

DRAFT
MINUTES
Town of Blowing Rock
Board of Commissioners
Budget Work Session
May 22, 2014

The Town of Blowing Rock Board of Commissioners continued their annual budget work sessions on Thursday, May 22, 2014. The work sessions were held at Town Hall located at 1036 Main Street, Blowing Rock. Present were Mayor Pro tem Albert Yount, Commissioners Dan Phillips, Sue Sweeting, Doug Matheson, and Ray Pickett. Mayor Lawrence was unable to attend due to a conflicting engagement. Others in attendance were Town Manager Scott Fogleman, Finance Director Nicole Norman and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Pro tem Yount called the meeting to order at 4:30 p.m.

As requested by Council during the prior work session, Town Manager Fogleman presented other options for implementing the Employee Classification and Pay Scale Study with costs.

Mr. Fogleman then explained the current property tax rate of \$0.28 per \$100 of the property value had remained as such for the past eight years. However, with the recent Watauga County tax revaluation the revenue neutral tax rate needed to be \$0.287 in order to remain revenue neutral.

Mr. Fogleman spoke regarding the need for Information Technology (IT) assistance in all Town departments and felt an on-site contact person would be helpful. He advised the recommended budget proposed existing internal staff be the IT contacts for the Town. Commissioner Phillips commented that he felt this may be considered a conflict of interest and be setting precedence; Commissioner Matheson agreed. Mr. Fogleman commented that he felt this was a unique opportunity and an associated interest, not a conflict, due to the flexibility of these two employee's schedules and their knowledge of Town operations and information technology overall. Council discussed other potential options; it was the consensus of Council to enter into a contract with HitsTech regarding IT support for the Town.

Mr. Fogleman mentioned the need for an Intern and a 20-hour a week support position in the Finance Department to help with utility services. It was the consensus of Council to approve the 20-hour support person for the Finance Department.

Council also agreed to fund 35 percent of the Employee Classification and Pay Scale study this fiscal year and to work forward funding 25 percent for each of the next three years in order to get position pay up to the market rate. Other employee benefits such as their 401-k Plan would be increased from the current two percent for non-sworn

officer positions to three percent, vacation days would increase from 10 per year to 12 per year (consistent with the State Government holiday schedule which many other local governments also follow); and employees who had worked for the Town for 25 years or more would gain one additional vacation day.

A merit pay plan was briefly mentioned with Council deciding to discuss this item further at their mid-year retreat on June 25th. Mr. Fogleman also thought the employee continued education incentive pertinent to their jobs with the town needed to be reconsidered by increasing the allowance from \$600 per year to \$2,000 per year. Council decided to discuss this further during their mid-year retreat also.

Commissioner Matheson suggested that Mr. Fogleman look into the feasibility of having an on-site mechanic to work on town vehicles once again.

Mr. Fogleman discussed in great detail different scenarios regarding options for funding the needed infrastructure improvements in town with Council.

The majority of Council members were in favor of a proposed property tax rate increase from \$0.28 per \$100 to \$0.31 per \$100 with remaining available funding following the referenced changes going toward road repaving. Commissioner Yount was not in favor.

There being no further business to discuss, the meeting was adjourned at 6:30 p.m.

MAYOR PRO TEM _____
Albert Yount

ATTEST _____
Sharon Greene, Town Clerk