

AD HOC

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Insuranceman Bob Maner said the city's first priority is to "get that bottom line up."

Keller said the city would not have been wise to amend the budget to satisfy the LGC recommendation of 8 percent of revenue in the reserve fund.

Keller said that he has recommended to Council that it hold a workshop meeting in May after the bond payments, SCATA payment and cost of repairs to the Pilot Creek basin are behind them and determine if transfers can be made.

Responding to former commissioner Jim Guyton, Parsons said that no transfers could have been made t December 31 and April 1 a \$561,000 bond payment is due and possibly a transfer of \$175,000 could be made.

"There are rules to go by," said Maner.

Keller said he doubted that the city's current bond rating would be upgraded any time soon. Kings Mountain's national credit rating fell after the money reserve shortfall appeared in the 1994-95 budget.

"The bond people look at the fund balance and how much cash is in the utility fund which is the bread and butter of the city," said Parsons.

Parsons said that deregulation is coming which would make electricity profits even less certain. That could mean higher taxes and/or rates.

Smith said Susan McCullough of the LGC reiterated that each of the city's enterprise funds must stand on its own, including the general fund.

"The LGC has no power to set up a local budget but it can say if you are doing it right and advise."

"Our job was to look at the budget in a business-like manner and we have done that," said Smith.

Smith said state bookkeeping was different from commercial bookkeeping and agreed with the auditor that it was a complex set of rules.

"If Council just transfers merely to meet the 8 percent recommended by the LGC you are back where you started," said City Manager Gary Hicks.

But Guyton said the city could have met the 8 percent criteria in

May by amending the budget. "We went up on water and sewer rates and that meant a profit."

Parsons said if the transfer had been made there would have been no cash to make the bond payments.

"The general fund needs to be self supporting and we are creating problems by transfers," she said.

"It's direct subterfuge," said Hicks of transfers.

Smith asked Parsons and Keller by whose authority did they charge off \$257,000 in accounts receivables and Keller said it was his decision as budget officer.

"Can an auditor take off assets of the city?" asked Smith.

Smith argued that was Council's duty.

But Hicks said the city should not include iffy assets, in order words he said money that it was not guaranteed of getting from a gas supplier.

"We may get it but we may not," said the auditor.

Smith suggested that Keller contact City Attorney Mickey Corry for an opinion on the write-off.

"I was glad to see that the city ended the year with \$1.6 million, a long way from the cash figure of \$17,000 the year before," said Guyton.

Guyton said he hopes Council will hold a budget meeting in May and amend the budget to figure the 8 percent reserve fund.

Maner said there's a chance for the general fund to be built up if Powell Bill monies are used for labor.

Hicks said Powell Bill monies can be used for streets, equipment and some salaries.

Smith took issue with recent reports by city officials that the city will lose \$1.2 million in revenues with the recent closing of Clevefont Mills, a big utility customer.

Parsons said the figure is correct but she said the city realized about \$250,000 profit annually from the utility customer.

Smith said the report from the special committee would be included to Council at the January meeting.

LGC

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pritation, the percentage of available fund balance would be 3.34 percent rather than 5.11 percent.

Barclay said Powell bill funds are legally restricted for street construction and repair and may not be used to support general government operations without violating state law.

Barclay said the average level of available fund balance maintained by municipalities of comparable size to Kings Mountain is 22.35 percent of their total general fund expenditures. The improvements in the level of available fund balance was the result of increased operating transfers from the electric and gas funds, he said.

Barclay said that his analysis of the audited financial statement of the City of King Mountain revealed that transfers made to the general fund accounted for about 30 percent of its total revenue and without transfers from other funds the general fund would have had a revenue shortfall of \$800,000.

Operating transfers made to subsidize the operations of a fund which is not self supporting are not viewed favorably by the bond rating agencies for legitimate reasons, Barclay said.

Barclay recommended that the city set appropriate taxes and fees in the general fund and/or pare down expenditures if necessary in order for to the fund to support its own operations, especially given that the fund currently making significant transfers to the general fund might not always be to provide such support.

