

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – June 14, 2011; Reconvened June 21, 2011 and June 24, 2011

I. CALL TO ORDER

Mayor Rick Owen called the regular meeting of the Beech Mountain Town Council to order at 6:07 p.m., Tuesday June 14, 2011 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Rick Miller, Cindy Keller and Alan Holcombe. Town Attorney Stacy C. Eggers, IV was present. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Finance Officer Nancy Johnson, Public Utilities Director Robert Heaton, Town Planner James Scott, Fire Chief Robert Pudney and Police Chief Jay Hefner.

II. Invocation – John Troxler presented the invocation.

III. Pledge of Allegiance – All present joined in the Pledge of Allegiance to the flag.

IV. Adoption of Agenda – Mayor Owen stated the agenda would stand as presented.

V. Approval of the Minutes

a. May 10, 2011 Regular Meeting – Vice Mayor Piquet motioned to approve the May 10, 2011 minutes. Councilman Miller seconded the motion and the vote passed unanimously.

b. May 25, 2011 Budget Meeting – Councilman Miller motioned to approve the May 25, 2011 minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

c. June 1, 2011 Budget Meeting – Councilman Miller motioned to approve the June 1, 2011 minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

VI. Public Hearing

a. Public Hearing for Proposed Fiscal Year 2011-2012 Budget – Councilman Holcombe motioned to open the public hearing for the proposed budget. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Manager Feierabend began the public hearing by providing a power point presentation overview of the proposed budget. Upon conclusion of the presentation Mayor Owen opened the floor for public comment. Dr. Murray Miller of 107 Golfview Drive asked if the proposed budget included an increase in property taxes. Manager Feierabend stated that there was no tax increase however the budget did contain another proposed increase to the Towns water and sewer rates. In order for this increase to take effect it would have to be passed by Council. This was the final phase of a 3 year planned water and sewer rate structure increase. Dr. Miller questioned the proposed 1% incentive, 2% Cost of Living Allowance and a 3% merit increase for employee raises stating that perhaps an employee bonus was a more rational way to go. Barry Schorr of 205 Foxgrape Hollow pointed out that money was being spent on automation. Usually when you have this type of purchases you see a savings somewhere else. Mr. Schorr stated that since the Town was installing radio read water meters the Town should be able to cut employees from payroll. Mr. Schorr questioned why the E-911 reserve monies were not being used to

purchase a new police patrol vehicle. Mr. Schorr stated that building expansion needs to be considered at a later point in time given today's economy. Mr. Schorr questioned the ad valorem tax projections. Mr. Schorr stated that the average sold price on the mountain had dropped in the past year. Mr. Schorr stated that the proposed 6% increase in employee salaries was exorbitant. Mr. Schorr stated that a 2% Cost of Living Allowance was fair stating that employees have a pay scale and steps within that scale that should be used. Urs Gsteiger of 115 West Shamrock Lane stated that having been involved with the budget process for the Town in previous years he believes a lot of progress has been made over the past 4 years. However, this being said, there are things that Mr. Gsteiger was concerned about regarding the proposed budget. Mr. Gsteiger noted that a lot of credit can be given to the previous Council for increasing taxes. The tax increase was supposed to be put aside for infrastructure purposes. What has happened though is that these monies have been used to balance the budgets. The taxes need to be reallocated. Employee raises need to be taken into consideration. This type of spending is not acceptable in the current times. The second related issue is employee health and 401K subsidy. While it is commendable it is unsustainable. This costs the Town about \$200,000 a year. The Police Department alone accounts for over 20% of the budget and yet Beech Mountain has virtually no crime. Mr. Gsteiger stated that citizen pay for serving on commissions should be struck as well feeling that those serving should look at this as their civic duty. Larry Miller of 235 Lakeledge Road stated that overall the budget looked very good. Mr. Miller did not concur with the proposed 3% merit, 2% Cost of Living Allowance and the 1% incentive for employees. Mr. Miller stated that the North Carolina League of Municipalities Budget and Tax Rate Survey 2010 - 2011 Results showed that of those municipalities having 2,500 or fewer residents 60% did not grant employee raises and that 50% had reduced their General Fund spending. Municipalities across the State were also having to reduce services in Recreation, Public Works as well as their Sanitation Departments. Reduction in staff was being seen within the Public Works Departments, General Government and Police Departments. Mr. Miller asked Council to be willing to tackle the difficult issue of controlling spending by reducing staff and reducing benefits. Le O'Neal of 220 Birchwood Lane stated that the tax increase that occurred 2 years ago was supposed to go towards the Towns infrastructure. Mr. O'Neal was concerned with the real estate market and the depreciation of value. Additionally Mr. O'Neal stated that there were homes on the mountain which had been depreciating in value as a result of some homeowners becoming derelict in their maintenance. Mr. O'Neal stated that the Town needs to take action. Barry Schorr stated that the Town needs to implement a plan to make the Recreation Center a more effective facility since the Recreation Center costs the Town $\frac{3}{4}$ of a million dollars. Vice Mayor Piquet motioned to close the public hearing. Councilman Holcombe seconded the motion and the vote passed unanimously.

b. Public Hearing for Zoning of Town Property – The floor was opened to Town Planner James Scott for a power point presentation. Mr. Scott showed the current zoning of the 4 Town owned areas under consideration to be rezoned as Public Service Districts. Vice Mayor Piquet motioned to open the public hearing for the proposed rezoning of Town property. Councilman Holcombe seconded the motion and the vote passed unanimously. Dr. Murray Miller of 107 Golfview Drive stated that it sounded like a good idea. Larry Miller of 235 Lakeledge Road asked if Public Service Districts were compatible with Single Family Residential districts. Mr. Scott stated that the Public Service District designation is very similar to what the Town currently has these areas designated as. Mr. Scott stated that he would provide Mr. Miller with the Towns permitted use table. Vice Mayor Piquet motioned

to close the public hearing. Councilman Holcombe seconded the motion and the vote passed unanimously.

c. Public Hearing for Amending Fencing Ordinance – Councilman Miller motioned to open the public hearing for the proposed amendment of the Towns fencing ordinance. Councilman Holcombe seconded the motion and the vote passed unanimously. Town Planner James Scott provided a power point presentation. Mr. Scott pointed out that the proposed ordinance does not apply to fencing under 30” in height, retaining walls, screening (i.e. as used for dumpsters or fuel tanks), temporary fencing (snow fencing, silt fencing, construction fencing –less than 180 days) and gardening fence that protects individual plants or areas less than 200 square feet. Mr. Scott stated that requiring a permit is the best way to ensure compliance so that people do not spend their time or money erecting a noncompliant fence. Dr. Murray Miller of 107 Golfview Drive asked about homeowners who had pets. Mr. Scott stated that the previous ordinance permitted wire to be attached to the back of fencing and that this had been included in the proposed ordinance. Vice Mayor Piquet motioned to close the public hearing. Councilman Holcombe seconded the motion and the vote passed unanimously.

