



Town of Blowing Rock

Board of Commissioners Meeting

Date: Tuesday, May 13, 2025, 6:00 p.m.

Location: 1036 Main Street, Blowing Rock, NC 28605

Agenda

<i>Item</i>		<i>Presenter and Participants</i>
I.	CALL TO ORDER – ROLL CALL FOR ATTENDANCE	Mayor Charles Sellers
II.	PLEDGE OF ALLEGIANCE	Jackson, Callahan, Marryn and Jillian Kirk
III.	APPROVAL OF MINUTES – By Roll Call 1. April 8, 2025 – Regular and Closed Session Meeting Minutes REGULAR AGENDA ADOPTION	Mayor & Council Mayor & Council
IV.	CONSENT AGENDA: 1. Financial Audit Contract 2. Tax Release -2024-07 3. Budget Amendment -2024-12 4. Bennett Property – RZ 2025-01 – R-15 to HSG 5. Proclamation – Mental Health 6. Amended Project Ordinance 2025-03 – Memorial Park Improvement Project	Mayor & Council
V.	PUBLIC COMMENTS <i>Comments shall be limited to three (3) minutes</i>	
VI.	REGULAR AGENDA: 1. Chamber Update 2. Parking Enforcement Update 3. 25-26 Budget Presentation	Chamber Director Robin Miller Police Chief Nathan Kirk Manager Shane Fox
VII.	OFFICIALS REPORTS & COMMENTS: 1. Mayor 2. Council Members 3. Town Attorney 4. Town Manager	
VIII.	CLOSED SESSION – NCGS 143-318.11. (a)(5) Discussion of potential property acquisition and NCGS 143-318.11. and NCGS 143-318.11. (a)(3) attorney client litigation	

DRAFT
MINUTES
Town of Blowing Rock
Town Council Meeting
April 8, 2025

The Town of Blowing Rock Town Council met for their regular monthly meeting on Tuesday, April 8, 2025, at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street, Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Doug Matheson, Council Members Cat Perry, David Harwood, Melissa Pickett and Pete Gherini. Others in attendance were Town Manager Shane Fox, Town Attorney Joey Petrack, Planning Director Kevin Rothrock, Town Engineer Doug Chapman, Public Works Director Matt Blackburn, Parks and Recreation Director Jennifer Brown, Police Chief Nathan Kirk, Landscape Director Cory Cathcart, IT Director Thomas Steele and Town Clerk Hilari Hubner, who recorded the minutes.

CALL TO ORDER

Mayor Sellers called the meeting to order at 6:00 p.m. and welcomed everyone. Mayor Sellers verified attendance via roll call.

THE PLEDGE OF ALLEGIANCE

MINUTE APPROVAL

Mayor Pro-Tem Matheson made the motion to approve the minutes from March 11, 2025, regular and closed session, seconded by Council Member Pickett. Unanimously approved.

REGULAR AGENDA ADOPTION

Council Member Gherini made a motion to adopt the regular agenda, seconded by Council Member Harwood.

CONSENT AGENDA

- 1. Blue Ridge Conservancy 5K**
- 2. Memorial Park Project Ordinance – 2025-02**

Council Member Harwood made a motion to approve the consent agenda as presented, seconded by Council Member Perry. Unanimously approved.

SPEAKERS FROM THE FLOOR

Jamie Dixey 193 Norwood Circle – Asked if the results of the Downtown Standards survey from the Downtown Sub-Committee could be published.

REGULAR AGENDA

- 1. Blowing Rock Tour of Homes Patron Party**

Parks and Recreation Director Jennifer Brown stated the Blowing Rock Tour of Homes is

requesting the use of the lower level of the parking deck at BRAHM on Tuesday, July 15, 2025. They would like to set up early on July 15th and have it reopened on July 16th by noon. The upper parking deck will be open for public parking, and Rumple Memorial Church will also permit them to use their parking lot during the event. The application has been reviewed by department heads. If generators are used, they will need to be inspected, and permits will be required for alcohol consumption.

Mr. John Jordan, co-chair of the event stated they would like to amend slightly and ask for exclusive use of the lower parking deck beginning on Monday, July 14th at 8:00 a.m. as the party is on Tuesday, July 15th and release the access by noon on Wednesday, July 16th. Mr. Jordan reiterated Rumple Memorial Presbyterian Church has agreed to offset the parking lost during the event. He noted his organization would take responsibility for any signage. Mr. Jordan explained they planned to pay two (2) off-duty uniformed Blowing Rock Police officers during the party on the evening of July 15th from 5:30 p.m. to 8:30 p.m.

Mayor Pro-Tem Matheson asked where the band would be located.

Mr. Jordan stated there would not be a band this year, instead they will have music that will be light background music to focus more on conversations during the event.

Council Member Harwood asked Mr. Jordan to elaborate more on the need to use the parking deck from July 14th to July 16th as that is the height of the town's season.