Barclay said the city has been impacted by changes in the local economy recently caused by the plant closing of one of the major utility customers. Barclay said this situation could lower the demand for utility services while the demand for general government services can be expected to remain constant or even increase.

Barclay said municipal electric utility funds are expected to face significant financial challenges in the future due to the deregulation of that industry, which means that the ability of the electric fund to make transfers will become limited.

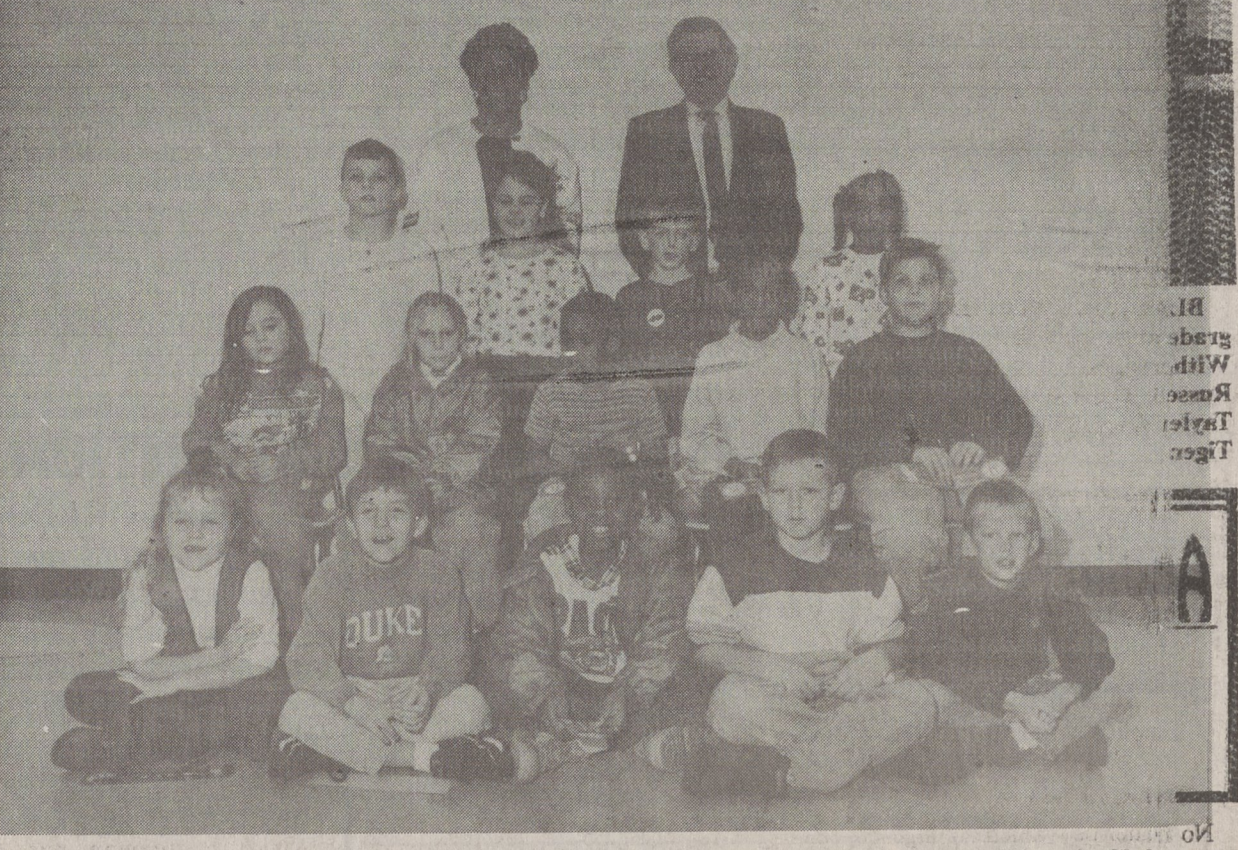
The recent mailing to city officials included a lengthy memorandum entitled "Issues of Concern for the Fiscal Year 1995-96 and Future Years."

