



TOWN OF BLOWING ROCK

1036 Main Street • Post Office Box 47 • Blowing Rock, NC 28605

Date: June 9, 2015

To: Blowing Rock Town Council

From: Scott Fogleman, Town Manager

Re: List of Changes to the Recommended Budget for Fiscal Year 2016

The Recommended Fiscal Year 2016 budget was officially presented at the Council meeting on May 12, 2015. It was posted online and a copy has been available for review at Town Hall. Three separate work sessions with Council were held on May 18, 19, and 20 to discuss the details associated with the budget. Following Council discussion, a list of changes to the Recommended Budget has been developed. The list of changes, proposed to be incorporated into the Recommended Budget, is summarized below for Council consideration following the public hearing.

1. **Reduce the Recommended Budget Such That the Tax Increase Will Be Reduced to Two Cents**

As outlined in the Budget Message and discussed during the worksessions with Council, the Recommended Budget included an increase of three cents in the tax rate, from 31 cents per \$100 of tax value to 34 cents per \$100 of tax value. Two of the three cents were to be dedicated to debt service for capital projects being funded by the voter approved General Obligation Bond Referendum on November 4, 2014. The other one cent was to help fund operating budget items including the addition of an Assistant Landscape Specialist position. At Council's direction, the following reductions have been identified to the Recommended Budget in order to reduce the tax rate increase from three cents to two cents per \$100 of taxable value, thus making the tax rate 33 cents per \$100 of taxable value during fiscal year 2015-2016.

(43,445)	Remove Landscape Assistant Position
(15,000)	Remove median allowance for 321
(20,000)	Reduction of maintenance allowance on street sweeper from \$25K to \$5K
(11,192)	Reduction of Administration Intern from 25 hours per week to one-time stipend funding of \$2,803
(5,015)	Adjusted phone expense line items downward
1,260	Adjusted phone expense to allow an increase in the cell phone allowance
(2,000)	Elimination of Town Hall front counter remodeling changes
(500)	Eliminate allowance for gradually updating and replacing Christmas decorations for Town Hall
(5,000)	Remove two battery operated LED Light Towers to support crews working on repairs at night; will use Police Department's instead)
(10,000)	Delay lighting change out to more energy efficient fixtures at Fire Department

2. Adjustments to the Capital Budget

During the budget worksessions, it was determined that the design phases for the Sunset Drive Streetscape project along with the water and sewer line replacements planned for Sunset Drive between Highway 321 and Main Street should be moved up from the planned FY2017-2018 fiscal year and be initiated in the next two years so that the design for these three projects can be completed and the three respective capital projects can be shovel ready for construction in fiscal year 2017-2018.

These changes involve the following funding adjustments:

Funding the design of the Sunset Drive Streetscape project with \$80,000 of transportation general obligation bond authority; funding the design of the Sunset Drive water line replacement project with \$15,000 of water general obligation bond authority; funding the design of the Sunset Drive sewer line replacement project with \$35,000 of sewer general obligation bond authority.

Offsetting these changes are the following funding adjustments: moving \$40,000 of road failure repair and \$40,000 of ditchline repair transportation general obligation authority from FY2015-2016 to the capital plan year of FY2017-2018; moving \$15,000 of water other lines/repair water general obligation bond authority from FY2015-2016 to the capital plan year of FY2017-2018; moving \$35,000 of sewer other lines/repair sewer general obligation bond authority from FY2015-2016 to the capital plan year of FY2017-2018.

3. Adjustments to Ten Year Capital Budget Improvement Plan

In order to maintain future flexibility, specific sidewalk segment related funding identified in the ten year capital improvement plan will be combined together under one project. As priorities evolve and are identified as the general obligation bond authority period of the next seven to ten years unfolds, uniquely identified sidewalk segments will be prioritized and funded accordingly during future annual budget cycles. This does not impact any specific sidewalk projects funded as part of the fiscal year 2015-2016 budget being considered for adoption.

End of List