Mr. Jordan stated they are sensitive to that, but it is a large-scale party that will likely have as many as two hundred (200) people in attendance. They will have catering tables, lighting, décor, etc to set up. He explained with the timing for delivery of the items and set up the extra time would be helpful. Mr. Jordan further stated if need be they could cut the time and go with the request of July 15th beginning at 8:00 a.m. to July 16th at noon.

Council Member Harwood asked if they had collaborated with BRAHM.

Mr. Jordan stated they had and the BRHAM Director, Stephan Dragisic has given his blessing and is involved directly with the planning of the event. He explained they are doing this in many ways to highlight and inner focus on Blowing Rock. He explained the Tour of Homes is looking very closely at who their neighbors are and who will help them achieve their goals of the event each year. BRAHM, Rumple and Saint Mary's of the Hills are natural fits, and their intent is to spotlight that little part of the town.

Council Member Pickett asked about the restrooms and if they planned on using the ones inside of BRHAM since they will not be using the public restrooms.

Mr. Jordan explained the plan is to utilize the ones inside of BRAHM as well as bring in some portable restrooms so they can stay self-servicing and self-contained.

Council Member Harwood stated the Tour of Homes is an excellent event that raises a lot

of money annually that goes to several local organizations and is a great event for the town to be associated with and he made a motion to approve the request as presented, seconded by Council Member Gherini. Unanimously approved.

2. CUP 2006-02 Hanna Family Trust – Minor Amendment – Parking

Planning Director Kevin Rothrock introduced the request of the Hanna Family for a minor amendment to the original CUP 2006-02 approved for the Hanna Family Trust project. When approved the project required twenty-one (21) parking spaces and none could be provided on site. The CUP authorized the Hanna Family to pay \$180,000 into the Town's Parking Fund for the eighteen (18) retail parking spaces while three (3) residential spaces were provided on the former Snips property off Laurel Lane owned by the Hanna Family. Eventually that property was sold and the three (3) spaces were reserved at the Hanna home property at 1126 Main Street.

Dr. Hanna is requesting the opportunity to allow payment into the Parking Fund for the three (3) residential parking spaces at \$15,000 per space for a total of \$45,000 and eliminate the residential parking requirement included as condition No. 12 of the original CUP.

Others that have paid into the Parking Fund in addition to the Hanna Family include:

- Gaines Kiker \$30,000 for three (3) spaces at Morris St project
- Rob Dyer \$10,000 for one space at former Maple Lodge

Attorney Chelsea Garrett spoke on behalf of the applicant. She highlighted when the project was initially approved in 2005, the town required twenty-one (21) parking spaces and Dr. Hanan paid \$180,000 into the parking fund for eighteen (18) spaces at that time. The additional three (3) spaces were designed on a property owned by an affiliated entity and are located behind the building where Blowing Rock Real Estate and the Funky Tulip are located now.

Ms. Garrett explained there are two apartments, both of which are rented long-term. Based on the current circumstances of the property and the current town parking options and regulations, the applicant does not believe removing the three (3) spaces (which are satellite spaces) from the Special Use Permit and will not create a hardship for anyone.

Mayor Pro-tem Matheson made a motion to approve the request as presented, seconded by Council Member Harwood. Unanimously approved.

3. Workforce Housing Discussion

Town Manager Shane Fox explained staff would like Council to openly discuss Workforce Housing and options that may be available for the Town to study and consider.

The Towns of Chapel Hill and Davidson comprehensive plans and development ordinances require workforce housing to be integrated in various residential development proposals.

Other communities across NC use overlay districts to encourage or incentivize the reservation of workforce housing in development projects. Still others add flexibility to their zoning ordinances allowing a wider range of housing choices in traditionally single-family zoning districts. For example, allowing accessory dwelling units in all zoning districts or allowing duplex or triplex in lower density zoning districts. Some have even removed any residential density limitations across their entire jurisdiction.

Additionally, representatives in the NC General Assembly have recently introduced bills that would allow “middle housing” in all zoning districts in all local government jurisdictions, thus forcing cities and towns to follow directives of the legislators.

Town staff would like Council direction in the important topic of workforce housing that might ensure the local workforce has some affordable housing options in the future.

Town Manager Fox explained in North Carolina, workforce housing refers to affordable housing options designed for households earning up to a certain percentage of the area median income (AMI), typically between 60% and 120%, to help support middle-income workers and families. He further explained some who would benefit from workforce housing would be essential workers; including police officers, firefighters, teachers, healthcare workers, retail/restaurant staff and town employees.

Manager Fox stated workforce housing can help attract and retain essential workers and by ensuring workers can afford to live in the community, workforce housing can contribute to economic development and stability by ensuring that workers can afford to live in the community. He further stated in Watauga County the Median household income is \$51,300. That would mean to follow the 30% rule – housing costs should comprise no more than 30% of gross household income- the mortgage payment would be \$1,284 monthly.

Manager Fox noted the average home sold in Blowing Rock was \$888,000 and a 1,200 to 2,000 square foot home sold for \$793,000. He further noted that the average mortgage payment on \$793,000 is \$4,468 and income needed to meet the 30% rule would mean an annual salary of \$179,000.

