

**MINUTES – SPECIAL MEETING
BOONE TOWN COUNCIL JUNE
17, 2013**

A special meeting of the Boone Town Council was called to order Monday, June 17, 2013, at 8:37 a.m. at the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Jamie Leigh, Rennie Brantz, Allan Scherlen, Lynne Mason and Andy Ball. 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, Downtown Development Coordinator Virginia Falck, Fire Chief Jimmy Isaacs, Public Works Director Blake Brown, Public Utilities Director Rick Miller, Finance Director Amy Davis and Police Chief Dana Crawford.

The purpose of the meeting was to hold a budget work session.

CONTINUED DISCUSSION AND REVIEW OF PROPOSED FY 2013-2014 BUDGET AND POSSIBLE ACTION

- **Tourism-Supported Expenditures**

Finance Director Amy Davis presented a revised list of tourism-supported expenditures (**Copy permanently on file in Town Hall.**) It was the consensus of Council that they were happy with the list presented to forward to TDA for review.

- **Planning and Inspections Fee Schedule**

Planning Director Bill Bailey presented a Planning and Inspections Department fee schedule/cost recovery list for application processes. (**Copy permanently on file in Town Hall.**) Discussion ensued regarding bringing in more revenue through these fees by increasing cost recovery to 75-100%. Council requested Mr. Bailey bring a recommendation to Council in July for implementing increased fees by August/September 2013, and to include a conservative estimate of \$60,000 additional revenue in the upcoming fiscal year budget for doing so.

- **Staff Dental Plan**

Human Resources Director Peri Moretz presented information regarding dental premiums. (**Copy permanently on file in Town Hall.**) Town Manager Greg Young indicated he did not propose a change to coverage in the budget this year, because there will be a major change to health insurance in 2014 with the Affordable Care Act. He added that the health insurance rates have been locked in for the upcoming year, so changing dental coverage will not affect it. It was the general consensus to implement employee-only dental coverage for the upcoming fiscal year, and to estimate \$50,000 in revenue back into the General Fund and \$25,000 in revenue back into the Water and Sewer Fund.

- **Parking Meter Implementation**

Public Works Director Blake Brown advised Council that full downtown meter implementation would cost approximately \$88,000, which includes some double meters, some single meters and a pay station in the lot on Depot Street. Council Member Mason indicated that she'd like to eventually see a pay station in the lot next to Town Hall as well. Lengthy discussion ensued regarding estimated revenue projections, time limits and hourly rates.

Mayor Clawson declared a break at 10:30 a.m. Council reconvened at 10:43 a.m.

Following continued discussion, Council came to the following consensus:

- Leave parking fine rates as is
- Leave Linney Street and Queen Street meters as is
- To aim for an Oct. 1, 2013 full downtown meter implementation date
- Approximate \$174,600 in revenue generated the upcoming fiscal year from meters
- Reduce parking validation stamp revenue projected by \$25,000

- Reduce parking violation fines revenue projected by \$75,000
- Fund upfront meter installation costs totaling \$44,000 (DBDA to fund the remaining \$44,000)
- Schedule a special meeting of the Boone Town Council with the Finance Department, McLaurin Parking, DBDA, Public Works Director Blake Brown and Planning Director Bill Bailey in order to further discuss details of implementing meters downtown, including fee and time limit structures.

Council Member Leigh advised doing the above would leave approximately \$30,600 in additional revenue for the Town from parking meters.

- **Lobbyist Funding**

Town Manager Greg Young reiterated that he believed the lobbyists should continue to be funded as long as the water intake project is continued. He added that one lobbyist has a contract end date of Dec. 31, 2013, and the other is on a month-to-month basis. Council members voiced that they would like the lobbyists to appear before Council with an update on what is happening in legislature more often.

- **ABC Revenues**

Following brief discussion, Council came to the consensus to increase the projected ABC revenues by \$25,000.

- **Fire Department and Inspection Rates**

Fire Chief Jimmy Isaacs reviewed his current fee schedule for inspections and violations, and projected revenues from it. He added that at some point the fee schedule will need to be revisited as well as the issue of overcrowding.

- **Water and Sewer Fund/General Fund Loan Repayment**

Discussion ensued regarding repayment to the Water and Sewer Fund once the Appalachian Theatre is bought from the Town, then putting money borrowed by Water and Sewer Fund back into General Fund, totaling \$180,000. Council came to the consensus to move forward with this adjustment.

- **AppalCART Funding**

Town Manager Greg Young indicated the Town has been committed to maintaining a level of free service, and has not received many complaints about the \$5 vehicle tax.

- **Taxable Properties**

Planning Director Bill Bailey stated he has seen an increase in the number of taxable properties. Discussion ensued regarding the upcoming revaluation of properties.

- **E-911 Consolidation**

Police Chief Dana Crawford advised that he does not believe the Town would be saving any money by consolidating, and doing so could potentially cost the Town more money if they have to hire administrative staff.

Mayor Clawson declared a lunch break at 11:51 a.m. Council reconvened at 12:57 p.m.

REVIEW OF ADJUSTMENTS TO PROPOSED BUDGET

Council reviewed the following requested adjustments:

- \$25,000 back to sidewalk fund from municipal vehicle tax revenue projection
- \$20,500 increase in occupancy tax revenue projection
- \$3,250 increase for July 4th fireworks

- \$1,000 for expenditure line item for Jones House contracted services
- \$1,000 for revenue line item for Cultural Resources to offset contracted services
- \$180,000 street sweeper refurbishment removed
- \$76,500 police car replacements removed
- \$28,772 added for 50% downtown development coordinator position funding
- \$25,000 increase in ABC projected revenue
- \$50,000 for rock house repairs removed
- \$100,000 removed from parking fines revenue
- \$30,000 added to Boone Housing Authority funding
- \$9,824 added to cover McLaurin Parking contract amount
- \$23,411 saved with insurance bid
- \$60,000 increase in planning & inspections permit revenue
- \$50,000 (General Fund) and \$25,000 (Water and Sewer Fund) put back from reduced dental premium costs
- \$88,000 cost added for implementing parking meters to capital outlay
- \$44,000 contribution added for DBDA help to implement meters
- \$174,600 in revenue from parking meters added
- \$180,000 added to General Fund revenue from Water and Sewer Fund loan repayment

Council Member Ball suggested taking the remaining \$96,375 needed to balance the budget from the \$1.225 million estimated fund balance. Discussion ensued regarding putting the \$256,500 for the street sweeper and police cars back into the budget, as originally proposed. Finance Director Amy Davis indicated this would increase the budget shortfall to \$352,875. Discussion ensued regarding using the fund balance to avoid a tax increase and cover the budget shortfall. Council members Scherlen and Leigh did not want to use the fund balance for the shortfall, while Council members Ball, Mason and Brantz, and Mayor Clawson indicated they would like to use the fund balance instead of implementing a tax increase this coming year. It was the majority consensus of the Council to use the remaining fund balance to cover the \$352,875 shortfall.

OTHER ITEMS FOR DISCUSSION

Assistant to the Town Manager Jim Byrne requested authorization from Town Council to move forward with a project if the Army CORPS provides funds. Council was in consensus to allow Mr. Byrne to move forward.

ADJOURNMENT

Upon a motion by Council Member Mason, seconded by Council Member Brantz, Council moved to adjourn the meeting at 1:31 p.m.

VOTE: Aye – 4 (Ball, Mason, Brantz, Scherlen)
 Nay – 1 (Leigh)

Christine Pope, Deputy Town Clerk

Loretta Clawson, Mayor