

**April 29<sup>th</sup>, 2014  
Budget Workshop**

At 6:00pm, on Tuesday, April 29<sup>th</sup>, 2014, in the Board Room of the Landis Municipal Building, Mayor James Furr called to order the Town of Landis Board of Aldermen Budget Workshop. Those present along with the Mayor were Aldermen Roger Safrit, Dennis Brown, and Tony Hilton, Town Manager Reed Linn, Public Works Director Steve Rowland, Police Chief Bob Wood, Recreation Director Andrew Morgan, Deputy Town Clerk Debbie Goodman, Finance Officer Ginger Gibson, Administrative Assistant Heather Wood and Town Attorney Rick Locklear.

Alderman Dorland Abernathy was not present.

A quorum was met.

Mayor James Furr opened the meeting and welcomed all those in attendance.

The pledge of allegiance was led by Mayor James Furr.

Alderman Brown motioned, seconded by Alderman Safrit, to go into Executive Session to Discuss Legal Matters. All voted aye.

The Board went into Executive Session.

Alderman Brown motioned, seconded by Alderman Safrit, to come out of Executive Session. All voted aye.

The next order of business was the discussion of the 2014-2015 fiscal year budget.

Town Manager Reed Linn went over some of the expected revenue from the state for the General Fund, providing the Board with a report from the NCLM outlining this revenue and how it was determined. He also went over tax rate information from the current year's budget and the expected numbers for 2014-2015. The tax rate was currently \$.48. No tax increase had been included in the upcoming budget. For the 2014-2015 budget year, the Town was estimating \$1,154,569.00 in tax revenue.

There were also no recommendations to increase existing fees, or establish new fees, in the budget.

Manager Linn also briefly went over some of the capital project requests for the upcoming fiscal year in the General Fund:

- In the Police Department they were looking at construction of a new police headquarters, which would be funded by the USDA. It was estimated at a cost of \$1.5 million and payment would not be due until the budget year after the project is completed
- The Fire Department would replace their turnout gear at a cost of \$15,000.00

- The Fire Department would replace their supply of hose and fire attack hose at a cost of \$5,000.00
- The Fire Department would also like to replace Engine 581 with a newer pre-owned engine to be funded from an existing savings account. (Manager Linn explained that the savings account existed because of the requirement that the Town keep one month's payment on hand for existing USDA loans. There was enough money in this account to cover the cost of a pre-owned engine and still maintain the required balance. There was some discussion of this matter. This would only be done if a unit was located for purchase and the Board approved of the action)
- In the Parks Department they were still considering the construction of a Community Center located at the old hardware store at an estimated cost of \$1 million, which would also be funded by the USDA, with the payment being due the budget year after the project concluded
- In the Parks Department they would also continue the work at the Lake Corriher Wilderness Area. However, this would be fully dependent on the Town being awarded the PARTF Grant it had applied for. If granted, the Town would be responsible for half of the estimated cost of the project(s), which would be \$400,000.00. Funding would be sought from local financial institutions over seven to ten budget years
- There were no planned capital improvement projects in the Street Department save for some minor paving which would be handled via Powell Bill Funds
- In the Sanitation Department, staff wanted to consider rebidding the solid waste and recycling contract(s) for a period of five years
- There were no capital improvement projects planned for Administration

The budget for the General Fund presented to the Board included salary adjustments for all employees.

Alderman Tony Hilton inquired about the status of the smart meter conversion (for both water and electric meters). Manager Linn stated that the RFP was not ready yet, but staff had met last week with representatives from Electricities and Electricities was currently working on an RFP for the Town for both electric and water smartread meters. Once staff had reviewed the RFP, it would be forwarded to the board for review and approval at a regular meeting. The Town had already received funding for the smartread water meters in the form of an 80% match grant. The Town's portion of that cost would be \$180,000.00. Everything was in the process of moving forward.

Manager Linn stated that as presented tonight, the General Fund budget was balanced, at a total of \$2,810,369.00. It included the elimination of two positions within the Town of Landis. It was also clarified that there were two positions currently unfilled at Public Works, but Director Rowland had plans to fill one of those positions. There would, however, be a net loss of two positions. The budget also still included furlough days for employees. There was some discussion of furlough days, and that the Board had felt when they were first introduced them it would be a problem, but that employees actually seemed to enjoy them.

Manager Linn also spoke briefly concerning the other departments. He stated that in the Light Department they were expecting a 3% wholesale increase which would be passed along to customers. This increase had been included in the presented General Fund budget, as reflected in the cost of utilities.

In the Water Department they were ending the water project and repayment would become due with next year's budget. At the moment, staff did not plan for any increase in water rates for the 2014-2015 budget, however it would depend largely on what kind of increases came from Kannapolis and Salisbury. Staff was not expecting any significant increases from either entity at this time.

In the Sewer Department, there had been a little trouble concerning the sewer bill costs, so it was likely that sewer rates may have to increase.

There were no planned changes for Stormwater rates.

Also, Mike Acquesta would be at the next Regular Board meeting to address the Board concerning the Sewer Project that was about to get underway.

Alderman Hilton stated that the main complaint he received from citizens concerned the Stormwater fees simply because they did not understand it. There was some discussion of this matter.

Mayor Furr stated that the best thing he had heard was that the General Fund budget was balanced from the start.

Manager Linn provided the Board with a printout from a program Detective Roger Hosey had used to make looking over the budget numbers easier.

Alderman Brown inquired if the same company would be handling the management of the pool this year. Manager Linn confirmed that was the case.

Alderman Safrit inquired if the same people would be handling the sports league. There was some discussion of the various issues that had arisen in the agency, and that they had to cancel their spring season. However, they would resume the fall season as scheduled.

Alderman Hilton motioned, seconded by Alderman Brown, to adjourn the meeting. All voted aye.

The meeting was adjourned at 6:47pm on Tuesday, April 29<sup>th</sup>, 2014.

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Heather Wood  
Administrative Assistant