Manager Fox stated Representative Ray Pickett has sponsored House Bill 306, currently in committee, which would allow workforce housing to be provided. He further stated the Town of Boone, Watauga County and the Watauga County School System have all joined this bill as well.

Planning Director Kevin Rothrock discussed Overlay Districts as seen in cities like Greensboro and Charlotte. He explained overlay districts provide relaxed zoning restrictions to encourage higher density housing or provide incentives for developers for housing in certain areas.

Council discussed at length and directed the Planning Board to review and discuss further at their April meeting and gather more examples from similar towns to provide more information for Council to move forward with next steps.

OFFICIAL REPORTS & COMMENTS

- Mayor Sellers – Reminded the public the calendar has the incorrect date for the May Council meeting. The meeting will be held May 13th not May 6th as in the calendar.
- Council Member Perry – None.
- Council Member Harwood – None.
- Council Member Pickett – None.
- Mayor Pro-Tem Matheson – None.
- Council Member Gherini – None.
- Town Attorney Joey Petrack – None.
- Town Manager Shane Fox – Gave updates on Main Street, 221, Green St., FEMA update – Wonderland Trail and Valley View Road, Sunset Drive – crosswalk, Trout Derby May 3rd, Memorial Park and traffic update.

Council took a ten (10) minute recess.

EXECUTIVE SESSION

At 7:25 p.m. Council Member Perry made a motion to go into closed session, seconded by Council Member Pickett. Unanimously approved.

ADJOURNMENT

At 8:15 p.m. Council came out of closed session and instructed Town Manager Fox and Town Attorney Petrack to move forward with purchasing an 8.548 acre tract of land west of Tipton Lane. With no further action, Member Gherini made a motion to adjourn, seconded by Council Member Pickett. Unanimously approved.

MAYOR _____
Charlie Sellers, Mayor

ATTEST _____
Hilari Hubner, Town Clerk

Attachments

Budget Amendment – 2025-05 – Attachment A

Reimbursement Resolution 2025 – Attachment B

Resolution – Post Helene Support for Small Business – Attachment C



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council
From: Tasha Brown, Finance Officer
Subject: Financial Audit Contract – Thompson, Price, Scott, Adams & Co, P.A.
Date: May 13, 2025

Attached please find for your consideration a contract with Thompson, Price, Scott, Adams & Co, P.A. for the FY 2025 audit. The contract fee for this year will not exceed \$30,500. This is our fourth year with TPSA, and the proposed annual fee has increased \$2,000 over the previous year.

The	Governing Board
of	TOWN COUNCIL
and	Primary Government Unit TOWN OF BLOWING ROCK
	Discretely Presented Component Unit (DPCU) (if applicable)
	N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name
	THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.
	Auditor Address
	1626 S MADISON STREET, WHITEVILLE, NC 28472

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Date Audit Will Be Submitted to LGC
	06/30/25	12/31/25

Must be within six months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.
2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is \$750,000 for a federal single audit and \$500,000 for a State Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within six months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nc treasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title and Unit / Company:	Email Address:
Tasha Brown	Finance Director / Town of Blowing Rock	tbrown@tobr.us

OR Not Applicable (*Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.*)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	TOWN OF BLOWING ROCK
Audit Fee (financial and compliance if applicable)	\$ 26,250
Fee per Major Program (if not included above)	\$

Additional Fees Not Included Above (if applicable):

Financial Statement Preparation (incl. notes and RSI)	\$ 4,250
All Other Non-Attest Services	\$ STANDARD HOURLY RATES IF REQUIRED
TOTAL AMOUNT NOT TO EXCEED	\$ 30,500

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$

Additional Fees Not Included Above (if applicable):

Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.	
Authorized Firm Representative (typed or printed)* ALAN W. THOMPSON	Signature* 
Date* 04/29/25	Email Address* alanthompson@tpsapcas.com

GOVERNMENTAL UNIT

Governmental Unit* TOWN OF BLOWING ROCK	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)*	 Signature*
Date	 Email Address*

 SIGN HERE

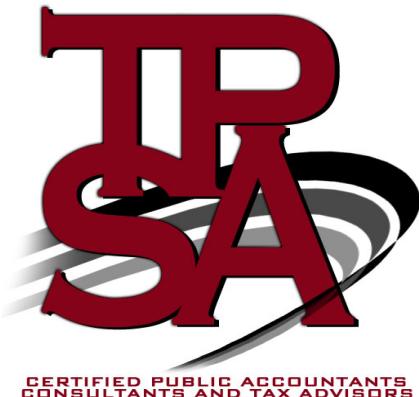
Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	\$ 30,500
Primary Governmental Unit Finance Officer* (typed or printed) TASHA BROWN	Signature*  SIGN HERE
Date of Pre-Audit Certificate*	 Email Address* tbrown@tobr.us



Thompson, Price, Scott, Adams & Co, P.A.

