

**MINUTES – SPECIAL MEETING
BOONE TOWN COUNCIL MAY
31, 2013**

A special meeting of the Boone Town Council was called to order Friday, May 31, 2013, at 8:36 a.m. at the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Jamie Leigh, Allan Scherlen, Andy Ball and Lynne Mason (arrived at 8:40 a.m.). Staff members present were Town Manager Greg Young, Town Clerk Kim Brown, Deputy Town Clerk Christine Pope, Assistant to the Manager Jim Byrne, Human Resources Director Peri Moretz, Planning Director Bill Bailey, Cultural Resources Director Pilar Fotta, Police Chief Dana Crawford, Fire Chief Jimmy Isaacs, Public Works Director Blake Brown, Public Utilities Director Rick Miller and Finance Director Amy Davis.

The purpose of the meeting was to hold the Annual Retreat Follow-Up meeting.

ADOPTION OF TDA EXPENDITURES

Council came to the consensus to move this discussion until after the break.

FURTHER DISCUSSION OF BUDGET MATTERS AND COUNCIL PRIORITIES

Town Manager Greg Young began by presenting a PowerPoint presentation (**copy of PowerPoint presentation permanently on file at Town Hall**) detailing the following:

- Budget Message
- General Fund Highlights
- Proposed Changes to Parking Validations
- Emergency 911 Fund
- Narcotics Enforcement Division
- Rural Fire Service District
- Downtown Municipal Service District
- Water and Sewer Fund
- Water and Sewer Rates
- Personnel

Mr. Young stated that the approximately \$2 million loss from the sales tax redistribution represents between a 16- and 17-percent loss for the General Fund, and that the proposed budget does not reflect tax reform bills currently in the General Assembly, which could impact the budget more.

- **Downtown Parking Validation**

Mr. Young felt that this process needs to be reviewed. He added that last year the Town validated close to \$60,000 worth of parking tickets. He suggested that the Town give out a certain amount of validation stamps to downtown merchants, but beyond that they can purchase more validation stamps, or the Town could get entirely rid of validation stamps and install meters throughout downtown. Public Works Director Blake Brown indicated single meters cost approximately \$400 and double meters \$685, adding that there are 40 meters on Queen Street that can be used for experimental meter spaces on King Street.

- **Redistribution of Sales Tax**

Mr. Young indicated that the new sales tax distribution method has to recognize all tax bases in the county—rural fire districts, municipal service district, etc.—and since the municipal service district will be receiving more money, this could fully pay for the downtown development coordinator position, while still being considered a Town employee with the benefits. He stated the proposed budget reflects the projected increases for the rural fire service and municipal service districts.

- **Proposed Property Tax Rate Increase**

Mr. Young stated that the proposed tax rate increase would generate approximately \$700,000 in additional revenue for the Town.

- **Cultural Resources Department**

Mr. Young stated that he is maintaining existing personnel in the proposed budget, but that he would like to see this department become self-sustaining. Council Member Leigh said she heard the other night that the Concerts at the Jones House and the music lessons are already self-sustaining. Discussion ensued regarding revenues and programs costs for the Cultural Resources Department's programs.

- **Changes to Town-Operating Procedures**

Mr. Young stated that these recommended changes include parking validation stamp changes and no longer waiving event fees.

- **Boone Housing Authority**

Council Member Leigh noted that there was a massive cut to this funding. Council Member Mason wondered if this position could be incorporated within the administration department of the Town budget or if keeping it under the Boone Housing Authority was more beneficial when searching for grants.

- **Occupancy Tax Collection**

Council members discussed increasing the occupancy tax projection to \$350,000 in the budget.

- **Other Matters for Discussion**

Discussion ensued regarding funds available to repair the rock house on the Rivers-Coffey property. Council Member Leigh wondered how Council members would know if something they wanted completed did not happen. Council Member Mason indicated it would be helpful to know what was appropriated last year but has yet to be completed. Finance Director Amy Davis stated that she sends a request to each department head in June to find out what has not been completed or won't be prior to June 30, and it typically falls to them to keep up with what needs to be done within their department. Ms. Davis reviewed the funds currently in reserve and indicated she would provide Council with a full list of reserve funds.

