

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Budget Meeting – June 3, 2010

I. CALL TO ORDER

Mayor Rick Owen called the regular meeting of the Beech Mountain Town Council to order at 6:04 p.m., Thursday, June 3, 2010 in the Town Hall Council Chambers. Other Council members present were Paul Piquet, Rick Miller, Alan Holcombe and Cindy Keller. Staff members present were Town Manager Randy Feierabend; Finance Officer Nancy Johnson, Town Clerk Jennifer Broderick, Utilities Director Robert Heaton, Public Works Director Riley Hatch, Town Planner James Scott, Fire Captain Bob Pudney and Police Chief Jay Hefner. There were a number of interested parties in the audience.

II. Budget Discussion – Fiscal Year 2010 – 2011 – Mayor Owen stated that the goal of these budget meetings were to go through the budget and gather feedback from Council members. Mayor Owen stated that the Public Hearing for the Budget would be held Tuesday, June 8, 2010 at 6:00 p.m. at Town Hall. Mayor Owen instructed Council that the Personnel Study would be the last item discussed; stating that Council should not concentrate on the salary figures within the budget until this discussion took place and a decision was rendered with regards to the two proposals from the Personnel Study.

General Fund – It was first noted that the tax rate for the proposed budget was based on a forecasted 96.6% collection rate.

Line Item 13 Recreation Fees and Contributions - Vice Mayor Piquet questioned the amount of revenue for the Recreation Center that was reflected, believing this number should be much higher. Manager Feierabend explained that with all of the Finance Officer changes during the past fiscal year some revenue may have been put on the wrong line item. Vice Mayor Piquet stated that Line Item 10, miscellaneous, appeared to be higher, so this may be where some of the missing money was allocated. Mayor Owen instructed staff to run monthly totals for the Recreation Center and sort the two line items out.

Line Item 8 Interest on Investments - Manager Feierabend stated that the Town was going to begin purchasing some small term certificate of deposits.

Line Item 24 Beer and Wine Tax – Councilman Miller questioned the beer and wine tax. Manager Feierabend explained what monies the Town accrued from the state tax stating that the Town had just received a payment in the amount of \$500 from the state.

Line Item 32 Building Inspection Fees - Mayor Owen commended Town Inspector, Stan Hanna, for keeping up the revenue fees.

Line Item 33 Sale of Fixed Assets – Public Works Director, Riley Hatch, indicated that the funds for this line item came from the sale of a track hoe the Town had owned.

Line Item 37 Fund Balance Appropriated – Councilwoman Keller stated that the fund balance is a savings account in which the Town placed penalties and/or fees for side projects. Manager Feierabend indicated this money has been earmarked for beautification projects.

Line Item 79 Salaries – Mayor Owen advised staff that the monies appropriated for this line item included the salaries for the Town Manager, Finance Officer and Clerk. Mayor Owen stated that there was a large drop in this figure versus previous budgets because the number of employees under this line item had dropped significantly. The employees previously budgeted here, such as the Utility Clerk, have been reassigned to their appropriate departments.

Line Item 125 Genesis Contribution – Manager Feierabend stated that no contributions were scheduled for Genesis.

Gateway Project - Councilman Miller stated that he would like to see not only the beautification process started for the Gateway Project but would like to see the sidewalk portion of the project begun as well. Mayor Owen stated that for right now Council should only focus on the dollar amount of the budget. Mayor Owen went on to explain that if there was something the Town needed that was not in the budget then, if Council approved the request, an amendment could be made to the budget at a later point in time.

Line Item 89 Data Processing – After much discussion Mayor Owen stated that Council had been able to achieve an accord to leave this line item at \$30,000.

Line Item 108 Interest on Investments – Finance Officer, Mrs. Johnson, stated that this line item denoted the Town's building insurance which covered workers compensation as well as the building.

