

MINUTES

Town of Blowing Rock Board of Commissioners Budget Work Session-May 23, 2013

The Town of Blowing Rock Board of Commissioners continued their budget work session on Thursday, May 23, 2013 at 4:00 p.m. The meeting took place in the Town Council Chambers at 1036 Main Street Blowing Rock. Present were Mayor Pro-tem Albert Yount, Commissioners Tommy Klutz, Dan Phillips, Doug Matheson and Jim Steele. Mayor Lawrence was unable to attend due to a prior appointment. Others in attendance were Town Manager Scott Hildebran, Finance Director Nicole Norman and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Pro-tem Yount called the meeting to order at 4:00 p.m.

DISCUSSION ITEM

Town Manager Hildebran continued the budget discussion by stating when he first arrived as Town Manager, the Town's fund balance was approximately \$900,000 or approximately 30% and currently the fund balance was at \$2.3 million dollars or approximately 51% of the total recommended budget. Mr. Hildebran explained these funds were set aside should the Town experience an urgent need. Town Manager Hildebran explained that in the past, per our adopted financial policy, Council had used those funds that exceeded the 50% for capital items/one-time expenses.

Commissioner Phillips commented that Council needed to make a list of priorities such as streets, facilities, etc. that needed to be accomplished in the next 5-7 years. Town Manager Hildebran responded the Town had a 5-yr Capital Plan currently, and suggested current debt should be reduced before more debt was accumulated by the Town.

Commissioner Phillips stated the Town would be faced with a tax increase in the future in order to address these needs. Town Manager Hildebran reminded Council they had discussed a priority list at their Retreat and decided the Public Works Facility was their main focus.

Commissioner Phillips also stated that he felt another parking deck would be needed in the near future and the Town needed to identify property now.

Commissioner Steele commented the Town was responsible for items that needed to be addressed such as renovation to the Police Station, the Old Fire Department building, Public Works facility, roads, ditches, etc. and money was needed to pay for these things. He suggested a list be made and presented to the public/residents to let them decide which items needed immediate attention and better understand a possible need for an increase in taxes.

Commissioner Klutz stated the current debt reduction plan had worked well without raising taxes, even though it may be slower paced.

Town Manager Hildebran stated that during his tenure with the Town, he had found that citizens did not like dramatic changes; they liked to move slower while getting things accomplished.

Commissioner Phillips mentioned property located off Main Street that could possibly be acquired for another parking deck. Commissioner Klutz stated if the Town purchased the property it would be taken from the tax base. He stated he would be in favor of a surface lot somewhere in town, but did not feel another parking deck was needed.

Council also expressed their concern with the perception of the Sales Tax Revenue the Town would receive due to the change in distribution. Mr. Hildebran stated this was likely a one-time deal and the Town could not count on that money each year. He suggested the money be spent on a capital expenditure instead of spending it on operating expenses.

After further discussion regarding the sales tax allocation, Town Manager Hildebran stated there were two additional items that needed approval from Council. The first item being; the Appalachian Regional Commission Grant application for \$300,000 for the ARHS infrastructure project that Mayor Lawrence needed to sign and return. Commissioner Steele made a motion for Mayor Lawrence to sign the grant application as presented, seconded by Commissioner Klutz. Unanimously approved.

Mr. Hildebran stated during a traffic stop several months prior, the Police Department along with other law enforcement agencies had confiscated a 2007 Toyota truck, and for a fee of \$3,055 the Police Department could acquire possession of the truck. He stated grant funds had been set aside in the budget for the purchase of a segway and smart board that could be used toward acquiring the truck if Council and the grant funding agency approved. Commissioner Klutz made a motion for approval of the truck acquisition, seconded by Commissioner Matheson. Unanimously approved.

As a follow up to the previous work session, Council discussed briefly the need for a meeting with the Comprehensive Plan Consultants. After reconsideration, it was the consensus of Town Council to hold a meeting on Monday, June 10, 2013 at 3:00 p.m. with both consultants in order to decide which firm would be best qualified.

Council then began discussion regarding the process they needed to follow in filling the Town Manager position. Council decided to utilize any further free resources available in addition to the publications the position was already published.

Commissioner Klutz stated that he did not want to lose Mr. Hildebran however; he wanted to look at all available candidates to fill in as interim manager until the position was filled.

Town Manager Hildebran stated that Mr. Hartwell Wright who was with the NC League of Municipalities could assist Council with their selection process for a Town Manager. He would be able to work with Council to develop a list of qualities in which to look for in their selection. It was the consensus of Council to move forward. Mayor Pro-tem Yount requested a motion. Commissioner Klutz made a motion to and to acquire the assistance from the NC League of Municipalities. The motion was seconded by Commissioner Phillips. Unanimously approved.

Commissioner Klutz made a motion to move into Executive Session pursuant to NCGS 143.316.11(6), to discuss personnel matters, seconded by Commissioner Phillips. Unanimously approved.

ADJOURN

At 6:45 p.m., Council re-entered their regular meeting, and with no further business to discuss, the meeting was adjourned.

MAYOR _____
J.B. Lawrence

ATTEST _____
Sharon Greene, Town Clerk