Barclay said the city needs to improve the financial condition of the general fund over the long-term without using enterprise fund subsidies to do so.

Barclay again commended the city for taking steps in the past fiscal year to improve the overall cash position but he said there is more to do to strengthen the general funds' financial position



These Bethware students in kindergarten and first grade were chosen as Terrific Kids and honored by the Kiwanis Club for the second nine weeks period of school. They are, left to right: front row - M. Kersbergen, Elizabeth Greene, Fletcher Webster, Tasha Phillips, Tony Capatosta, and Josh Reynolds. Second row - Justin Heinbach, Justin Jenkins, Jonathan Jenkins, Paige Earle, Andrew Livsie, Kristin Davis, and Will Fredell. Back row - Brock Butler, Kyeria Stover, March Phouvanay, Halie Calvert, and Brittany Pagan. Principal Mary Accor and Kiwanis Club member George Hatch are shown with the students. Jessica Bell and Jason Smith were absent when the picture was taken.



These first and second grade students at Bethware School were honored by the Kiwanis Club as Terrific Kids for the second nine weeks of school. They are, left to right: first row - Brittany Thorburn, Adam Dixon, Laronda McClain, Alan Heinbach, and Justin Hopson. Second Row - Nicki Black, Candace T. Campion, Sheldon Crockett, Chanta Byrd, and Keith Yarbro. Back row - Kennon Grigg, Lacey Pearson, Thomas Miller, and Chantia Patterson. Principal Mary Accor and Kiwanis Club member George Hatch are shown with the students. Kristen Proctor and Trey Glass were absent when the picture was taken.

LEGALS

From Page 7A

IN THE FAMILY COURT OF THE SIXTEENTH JUDICIAL CIRCUIT STATE OF NORTH CAROLINA COUNTY OF YORK SUMMONS AND NOTICE C.A. #95-DR-46-1103 JAMES LEE KAPS, Plaintiff, vs. SUSAN B. KAPS, Defendant.

TO THE DEFENDANT ABOVE NAMED:

YOU ARE HEREBY SUMMONED AND REQUIRED to answer the Complaint in this action, the original of which has been filed in the Family Court of YORK County on Nov. 17, 1995, a copy of which will be delivered to you upon request; and to serve a copy of your answer to the said Complaint upon the undersigned Attorney for Plaintiff, Paul A. Knox, at his office located at 249 Johnston Street, Post Office Box 10881, Rock Hill, South Carolina 29731, within thirty (30) days after the service hereof, exclusive of the date of such service, and if you fail to answer the Complaint within the time aforesaid, the Plaintiff in this action will apply to the Court for the Relief demanded in this Complaint.

S/Paul A. Knox
PAUL A. KNOX, ESQUIRE
Attorney for the Plaintiff
249 Johnston Street
P.O. Box 10881
Rock Hill, SC 29731
(803) 324-7531
November 1, 1995
Rock Hill, South Carolina
KMH-1141 1:18,25; 2:1

ADMINISTRATOR EXECUTOR'S NOTICE

Having qualified on the 16th day of January, 1996, as Executrix of the Estate of Robert O. Burlison, deceased, late of Cleveland County, North Carolina, this is to notify all persons, firms and corporations having claims against the decedent to exhibit the same to the undersigned Betty Benton Burlison, Executrix on or before the 18th day of April, 1996, or this notice will be pleaded in bar of their recovery. All persons, firms and corporations indebted to the estate should make immediate payment.

This the 18th day of January, 1996.
Betty Benton Burlison
Estate of Robert O. Burlison
311 Downing Dr.

