

**Town of Montreat
Board of Commissioners
Budget Workshop Meeting
June 10, 2008 – 4:30 p.m.
Town Services Office**

The Montreat Board of Commissioners held a Budget Workshop Meeting on June 10, 2008 at 4:30 p.m. in the Town Services Office. Present among the Board were Mayor Letta Jean Taylor, Commissioner Bill Hollins, Commissioner Jack McCaskill and Commissioner O'Neil Tate. Mayor Pro Tem Eric Nichols and Commissioner Ruth Currie arrived at 4:35 p.m. Representing Town Staff were Town Administrator Ron Nalley, Town Clerk Misty R. Gedlinske and Finance Officer Stefan Stackhouse. No members of the public were present. Mayor Taylor called the meeting to order and gave the invocation.

Mr. Nalley presented a summary of the revisions made to the General Fund since the last budget workshop, including removal of a \$15,000 contribution to Montreat College toward the cost of their audible emergency warning system and removal of \$22,805 in debt service payments for a new Town Hall and Public Works facility. He also noted adjustments made to both revenues and expenditures to account for the receipt of Mobile Source Emission Reduction Grant funds and contributions from LandCare, Montreat College and Montreat Conference Center that would be then used for the purchase of an electric vehicle. Other items affecting the budget were updated costs for the annual audit services contract, employee health insurance premiums, North Carolina Retirement System rate changes and revised property and liability insurance renewal costs.

Mr. Nalley also presented salary grade and class specification information for all Town employees and referred to two possible job reclassifications in the Police and Public Works Departments. He explained that although the creation of a Police Captain or Assistant Public Works Director position had not been approved, additional salary funding was included in the budget in the event Council chose to proceed with these reclassifications. After discussion, Council agreed by consensus to include the requested additional salary funding in the budget for both the Police Captain and Assistant Public Works Director reclassifications. Mr. Nalley pointed out that Council would need to take separate action to approve the creation of job descriptions and staff appointments to these positions.

Mr. Nalley then referred to a memorandum prepared by Public Works Director Charlie Caldwell itemizing the estimated costs for the Appalachian Way and Woodland Road paving and drainage improvement projects. He noted that the \$135,000 cost estimate for the Woodland Road project included surveying to confirm the location of certain sections of public right-of-way and engineering services to incorporate new stormwater runoff control technology. He explained that although Council had moved completion of the Woodland Road project forward to the first year of the 2008-2013 Capital Improvements Plan, he had removed it from the proposed budget for the upcoming fiscal year due to lack of funding. Commissioner Hollins felt that Woodland Road did not receive enough traffic volume to warrant an increased Fund Balance appropriation to complete the project in the coming year. Commissioner Tate disagreed, stating that this area received a large amount of traffic from other streets. Commissioner Currie also commented that drainage improvements were needed in this area to alleviate runoff from several other surrounding streets. She suggested the possibility of completing the surveying and drainage work during the upcoming year and delaying the paving portion of the project until the 2009-

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2010 Fiscal Year. Commissioner McCaskill asked about investigating alternative road surface options in this area. Mayor Taylor said she had approached the Department of Transportation in the past about using Woodland Road as a prototype for testing various alternative road surface options but had not received a favorable response. Mayor Pro Tem Nichols noted the approximate \$140,000 revenues over expenditures expected at the end of the current fiscal year and suggested that these monies could be used to offset the costs of the Woodland Road project. Mr. Nalley explained that any unspent revenues would be returned to the General Fund but could be reallocated with the adoption of the 2008-2009 Fiscal Year budget toward this project if Council so chose. After further discussion, the Council agreed by consensus to return the Woodland Road drainage improvements and paving project to the 2008-2009 Fiscal Year Budget.

Mr. Nalley then advised that staff had completed a draft cost justification analysis for the proposed automated meter reading system and would have a final report available to Council shortly. Commissioner Currie reported that Mr. Caldwell had advised that the automated system could provide at least 10% reduction in water loss, as well as a significant reduction staff time spent reading water meters, higher accuracy of readings and increased employee safety. In response to Mayor Pro Tem Nichols' inquiry, Mr. Nalley estimated that there was a 20-30% difference between the number of gallons of water used and the amount of water usage billed. He attributed this to a number of factors, including water line breaks, fire hydrant use, line flushing and outdated, inaccurate water meters.

Public Comment

There were no comments from the public at this time.

Adjournment

There being no further business to discuss, Commissioner Tate moved to adjourn the Budget Workshop Meeting. Commissioner McCaskill seconded. The motion carried 5/0 and the meeting was adjourned at 5:25 p.m.

Letta Jean Taylor, Mayor

Misty R. Gedlinske, Town Clerk