Line Item 144 Contract Services - Manager Feierabend stated that this line item was an error made by previous staff. This money would need to be budgeted at the minimum of \$8,700 and was based on what Southern Software charges to complete the conversions of tax information from the two Counties.

Line Item 171 Drug Task Force – Mayor Owen asked Chief Hefner to provide Council with an update for the next budget workshop on where other Town's in the area were at with their financial commitment.

Line Item 172 Viper Radio Grant – Police Chief, Jay Hefner, stated that the \$13,500 requested was to meet a 50/50 Viper Radio Grant that would be available July 1, 2010. The Viper program stemmed from the 9-11 attacks when there was a communication breakdown.

Line Item 173 Gas and Fuel – Manager Feierabend stated there was a correction that needed to be made. The figure should not reflect \$42,462.76 but should be approximately \$21,000.

Line Item 159 Utilities – Chief Hefner informed Council that the Town had 355 street lights.

Line Item 163 Supplies and Materials – Councilwoman Keller questioned the amount of money allocated for a chair for Police Dispatch.

Line Item 175 Capital Outlay – Chief Hefner explained that the current battery backups for the Town's 911 system only hold the system for 15-20 minutes. The standard that is supposed to be met is a minimum of 4 hours.

Mayor Owen paused the meeting at 7:29 p.m. so that Vice Mayor Piquet could step out of the room for a moment. Mayor Owen reconvened the meeting at 7:30 p.m.

Fire Department - Manager Feierabend pointed out that he had already removed \$20,000 from the Fire Department's proposed budget. Fire Captain, Robert Pudney, stated to Council that this request is a hybrid plan that begins a transition that will last between five and ten years. The long range plan is that the Town will handle all of the expenses with the exclusion of large expenditures, such as purchasing a fire truck. Mr. Pudney continued to state that actual expenditures were based off of the previous year's cost. Mr. Pudney explained that the Fire Department had applied for a SAFER Grant which would enable the department to hire an additional full time person. The grant would cover the salary of a second individual for a two year period. Mr. Pudney advised that by no later than the end of September 2010 the Town would know whether the grant had been awarded.

Mayor Owen stipulated that Council would like to see the Fire Department's budget, stating that a Board was supposed to be formed to work as a liaison between the Town and the Fire Department on upcoming budget proposals from the Fire Department. Mr. Pudney stated that the only way this is going to work as a hybrid was for Council to have access to the figures that make up the Fire Department's budget and that he would be providing that information. Mr. Pudney stated that there was a need to replace his departmental vehicle. Mayor Owen stated the Town may be willing work on sharing this cost.

Mr. Pudney pointed out that currently the Fire Department bears the burden of paying for all training for their members. Mr. Pudney stated that the cost of bringing a new member in is very expensive.

Building Inspections – Manager Feierabend requested that Council add a request for a laptop into the budget. Council agreed that two laptops should be added to the budget, one for Building Inspections and one for the Planning Department. It was noted that Building Maintenance had been placed under Building Inspections for the upcoming budget year.

Planning Department – Manager Feierabend pointed out that the Town was funding 100% compensation for the Board of Adjustments even though the Board would probably will not meet every time.

Vehicle Maintenance – Public Works Director, Riley Hatch, informed Council that he was not asking for additional monies for building maintenance. Mr. Hatch explained that he had switched out two line items for the two buildings that Public Works had. Mr. Hatch explained how the gas and fuel income was charged out to the other departments.

Employee Insurance – Mayor Owen instructed staff to disseminate all pertinent information with regards to the proposed new 60/40 insurance policy through Tucker Administrators to all Town employees. Staff was to report back to Council plan at their next regularly scheduled meeting.

Manager Feierabend passed out paperwork to review a request from the TDA Chairman.

III. Adjourn – Councilman Holcombe motioned to adjourn the meeting at 8:20 p.m. Councilman Miller seconded the motion to adjourn and the vote passed unanimously.

Minutes approved by Town Council on _____, 2010.

Mayor

ATTEST:

Town Clerk