P.O. Box 398

1626 S Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

ENGAGEMENT LETTER

April 29, 2025

Town of Blowing Rock
PO Box 47
1036 Main St
Blowing Rock, NC 28605

To Management and Those Charged With Governance:

We are pleased to confirm our understanding of the services we are to provide the Town of Blowing Rock for the year ended June 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Town of Blowing Rock as of and for the year ended June 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Blowing Rock's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Blowing Rock's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Changes in Total Pension Liability and Schedule of Total Pension Liability as a Percentage of Covered Payroll – Law Enforcement Officers' Special Separation Allowance
3. Schedule of Changes in the Total OPEB Liability and Related Ratios
4. Schedule of Proportionate Share of the Net Pension Liability (Asset) and Contributions – LGERS

We have also been engaged to report on supplementary information other than RSI that accompanies Town of Blowing Rock's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

Members

American Institute of CPAs - N.C. Association of CPAs – AICPA's Private Companies Practice Section

1. Schedule of Expenditures of Federal and State Awards.
2. Combining and Individual Fund Financial Statements, Budgetary Schedules, and Other Schedules

Our responsibility for other information included in documents containing the entity's audited financial statements and auditors' report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information contained in these documents is properly stated.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objective also includes reporting on-

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories (if material), and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures-Internal Controls

We will obtain an understanding of the entity and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Test of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Blowing Rock's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Town of Blowing Rock's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Town of Blowing Rock's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and State awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of the schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal and State awards; federal or State award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review by May 15, 2025.

You are responsible for identifying all federal and State awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and State awards. You also agree to make the audited financial statements readily available to intended users of schedules of expenditures of federal and State awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal and State awards, and related notes of Town of Blowing Rock in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. We may also assist in preparing year end cash to accrual entries and GASB related entries. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal and State awards, related notes, and other services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements, schedules of expenditures of federal and State awards, related notes, assistance with cash to accrual or GASB year-end entries, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, (Tasha Brown, Shane Fox), who possesses

suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' report or nine months after the end of the audit period.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request in a timely manner to Oversight Agencies (or its designee), a federal agency provided direct or indirect funding, or the U.S. Government Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parities may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal cognizant agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Alan Thompson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit by approximately May 15, 2025, and to issue our reports no later than December 31, 2025. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, shall not exceed \$30,500. Also, any excessive additional fees incurred in obtaining required audit evidence (i.e. bank confirmations) will be billed directly to the Board. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm

policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Reporting

We will issue written reports upon completion of our Single Audit. We will make reference to the Component Auditor's audit of the Town of Blowing Rock ABC Board and the Town of Blowing Rock Tourism Development Authority. Our reports will be addressed to the Mayor and Town Council of the Town of Blowing Rock. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement. If circumstances occur related to the condition of your records, the availability of sufficient appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the Town of Blowing Rock and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Alan W. Thompson, CPA
Thompson, Price, Scott, Adams & Co., P.A.

RESPONSE:

This letter correctly sets forth the understanding of the Town of Blowing Rock.

Management signature: _____

SIGN HERE

Title: _____ 

Date: _____ 

Governance signature: _____

SIGN HERE

Title: _____ 

Date: _____ 

CC: Town Council



TOWN OF BLOWING ROCK

1036 Main Street • Post Office Box 47 • Blowing Rock, NC 28605

Release Request No: 2024-07

I Hereby Request Release of Tax Under G.S. 105-381 for the Following Year(s):

Assessment Release	Tax Release	Interest	Total	Tax Year
		\$1,298.95		2024

Reason for Releases: Per Watauga County due to the sale of this large parcel last summer there were a few questions with some of the property values. The county didn't get those issues resolved until after the January 5th payment deadline. Interest fees were automatically applied and need to be removed as the base amount has been paid in full and the late payment was not the property owner's fault.

Approved By: _____ Date: _____



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council
From: Tasha Brown, Finance Officer
Subject: Budget Amendment Ordinance to Account for Various Items
(Ordinance #2025-12)
Date: May 13, 2025

Enclosed please find a Budget Amendment Ordinance for the fiscal year 2024-2025 for your consideration.

Section 1 (General Fund) allocates funding as follows:

- Allocates fund balance (\$487,000) towards the purchase of property for future Town use. These funds will be reimbursed through loan proceeds when the loan closes in FY 2026. This allocation has been directed towards Land/Property Purchase – Central Govt.

Section 2 (General Fund) allocates funding as follows:

- Allocates fund balance (\$35,000) towards the cost of legal fees. This allocation has been directed towards Legal Services – Central Govt.

Section 3 (General Fund) allocates funding as follows:

- Allocates proceeds received from insurance (\$38,766) to replace a patrol vehicle. This allocation has been directed towards Capital Outlay – Police.

Section 4 (Water/Sewer Fund) allocates funding as follows:

- Allocates fund balance (\$35,000) to cover increased costs for materials/supplies for water/sewer line repairs/maintenance. This allocation has been directed towards Material/Supplies – Field Ops.
-

Please let me know if you need further details on the proposed amendment.