VII. Public Comment – There was no public comment.

VIII. New Business

a. Beech Mountain Historical Society – Ann Illes – Ann Illes spoke representing the Beech Mountain Historical Society. Mrs. Illes pointed out that Barbara Piquet, a fellow member of the Society, was present as well. Mrs. Illes stated that with the Societies success with their book Images of America: Beech Mountain; published by Arcadia Publishing the Society was now ready to tackle another project. The Society will be creating and opening a historical museum for the Town this coming summer in 2012. Mrs. Illes stated that Fred Pfol will be providing space where the toy store is located. Since this will be a small area the Society has decided that they will have revolving exhibits with pictures and artifacts. The Society is looking into available grants for this type of project. Mayor Owen stated that this organization provided a great service to the Town.

b. Avery County Humane Society – Executive Director Laurie Vierheller – Executive Director Laurie Vierheller of the Avery County Humane Society appreciated Council allowing her to come tonight. Mrs. Vierheller noted that animal welfare gets a hard wrap because of animal control. Their organization is not about animal control but about good animal management. There are many health benefits to owning an animal. Mrs. Vierheller provided updated numbers to Council on the Humane Society’s current building project. Mrs. Vierheller stated that the Humane Society is requesting a letter of support to assist with their grant application processes and is also asking for any monies that the Council would be able to donate to show their support. Councilman Miller motioned to approve a letter of support. Councilman Holcombe seconded the motion and the vote passed unanimously. Mayor Owen stated that he would write the letter of support and that Council would take the donation request under consideration during Councils budget process.

c. 123 Skiloft Road – Robert Heaton – Public Utilities Director Robert Heaton stated that staff had reduced the bill as much as the Town ordinances permitted and that an overview of the situation had been provided in the agenda packet. David Hobbs of 123 Skiloft Road

spoke stating that on two occasions his property had broken pipes. Mr. Hobbs stated that he has always shut the water off at the street as required by Town ordinances and believed the issue of his water valve being cut on was a result of snow plowing. Manager Feierabend informed Council that he had visited this location with Public Works Director Riley Hatch and that together they had created a different snow plowing plan to be implemented this coming winter. Councilwoman Keller asked if there was a second homeowner cut off in the house. Mr. Hobbs stated that there was however it is very difficult to get to this cut off with it being located under the dwelling. Councilman Holcombe motioned to reduce the water portion of the bill to the \$90 quarterly minimum. Councilwoman Keller seconded the motion and the vote passed unanimously.

d. 109 Cricket Way – Robert Heaton – Public Utilities Director Robert Heaton stated that staff had reduced the bill as much as the Town ordinances permitted and that an overview of the situation had been provided in the agenda packet. Manager Feierabend stated that this leak was not due to inclement weather. This property actually had a water and sewer leak. After much discussion Councilman Miller motioned that Council make no further adjustment. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

e. Land Line Telephone Ordinance – Randy Feierabend – Manager Feierabend stated that this legislation was requested by Council and that the proposed ordinance for short term lease or rentals does describe the phone as a wall-mounted landline telephone capable of dialing 911 despite power outages. Attorney Eggers stated that there would need to be a public hearing scheduled. Councilman Miller motioned to schedule a public hearing for Council's next regularly scheduled meeting. Councilman Holcombe seconded the motion and the vote passed unanimously. Staff was instructed to striking the wording 'wall-mounted' from within the entire proposed ordinance.

f. Local Bill for Occupancy Tax and Disconnecting Water for Nonpayment – Randy Feierabend – Manager Feierabend stated that there seems to be a possibility that this legislation may be put on as a rider with an existing bill. Attorney Four Eggers stated that he has spoken with Senator Dan Soucek who informed him that there was a good probability that other communities were in need of this type of legislation and that they might want to combine with the Town's request. A formal request could be made to State representatives to address this issue. Councilman Miller motioned for Mayor Owen to write a letter on behalf of the Town. Councilman Holcombe seconded the motion and the vote passed unanimously.

g. Resolution for Closed Session Minutes – Randy Feierabend – Attorney Eggers confirmed that State laws permit certain matters to be confidential for the periods allowed by statute. Periodically Council needs to unseal the portions of these minutes to the public that would not frustrate the purpose of the closed session. Vice Mayor Piquet motioned to pass the resolution. Councilman Holcombe seconded the motion and the vote passed unanimously.

h. Ordinance to Amend Chapter 51 §51.077 "Notification" – Randy Feierabend – Manager Feierabend stated that in order to comply with State statute notifications need to be advertised in a newspaper of general circulation. Councilman Miller motioned to pass the ordinance. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Ordinance No. 2011-05 is attached as Exhibit A and incorporated by reference as if fully set out within these minutes.

IX. Old Business

a. Proposed Fiscal Year 2011 – 2012 Budget Discussion – Mayor Owen – Council held no discussion.

b. Schedule Budget Workshop Date(s) – Mayor Owen – After much discussion Council determined that the next meeting would be held Tuesday, June 21st 4:00 p.m. at Town Hall in the Council Chamber room.

c. Vote on Zoning of Town Property – Mayor Owen – Councilman Miller motioned to pass the rezoning of areas adjacent to Buckeye Recreation Center. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Ordinance No. 2011-06 is attached as Exhibit B and incorporated by reference as if fully set out within these minutes. Councilman Miller motioned to pass the rezoning of areas adjacent to Public Works including the newly acquired property. Councilman Holcombe seconded the motion and the vote passed unanimously. Ordinance No. 2011-07 is attached as Exhibit C and incorporated by reference as if fully set out within these minutes. Councilman Miller motioned to pass the rezoning of Fire Station II. Councilman Holcombe seconded the motion and the vote passed unanimously. Ordinance No. 2011-08 is attached as Exhibit D and incorporated by reference as if fully set out within these minutes. Councilman Miller motioned to pass the rezoning of Town Hall and the Chamber. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Ordinance No. 2011-09 is attached as Exhibit E and incorporated by reference as if fully set out within these minutes.

d. Vote on Amending Fencing Ordinance – Mayor Owen – Councilwoman Keller questioned the 30” height requirement feeling that this height should be lowered to 24”. Town Planner James Scott stated that this change would be acceptable. Councilwoman Keller questioned whether there are limitations on people that have non-compliant structures. Mr. Scott stated that there was a noncompliant provision however Attorney Eggers had asked for this provision to be removed. Attorney Eggers stated that the regulations have been broadened enough so that all previously compliant fences on Beech Mountain would be able to stay as a matter of right. Mr. Scott stated that there were approximately 15 fences currently on the mountain that would not be covered by the new legislation. Councilman Miller stated that homeowners with nonconforming fences should be given 2 years to become compliant. Attorney Eggers stated that staff could work on the suggested revisions and that Council could make a decision when they met on June 21, 2011.

e. Trail from Kats Overlook to Perry Park – James Scott – Town Planner James Scott stated that the only negative comment that he has heard about the Streetscape is that it is a walkway that goes nowhere. One of the goals of acquiring this property was to create connectivity to other Town trails. With the acquisition of this property the Streetscape was proposed to end at Katz Overlook would be able to connect to Perry Park as well as the Pond Creek trails. The property owners have been contacted and are willing to think about trading their property for a Town owned lot. This proposed property that the Town is looking at is 1300’ long and approximately 45’ wide at one end and 25’ wide at the other end. Back Irons of neighboring properties have been identified. Staff has researched the topography of this property and it would be very usable for the proposed purpose. Mr. Scott proposed to Council that they look at trading 1 of 4 proposed Town lots; Lot 1 located on Gum Tree Road, Lot 2 located at 295

Popular Drive and Lot 3 and 4 located off of Wild Daisy Lane. Mayor Owen thanked Mr. Scott for his presentation.

f. Town Hall Building Expansion – Randy Feierabend – Manager Feierabend stated that this would be a good item to hold off on and review with further budget discussions.

