

**Downtown Boone Development Association  
Board of Directors Special Meeting with Boone Town Council  
Wednesday, September 29, 2010  
5 p.m. Boone Town Council Chambers**

**Recorded Attendance**

Board Members: Bob Meier – Vice President, Doe Ridge Pottery; Rich Jacobs – Past President, ArtWalk; Sheri Moretz- Secretary, Mast General Store; Dempsey Wilcox – President, Property Owner; Sam Ratchford, Vidalia Restaurant; Omer Tomlinson, Boone Area Chamber; Marianne Doan, RBC Bank; Jean Borhman, Char Restaurant; Jason Berry - Treasurer, Footsloggers; Andy Stallings, Property Owner; Jamie Leigh, Town Council Liaison; Lynne Mason, Town Council Liaison  
Town Council: Jamie Leigh (also under board list); Lynne Mason, Mayor Pro-Tem (also under board list), Loretta Clawson, Mayor; Andy Ball, Rennie Brantz  
Staff: Mary Baker  
Public: Greg Young, Boone Town Manager; Kim Brown, Deputy Town of Boone Clerk; Sam Furguiele, Town of Boone Attorney

**General Administration**

Mayor Clawson called the meeting to order at 5:13 p.m.

Dempsey Wilcox provided a summary of the special meeting of the Downtown Boone Development Association held on September 20<sup>th</sup> to review the proposed contract with the Town of Boone. There were several areas of concern that the Board would like to address.

1. In Article II, the Board is concerned that the DBDA is spending funds in good faith to administer the MSD revenues and Main Street Program for the Town of Boone and will deplete its fund balance. The organization would like assurance that should if contract is not renewed or is terminated, funds spent will be reimbursed. Council indicated that they felt this was fair. Sam Furguiele's initial language read as, "Should the contract be terminated or end before all funds are paid, the Town of Boone shall reimburse the DBDA for any uncompensated funds expended pursuant to this agreement within a reasonable time."
2. In Article III, the Board needs a map of the Main Street Boundary to understand what properties are encompassed both in the Main Street Program and the MSD and if there are any properties solely in the Main Street Program area and/or the MSD. Lynne Mason indicated that the Task Force is examining this issue and more information will be determined by the outcome of that group.
3. In Article III, being a small organization with one staff person and some student help, the Board is concerned with the phrase, "regular and full public office hours." If required to have our one staff person in the office during full, posted office hours, it will hamper their ability to carry out the mission of the group. The Board would like to have the ability to have the set hours, but allow for time being spent out of the office at meetings, visiting with businesses, and managing events. When staff is out of the office, we will have a voicemail message indicating the absence and return as well as a note on the door, etc. A policy will also be in place to handle vacation and other absences. The Town Council agreed to remove the term, "and full," and noted that with the appropriate notifications of staff members being out of the office, i.e. – phone message, note on the door, & website posting for long absences; staff members will not be seen in violation of maintain the hours.
4. In Article III, the contract asks for a full accounting of the funds in the Fund Balance. Wilcox has examined the audits beginning in 1998, when there was a negative amount in the balance because of the loan incurred for the Vance Lot. Wilcox explained that the income numbers were divided into tax

funds, dues (some members did pay an additional amount at one point in time), special events, contributions (direct donations to DBDA efforts), and public art funds that were raised to supplement MSD funds. The other category came from a mix-match of sources like insurance rebates, etc. Our account currently has around \$60,000 in it. Leigh feels that there is a significant amount of this total that is MSD funds, which, should the contract be terminated, would be returned to the Town. We can't be sure because expenditures were not broken down by categories in the past. After much discussion, it was agreed that the current balance would be divided roughly 50/50 as a compromise and a starting point for moving forward. It was further agreed that 90% any of the funds retained by the organization in the event of contract termination or expiration would be spent on MSD activity.

5. In Article III, it is asked that the DBDA arrange for any officer or employee having access to funds be bonded in an amount sufficient to cover the full amount of current/potential funds. At present, being a small organization, the insurance company is unable to bond each person for more than \$100,000 each. It is believed that having a policy of having two signatures on each check puts us at a level of \$200,000, which will more than cover any funds available at any time.
6. Article III, the contract calls for adopting policies ensuring that MSD funds are used to benefit only the MSD area, etc. These policies will be created in committee work.
7. Article IV involves the Art Crawl. Each business has an option to participate in the event and can be open during the time that the event is occurring. The sponsorships paid by the highlighted businesses provide extra exposure in advertising and along the street. The Council noted that all sponsorships should include compensation for staff time & overhead without utilizing MSD dollars.

Mason made a motion to approve these changes to the contract. Andy Ball seconded the motion, and it passed the Town Council.

Omer Tomlinson made a motion to accept the amended contract. Bob Meier seconded the motion, and it passed.

Mayor Clawson adjourned the meeting at 6:45 p.m.

Minutes respectfully submitted for your approval

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Sheri J. Moretz