

**Minutes**  
**Spruce Pine Town Council**  
**Budget Work Session**  
**May 16, 2016 – 5:00 PM**

A special meeting of the Town Council was held on May 16, 2016. Present were Mayor Darla Harding and Council Members James Acuff, Rocky Buchanan and Larry McKinney. Staff in attendance included Richard Canipe, Dave Lindsey and Darlene Johnson. David Purtell (Mitchell News-Journal) also attended.

CALL TO ORDER

Mayor Harding called the special meeting to order at 5:00 PM. James Acuff gave the invocation.

DISCUSSION – General Fund Budget

Finance Officer Dave Lindsey presented proposed budget figures for fiscal year 2016/2017. He discussed and distributed information on undesignated fund balance history, capital outlay requests, tax levy impact (with no tax increase), cost of living adjustment to the pay plan calculated at 1.0 % increase, health insurance figures, revenue distribution, and budget worksheets. The budget as proposed includes an added day clerk position for the police department, a sidewalk request of \$50,000, and a backhoe for public works. It does not include funds to replace the salt shed at the public works building.

DISCUSSION – Water & Sewer Fund Budget

Dave projected the unrestricted retained earnings for the Water/Sewer fund to be \$214,745 for 2016/17. A water rate increase of \$0.25 in the base rate, and \$0.10 per rate tier is included in the proposed budget. Capital outlay requests totaled \$50019.80, which includes additional radio read meters. The draft budget does not include a gate for the water plant at an estimated \$10,000. Projected revenues and expenditures for fiscal year 16/17 were discussed.

ACTION

James Acuff moved to purchase the backhoe in the 2016/17 budget, ordering it now. Larry McKinney seconded the motion, which carried unanimously.

James Acuff moved to add the replacement of the salt shed to the 2016/17 budget. Larry McKinney seconded the motion, which carried unanimously.

James Acuff moved to hold off hiring a day clerk for the police department. Larry McKinney seconded the motion, which carried unanimously.

Rocky Buchanan noted that he would like to see streets paved before allocating funds to sidewalks. He also mentioned funding the Chamber and TRAC \$3500 each.

ADJOURNMENT

There being no further business, the meeting was adjourned by motion of Rocky Buchanan.

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Darlene Johnson Butler, Town Clerk

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Darla Harding, Mayor

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James Acuff, Council Member

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Larry McKinney, Council Member

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Rocky Buchanan, Council Member