII. Adjourned – Having no other business to come before the Council, councilman Adams moved to adjourn the meeting at 10:25 a.m. Councilman Chamberlin seconded the motion and it passed unanimously.

Minutes approved by Town Council on July 14, 2009.

Mayor

ATTEST:

Town Clerk