

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL
DECEMBER 9, 2008
TUESDAY - 7:00 P.M.

CALL TO ORDER

ITEM 1. APPROVAL OF MINUTES OF NOVEMBER 25, 2008

ITEM 2. PRESENTATION OF AUDIT REPORT
RAY, BUMGARNER, KINGSHILL AND ASSOCIATES

At the meeting on Tuesday evening, Mr. Bruce Kingshill and Ms. Nancy Lux will appear before the Board to present the audit for the fiscal year ending on June 30, 2008. At the meeting of November 25th, Board members received a copy of the audit for review prior to the appearance of the auditors.

ITEM 3. 3 % RESERVE

At the Board meeting of October 28, I noted the financial crisis spreading through the country and advised of the depressing forecasts being made by the State of North Carolina regarding its budget situation. With the State anticipating revenue shortfalls, I advised the Board that Finance Director Eddie Caldwell and I felt that the Town needed to plan for potential revenue shortages in our own budget. I noted that we were asking Department Heads to review their budgets and find 3% which could be placed into reserve. Mayor Brown asked if the Town Board would be allowed to review those changes, and I assured the Board that we intended for the Board to have the final say so in making any budget changes.

By November 17, each Department Head submitted a revised budget in which they proposed to reserve 3% of their allocations for the balance of the fiscal year. At the meeting of November 25, I presented a draft of the revised budget prepared by the Finance Director. The document distributed to the Board showed the current budget, the amount placed into reserve and the amount that would remain in the line items that have been adjusted. We also provided a copy of the same document to each Department Head. I wanted them to understand that all departments were reserving 3% and no particular department was being singled out.

There were some accounts that could not be reduced by 3%. Many non-profits which were awarded Town funding have already received their full allocation for the 2008-2009 fiscal year. One account in particular, the line item showing the purchase of wholesale power from Progress Energy, makes up nearly 25% of the entire budget. It does not appear that there has been a 3% reduction in the electrical consumption of customers on the Waynesville system, so it would be unrealistic to reduce the allocation to purchase wholesale power.

Mr. Caldwell will be present Tuesday evening, and we will ask that the Board authorize the revised budget which places 3% of the budget of most departments into a reserve status. Next April or May, we might find that the Town's budget situation is fine and there was no need to place the 3%

into reserve. We could then authorize the expenditure of all or a part of the reserve. On the other hand, we might reach April and find that we need to trim more from the budget but realize that it is too late in the year to achieve those reductions. We would feel much safer to place 3% into reserve now and to reassess the situation in the spring of 2009.

ITEM 4. AMENDED MEMORANDUM OF UNDERSTANDING
FRENCH BROAD METROPOLITAN PLANNING ORGANIZATION

Following the 2000 Census, Waynesville and Haywood County were placed into the Asheville Metropolitan Area. As a result, the North Carolina Department of Transportation created Metropolitan Planning Organizations for the metropolitan areas and Rural Planning Organizations for the rural areas. In the year that followed the creation of the MPO, representatives from the municipalities and counties in the Asheville Metro Area met and developed a Memorandum of Understanding which establishes the City of Asheville to be the Lead Planning Agency, and the members made contributions to the City of Asheville for the time of the planning representative, Dan Becthold.

Beginning in January, 2009, the Land of the Sky Regional Council will take over as the Lead Planning Agency. As a result, it is necessary for each governmental unit to adopt a new Memorandum of Understanding with the Land of the Sky Regional Council. In addition to this change, there were several other changes which were recommended by the Department of Transportation. On the first page of the Memorandum which follows, you will find a list of the other MOU Revisions which have been suggested by the DOT.

The changes being recommended appear to be reasonable, and we would ask that the Town Board approve the new Memorandum of Understanding.

ITEM 5. RECOMMENDATION FOR APPOINTMENT OF WAYNESVILLE
REPRESENTATIVE TO HAYWOOD TOURISM DEVELOPMENT AUTHORITY

At the meeting of November 25, 2008, Mr. Ron Reid, a member of the Tourism Development Authority advised that the term of Ms. Phyllis Prevost, Waynesville's representative on the TDA Board, would expire on December 31, 2008. Mr. Reid advised that Ms. Prevost has indicated that she had decided not to apply for reappointment.

Mr. Reid explained that Mr. Ken Stahl presently serves on the TDA Board and had done so as a representative of motels with more than 20 rooms. Mr. Reid noted that Mr. Stahl had recently sold his Super 8 Motel and that when his present term ends on December 31, 2009, he could not be reappointed. In fact, since he no longer owns a motel with 20 or more rooms, it might be questioned as to whether he may continue to serve on the TDA.

Because Mr. Stahl lives inside the Town of Waynesville and due to his long service with TDA and his knowledge of the history and finances of the organization, Mr. Reid suggested that the Town Board appoint Mr. Stahl as the Town's representative to the TDA Board.

It should be noted that Mr. James Carver, another member of the TDA Board, had also been in contact with Town Clerk Phyllis McClure and with some members of the Town Board, making the same recommendation regarding Mr. Stahl.

Since Ms. Prevost's term will expire at the end of December, 2008, the Town Board has been asked to recommend an appointee for the County Commissioners to consider at their next meeting.

ITEM 6. TOWN CLERK'S REPORT ON ANNEXATION PETITION
 .249 ACRES AT 2018 DELLWOOD ROAD
 KEVIN AND MELANIE SANDEFUR

At the meeting of November 25, the Board received an annexation petition from Kevin and Melanie Sandefur for a .249 acre parcel located at 2018 Dellwood Road. This parcel is located just to the south west of the Sunoco Gas Station and Convenience Store. At that meeting, the Town Board directed Town Clerk Phyllis McClure to investigate the sufficiency of the petition. Ms. McClure has done so and found that the petition meets the requirement of State laws.

If the Town Board wishes to continue consideration of the petition for the annexation of this property, the next step would be passing a resolution calling for a public hearing on this parcel under the laws applying to satellite annexations. Since the Town Board voted to cancel the Board meeting scheduled for December 23, the next regularly scheduled meeting of the Board will be on Tuesday, January 13, 2009. If the Board wishes to schedule a public hearing, the date of January 13, 2009, would be recommended.