

**MINUTES - SPECIAL MEETING
BOONE TOWN COUNCIL/MUNICIPAL SERVICE DISTRICT
SPECIAL TASK FORCE
SEPTEMBER 27, 2010**

A special meeting of the Boone Town Council/Municipal Service District Special Task Force was called to order at 5:32 p.m. in the Conference Room at the Watauga County Administration Building. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Lynne Mason, Andy Ball, Rennie Brantz, and Jamie Leigh. MSD Special Task Town Attorney Sam Furgiuele was also present. Staff members present were Town Manager Greg Young, Town Clerk Freida Van Allen and Finance Director Amy Davis. Municipal Service District Special Task Force members in attendance were Jill Reeves, Marsha Walpole, Ethel Simpson, Andy Stallings, Nancy Rivenbark and Cherry Johnson. Facilitator Janet Pepin and Mary Baker of the DBDA were also in attendance.

FACTUAL UPDATES

First, Mary Baker distributed a revised FY 09/10 DBDA budget. Then Sam Furgiuele discussed the MSD statute he forwarded to the committee via email. Janet presented the map of the B-1 combined with the MSD district. Amy Davis presented the expenditures to the downtown area for the past two years. Council member Mason asked for additional information regarding the property taxes paid in the MSD and parking revenues.

Ms. Pepin divided the task force into groups of four and charged them with completing the following task. The Task Force discussed and decided on the final expectations.

Problem/Concern/Complaint Issue	Possible Criteria or Expectation
Boundaries among the various parties downtown are unclear (e.g., what is MSD boundary, what is Main Street boundary) and this has caused problems in meeting the restricted uses of MSD funds.	What does this probably area say about what we want? We need a solution that has clear boundaries and all parties are knowledgeable of the restrictions for MSD funds. We need to eliminate distinctions between MSD and B1 districts.
3 rd party contract do not match annual performance expectations and do not clarify changing priorities of all parties involved as well as the requirement establish for MSD funds and the Main Street program.	What does this probably area say about what we want? We need to spell out measurable outcomes and timelines for all necessary decision-making among the parties. We need a clear vision of our expectations for downtown. We need clear and accurate communication between th contracting agency and the Town of Boone.
The various entities do not use the same terminology.	What does this probably area say about what we want? We need better reporting and reports that match in figures and facts. We all need to use a consistent definition of terms and establish uniform standards of evaluation and process for evaluation.

It is unclear who directly benefits from downtown investments and whether any investments downtown are viewed as equitable.	What does this probably area say about what we want? MSD benefits need to be the same for all taxpayers within the MSD. Benefits need to be clearly defined and marketing of benefits of all programs involved (MSD, Main Street, etc.) need to be clear and often.
The similarities and differences in requirements and priorities of the Main Street program designation, the MSD designation, and the Downtown Boone Development Association goals and priorities are unclear.	What does this probably area say about what we want? We need to establish specific goals and reconcile various missions of entities involved. We need to establish the fiscal and legal accountabilities based on the various entities structures (municipality, non profit, etc.)
The fiscal and legal responsibilities and communication reporting associated with the Main street program, the MSD designation and the DBDA non-profit corporation rules has not been followed as required or desired.	What does this probably area say about what we want? Financial and outcome data reports need to be standardized and meet audit standards. We need to be clear on who controls the spending of MSD \$. We need accounting practices that allow for different fund and expenditure classifications. We need skilled and competent management of funds and outcomes. We need a timeline for what happens when.
The formula used for budgeting of MSD funds is based on the previous year collection percentage and causes confusion on actual amount received vs. budgeted.	What does this probably area say about what we want? We need to establish a project-based budget vs. A budget based on tax income. We need to establish priorities annually for the funds and we need to save funds for larger projects if necessary.
The expectations surrounding who gets to determine how MSD funds are spent (within boundaries established by statute) are not clear (e.g. TOB, DBDA Board or MSD taxpayers)	What does this probably area say about what we want? Performance based contracts each year are necessary that outline financial requirements, process requirements, reporting requirements, etc. that are necessary to fulfill established priorities.
The history of how the MSD was established and how it has been managed for the last twenty years is unknown to many and its process unevaluated until recently.	What does this probably area say about what we want? We need to examine the premises of the original decision in today's terms and determine if there is a need for an MSD. We need t examine alternative options and open up process to competitive bidding.

There are a variety of opinions on whether there is equity in benefits from those who pay the MSD taxes.	What does this probably area say about what we want? There is a need to determine if the MSD taxpayers wish t continue paying the tax or not.
The representation and communication among the various individuals associated with the DBDA and the Town of Boone is not meeting expectations of either party.	We need to demonstrate respect for each other’s opinions when communicating to each other. We also need to examine the expectations of all involved as it relates to the roles of all parties (e.g., liaison role) including the concepts of loyalty, willingness to examine the pro’s and con’s of ideas; and factual representation of information.

Facilitator Pepin reminded the Task Force about the meeting next **Wednesday, October 6, 2010 at 5:30 p.m.** and that the Task Force will be continuing the analysis of the issues to determine what decision making criteria and steps to be used to evaluate possible solutions. She will prepare a draft version of how the results from tonight’s meeting can be used to determine criteria and next steps and will present this draft version to the task force at the next meeting.

ADJOURNMENT

The meeting adjourned at 8:15 p.m.

Town Clerk

Mayor