Kings Mountain, NC 28086
KMH-1143 1:18,25; 2:1.8

IN THE GENERAL COURT OF JUSTICE DISTRICT COURT DIVISION FILE #95-CVD-2048 NORTH CAROLINA CLEVELAND COUNTY NOTICE OF SERVICE BY PUBLICATION CHRISTOPHER SAMUEL BUTLER Plaintiff vs. KHRISTINA M. WILSON, Defendant

TO: KHRISTINA M. WILSON, the Defendant:

TAKE NOTICE that a pleading seeking relief against you has been filed on the 18th day of October, 1995, in the above-entitled action. The nature of the relief being sought is as follows:

CHILD CUSTODY AND CHILD SUPPORT

You are required to make defense to such pleading not later than the 27th of February 1996, said date being forty days from the first publication of this notice; and upon your failure to do so, the parties seeking service against you will apply to the Court for the relief sought.

This the 16th day of January, 1996.
C. Andrew Neisler, Jr.
Attorney for Plaintiff
CLONINGER & NEISLER
115 West Mountain Street
Kings Mountain, North Carolina 28086
Telephone: (704) 739-4766
KMH-1149 2:1,8,15

ADMINISTRATOR'S NOTICE

Having qualified on the 29th day of December, 1995, as Administrator of the Estate of Gladys Gill, deceased, late of Cleveland County, North Carolina, this is to notify all persons, firms and corporations having claims against the decedent to exhibit the same to the undersigned Hazel Lee Gill on or before the 29th day of March, 1996, or this notice will be pleaded in bar of their recovery. All persons, firms and corporations indebted to the estate should make immediate payment.

This the 8th day of January, 1996.
Hazel Lee Gill, Administrator
Estate of Gladys Gill
303 Lake Montonia Road
Kings Mountain, NC 28086
KMH-1140 1:11,18,25; 2:1

Bunch Real Estate
Phillip Bunch, Broker
739-5291 'til 4:30 pm
739-6259 after 4:30

RESIDENTIAL
NICELY DECORATED 3BR, 2 BA, Tri-level, LR, kitchen, & din. area, lg. deck, FR, single garage - could be 4th BR office, 325 Somerset Dr., \$59,500.
GREAT BUY 3BR, 2 ba, brick ranch, LR, DR, kitchen, deck, nat. gas ht., wooded lot, near HS & Jr. HI, 305 Scotland Dr., \$79,900.
NEW LISTING: 2 BR, 1 ba., ranch, kitchen, & din. area, LR w/FP, new sid. & HT system/air, 120 Fisher Dr. \$46,500.
VERY PRIVATE Executive Estate w/magnificent view, 5 acres, over 4,000 sq. ft., brick Colonial, call for details, Huffman Drive. \$295,000.
GOLF COURSE SPOT 4BR, 2.5 BA, 2 story w/office or rec. room, LR w/FP, DR, kitchen, & din. area, extra LG MBR w/2 walk-in closets, MBath w/garden tub & shower, #6 Fairway, Woodbridge, \$159,500.
RECENTLY REMODELED, 3BR, 2BA, brick ranch, LR, kitchen, & din. area, nice pool & pool area, deck, extra storage area, near HS & Jr. HI, 307 Scotland Dr., \$87,500.
PRICE REDUCED - COUNTRY SETTING: nicely landscaped, 3BR, 2BA, brick ranch, LR w/FP, FT w/FP, fully furnished basement, deck, patio, LG w/wooded lot, outside storage, 207 Drew Court.
PRIVATE COUNTRY SETTING: Brick, 1 1/2 story home, 4BR, 3 full BA, FR w/FP, lg. kitchen & din. area, sewing rm, lots of storage, large lot complete w/ in ground pool, 106 Eagle Court, Gold Run rd., \$179,500.
NICELY REMODELED: Inside & out, 6 yrs., old brick ranch, 3BR, 1 BA, LR w/FP, kitchen, & din. area, sgl. opt., con. ht & air, lg. lot, 103 Bain Rd., \$62,900.
COUNTRY SETTING: 3 br, 2 ba, doublewide, LR/FP, kitchen & din area, nice level lot, 510 Brevard Rd., \$46,900.
PRICE REDUCED GREAT STARTER HOME: 1 BR, 1 BA, bungalow w/ LR, kitchen/din. area, enclosed front porch, well insul., vinyl siding, 118 Cloninger St., \$36,500.
GOOD STARTER INVESTMENT HOME: 4BR, 1BA, Bungalow w/LR, kitchen, w/din. area, rental, Compact School Road, \$34,000.
WATERFRONT, Executive Home, Lg. Wooded 1 1/4 Ac. Lot w/over 300' Water Frontage, 3 BR, 3 BA, LG MBR w/Walk in Closet, LG FR w/FP, LR, Kitchen Din. Area, 2 Decks, Double Garage, & Much, Much More, 234 Thamon Road, \$295,000.
GOOD INVESTMENT PROPERTY 2or3BR, 1BA, bungalow, LR, DR, Kitchen, near corner of Linwood Rd. and Cleveland Ave. 508 Linwood Rd. Seller says make offer!

