

The Lincoln County Board of County Commissioners met as the governing body of the East Lincoln County Water and Sewer District at the Citizens Center, Third Floor, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 7:00 p.m. on May 27, 1999. The following were present:

James A. Hallman, Chairman
Terry L. Brotherton, Vice Chairman
Beth H. Saine
Dr. John R. Gamble, Jr.
David A. Wilson

Jeff Taylor, County Attorney
Stan Kiser, County Manager

Also present were Jack Chandler, Director of Public Service, and Amy S. Long, Clerk to the Board.

CALL TO ORDER

Chairman Hallman called the May 27, 1999 meeting of the East Lincoln County Water and Sewer District Board to order.

ADOPTION OF AGENDA

Chairman Hallman presented the May 27, 1999 agenda of the East Lincoln County Water and Sewer District Board for adoption.

**AGENDA
EAST LINCOLN COUNTY WATER AND SEWER DISTRICT
BOARD OF COUNTY COMMISSIONERS
GOVERNING BODY
LINCOLN COUNTY, NORTH CAROLINA**

MAY 27, 1999

1. 7:00 PM Call to Order
2. 7:00 PM Adoption of Agenda

3. 7:05 PM Public Hearing on Proposed East Lincoln County Water and Sewer District 1999/2000 Budget
4. 7:30 PM Adoption of Proposed Budget
5. Other Business

Adjourn

Commissioner Brotherton motioned that the agenda of the May 27, 1999 East Lincoln County Water and Sewer District Board be adopted.

Unanimously approved.

PUBLIC HEARING ON PROPOSED EAST LINCOLN COUNTY WATER AND SEWER DISTRICT 1999/2000 BUDGET

Commissioner Gamble read a statement, prior to the opening of the Public Hearing, concerning General Statute 153A-284, which requires that enterprise funds, that is water systems, sewer systems, waste management systems, must be self supporting by charges for usage fees, availability fees, and other fees. He also read a letter from the Local Government Commission concerning the county's fund balance and a letter from Jake Wicker at the Institute of Government.

There was a discussion concerning Commissioner Gamble's statements.

Commissioner Gamble stated that he would like for the Chairman to write the Local Government Commission and give an up-to-date analysis of things and invite someone to give an appraisal of the current situation, making recommendations as they see fit.

Chairman Hallman opened the Public Hearing on the East Lincoln County Water and Sewer District budget.

Harry Hawkins stated that as a citizen and customer of the water and sewer system, he would like to revisit the recommendations of the Sewer Task Force. He stated that they still support the availability fees. He stated that the Board needs to address the fact that the Sewer Ordinance states that a user charge shall reflect at least the cost of debt service, operation, and maintenance of the POTW.

Being no further comments, Chairman Hallman declared the Public Hearing on the East Lincoln County Water and Sewer District Budget, closed.

RESOLUTION AUTHORIZING PAYMENT TO LINCOLN COUNTY GENERAL FUND PURSUANT TO INTERLOCAL COOPERATION AGREEMENT UNDER N. C. G. S. CHAPTER 160A, ARTICLE 20

Chairman Hallman presented the following Resolution for the Board's approval.

**RESOLUTION AUTHORIZING PAYMENT TO
LINCOLN COUNTY GENERAL FUND
PURSUANT TO INTERLOCAL COOPERATION AGREEMENT
UNDER N. C. G. S. CHAPTER 160A, ARTICLE 20**

WHEREAS, in 1996 the East Lincoln County Water & Sewer District began to construct a sewer system to serve the citizens of Lincoln County within the boundaries of the District; and

WHEREAS, the Lincoln County Board of Commissioners determined that it was in the best interests of the citizens of the County to expedite construction of the sewer system in order to increase the said tax base of the County; and

WHEREAS, the construction of the sewer system is an undertaking for which the County and the District had, and still have, authority under Article 20 of North Carolina General Statutes Chapter 160A to enter into contracts and agreements with each other; and

WHEREAS, the Board of Commissioners determined in 1996 that the County could assist the District with the construction of the sewer system by technical assistance and by advancing future tax revenues to be collected from the District; and

WHEREAS, pursuant to an Interlocal Cooperation Agreement Under N. C. G. S. Chapter 160A, Article 20, the Board of Commissioners in the 1996-97 fiscal year advanced the sum of \$350,000.00 to the District from the County's general fund; and

WHEREAS, the District's financial situation has improved now to the point that it is financially able to make reimbursement to the County's general fund of a portion of the amount so advanced in the 1996-97 fiscal year for the technical assistance received from the County;

NOW, THEREFORE, be it and it is hereby resolved that the governing body of the East Lincoln County Water & Sewer District approves the payment of the sum of \$200,000.00 to Lincoln County's general fund as partial reimbursement of the amount advanced pursuant to the Interlocal Cooperation Agreement Under N. C. G. S. Chapter 160A, Article 20, in fiscal year 1996-97, to be made out of the funds available in the District's budget for the 1999-2000 fiscal year.