Be it ordained by the Town Council of the Town of Blowing Rock, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2025:

Section 1. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-4200-005	Land/Property Purchase	\$ -	\$ -	\$ 487,000	\$ 487,000

This will result in a net increase of \$487,000 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-399	Fund Balance Appropriated	\$ 156,838	\$ -	\$ 487,000	\$ 643,838

Section 2. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-4200-003	Legal Services	\$ 12,000	\$ -	\$ 35,000	\$ 47,000

This will result in a net increase of \$35,000 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-399	Fund Balance Appropriated	\$ 156,838	\$ -	\$ 35,000	\$ 191,838

Section 3. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-10-4310-500	Capital Outlay - Police	\$ 239,359	\$ -	\$ 38,766	\$ 278,125

This will result in a net increase of \$38,766 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-335	Miscellaneous Revenue	\$ 25,000	\$ -	\$ 38,766	\$ 63,766

Section 4. To amend the Water/Sewer Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
30-91-7130-033	Materials/Supplies	\$ 120,000	\$ -	\$ 35,000	\$ 155,000

This will result in a net increase of \$35,000 in the appropriations of the Water/Sewer Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
30-91-3400-399	Fund Balance Appropriated	\$ 252,624	\$ -	\$ 35,000	\$ 287,624

Copies of this budget amendment shall be furnished to the Clerk to the Town Council and to the Finance Officer for their implementation.

Adopted this 13th day of May 2025.

Attested by:

Charles Sellers, Mayor

Hilari Hubner, Town Clerk

TO: Mayor Charlie Sellers and the Blowing Rock Town Council

FROM: Brian Johnson, Zoning Enforcement Officer

SUBJECT: (RZ 2025-01) Rezoning of Bennett Property from R-15 to HSG

APPLICANT: Zachary & Julia Bennett

DATE: May 13, 2025

Zachary and Julia Bennett are requesting a rezoning of two vacant lots adjacent to their residence at 1194 Laurel Lane from R-15, Single-family to HSG, Horse Show Grounds. Lots 5 and 6 are part of "The Creeks at Mayview", a 6-lot subdivision. Lot 5 is 0.771 acres, and Lot 6 is 0.699 acres. The property is further identified by Watauga County PIN 2807-58-8719-000 (Lot 5) and 2807-58-7991-000 (Lot 6).

As stated in the application, Mr. and Mrs. Benett request the rezoning "to build a small barn and be able to keep a horse on the property". The property currently borders the Horse Show Grounds and is in keeping with its surroundings. The Board shall consider the entire range of permitted uses in the Horse Show Grounds zoning district when reviewing the rezoning request.

Current Zoning: **R-15 - Single-Family**

The R-15 Single Family zoning district is intended to be a low-density residential district in which single-family residences constitute the predominant use. Multi-family dwellings and mobile homes are prohibited in this district.

Proposed Zoning: **HSG - Horse Show Grounds**

The HSG Horse Show Grounds zoning district is designed to accommodate equestrian activities such as horse shows.

Zoning and Use of Adjacent Properties

	Zoning	Land Use
North	R-15	Parking Lot, Municipal Maintenance Building
East	HSG	Fenced Horse Pasture, Wooded
South	R-15	Single-Family Residence
West	R-15 & HSG	Single-Family Lot (vacant), Horse Boarding and Shows

Building Height Limitations

16-12.6.7. Building Heights (Excluding Districts in Section 16-12.6.5). Subject to the remaining provisions of this section, the height of a building or structure in any residential district (R-15, R-10, R-6, or RMH), may not exceed 35 feet. Similarly, the eave height of a building or structure in the R-A district or any non-residential district (HMC, HSG, OI, or PGS) may not exceed 35 feet and the overall height of the building or structure shall not exceed 50 feet.