MOBILE HOMES & MOBILE HOME LOTS
CONVENIENT TO 74 BYPASS, wooded 2 ac. lots, some with creek, city & sewer, Hoyle Rd., \$16,800. Lot 4 in A.
VERY PRIVATE 1-1/8 acre, part. wooded, level lot w/driveway, Love Valley Area, Patriot's Way Road, \$9,750. Owner Financing Available.

ACREAGE & LOTS
LARGE BUILDING LOT gently sloped, partially wooded with creek, utilities available, curved St., Lot 1N, Crescent Hill Road, \$12,000.
NICE BUILDING LOT, Mostly level, partially wooded, utilities available, curved St., Lot 3A, Crescent Hill Road, \$10,000.
NICE BUILDING LOT, Already in grass w/chain link fence, quiet dead end street, 3/4 acre, city utilities avail., 310 North Carpenter St., \$9,800.

COMMERCIAL PROPERTIES
4.0 acres, suitable for small business or manufacturing facility, mostly cleared, city utilities available, road access from Floyd St. of Hwy. 161, Cline St., \$12,900 per acre.

KM Middle School honor rolls

The following students are listed on the honor rolls at Kings Mountain Middle School:

SEVENTH GRADE A/B HONOR ROLL

Jonathan Ammay, Justin Bell, Marybeth Bell, Steven Blanton, Bobby Boles, Maudistien Buggs, John Preston Cole, David Crawford, Tim Echols, Clint Edmunds, Billy Ray Fraicick, Timothy Gardner, John Bradley Goforth, Catherine Gordon, Ashley Hamrick, Kristin Hardin, Cassie Hope, Lindi Johnson, Ryan Jones, Wesley Lail, Tyler McDaniel, Christopher McVay, Crystal Miller, Amanda Mitchell, Stephanie Moore, Jeremy Owens, Chasity Parker, Krystle Patel, Meghan Potter, Justin Roper, Trisha Runyans, Benjamm Sabetti, Paul Shergill, Shameka Smith, Chris Styers, Renaldo Tate, Heather

Thompson, Heather Toney, Daren Wineberger, Marketta Young, Antwan Adams, Tyshuna Addison, Nikki Adkins, Sarah Lynn Anderson, Matthew Ash, Shelby Baldonado, Adam Blanton, Ian Blanton, Tameka Bledsoe, Abena Boakye, Tiffany Borders, Teia Bowen, Matthew Bridges, Kerri Brutko, Cathy Bryant, Jessica Carter, Laura Champion, Brandi Michell Cook, Gregory Crawford, JaVarous Crenshaw, Chris Dellinger, Derek Dixon, Miranda Dixon, Justin Etters, Diana Falls, Tyler Falls, Alan Gibson, Crystal Grayson, Nicole Hagner, Leah Hall, Jennifer Haynes, Donald Lee Henderson, Miranda Hensley, Jack Kakhankham, Charles Loftin, B. Kyle Lovelace, Heather Lee Mauney, Misty McCree, Bess McGinnis, Brian C. McKinney, Daniel Miller, Kenneth Moore, David Moschler, Sarah Lee Owensby, Amber Poole, Quentin Powell, Naphaphone Ratsavong, Virginia Reed, Shannon Reid, Latoya Robertson, Kristen Robinson, Carl D. Schultz, Jennifer Shannon, Jeana Thomas, Charles Van Dyke, Jason Lee Walters, R. Alan Walters, Emily Welborn, Nicole Williamson, Virginia Wilson, Tamela Wright and Takia Beam.