This resolution adopted this _ day of May, 1999.

James A. Hallman, Chairman
Lincoln County Board of Commissioners
acting as the governing body of the East
Lincoln County Water & Sewer District

ATTEST:

Amy S. Long Clerk to the Board

A motion by Commissioner Wilson to approve the Resolution authorizing payment to Lincoln County General Fund Pursuant to Interlocal Cooperation Agreement Under N. C. G. S. Chapter 160A, Article 20.

Unanimously approved.

**EAST LINCOLN COUNTY WATER AND SEWER DISTRICT BUDGET
ORDINANCE FY 1999-00**

**EAST LINCOLN COUNTY
WATER AND SEWER DISTRICT**

**BUDGET ORDINANCE
FY 1999-00**

BE IT ORDAINED by the Board of East Lincoln County Water and Sewer District of Lincoln County, North Carolina:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the East Lincoln County Water and Sewer District and its activities for the fiscal year beginning July 1, 1999 and ending June 30, 2000, in accordance with the chart of accounts heretofore established for East Lincoln County Water and Sewer District:

SEWER SERVICES

Personal Services	\$ 170,398
Fringe Benefits	41,818
Materials and Supplies	214,200
Current Obligations	229,650
Fixed Charges	24,260
Capital Outlay	293,050
Debt Service	1,514,338

Contingency	76,461
Repayment of Loan G.F.	<u>200,000</u>
Total	\$ 2,764,175

Section 2. It is estimated that the following revenues will be available in the East Lincoln County Water and Sewer District for the fiscal year beginning July 1, 1999 and ending June 30, 2000:

AD VALOREM TAXES:

Current Year Taxes	\$ 1,715,641
Prior Year Taxes	2,300
Permits and fees	542,858
Sewer Fees	293,376
Interest on Investments	10,000
Fund Balance	<u>200,000</u>
Total	\$ 2,764,175

Section 3. There is hereby levied a unified tax at the rate of twenty-eight (\$.28) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 1999, for the purpose of raising the revenue listed as "Current Year's Property Taxes" in the East Lincoln County Water and Sewer District in Section 2. of this Ordinance.

This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$621,492,000 and an estimated collection rate of 98.59 percent.

Section 4. This Budget Ordinance, effective July 1, 1999 authorizes the mileage reimbursement rate of 28 cents per mile where applicable.

Section 5. The District Administrator is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. He may transfer amounts among objects of expenditure within a department.
- b. He may transfer amounts up to \$10,000 between functions of the same fund.

Section 6. The District Administrator is hereby authorized to execute contractual documents under the following conditions:

- a. He may execute contracts for construction, repair projects or design services requiring the estimated expenditure of less than \$10,000.

- b. He may execute contracts for; (1) purchases of apparatus, supplies, and materials, or equipment which are within budgeted appropriations, (2) leases of personal property for a duration of one year or less and within budgeted appropriations, and (3) services which are within budgeted appropriations.
- c. He may execute grant agreements to or from public and non-profit organizations which are within budgeted appropriations, unless a grantor organization requires execution by the Board of Commissioners.
- d. He may execute contracts, as the lessor or lessee or real property, which are of one-year duration or less, if funds therefore are within budgeted appropriations.

Section 7. Copies of this Budget Ordinance shall be furnished to the County Manager, Clerk to the Board of Commissioners, Finance Director and the Tax Administrator for direction in carrying out their duties.

Adopted this 27th day of May 1999.

James A. Hallman, Chairman
East Lincoln County
Water and Sewer District

ATTEST:

Amy S. Long
Clerk to the Board

A motion by Commissioner Wilson to approve the Budget Ordinance as presented.

Unanimously approved.

ADJOURN

Commissioner Saine made a motion to adjourn the East Lincoln County Water and Sewer meeting.

Unanimously approved.