

MINUTES

Blowing Rock Board of Commissioners

Wednesday, June 30, 2004

The Mayor and Board of Commissioners for the Town of Blowing Rock met in special session on Wednesday, June 30, 2004 at 9:00 a.m. Present were Mayor J. B. Lawrence, Commissioners Barbara Ball, Terry Lentz, Keith Tester, Rita Wiseman, and David Wray. Also present were Town Manager Scott Hildebran and Town Clerk/Finance Officer Barbara Beach.

1. Budget Amendments for Fiscal Year 2003-2004

Council reviewed budget amendments submitted by Mrs. Beach to revise budget figures for fiscal year 2003-2004. Upon motion of Ms. Wiseman, second by Mr. Tester, Council members voted unanimously to approve these as submitted.

Budget Amendments Attached as Exhibit A

2. Capitalization Level for Fixed Assets

Mrs. Beach informed Council that accounting and auditing standards have changed as a result of the implementation of the GASB 34 Reporting Model, which requires setting a formal capitalization level for fixed assets. The Town's auditors will utilize this in financial statements for the current fiscal year, as well as future years, and have suggested that the amount be set at \$2,500. Assets that fall below this level will still be inventoried and tracked. Mr. Lentz moved that the capitalization level for fixed assets be set at \$2,500. Mrs. Ball seconded the motion, and all members voted in the affirmative.

3. Classification of Emergency Services Director

Mr. Hildebran recommended that the position of Emergency Services Director be upgraded from Grade 11 to Grade 15, based on the job description and duties assigned to this position as compared to other jobs in the Classification Table. Grade 15 salary range for Fiscal Year 2004-2005 is \$32,300-\$44,590. Mrs. Ball made a motion that this action be approved. Ms. Wiseman seconded the motion, and it was unanimously ratified.

4. Update on Water Treatment/Supply Issues

Mr. Hildebran reported that the small crack in the water tank has been repaired, and the broken water pump at the Water Treatment Plant has been replaced. The finished water level is now back at full tank.

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5. Edgewood Cottage

Mr. Hildebran also reported that Historical Society members have been working on the Edgewood Cottage site and cleanup will soon be complete.

6. Emergency Services Updates

Mr. Hildebran, Emergency Services Director Kent Graham and Angie Gregg had met with a representative of USDA Rural Development to obtain information concerning possible grants to assist in construction of a new Emergency Services building on the 321 Bypass. Mr. Hildebran advised Council that the Town does not qualify for grants from the agency due to the income level of Town residents. However, they suggest that the Town could obtain a Community Facilities Guaranteed Loan from a local bank to fund the construction.

Mr. Hildebran advised Council that Winston Lawrence and Matt McGuire have been hired to fill the vacancies in the Emergency Services Department.

7. Decorative Flower Baskets on Main Street

Ms. Wiseman expressed her dissatisfaction with the existing flower baskets that were planted on Main Street. She believes the plants look really bad and should be replaced. The other Council members agreed, and discussion followed concerning the appearance of the baskets. Council members concluded that the existing pots should be taken down that day and new plants purchased and hung before the end of the week to present a more attractive display for the upcoming Independence holiday weekend. Mr. Tester suggested that some of the \$5,500 allocation to BRAAC should be used for this purpose. Mr. Hildebran assured Council he would direct staff to have this accomplished by Friday afternoon.

Council also discussed other sections of Town that need better maintenance, including Annie Cannon Gardens. Mr. Hildebran advised Council that he is completing a study to identify all areas of Town that are maintained with public funds, whether paid for by the Town, BRAAC, or other organizations. This will enable him to streamline responsibility, avoid duplication of labor, etc. to create the most effective plan to provide maintenance.

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Council also discussed the necessity to fund replacement light poles in the Central Business District at some future date so that bigger brackets and baskets can be attached to the poles.

There was no further business, and Mayor Lawrence adjourned the meeting at 9:20 a.m.

J. B. Lawrence,
Mayor

Barbara G. Beach, Town Clerk

Budget Amendments

June 30, 2004

To: Mayor Lawrence and Town Council

From: Barbara Beach

1. I made an error in a chart of accounts number from the budget amendment approved at the April 13 meeting. This was the budget amendment to finance the purchase of the Buxton property on Highway 321 Bypass adjacent to the tract already owned by the Town. We had a balance of \$431,400 set aside in the line item for Emergency Services Building. Council authorized the appropriation of the \$431,400 to be expended for this purpose, and authorized the balance of \$68,600 to be taken from fund balance and to pay back that line item from future year(s) budgets.

DEBIT CREDIT

10-4340-505 Contribution to Emergency Services Bldg. \$68,600

10-3400-399 Fund Balance Appropriation \$68,600

20-5000-501 Gen. Fund Capital Projects-Emergency Svc Bldg. \$ 68,600

20-3400-325 Transfer from General Fund ** \$ 68,600

****Correction – this number should have been 20-3400-331 for Transfer from General Fund.
This correction needs to be approved by the Council.**

2. The proposed amendment shown below authorizes an additional \$1,970 to correct an addition error in the Buxton property amendment. The amount of \$68,600 shown on that amendment should have been \$70,570. I am proposing an additional budget amendment of \$1,970 from fund balance to correct that difference. The amount of \$1,970 will be taken from fund balance and paid back from future year(s) budgets as shown below.

DEBIT CREDIT

505. Contribution to Emergency Services Bldg. \$1,970

10-3400-399 Fund Balance Appropriation \$1,970

20-5000-501 Gen. Fund Capital Projects-Emergency Svc Bldg. \$1,970

20-3400-331 Transfer from General Fund \$1,970

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3. The next amendment would authorize expenditures budgeted in Central Government Services to be transferred to fund expenditures to the Governing Body and Finance Departments. The proposed budget amendment is as follows:

DEBIT CREDIT

10-4200-010 Unemployment Reimbursement \$1,300

10-4110-006 Governing Body Group Insurance \$1,300

10-4200-090 Reserve for Merit Increase \$7,000

10-4130-002 Salaries \$6,300

10-4130-500 Capital Outlay 700

The remaining proposed budget amendments will balance the budget for fiscal year 2003-2004 by fund.

DEBIT CREDIT

General Fund

Expenditures

10-5000-633 Tourism Development Authority 29,363

Revenue

10-3400-326 Occupancy Tax Revenue 29,363

Water/Sewer Fund

Expenditures

Administrative

30-7110-002 Salaries 4,700

30-7110-006 Insurance 2,200

30-7110-502 Capital Outlay 8,100

Field Operations

30-7120-216 Maintenance/Repair Equip 10,000

Revenue

30-2960-000 Retained Earnings 25,000

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General Fund Capital Projects

Expenditures

20-5000-505 Capital Outlay Sidewalks 277,568

Revenue

20-3400-332 Federal/State Grants 277,568