

MINUTES

Town of Blowing Rock

Board of Commissioners

May 17, 2005

The Town of Blowing Rock Board of Commissioners held a special meeting on Tuesday, May 17, 2005. Attending were Mayor J.B. Lawrence, Commissioners Bobby Ball, Keith Tester, Terry Lentz, Rita Wiseman and David Wray. Others in attendance were Town Manager Scott Hildebran, Finance Director Margaret Pierce, Town Clerk Sharon Greene, Police Chief Owen Tolbert, Public Works Director Johnny Lentz, Planning Director Kevin Rothrock, Parks & Recreation Director Jennifer Gore, and Emergency Services Director Kent Graham.

The purpose of the meeting was to discuss the Recommended Budget for FY 2005-06. Mayor Lawrence called the meeting to order at 4:00 p.m.

Town Manager Hildebran advised that Senate Bill-442 Off-Street Parking had passed the N.C. Senate and would continue on to the N.C. House of Representatives for consideration.

DISCUSSION ITEM

A FY 2005-06 budget message (**Refer to “Exhibit G” of May 10, 2005 meeting**) was given by Town Manager Hildebran stating that the proposed fiscal budget was 2.05 percent over last year’s. The FY Budget totals \$5,119,695 for all Town operations, capital improvements, and debt service requirements. Mr. Hildebran stated the only anticipated fee increase would be for commercial solid waste, due to an increase in Watauga County landfill tipping fees, which would increase from \$42 to \$45 per ton. The present tax of \$0.295 per \$100 of the valuation, was recommended to remain the same. He also advised Watauga County would be reassessing property for the up-coming 2006 tax year effective with the FY 06-07 Budget.

Mr. Hildebran advised, as of June 30, 2005 the Undesignated General Fund Balance was expected to be approximately \$1,145,500 or 30.5% of the FY 2005-06 General Fund revenues. Commissioner Wiseman questioned why additional Fund Balance were not funded in the Recommended Budget. Town Manager Hildebran stated that the fund balance was slowly increasing and that Town Council continues to set aside funds

for capital projects and that the reserved money was essentially fund balance. He advised if Council so desired, money to fund balance could be appropriated.

Town Manager Hildebran stated, due to pending major water and sewer capital needs, a comprehensive financial analysis of the Town's utility system was needed. Some of the future water and sewer capital improvements identified include: additional raw water supply and storage, increasing the dam level, water interconnection with the Town of Boone, land exchange with the U.S. Park Service, sewer line replacement and plant upgrades, installation of sewer to tall areas of the corporate limits, and possibly a new wastewater discharge.

The Recommended Budget includes funding for McGill Associates - Financial Services Division to develop a Water and Sewer Financial Plan. This financial plan will be used to develop and schedule water-sewer rates that not only fund any necessary capital improvements, but more importantly, help sustain the day-to-day maintenance and operation of the utility system.

The FY 2005-06 Recommended Budget for the Water and Sewer Fund totals \$1,356,350. This is a 1.20% increase over the FY 2004-05 Adopted Budget of \$1,340,205. Additional funds are being transferred and set aside in the Water/Sewer Capital Reserve Project Fund to help in funding major water and sewer capital needs/expansions.

Town Manager Hildebran reviewed each town department with Council highlighting major requests. Mr. Hildebran advised a 3% cost of living increase for Town personnel was the recommendation for the 2005-06 FY budget. Mr. Hildebran also advised no new positions were included in the FY 2005-06 Recommended Budget and that health insurance and dental insurance cost had increased 12.5%, which would be approximately a \$35,000 increase for the Town.

Town Manager Hildebran asked Council if a balance sheet of all capital reserve items would be useful to them. Council replied this would be helpful in the future.

Commissioner Tester questioned the increased funding request from Chief Tolbert regarding maintenance contracts. Chief Tolbert stated with the new technology in police vehicles a contract with someone familiar with this was needed. Town Manager Hildebran stated the vehicle maintenance money set aside in Public Works was for preventive maintenance on vehicles. Public Works Director Lentz advised that in the future they should see a reduction in vehicle maintenance throughout most departments.

Council discussed the Emergency Services Department with Director Kent Graham regarding transitions within the department. In previous years, the budget had been divided between Fire and Rescue, Mr. Graham requested these be combined. Council had various questions regarding employee time, (callback, volunteer, etc.) for this department.

Public Works Director Johnny Lentz advised more storm water drainage repairs were needed on Morris Street. Commissioner Ball stated the storm drainage on Sunset Drive was inadequate and more work should be done.

Commissioner Wiseman inquired about a request regarding special paving projects. Public Works Director Lentz stated that he initially requested \$75,000 for paving and \$45,000 was recommended with the fiscal year 05-06 focus on Green Hill and West Green Hill Drive.

Town Manager Hildebran stated that he would continue to negotiate with representatives of the American Legion regarding the Town taking over the building. Mr. Hildebran stated \$3,000 was appropriated in the budget for the Legion.

Town Manager Hildebran stated monies were included for the outdated control panel at the Water Treatment Plant and that other electrical issues would be addressed. Town Manager Hildebran advised that, as of last year, reduced water/sewer rates were being phased out to comply with the law.

A number of other items were briefly discussed, such as the maintenance of the historic trail located on South Main Street and what was needed to finish this project. Commissioner Lentz also suggested an inventory of town equipment such as chainsaws, weed eaters, etc. be done periodically to insure they were only being used for town projects.

Town Manager Hildebran presented Council with several changes regarding realignment of payroll, which would establish a common work schedule ending on Sunday for all employees. Vacation days would be granted to minimize impact on employees. Commissioner Wiseman made a motion to approve the changes as presented, seconded by Commissioner Ball. All members were unanimously in favor.

The Blowing Rock Chamber of Commerce requested permission from Council to hold three Classic Car Shows throughout the summer months on Park Avenue and Wallingford Street. A motion was made by Commissioner Ball, seconded by Commissioner Lentz to grant permission for the June 3rd date only. It was consensus of Council to wait and see how the first show was received, before granting permission to hold the other two.

At the conclusion of the session, Mayor Lawrence adjourned the meeting at 6:50 p.m.

Mayor _____

J.B. Lawrence

Attest: _____

Sharon H. Greene, Town Clerk