X. Town Manager and Staff Reports

Parks and Recreation Director Update – Manager Feierabend stated that after committee review there are a total of 4 candidates for the Parks and Recreation Director position and that interviews have been scheduled with these candidates.

Update on Water and Sewer Study – Manager Feierabend stated that Marion Rothrock will be prepared to give a presentation in July. This will be a very lengthy presentation and Council may want to consider scheduling a separate meeting for this presentation.

Recreation Center Heater – Manager Feierabend stated that the cost for the part was approximately \$1,100. This part would act as a backup for the heat at the Recreation Center. There had initially been two of these parts in the heater but one of them had become damaged.

Perry Park Picnic Shelter – Manager Feierabend stated that Fred Pfohl and Jeanne Birks would like to request Council's permission to collect donations in order to build a picnic shelter on the cement pad at Perry Park in honor of Cathy Hosmer whom has passed away. They would also like to place a memorial at the park. Vice Mayor Piquet wondered about the parking situation if a building was erected there. Manager Feierabend stated that staff has been able to improve the parking. Councilman Miller wanted to make sure that someone that has knowledge of construction was involved in the project. Council agreed to allow for the collection of donations for this purpose as long as the plans for the building were presented to Council for their approval.

Councilman Miller commended staff on the sealing and striping of the Town Hall parking lot. Mayor Owen thanked staff for sitting in on the meeting and called for a short break for Council at 8:32 p.m.

XI. Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Matters – Upon motion by Councilman Miller; seconded by Vice Mayor Piquet, Council voted unanimously to go into closed session pursuant to N.C. Gen. Stat. 143-318.11(a)(3) for Attorney Client matters at 8:48 p.m. Councilman Holcombe motioned to exit closed session at 9:20 p.m., which was seconded by Councilman Miller. The motion carried unanimously.

XII. Other Business –

Bonus – Councilman Miller motioned for Manager Feierabend to receive a one-time bonus in the amount of \$6,000 for the upcoming fiscal year to be paid during the month of July. Councilman Holcombe seconded the motion and the vote passed unanimously.

Trail from Kats Overlook to Perry Park – Council directed Attorney Eggers to handle negotiations as well as granting Attorney Eggers permission to offer in trade the Town owned lots that Mr. Scott had presented earlier in the meeting.

XIII. *Recessed* – Councilman Holcombe motioned to recess the meeting at 9:22 p.m. to Tuesday, June 21, 2011; 4:00 pm. at Town Hall in the Council Chamber room for consideration of the budget and the amended fencing ordinance. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

XIV. *Reconvened* – Mayor Rick Owen reconvened the regular meeting of the Beech Mountain Town Council at 4:10 p.m., Tuesday June 21, 2011 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Rick Miller, Cindy Keller and Alan Holcombe. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Finance Officer Nancy Johnson, Building Code Administrator Stan Hanna, Public Works Director Riley Hatch and Fire Chief Robert Pudney.

Mayor Owen advised that the budget discussion was not an extension of the public hearing from the previous meeting.

XV. *Vote on Amending Fencing Ordinance – Mayor Owen* – Councilwoman Keller stated that Council had requested that nonconforming fences be permitted 2 years to become compliant. Councilwoman Keller motioned to pass the ordinance with the provision that nonconforming fences be permitted 2 years to become compliant. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Ordinance No. 2011-10 is attached as Exhibit F and incorporated by reference as if fully set out within these minutes.

XVI. *Budget Discussion Fiscal Year 2011 – 2012 – Mayor Owen* – Mayor Owen commended staff on their work on the budget and opened the floor for budget discussion.

Tourism Development Authority – Manager Feierabend stated that the Tourism Development Authority is proposing 2 positions; 1 full-time position with benefits and 1 full-time part-time position. The Tourism Development Authority would give the Town \$26,000 to assist in covering the expense of some of the recreational activities. Vice Mayor Piquet thought that the Tourism Development Authority was going to continue giving the Town 1/3 of their generated income. Manager Feierabend stated that nothing was in writing yet. Mayor Owen stated that Council should continue this conversation when they were presented with something in writing and that changes to the budget could be made in the future. Manager Feierabend stated that the Tourism Development Authority and the Chamber of Commerce are scheduled to meet tomorrow.

Employee Salaries – Vice Mayor Piquet stated that the Consumer Price Index is now at 3.6%. Vice Mayor Piquet motioned that Council should forego the 1% incentive; eliminate the proposed 3% merit raises and grant employees a 4% Cost Of Living Allowance. Councilman Holcombe seconded the motion. Mayor Owen opened the floor for discussion. Mayor Owen stated that he was prepared to discuss a 3% Cost of Living Allowance. The proposed incentive was to be used for the cross training of employees between the Police Department and the Fire Department. Mayor Owen stated that the merit program had been executed well by staff but that unfortunately because of the times being rough it was not plausible. Vice Mayor Piquet stated that the new Consumer Price Index information was based on the period from May 2010 through May 2011. Mayor Owen stated that there was concern for the future with Council having to look at either potential furloughs and or

decreased health care benefits for employees. Vice Mayor Piquet stated that the 1% incentive was not ever really under consideration. The original proposal of 2% Cost of Living Allowance and 3% merit were viable options for the Town. Councilman Holcombe stated that merit raises have always presented a quagmire. Next year Council will be looking at cutting the insurance benefits for employees. With this being the case the Town needs to remember that its employees are the Towns most important commodity. Councilwoman Keller stated that the resident's income has diminished. Councilwoman Keller was very concerned that the proposed budget involves taking well over \$100,000 out of the Reserve Fund and then borrowing another \$500,000. Councilwoman Keller felt that a 2.5% to 3% Cost of Living Allowance would be reasonable since Council would be looking at cutting health benefits next year. Councilman Miller agreed with the Mayor regarding the merit pay but agreed with Councilman Holcombe and Vice Mayor Piquet regarding the Cost of Living Allowance with the understanding that next year the Town would be looking at phasing out health benefits. Mayor Owen asked if Council was considering making any changes to the employee's benefits at this point in time. Council was not ready to move forward with any cuts at present. Council directed staff to notify employees that some of their benefits may be changed in the future. Councilwoman Keller suggested that Council provide a more accurate picture to employees at least 6 months prior to making the changes. Mayor Owen stated that the cost that the Town is paying for dependents is an obvious place to look for money and savings. Councilman Miller stated the Towns employees are the Towns most important commodity. The Towns employees provide a great deal of customer care. Mayor Owen concurred stating that the Town was in a service industry. Mayor Owen called the vote stating that there was a motion on the floor for a 4% Cost of Living Allowance; no merit and no incentive. Council voted yes 3 to 2 with Councilwoman Keller and Mayor Owen voting nay. Council directed staff to start looking into employee benefits.