Mr. Young suggested that Council wait until after the Town knows what'll happen with the bills in the General Assembly before earmarking items with the additional money above the 35% saving level.

- **Municipal Vehicle Tax**

Council Member Leigh noted she would like to see the municipal vehicle tax revenue put back into the sidewalk fund.

- **Funding of Downtown Development Coordinator Position**

Ms. Leigh indicated she had reservations about the municipal service district funds fully funding the downtown development coordinator position. Council Member Mason agreed, adding that she had no problem presenting the recommendation to the DBDA, but that the current arrangement has been working. Ms. Leigh felt that there needs to be a discussion with the DBDA about doing so.

- **Fourth of July Fireworks Funding**

Council members Leigh and Ball were in agreement that they want to keep the funding for the Fourth of July fireworks, indicating that they felt these types of things make Boone what it is.

- **Internship**

Mr. Young stated that most internships are typically unpaid, and this recommended budget provides for no compensation.

- **Tax Collection Method**

Mr. Young indicated that handling tax collection in-house would not be cost-effective at this time. Ms. Davis stated that her staff could not handle the additional responsibilities and the department would need another 1.5 positions at least.

Mayor Clawson declared a break at 10:28 a.m. Council reconvened at 10:44 a.m.

ADOPTION OF TDA EXPENDITURES

Finance Director Amy Davis stated she would forward the list of funds spent to the Tourism Development Authority (TDA). Lengthy discussion ensued regarding ways to include the TDA in the discussion of what the expenditures are allocated toward and how the money is spent. Council reviewed the recommended use of the TDA funds. It was the consensus of the Council to request from Town staff a refined list with the following information before the next budget meeting:

- The recommended list of TDA expenditures;
- Another column showing the total cost to the Town each year for the item listed to compare; and
- A third column with any notes regarding the item (ex: cost for parking enforcement for Saturday game days only versus other Saturdays).

Council was also in consensus to submit this refined list to the TDA so they can prioritize the items.

OUTSIDE AGENCY FUNDING

Council members Mason and Ball were in agreement that they'd like to revisit no outside agency funding. Council Member Leigh stated she did not think the Town can afford to do it whether there is a tax rate increase or not. Council Member Ball agreed, adding that he would like to find money to knock off the tax increase.

CULTURAL RESOURCES DEPARTMENT

Cultural Resources Director Pilar Fotta reviewed her staffing needs as well as the staffing fees to cover contracted staff for events. Council Member Leigh stated she'd like to further discuss the rock house capital project. Ms. Fotta updated Council on the removal of the white house on the Rivers-Coffey property. Discussion ensued regarding Cultural Resources Department requests not granted in the proposed budget and event/staffing fees for the Jones House. Council Member Leigh stated she'd also like to revisit the request for screens at the Horn in the West restrooms and trail development.

Mayor Clawson declared a lunch break at 12:05 p.m. Council reconvened at 12:49 p.m.

ROCK HOUSE REPAIRS

Council asked that the Planning and Inspections and Public Works departments work together to make a recommendation for the cost to repair the rock house on the Rivers-Coffey property to keep it from further deteriorating.

POLICE DEPARTMENT

Police Chief Dana Crawford indicated that the overtime calculated depends on the officers' salaries, but that he could not estimate what is specifically for special events.

E-911 CONSOLIDATION

Council Member Mason requested the list of questions/answers regarding E-911 consolidation with the county be submitted to Council for review.

MUNICIPAL SERVICE DISTRICT

Council Member Leigh indicated that the DBDA board is unaware of the increase in the MSD budget and asked that Council not discuss the proposed MSD budget, because the DBDA has their own, which isn't reflected in the proposed one.

