



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

FOR IMMEDIATE RELEASE - May 10, 2016

TOWN OF BLOWING ROCK MANAGER'S RECOMMENDED BUDGET CALLS FOR INCREASED REVENUES TO CONTINUE IMPLEMENTATION OF THE 2014 VOTER APPROVED GENERAL OBLIGATION BOND PROGRAM AND TO BOLSTER CUSTOMER SERVICE LEVELS

BLOWING ROCK, NC – To help fund general obligation bond projects approved by the voters in 2014 and to invest in the facilities and staff members who deliver the high quality service levels every day to the citizens of Blowing Rock, the Town Manager's Recommended Budget for Fiscal Year 2017 is calling for increased revenues. Officially presented at the Council meeting May 10th, the Manager's Recommended Budget includes a mix of tax and fee increases to help raise revenues to fund the upcoming budget. The recommended tax rate includes an increase of 1.0 cent, resulting in a tax rate of 34.0 cents per \$100, an increase of 3.0%. This increase would result in an additional annual tax amount owed of \$50 per year for a home valued at \$500,000, or \$10 annually for each \$100,000 of assessed taxable value.

In terms of utility rates, the customer demand for water has been gradually declining over the past decade and the utility customer base has remained fairly steady, offering fewer gallons among which to spread the largely fixed costs of providing dependable water and sewer services. To help ensure the system is able to recover its costs and not be subsidized by tax revenues when absorbing debt service costs associated with the water and sewer capital improvements planned, a \$2.00 base increase for both water and sewer is being recommended along with a \$0.25 increase in the per thousand gallon rate for gallons consumed greater than 5,000 per two month billing period. These impacts are expected to increase a typical customer's bill by 5% in the coming year.

Major factors driving the need for additional revenues include the low average annual tax base growth of 0.8% over the last 10 years. In addition, Blowing Rock's steady population of about 1,280 year round residents is not creating any additional population driven revenue distribution from state collected local revenues. With inflation having crept forward an average of 2% per year over the past decade, it has become increasingly difficult to afford operating cost increases including those necessary to attract and retain the staff members that are so critical to consistently provide the high service levels our citizens expect and deserve. The Fiscal Year 2017 Recommended Budget totals \$9.3 million including \$7.3 million for the general government activities, \$1.6 million for the water and sewer operations, and \$323 thousand for capital projects. Included in the operating budget for the coming year is debt service for the first implementation phase of the \$13 million general obligation bonds that were approved by an average of 77% of Town of Blowing Rock voters on November 4, 2014. Included in the Recommended Budget is debt service of \$329 thousand to begin paying back \$4.6 million of the \$13 million borrowed this past spring to fund work on a host of projects for transportation (\$3 million), parks (\$440K), water (\$471K) and sewer (\$665K).

The Town of Blowing Rock Town Council was officially presented with the Recommended Budget at the Town Council meeting Tuesday May 10, 2016. A printed copy is available for public inspection in Town Hall, located at 1036 Main Street, Blowing Rock, NC. A copy is also available for viewing on the Town's website at www.townofblowingrock.com. The Town Council will hold a public hearing on the Recommended Budget during the Council meeting on Tuesday June 14, 2016 at the Town Council Chambers in Town Hall. Work sessions to review and discuss the Recommended Budget will be held by the Town Council at 6:00 p.m. on Tuesday May 24, Wednesday May 25, and on Friday May 27, 2016 in Town Hall. The Town Council is scheduled to consider adoption of the Manager's Recommended Budget along with any changes approved by Council at the Council meeting on Tuesday June 14, 2016.

PRIMARY CONTACTS:

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Click to access the [Fiscal Year 2017 Manager's Recommended Budget](#)

Click to access information regarding the [2014 Voter Approved General Obligation Bond Referendum](#)