Capital Requests – Mayor Owen reviewed the capital requests that were still under consideration with Council. Council elected to keep the INCODE Software, Color Copier, 4X4 Police Patrol Vehicle, Streetscape Improvements, Pothole Patcher on Trailer, Striping Machine, Swap Loader/Sand Truck, Showers at the Recreation Center and Cardio Fitness Equipment. Council removed the Insulation for Town Hall. The total Capital Outlay was \$345,400 plus the Water and Sewer Capital Outlay.

General Fund – Mayor Owen turned discussion to the General Fund. Councilwoman Keller asked for an update on the bank service charges. Finance Officer Nancy Johnson said credit card fees would be configured on a cost plus basis. In order for the Town not to accrue fees on their checking account the bank required a minimum balance of \$800,000. Mayor Owen asked about the option of having customers make their payments online if they wished to use a credit card. Council did not wish to continue to pay credit card fees for users. Mrs. Johnson stated that the Town could not transfer the fee to the customer with the credit card machines from the bank for tax or utility payments. Mayor Owen stated that the Town would still be using the Official Payments website for online credit card processing. Councilman Miller asked how Council felt about the \$800,000 being kept in the checking account. Mrs. Johnson said that there was one month that the Town had to pay an additional \$700 charge and 2 other months were the Town had to pay approximately \$1,000 in fees. Councilman Miller stated that the Town would be saving money by keeping the \$800,000 in this account. Mayor Owen suggested that staff check with the Local Government Commission first with regards to the Towns money being secured. Councilwoman Keller asked why the Town receives so little from the Alcohol Beverage Control sales. Manager Feierabend stated that it was based on the population so the Town receives a very small amount. Mayor Owen stated that Seven Devils, Sugar and Banner Elk own the 1 Alcohol Beverage Control store and split the profits. Councilman Miller stated that when the Town applied for its liquor license they were informed that

the Town could not open an Alcohol Beverage Control store. Mayor Owen stated that a board runs the store for the Towns. Manager Feierabend stated that the Towns beer and wine tax was generated from the businesses within the Town of Beech Mountain.

10-410-3303 Christmas Lights – Councilman Miller stated that Council left \$3,000 for the Christmas lights.

10-410-1601 Building Ground Maintenance – Councilwoman Keller asked if this amount needed to remain at \$ 24,000. There was no discussion.

10-410-9110 Rescue Squad Contribution – Councilwoman Keller asked about the rescue squad. Public Works Director Riley Hatch stated that they are the primary responders for handling entrapments.

10-410-9106 Mountain Ambulance Contribution – Mayor Owen advised that the facility at the base of the mountain is a result of this organizations hard work.

10-410-9107 Avery County Humane Society – Councilwoman Keller asked if Council did not wish to contribute more than \$250. There was no discussion.

Water and Sewer Fund – Council agreed that that the Town would purchase a Truck, a Utility Service Truck, a Generator for Pinnacle Inn and Leak Collators.

Committee Stipend – Councilwoman Keller stated that she felt that most of the committee members did not wish to receive the stipend. Planning Board Vice Chairman Andy Porter stated that the Planning Board had unanimously decided that they did not want the money and would rather have the money put into the Streetscape Project. Vice Mayor Piquet felt that it was the least the Town could do. There was no further discussion.

Sign at the Bottom of the Mountain – Councilman Miller asked about the sign at the bottom of the mountain stating that the sign could be purchased for \$11,000. It would be 14” x 7’ with 8.5 inch lettering that can be red or amber in color. This sign could also be controlled at the top of the mountain. Councilman Miller stated that during the winter time this sign would be extremely beneficial. Councilman Holcombe did not feel like the public would be able to see it. Vice Mayor Piquet felt the sign would need to be taller. Mayor Owen stated it would be better to have the lettering on the sign lit up. Manager Feierabend stated that this sign could have this capability. Councilman Miller stated that it is a safety issue with drivers attempting to come up the mountain with the wrong types of vehicles. Councilman Miller was in favor of the Police Department cracking down on these individuals. Mayor Owen stated the first step the Town should take would be to enforce its own rules. Mayor Owen did not think that a new sign would change the fact that people are still going to try to drive up the mountain with 2 wheel drive. Vice Mayor Piquet wondered if they could get the State to provide a better sign. Councilwoman Keller stated that an officer’s presence at the bottom of the mountain during busy hours would help to enforce the law. This officer would also be able to inform drivers where they could purchase chains. Mayor Owen felt that this could be a good preventative measure. Manager Feierabend stated that technically a lot of these motorists would be within the Town of Banner Elks jurisdiction. There was no further discussion.

Speed Limit Sign – Councilman Miller felt that there should be a speed limit sign placed at the back gate.

Sanitation – Council held no discussion.

E-911 – Council held no discussion.

Councilwoman Keller asked about the third proposed increase for the water and sewer rates and whether or not this was included in the budget. Manager Feierabend stated that it is in the budget; however staff is looking into other ways to accumulate the necessary funds. It has been budgeted to become effective January 1st if Council should choose to vote for this increase. Mayor Owen asked if there was any further discussion. There was no further discussion.

XVII. Recessed – Vice Mayor Piquet motioned to recess the meeting at 5:49 p.m. to Friday, June 4, 2011; 9:00 a.m. at Town Hall in the Council Chamber room for adoption of the budget ordinance. Mayor Owen seconded the motion and the vote passed unanimously.

XVIII. Reconvened – Mayor Rick Owen reconvened the regular meeting of the Beech Mountain Town Council at 9:04 a.m., Friday June 24, 2011 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Rick Miller, Cindy Keller and Alan Holcombe. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Finance Officer Nancy Johnson, Public Utilities Director Robert Heaton, and Fire Chief Robert Pudney.

April 2011 – June 2012 Capital Project Ordinance – Councilman Miller motioned to adopt the April 2011- June 2012 Capital Project Ordinance. Councilman Holcombe seconded the motion and the vote passed unanimously. Ordinance No. 2011-11 is attached as Exhibit G and incorporated by reference as if fully set out within these minutes.