CONTINUED DISCUSSION OF BUDGET MATTERS

Council reviewed the following requests and/or items they would like to discuss further:

- **Municipal Vehicle Tax** - Council requested that this revenue go back to sidewalk funding.
- **Occupancy Tax** - Council requested that the recommended budget show this projected revenue line item as \$350,000.
- **Property Tax Rate Increase** - Council Member Mason stated she was uncomfortable with implementing a tax increase, adding that she doesn't want to put what the county did on the backs of the taxpayers. Mayor Clawson and Council Member Ball agreed. Council Member Ball added that there is still some uncertainty with what is happening in the General Assembly, and suggested using the floating \$1 million or pull from the remaining \$2 million left in the Town's budget. Council Member Leigh felt that some amount of tax increase is needed to balance the budget, adding that it is a fiscal reality. Council Member Scherlen agreed. Council Member Ball suggested waiting to further discuss the matter with Council Member Brantz when he's back from Europe and to wait until they know what happens with the bills in the General Assembly before making a decision.
- **Downtown Parking Validation** - Council Member Mason stated she would like input from the DBDA and a projected cost of fully putting meters downtown and the projected revenue from doing so. Cultural Resources Director Pilar Fotta stated the DBDA may be able to help cover the cost of fully implementing the meters downtown.
- **Fourth of July Fireworks Funding** - Council requested that the \$6,500 for fireworks be included in the TDA priority expenditure list.
- **Tax Collection** - Council requested information regarding collecting taxes in-house.
- **TDA Expenditures** - Council requested the revised list for the next budget meeting.
- **Jones House Staffing/Contracted Services** – Cultural Resources Director Pilar Fotta indicated contracted staffing costs would be a wash out with the staffing fee revenue coming in from events.
- **Special Projects** – Council would like to re-examine keeping all three, if any, of the lobbyists.
- **Janitorial/Cleaning Services** - Council requested the total figure for cleaning services for town buildings. Mr. Young indicated the Town is currently out to bid on this contract, and the winning bid would be presented to Council at the next meeting.
- **Cultural Resources** – Council requested an additional list of special projects from Ms. Fotta as well as the most recent Jones House rental fee schedule.
- **Rock House Repairs** – Council requested a recommendation through the collaboration of the Planning and Inspections and Public Works departments of the repair cost estimate.

- **Event Fees** – Mr. Young indicated the proposed budget incorporates no longer waiving event fees. Council would like to discuss either no longer waiving the fee and/or receiving cost estimates for events.
- **Outside Agency Funding** – Council would like to revisit this discussion. Council Member Mason suggested reducing the funding amount.
- **E-911 Consolidation** – Council requested the questions/answers be submitted to them.
- **GDS Contract** – Council requested the time frame for when these contracts expire.
- **DBDA** – Council would like to discuss with the DBDA their approved budget, the increase in sales tax revenue and potentially fully funding the downtown development coordinator position with MSD funds.
- **Dental Premium** – Council requested that Finance Director Amy Davis provide the dental premium figures.
- **Parking Enforcement** – Council requested the estimates for handling parking enforcement in-house versus bidding out a contract.
- **Boone Housing Authority** – Council would like to review this for potential to find revenue to fund the department as the Town has in the past. Council Member Mason wondered if Assistant to the Town Manager Jim Byrne could work through the Town to go after these grants or if it is more beneficial to go through the housing authority. Mr. Young indicated he could look for additional funding for this.
- **Cultural Resources Requests** – Council would like to look into restoring the requested funding for window screens at the Horn in the West restrooms as well as trail development for the Rivers-Coffey property. Public Works Director Blake Brown indicated his department could absorb the trail development cost.
- **Howard Street Project** – Council Members Leigh and Ball agreed that they'd like to look at this again. Ms. Fotta recommended having a traffic study completed, adding that the DBDA may be willing to help cover that cost. Mr. Brown suggested waiting until ASU students return before completing the study.

Council Member Leigh asked that the requested information be submitted to Council at least a couple days prior to the next budget meeting, scheduled for June 10, 2013, for time to review.

ADJOURNMENT

Upon a motion by Council Member Ball, seconded by Council Member Mason, Council moved to adjourn the meeting at 2:20 p.m.

VOTE: Aye – All
 Nay – None
 Absent – 1 (Brantz)

Christine Pope, Deputy Town Clerk	Loretta Clawson, Mayor
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