Council Action

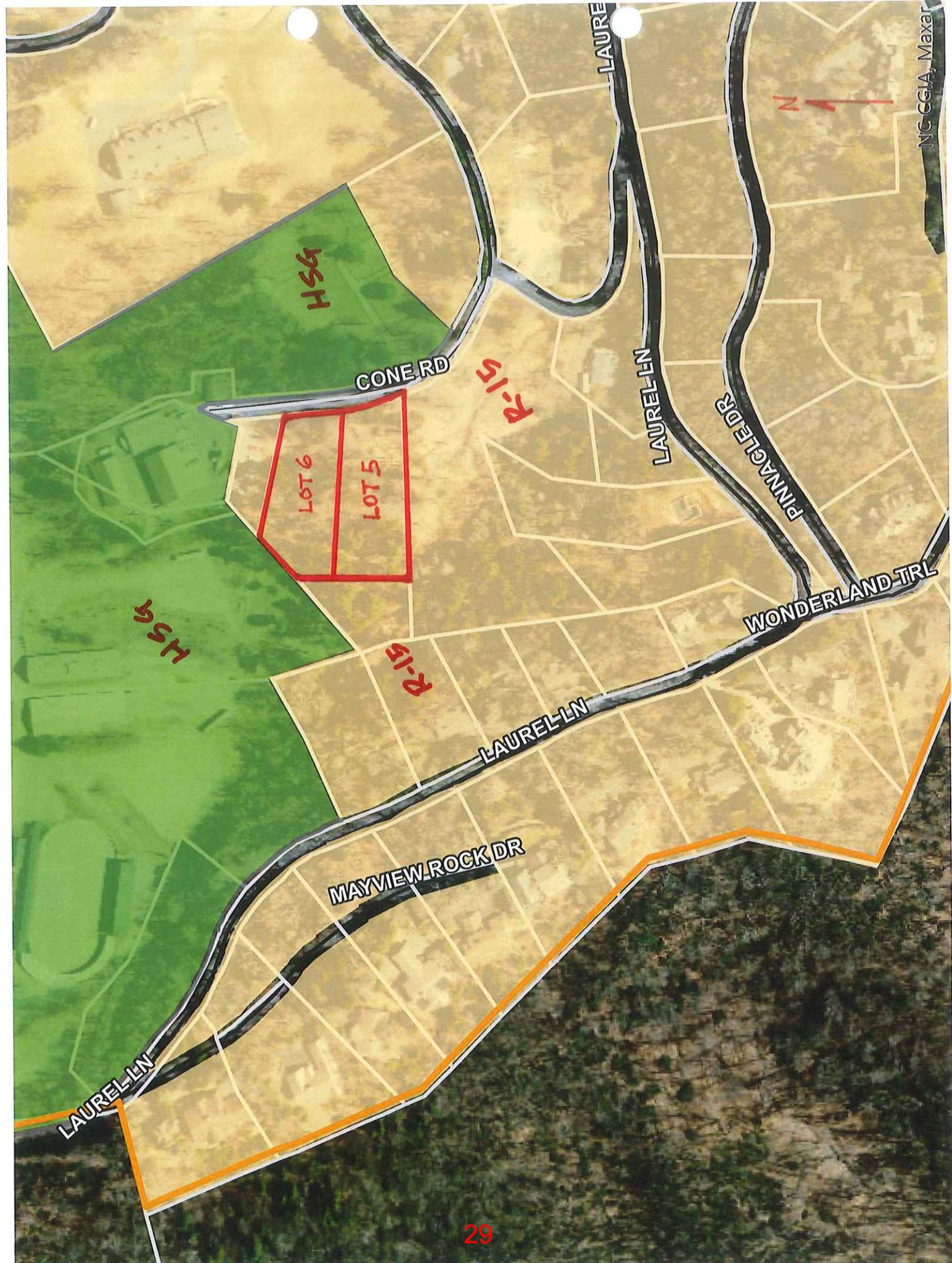
Consistent with Land Use Ordinance Section 16-23.2.3, the Council may summarily deny the rezoning petition or may choose to set a date for a public hearing. If a date is set for a public hearing, the Planning Board must consider the application for a recommendation prior to Council consideration. Please review the following potential scheduling dates:

- Initial request before Town Council – May 13, 2025
- Review by Planning Board – May 15, 2025
- Public Hearing at Town Council – June 10, 2025

If a date is selected for a public hearing, staff will draft an ordinance for consideration of a rezoning for this property.

Attachments

1. An aerial map of the subject property indicating the adjacent zoning designations
2. Building Setback Table
3. Permissible Use Table



Section 16-12.4. Building Setback Requirements. Subject to the other provisions of this section, no portion of any building or any sign may be located on any lot closer to any lot line or to the street right-of-way line or center line than is authorized in the table set forth below. If the street right-of-way line is readily determinable (by reference to a reworked map, set irons, or other means), the setback shall be measured from such right-of-way line. If the right-of-way is not so determinable, the setback shall be measured from the street centerline. The term "lot boundary line" refers to lot boundaries other than those that abut streets. For the purposes of determining setbacks in this article, the Blue Ridge Parkway boundary is considered a lot boundary line.

Zone	Minimum Distance From Street Right-of-Way Line		Minimum Distance From Street Centerline		Minimum Distance From Lot Boundary Line
	Building	Sign	Building	Sign	
					Building and Sign
R-15	30	20.0	45	50.0	12
R-10	30	15.0	45	45.0	10
R-6	25	12.5	40	42.5	8
R-MH	25	12.5	40	42.5	8
CB	Sec. 16-12.6	Sec. 16-17.13	Sec. 16-12.6	Sec. 16-17.13	Sec. 16-12.6
GB	20	Sec. 16-17.13	35	Sec. 16-17.13	8
OI	15	Sec. 16-17.13	30	Sec. 16-17.13	8
HMC	15	Sec. 16-17.13	30	Sec. 16-17.13	8
HSG	-	Sec. 16-17.13	30	Sec. 16-17.13	-
PGS	-	Sec. 16-17.13	30	Sec. 16-17.13	-
R-A	25	12.5	40	42.5	12