Adoption of the 2011 – 2012 Budget Ordinance – Mayor Owen stated that staff had prepared the budget ordinance with the changes that Council had requested at their previous meetings. Vice Mayor Piquet motioned to approve the 2011 – 2012 Budget Ordinance. Councilman Holcombe seconded the motion. The vote passed 4 – 1 with Councilwoman Keller voting nay. Councilwoman Keller stated that the 4% payroll increase is not something that the Town could handle. Councilwoman Keller was in favor of a smaller Cost of Living Allowance and the Town occasionally paying employee bonuses but did not want to be married forever to salary increases. The 2011 – 2012 Budget Ordinance is attached as Exhibit H and incorporated by reference as if fully set out within these minutes.

XIX. Adjourn – Vice Mayor Piquet motioned to adjourn the meeting at 9:10 a.m. Councilman Holcombe seconded the motion and the vote carried unanimously.

Minutes approved by Town Council on July 12, 2011.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, Town Clerk

EXHIBIT A

Ordinance Number 2011-05

(2 pages)

Ordinance NO. 2011-05

TOWN OF BEECH MOUNTAIN, NC

**AN ORDINANCE TO AMEND CHAPTER 51 WATER AND SEWER USE §51.077
"NOTIFICATION"**

WHEREAS, the Town of Beech Mountains code book currently dictates that the required water shortage response notifications will be communicated through the Mountain Times; and

WHEREAS, the Town of Beech Mountain wishes for these notifications to be published in a newspaper of general circulation;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA, THAT:

SECTION I. The Code of Ordinances, Chapter 54 Water and Sewer Use Ordinance §51 077 "Notification" is hereby amended to read as follows:

§51.077 NOTIFICATION

The following notification methods will be used to inform water system employees and customers of a water shortage declaration: employee e-mail announcements, notices at municipal buildings, notices in water bills. Required water shortage response measures will be communicated through the ~~Mountain Times~~ a newspaper of general circulation, the town's website (<http://www.townofbeechmountain.com/>) PSA announcements on local radio and cable stations. Declaration of emergency water restrictions or water rationing will be communicated to all customers by telephone through use of reverse 911.

SECTION II. CODIFICATION. The provisions of Section I of this Ordinance shall be published as appropriate in the Town of Beech Mountain Code of Ordinances as soon as practicable.

SECTION III. SEVERABILITY CLAUSE. If any section, part or provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, then it is expressly provided and it is the intention of the Town Council in passing this Ordinance that its parts shall be severable and all other parts of the Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION IV. PUBLICATION AND EFFECTIVE DATE. This Ordinance shall take effect immediately upon its passage and publication according to law.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the Town Council of Beech Mountain, North Carolina, at which a quorum was present and which was held on the 14th day of June, 2011.

This ordinance adopted this the 14th day of June, 2011.

Rick Owen, Mayor

ATTEST:

Jennifer Broderick, Clerk

EXHIBIT B

Ordinance Number 2011-06

(2 pages)

Rezoning Ordinance 2011-06

TOWN OF BEECH MOUNTAIN

WHEREAS, the Town of Beech Mountain has duly adopted an ordinance to establish zoning districts throughout the Town of Beech Mountain; and

WHEREAS, the Town of Beech Mountain Zoning Administrator is charged with maintaining the Official Zoning Map for the Town of Beech Mountain, North Carolina, pursuant to §154.073 of the Town of Beech Mountain Code of Ordinances; and

WHEREAS, the Town Council of the Town of Beech Mountain, pursuant to a duly advertised public hearing, acted to rezone the property described below from the previous zoning classification of the property to the current classification as set forth below; and

WHEREAS, as a result of the change in zoning classification, the Town of Beech Mountain Zoning Administrator is to update the records of the Town in regards to the proper zoning classification of the property; and

WHEREAS, this resolution is signed and placed in the files of the Zoning Administrator to properly document duly enacted re-zoning of the property as described below at the regular Town Council meeting for the Town of Beech Mountain which was held on the 14th day of June, 2011;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA THAT THE FOLLOWING REZONING ACTION WAS TAKEN BY THE TOWN OF BEECH MOUNTAIN:

Counties: Watauga and Avery

Parcel Identification Numbers	Deed Book References	Acreage	Previous Zoning Classification	Record Owner(s) @ Date of Rezoning
1941-21-8872-000	042/847	16.39	R1	Town of Beech Mtn
1941-31-3897-000	754/048	4.32	R1	Town of Beech Mtn
1941-31-5343-000	764/816	.37	R2	Town of Beech Mtn
1941-31-5134-000	1200/001	.689	R2	Town of Beech Mtn
194117221150	175/1036	9.9	R1	Town of Beech Mtn

Present Zoning Classification: PS

Restrictions or Conditions specifically placed upon the property as a condition of the rezoning not otherwise set forth in the Zoning Ordinance or elsewhere:

None

Present uses of the property which would be deemed a grandfathered, non-conforming use of the property under the new zoning classification:

None

Filed with the Zoning Administrator for the Town of Beech Mountain, North Carolina this the 14th day of June 2011.

Rick Owen, Mayor

Attest:

Jennifer Broderick, Town Clerk

Amendment to the Official Zoning Map of the
Town of Beech Mountain Acknowledged:

Zoning Administrator

EXHIBIT C

Ordinance Number 2011-07

(2 pages)

Rezoning Ordinance 2011-07

TOWN OF BEECH MOUNTAIN

WHEREAS, the Town of Beech Mountain has duly adopted an ordinance to establish zoning districts throughout the Town of Beech Mountain; and

WHEREAS, the Town of Beech Mountain Zoning Administrator is charged with maintaining the Official Zoning Map for the Town of Beech Mountain, North Carolina, pursuant to §154.073 of the Town of Beech Mountain Code of Ordinances; and

WHEREAS, the Town Council of the Town of Beech Mountain, pursuant to a duly advertised public hearing, acted to rezone the property described below from the previous zoning classification of the property to the current classification as set forth below; and

WHEREAS, as a result of the change in zoning classification, the Town of Beech Mountain Zoning Administrator is to update the records of the Town in regards to the proper zoning classification of the property; and

WHEREAS, this resolution is signed and placed in the files of the Zoning Administrator to properly document duly enacted re-zoning of the property as described below at the regular Town Council meeting for the Town of Beech Mountain which was held on the 14th day of June, 2011;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA THAT THE FOLLOWING REZONING ACTION WAS TAKEN BY THE TOWN OF BEECH MOUNTAIN:

County: Avery

Parcel Identification Numbers	Deed Book References	Acreage	Previous Zoning Classification	Record Owner(s) @ Date of Rezoning
185905294536	131/1492	1.02 Acres	CS1	Town of Beech Mtn
185906295571	267/775	.55 Acres	CS2	Town of Beech Mtn
185905294239	299/165	1.06 Acres	CS1	Town of Beech Mtn
185905294047	---- (unk)	.2 Acres	CS1	Beech Mtn Sanitary Dist.