Also Jessica Barnette, Mindy Belt, Kenneth Bolin, Michael Brackett, Jessica Branham, Jason Bridges, Laura E. Bridges, Heather Causby, Thea Creighton, Natasha Crocker, Sydney Curry, Angela Early, Christopher Ellis, Heather Eng, Tearra Fink, Stevie Foster, Charlotte Fulton, David Hunter George, George Zachary Cain, Haley Gingles, Jason Gladden, Bradley Greene, Cheryl Green, Jeremy Harris, John Hunter, Donald Jenkins, Trea Kelley, Tom Leach, Danielle Marshall, Michael Martin, Brandon McCombs, Moore, Evan Osteen, Jennifer Patterson, Mollie Patterson, Stephanie Saucier, William Sellers, David Simmons, Crystal Smart, Jennifer Sparks, Kameron Steele, Carrie Lynn Smart, Jennifer Sparks, B. Kale Steele, Carrie Stowe, Amanda Tackett, Andrew Thomas, Daniel Walker, Jennifer Willis and Ashley Wilson.

SEVENTH GRADE A HONOR ROLL

Heather Barnette, Carmel Brinkley, Nathan Carpenter, Clark, Alecia Dahl, Lindsay Hamrick, Stuart Heffner, Hollifield, Trent Hopper, Dilling, Ingle, Kristie Lea Jones, Jennifer Kliever, Susan Mayes, Emily Owens, Zachary Ramey, Kimberly Robertson, Michael Allen, Jennifer Lynn Scism, Brian Scroggus, Juanita Sinnorai and Maegan Spicer.

Also Joshua Lamar, Christopher Bennett, Lindsay Betler, Tasha Bridges, Bumgardner, Jennifer Fredel, Adam Hall, David Ryan Mauney, Drew Neisler III, Laura Propst, Carrie Sizemore, Kimberly Stinchcomb, Virginia Ware, Wilson, Jordan Wollak, Melita Betler, M. Bradley Bridge, Marylee Dilling, Candace Donaldson, Basit Gangoo, Claire George, Joshua McDaniell, Wendy Ann Neisler, Miranda Mae Ormsby and Manisone Phanthalack.

AUDIT

From Page 1-A

write off a historic imbalance payment in the middle of negotiations with the supplier and said it was a matter of lack of communications.

The mayor compared the 1988 audit and the 1994-95 audit and said that in 1988 the city had a high bond rating and transferred \$2.7 million from utility funds to the general fund and in 1994-95 the transfer amount was \$1 million.

"It's misleading that transfers are blamed for the lowered bond rating," he said.

Guyton said the recent audit has some good points. He said at the end of the 1994 fiscal year the city had \$15,000 in the bank. At the end of the 1995 fiscal year the city had \$1.6 million.

Councilman Murphrey said a recent letter from the Local Government Commission commended Council for improvements in its cash position.

"They tell us we are working in the right direction and we need to accept, rather than postpone the acceptance of the audit which has been scrutinized by the LGC and accepted by them," he said.

University Women to meet

B'Ann Vance and Linda Clark will present highlights of their observance of the United Nations fourth World Conference on Women in Beijing, China at the area meeting of the American Association of University Women Tuesday at 7:30 p.m. at First Presbyterian Church in Gastonia.

Vance is AAUW president and a Girl Scout executive with the Pioneer Girl Scout Council. Clark is a vice-president of Presbyterian Hospital. They

and 48 other AAUW members attended the Nongovernmental Organizations Forum.

Vance said that the 31,000 women who attended from 200 countries were compelled by the need to join the fast-growing worldwide network of women determined to achieve equality, development and peace. She said that women had one goal in mind; to advance the status of women by the year 2000.