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
1.000 Residential																	
1.100 Single-family residences																	
1.110 Other than mobile homes	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	
1.120 Manufactured homes								Z									
1.130 Single family residence with accessory apartment	Z		Z	Z	Z	Z	Z		Z	Z	Z	Z	Z	Z	Z	Z	
1.200 Two-family residences																	
1.210 Duplex				Z	Z		Z		Z	Z	Z	Z	Z	Z	Z	Z	
1.220 Two-family conversion				Z	Z		Z		Z	Z	Z	Z	Z	Z	Z	Z	
1.230 Townhouses				Z	Z		Z		Z	Z	Z	Z	Z	Z	Z	Z	
1.300 Multi-family residences																	
1.310 Other than mobile home parks					S		S	S	S	S	S	S	S	S	S	S	
1.320 Manufactured home parks							S										
1.330 Multi-family conversion					S		S		S	S	S	S	S	S	S	Z	
1.400 Homes emphasizing special services, treatment or supervision																	
1.410 Homes for handicapped or infirm	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	
1.420 Nursing care, intermediate					S		S									S	
1.430 Child care homes					S		S									S	
1.440 Halfway house																S	

Table of Permissible Uses

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
1.450 Facilities that are designed to provide a continuum of care, including independent living, assisted living/CCRC, home health care, adult day care, intermediate care, skilled nursing care, and acute care; provided, however, that residential living units shall be limited to no more than seven units per acre.																S	
1.500 Miscellaneous long-term rooms for rent situations																	
1.510 Rooming houses, boarding houses	Z		Z	Z	Z	Z	Z		S	S	S	S	S	S	S	Z	
1.520 Fraternities, sororities, and similar housing with ten beds or less																	
1.530 Dormitories, fraternities and sororities with more than ten beds, and similar housing																	
1.600 Temporary Residences																	
1.610 Temporary emergency construction and repair residences	Z	Z	Z	Z	Z	Z	Z	Z						Z	Z	Z	
1.620 Short-term rental of a residential dwelling unit									Z	Z	Z	Z	Z	Z	Z		
1.630 Hotels, motels, similar businesses or institutions providing overnight accommodations									S	S	S	S	S				
1.640 Bed and Breakfast establishments									S	S	S	S	S	S			
1.700 Home Occupations	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	

Z = Zoning Permit required; S=Special Use Permit required;

Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
2.000 Sales and Rental of Goods, Merchandise and Equipment																	
2.100 Commercial activities to be located within a building. The display of goods outside that building is allowed.																	
2.110 High-volume traffic generation																	
2.111 Miscellaneous									S	S	S	S	S				
2.112 ABC Stores									S	S	S	S	S				
2.113 Convenience Stores									S	S	S	S	S				
2.120 Low-volume traffic generation									ZS	ZS	ZS	ZS	S				
2.130 Wholesale Sales													ZS				
3.000 Office, Clerical, Research and Services Not Primarily Related to Goods or Merchandise																	
3.100 All operations conducted entirely within fully enclosed building																	
3.110 Operations designed to attract and serve customers or clients on the premises, such as the offices of attorneys, physicians, other professions, insurance and stock brokers, travel agents, government office buildings, etc.									ZS	ZS	ZS	ZS	S	ZS			
3.120 Operations designed to attract little or no customer or client traffic other than employees of the entity operating the principal use									ZS	ZS	ZS	ZS	ZS	S	ZS		
3.130 Office or clinics of physicians or dentists with not more than 10,000 square feet of gross floor area									ZS	ZS	ZS	ZS	ZS	S	ZS		

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
3.200 Operations conducted within or outside fully enclosed building																	
3.210 Operations designed to attract or serve customers, clients on premises									ZC	ZS	ZS	ZS	ZS	S			
3.211 Tattoo parlors and body piercing studios/establishments																	
3.212 Psychic reading, palmistry, card or tea reading, fortune telling, or similar services																	
3.220 Operations designed to attract little or no customer or client traffic other than the employees of the entity operating the principal use									ZS	ZS	ZS	ZS	ZS	S			
3.230 Banks with drive-in windows									ZS	ZS	ZS	ZS	ZS				
4.000 Manufacturing, Processing, Creating, Repairing, Renovating, Painting, Cleaning, Assembling of Goods, Merchandise and Equipment																	
4.100 All operations conducted entirely within fully enclosed building																	
4.110 Majority of dollar volume of business done with walk-in trade									ZS	ZS	ZS	ZS					
4.120 Majority of dollar volume of business not done with walk-in trade										ZS	ZS	ZS					
4.200 Operations conducted within or outside fully enclosed building									ZS	ZS	ZS						

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
5.000 Educational, Cultural, Religious, Philanthropic, Social, Fraternal Uses																	
5.100 Schools																	
5.110 Elementary and secondary (including associated grounds and athletic and other facilities)	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S		
5.120 Trade or vocational schools													S				
5.130 Colleges, universities, community colleges (including associated facilities such as dormitories, office buildings, athletic fields, etc.)																	
5.200 Churches, synagogues and temples (including associated residential structures for religious personnel and associated buildings but not including secondary school or elementary school buildings)	S	S	S	S	S	S	S	S	ZS	ZS	ZS	ZS	S	S	ZS		
5.300 Libraries, museums, art galleries, art centers and similar uses (including associated educational and instructional activities)																	
5.310 Located within a building designed and previously occupied as a residence or within a building having a gross floor area not in excess of 3,500 feet									S	S	S	S	S	S	S		
5.320 Located within any permissible structure									S	S	S	S	S	S	S		
5.400 Social, fraternal clubs and lodges, union halls, and similar uses																	
5.410 Featuring live entertainment or dancing at least four days per month														S			
5.420 Not featuring live entertainment or dancing at least four days per month									S	S	S	S	S	S			