185905293057	142/730	.16 Acres	CS1	Beech Mtn Sanitary Dist.
185906298372	455/062	5.89 Acres	R3A	Town of Beech Mtn
185905292086	302/1153	.24 Acres	CS1	Town of Beech Mtn
185905284954	217/899	.43 Acres	CS1	Town of Beech Mtn

Present Zoning Classification: PS

Restrictions or Conditions specifically placed upon the property as a condition of the rezoning not otherwise set forth in the Zoning Ordinance or elsewhere:
None

Present uses of the property which would be deemed a grandfathered, non-conforming use of the property under the new zoning classification:
None

Filed with the Zoning Administrator for the Town of Beech Mountain, North Carolina this the 14th day of June 2011.

Rick Owen, Mayor

Attest:

Jennifer Broderick, Town Clerk

Amendment to the Official Zoning Map of the
Town of Beech Mountain Acknowledged:

Zoning Administrator

EXHIBIT D

Ordinance Number 2011-08

(2 pages)

Rezoning Ordinance 2011-08

TOWN OF BEECH MOUNTAIN

WHEREAS, the Town of Beech Mountain has duly adopted an ordinance to establish zoning districts throughout the Town of Beech Mountain; and

WHEREAS, the Town of Beech Mountain Zoning Administrator is charged with maintaining the Official Zoning Map for the Town of Beech Mountain, North Carolina, pursuant to §154.073 of the Town of Beech Mountain Code of Ordinances; and

WHEREAS, the Town Council of the Town of Beech Mountain, pursuant to a duly advertised public hearing, acted to rezone the property described below from the previous zoning classification of the property to the current classification as set forth below; and

WHEREAS, as a result of the change in zoning classification, the Town of Beech Mountain Zoning Administrator is to update the records of the Town in regards to the proper zoning classification of the property; and

WHEREAS, this resolution is signed and placed in the files of the Zoning Administrator to properly document duly enacted re-zoning of the property as described below at the regular Town Council meeting for the Town of Beech Mountain which was held on the 14th day of June, 2011;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA THAT THE FOLLOWING REZONING ACTION WAS TAKEN BY THE TOWN OF BEECH MOUNTAIN:

County: Watauga

Parcel Identification Numbers: 1941-70-6955-000

Record Owner(s) of the Property at Date of Rezoning:

Beech Mountain Volunteer Fire Dept, Inc.

Deed Book Reference: 921/692

Acreage: 2.22 Acres

Previous Zoning Classification: R2

Present Zoning Classification: PS

Restrictions or Conditions specifically placed upon the property as a condition of the rezoning not otherwise set forth in the Zoning Ordinance or elsewhere:

None

Present uses of the property which would be deemed a grandfathered, non-conforming use of the property under the new zoning classification:

None

2011-08

Filed with the Zoning Administrator for the Town of Beech Mountain,
North Carolina this the 14th day of June 2011.

Rick Owen, Mayor

Attest:

Jennifer Broderick, Town Clerk

Amendment to the Official Zoning Map of the
Town of Beech Mountain Acknowledged:

Zoning Administrator

EXHIBIT E

Ordinance Number 2011-09

(2 pages)

Rezoning Ordinance 2011-09

TOWN OF BEECH MOUNTAIN

WHEREAS, the Town of Beech Mountain has duly adopted an ordinance to establish zoning districts throughout the Town of Beech Mountain; and

WHEREAS, the Town of Beech Mountain Zoning Administrator is charged with maintaining the Official Zoning Map for the Town of Beech Mountain, North Carolina, pursuant to §154.073 of the Town of Beech Mountain Code of Ordinances; and

WHEREAS, the Town Council of the Town of Beech Mountain, pursuant to a duly advertised public hearing, acted to rezone the property described below from the previous zoning classification of the property to the current classification as set forth below; and

WHEREAS, as a result of the change in zoning classification, the Town of Beech Mountain Zoning Administrator is to update the records of the Town in regards to the proper zoning classification of the property; and

WHEREAS, this resolution is signed and placed in the files of the Zoning Administrator to properly document duly enacted re-zoning of the property as described below at the regular Town Council meeting for the Town of Beech Mountain which was held on the 14th day of June, 2011;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA THAT THE FOLLOWING REZONING ACTION WAS TAKEN BY THE TOWN OF BEECH MOUNTAIN:

County: Avery

Parcel Identification Numbers	Deed Book References	Acreage	Previous Zoning Classification	Record Owner(s) @ Date of Rezoning
185905195001	194/887	.64 acres	CS1	Town of Beech Mtn
185905184873	230/305	.74 acres	CS1	Town of Beech Mtn

2011-09

Present Zoning Classification: PS

Restrictions or Conditions specifically placed upon the property as a condition of the rezoning not otherwise set forth in the Zoning Ordinance or elsewhere:
None

Present uses of the property which would be deemed a grandfathered, non-conforming use of the property under the new zoning classification:
None

Filed with the Zoning Administrator for the Town of Beech Mountain, North Carolina this the 14th day of June 2011.

Rick Owen, Mayor

Attest:

Jennifer Broderick, Town Clerk

Amendment to the Official Zoning Map of the
Town of Beech Mountain Acknowledged:

Zoning Administrator

EXHIBIT F

Ordinance Number 2011-10

(5 pages)

Ordinance NO. 2011-10

TOWN OF BEECH MOUNTAIN, NC

AN ORDINANCE TO AMEND FENCING REGULATIONS IN THE TOWN OF
BEECH MOUNTAIN

WHEREAS, Beech Mountain is a resort area that is blessed with abundant environmental beauty; and;

WHEREAS, the Town of Beech Mountain desires to preserve the aesthetic qualities and charm of its neighborhoods; and;

WHEREAS, the Town of Beech Mountain desires to prevent nuisances that would detract from the charm and aesthetic qualities of such neighborhoods; and;

WHEREAS, property owners in Beech Mountain desire a means to erect quality fencing, hedges and walls for purposes of containment and privacy that do not distract from the area's natural beauty;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE
TOWN OF BEECH MOUNTAIN, NORTH CAROLINA, THAT:

SECTION I. The Code of Ordinances, Chapter 154 (Zoning), Section 154.139 is hereby amended to read as follows:

§154.139 FENCES, LANDSCAPING WALLS, AND HEDGES

(A) Purpose. The purpose of this Section is to regulate the materials, location, and height of fencing, landscaping walls and ornamental hedges in order to preserve the beauty of the Mountain, to prevent the creation of nuisances, and to promote the general welfare of the public.

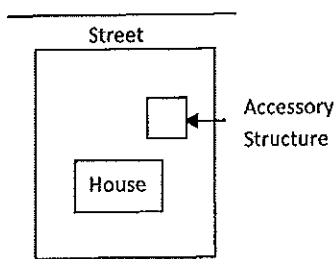
(B) Definitions. For the purpose of this chapter, certain words or terms used herein are defined as follows:

(1) Screening. Visual obstruction placed so as to preclude view of a particular object such as an above ground fuel tank or a garbage dumpster. ~~Screening shall not have a perimeter that is substantially larger than necessary to shield the particular object from view.~~

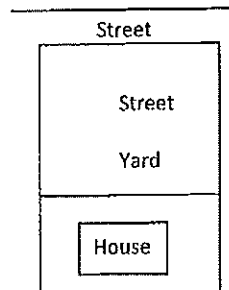
(2) Temporary fencing. Fencing erected for a duration of less than 180 days. Temporary fencing includes snow fencing, silt fencing for erosion and sedimentation control, and temporary fencing used during the construction process.

(3) Gardening fence. Fencing used to protect individual plants, trees, or flowers from animals, provided that such fencing surrounds individual plants, trees, or flowers or encloses an area of not larger than 200 square feet. Such fencing shall be constructed with T- posts and stock fencing (welded wire) or similarly inconspicuous material and shall be green, brown, or other color intended to blend in with the surroundings.

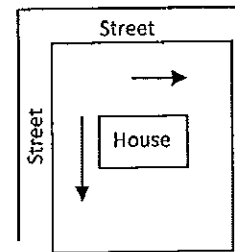
(4) Street yard. Any portion of a lot or tract that lies closer to a right of way than the primary structure on that lot or tract. For lots on which the primary structure is more than 75 feet from the road right of way, the street yard is the portion of the lot or tract that lies within a distance of 75 feet of a right of way line. See illustrations below:



Street yard is the portion of the lot that lies closer to the road than the primary structure



Street yard extends only a maximum of 75 ft from right of way line



Corner lots have street yards on multiple sides

(C) Scope. The requirements of this Section apply to all fencing, landscape walls and ornamental hedges with the following exceptions:

- (1) Fencing not exceeding 24 inches in height
- (2) Retaining walls used to support earth and having only one side exposed (the other side being covered with backfill).
- (3) Screening, as defined above
- (4) Temporary fencing, as defined above.
- (5) Gardening fence, as defined above.
- (6) Fencing not visible from beyond the boundaries of the property on which it is located.

(7) Fencing erected by the Town of Beech Mountain.

(D) Permit Required. No fence, wall, or ornamental hedge shall be installed without first obtaining a permit.

(1) Permit Standards. Applications for a fence permit must be accompanied by the information below:

- a. A recent survey of the property on which the proposed fence is to be located. Property corners as illustrated on the survey shall be clearly marked and identifiable on site.
- b. A sketch or plan of the location of the proposed fence in relation to the boundaries of the property on which it is to be located. It is preferable that such information be provided on the survey.
- c. A sketch or design of the type of fencing to be used. This design must show the materials used, the dimensions (height and spacing of individual members), and the general appearance of the fence once erected.
- d. A completed Building Permit Application form.
- e. An appropriate fee as provided in the Town of Beech Mountain Permit Fee Schedule available in the Department of Planning and Inspections.

(E) Fence Standards.

(1) Construction. All fences, walls, or hedges must be constructed and erected or planted in accordance with the approved plans submitted with the permit.

(2) Material and Color Requirements.

- a. With the exception of (c) below, fences shall be faced with natural or manufactured wood, stone, brick, or wrought iron.
- b. If painted, fencing must be painted in such a manner that it substantially conforms to the color(s) used on the primary structure on the lot.
- c. Chain link fencing may be erected in the following locations only:
 - a. to protect tennis courts, swimming pools, athletic fields, and playgrounds.
 - b. to protect water supply, pumping stations, water storage tanks, and similar utilities or infrastructure.

- c In the CS-1/ CS-2 districts where protection of the property from trespassers is essential to the health and safety of the community

- (3) Height With the exception of Chain link fencing, no fence, wall, or ornamental hedge may exceed 6 feet in height. If located in the Street Yard as defined above, the maximum height shall be 5 feet.
- (4) Gates. Any gates must conform substantially in style, design, and types of materials to the fence through which it provides access.
- (5) Containment. Fences or enclosures constructed for the purposes of containing animals must comply with the standards of this Section. For containment purposes, any permitted fence, landscape wall, or hedge may be backed by welded wire. Said wire shall be firmly affixed to property owner's side of said fence, wall or adjacent to said hedge, and shall not exceed the height of the fence, wall, or hedge.
 - a. Any hedge containing wire backing shall be planted in such a manner that the wire backing is completely obscured from the adjacent property or the street, as determined by the building inspector.

(F) Non-Conforming Fences:

(1) *General.* Fences that are erected and are in place prior to the adoption of this subchapter and which do not conform to the provisions of this subchapter are declared non-conforming fences. A fence that is erected and that is in place and which conforms to the provisions of the fence subchapter at the time it is erected, but which does not conform to an amendment of this subchapter enacted subsequent to the erection of said fence is declared a non-conforming fence. Any fence erected after the passage of this subchapter must meet all the criteria within this subchapter including all amendments thereto.

(2) *Time frame.* Within the time frame for removal of non-conforming fences set out in this section, such fences:

- a. Shall not be changed or replaced with another non-conforming fence or copy;
- b. Shall not be expanded or relocated;
- c. Shall not be re-established after damage or destruction in excess of 60% of the value at the time of damage or destruction; and
- d. Shall not be modified in any way which increases their degree of non-conformity.

(3) *Removal of non-conforming fences.*

- a. All fences not conforming to all sections of this subchapter on the date of the enactment of this subchapter shall be removed, changed, or altered to conform to this subchapter within two years of the original enactment of this subchapter.
- b. All fences which are conforming at the time this subchapter is enacted, and which are made non-conforming as a result of an amendment to this subchapter, shall be removed, changed, or altered to conform to this subchapter within two years of the date said amendment was enacted.

SECTION II. CODIFICATION The provisions of Section I of this Ordinance shall be published as appropriate in the Town of Beech Mountain Code of Ordinances as soon as practicable

SECTION III. SEVERABILITY CLAUSE. If any section, part or provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, then it is expressly provided and it is the intention of the Town Council in passing this Ordinance that its parts shall be severable and all other parts of the Ordinance shall not be affected thereby and they shall remain in full force and effect.

SECTION IV. PUBLICATION AND EFFECTIVE DATE. This Ordinance shall take effect immediately upon its passage and publication according to law.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the Town Council of Beech Mountain, North Carolina, at which a quorum was present and which was held on the 21st day of June, 2011.

This ordinance adopted this the 21st day of June, 2011.

Richard H. Owen, Mayor

Attest:

Jennifer Broderick, Clerk

EXHIBIT G

Ordinance Number 2011-11

(2 pages)

**Ordinance No. 2011-11
TOWN OF BEECH MOUNTAIN, NORTH CAROLINA
APRIL 2011 - JUNE 2012 CAPITAL PROJECT ORDINANCE**

BE IT ORDAINED by the Council of the Town of Beech Mountain, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized is the purchase and installation of radio read water meters to be financed by a 10 year loan from BB&T.

Section 2: The officers of the Town of Beech Mountain are hereby directed to proceed with the capital project within the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Professional Fees	\$ 52,000
Replacement Meter Costs	<u>898,000</u>
Total appropriations	<u>\$950,000</u>

Section 4: The following revenues are anticipated to be available to complete this project:

Proceeds from Loan	<u>\$950,000</u>
Total estimated revenue	<u>\$950,000</u>

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations. The terms of the loan agreement also shall be met.

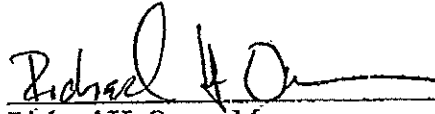
Section 6: Funds may be advanced from the Water/Sewer Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received or claimed.

Section 8: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Council.

Section 9: Copies of this capital project ordinance shall be furnished to the Clerk to the Council, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 24th day of June 2011.


Richard H. Owen, Mayor

ATTEST:

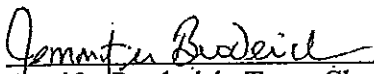

Jennifer Broderick, Town Clerk



EXHIBIT H

2011 – 2012 Budget Ordinance

(4 pages)

**TOWN OF BEECH MOUNTAIN, NORTH CAROLINA
2011-2012 BUDGET ORDINANCE**

BE IT ORDAINED BY THE TOWN OF BEECH MOUNTAIN TOWN COUNCIL:

SECTION 1. GENERAL FUND.

- A. **REVENUES.** It is estimated that the revenues as listed below will be available during the fiscal year beginning July 1, 2011, and ending June 30, 2012, to meet the appropriations as set forth in Subsection C below. All fees, commissions and sums paid to or collected by any Town official, officer or agent for any service performed by such official, officer or agent in his official capacity shall insure to the benefit of the Town and become Town funds.

Local Revenue:

Prior Year's Property Taxes	\$20,000
Interest on Taxes	3,500
Interest on Investments	10,000
Hold Harmless Refund	38,602
State Franchise Tax	100,000
Cable TV Franchise Tax	30,000
Recreation Income	60,000
Beer and Wine Tax	548
Local Sales Tax	79,550
ABC Revenue	480
Building Inspection Fees	12,506
Rent Income	2,700
Watauga County Recreation	2,500
Fund Balance	108,754
Proceeds from Lease/Purchase	512,400
Miscellaneous Income	118,925
Subtotal	<u>\$1,100,465</u>
Powell Bill	99,348
Restricted Occupancy Tax Proceeds	185,000
Current Year's Property Taxes (10-11)	3,669,516
TOTAL GENERAL FUND REVENUE	<u>\$5,054,329</u>

B. AD VALOREM TAX LEVY. There is hereby levied for the fiscal year 2011-2012 an ad valorem property tax on all property in the Town of Beech Mountain as of January 1, 2010, at a rate of 64¢ on each hundred dollars (\$100.00) assessed value pursuant to and in accordance with the Machinery Act of Chapter 105 of the North Carolina General Statutes and other applicable laws. Property shall be assessed at one hundred percent (100%) of its true value. The estimated revenues from the ad valorem property tax set out in Section 1-A of this Ordinance are based on an estimated collection during the 2010-2011 fiscal year of ninety-six and seven tenths percent (96.7 %) of the levy.

C. APPROPRIATIONS. The following amounts are hereby appropriated to the Town Manager for the operation of the Town of Beech Mountain and its departments and agencies for the fiscal year beginning July 1, 2011 and ending June 30, 2012. In administering the programs authorized under this Ordinance, the Town Manager is authorized to make transfers from one appropriation to another within the same fund. Any such transfer shall be reported to the Town Council at its next regular meeting and shall be recorded in the minutes of that meeting. The Town Manager is authorized to make expenditures of \$10,000 or less from contingency appropriations by transfer to departments and agencies. Any such expenditure shall be reported to the Town Council at its next regular meeting and recorded in the minutes of that meeting. The Town Manager may establish personnel positions which may become necessary within the funds provided in this Ordinance or amendments thereto.

Administration	\$1,302,614
Tax Collection	89,833
Police	989,084
Fire	183,919
Building Inspections	154,207
Planning	81,160
Vehicle Maintenance	136,956
Road Maintenance	1,344,265
Recreation	<u>772,291</u>
TOTAL APPROPRIATIONS	<u>\$5,054,329</u>

SECTION 2. WATER AND SEWER FUND.

A. REVENUES. It is estimated that the revenues of the funds as listed below will be available during the fiscal year beginning July 1, 2011 and ending June 30, 2012, to meet the appropriations approved for operations of the Town of Beech Mountain Water and Sewer Fund as set forth in Section 3-B below.

Interest on Investments	\$ 2,000
-------------------------	----------

Metered Sales	1,720,000
Tap Fees	3,000
Availability Fees	5,500
Reconnect Fees	5,000
Transfer from Fund Balance	116,213
Transfer from Reserve - Water/Sewer Improvements	<u>44,000</u>
TOTAL REVENUES	<u>\$1,895,713</u>

B. APPROPRIATIONS. The following amounts are hereby appropriated to the Town manager for the operation of the Town of Beech Mountain Water and Sewer for the fiscal year. In administering the programs authorized under this Ordinance, the Town Manager is authorized to make transfers from one appropriation to another within the same fund. Any such transfer shall be reported in accordance with the provisions of Section 1-C of this Ordinance. The Town Manager is authorized to make expenditures of \$10,000 or less from the contingency appropriation by transfer to the appropriate line item within the same fund. Any such expenditure shall be reported to the Town Council in accordance with the provisions of Section 1-C of this Ordinance.

Water and Sewer Administration	\$ 782,938
Water Treatment	640,057
Wastewater Treatment	246,226
Taps and Systems Maintenance	<u>226,492</u>

TOTAL WATER & SEWER FUND APPROPRIATIONS **\$1,895,713**

SECTION 3. SANITATION FUND.

This Fund is provided for the operations and accounting purposes of the Town's Solid Waste Management function.

A. REVENUES. It is estimated that the following revenues, from the following sources, will be available during the fiscal year to meet the total appropriations approved and specified in Section 2-B below.

Sanitation User Fees	\$ 310,000
Recycling Revenue	<u>40,000</u>
TOTAL REVENUES	<u>\$ 350,000</u>

B. **APPROPRIATIONS.** The following amount is hereby appropriated to the Town Manager for the operation of the Sanitation Fund for the fiscal year.

All Line Items: Total Appropriation \$350,000

SECTION 4. 9-1-1 EMERGENCY TELEPHONE FUND.


A. **REVENUES.** It is estimated that the following revenues, from the following sources, will be available during the fiscal year to meet the total appropriations approved and specified in Section 4-B below

9-1-1 Subscriber Fees	\$ 92,216
9-1-1 Transfer from Reserve	<u>137,677</u>
TOTAL REVENUES	<u>\$229,893</u>

B. **APPROPRIATIONS.** The following amount is hereby appropriated to the Town Manager for the operation of the 9-1-1 Emergency telephone Fund for the fiscal year.

All Line Items: Total Appropriations \$ 229,893

Ordained this, the 24th day of June, 2011


Richard H. Owen, Mayor

ATTEST:


Jennifer Broderick, Town Clerk