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
6.000 Recreation, Amusement, Entertainment																	
6.100 Activity conducted entirely within building or substantial structure																	
6.110 Bowling alleys, skating rinks, indoor tennis and squash courts, billiard and pool halls, indoor athletic and exercise facilities and similar uses													ZS				
6.120 Movie theaters																	
6.121 Seating capacity of not more than 300										ZS	ZS	ZS	ZS				
6.122 Unlimited seating capacity													ZS				
6.130 Coliseums, stadiums and all other facilities listed in the 6.100 classification designed to seat or accommodate simultaneously more than 1,000 people													S				
6.140 Arcades as an accessory to a principle use													S				
6.200 Activity conducted primarily outside enclosed buildings or structures																	
6.210 Privately owned outdoor recreational facilities such as golf and country clubs, swimming or tennis clubs, etc., not constructed pursuant to a permit authorizing the construction of some residential development	S	S	S	S	S	S	S	S									S

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
6.220 Publicly owned and operated outdoor recreational facilities such as athletic fields, golf courses, tennis courts, swimming pools, parks, etc., not constructed pursuant to a permit authorizing the construction of another use such as a school	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S		S
6.230 Golf driving ranges not accessory to golf courses, miniature golf courses, skateboard parks, water slides, and similar uses															ZS		
6.240 Horseback riding, stables (not constructed pursuant to permit authorizing residential development)	S															Z	
6.250 Automobile and motorcycle racing tracks																	
6.260 Drive-in movie theaters																	
6.300 Adult business establishments, subject to the specific regulations and standards contained in Article XVII														S			
7.000 Institutional Residence or Confinement Facilities																	
7.100 Hospitals, clinics, other medical treatment facilities (including mental health) in excess of 10,000 square feet of floor area															S		

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
7.200 Nursing Care Institutions, Intermediate Care Institutions, Handicapped or Infirm Institutions, Child Care Institutions																S	
7.250 Facilities that are designed to provide a continuum of care, including independent living, assisted living/CCRC, home health care, adult day care, intermediate care, skilled nursing care, and acute care; provided, however, that residential living units shall be limited to no more than seven units per acre.																S	
7.300 Institutions (other than halfway houses) where mentally ill persons are confined																	
7.400 Penal and Correctional Facilities																	
8.000 Restaurants, Bars, Night Clubs																	
8.100 No substantial carry-out or delivery service, no drive-in service, no service or consumption outside fully enclosed structure									ZS	ZS	ZS	ZS	ZS				

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Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
8.200 No substantial carry-out or delivery service, no drive-in service. Service or consumption outside fully enclosed structure not allowed after 10:00 p.m. local time. [Amended October 24, 1988 and June 13, 2006]									ZS	ZS	ZS	ZS	ZS				
8.300 Carry-out and delivery service, consumption outside fully enclosed structure allowed. Service or consumption outside fully enclosed structure not allowed after 10:00 p.m. local time. [Amended June 13, 2006]									ZS	ZS	ZS	ZS	ZS				
8.400 Carry-out and delivery service, drive-in service, service or consumption outside fully enclosed structure allowed														ZS			
8.500 [Deleted in its entirety June 8, 1993]																	
8.600 Any of the above where the gross proceeds from the sale of food and non-alcoholic beverages are less than the gross proceeds from the sale of alcoholic beverages														S			

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Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
9.000 Motor Vehicle-Related Sales and Service Operations																	
9.100 Motor vehicle sales or rental; mobile home sales																ZS	
9.200 Sales with installation of motor vehicle parts or accessories (e.g., tires, mufflers, etc.)																ZS	
9.300 Motor vehicle repair and maintenance, not including substantial body work																S	
9.400 Motor vehicle painting and body work																S	
9.500 Gas Sales										S	S	S	S	S			
9.600 Car wash																Z	
10.000 Storage and Parking																	
10.100 Automobile parking garages or parking lots not located on a lot on which there is another principal use to which the parking is related									Z	Z	Z	Z	Z			Z	
10.200 Storage of goods not related to sale or use of those goods on the lot where they are stored																	
10.210 All storage within completely enclosed structures								S	Z	Z	Z	Z	Z	Z		S	
10.300 Parking of vehicles or storage of equipment outside enclosed structures where: (i) vehicles or equipment are owned and used by the person making use of lot; and (ii) parking or storage is more than a minor and incidental part of the overall use made of the lot																	

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Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
10.300 Parking of vehicles or storage of equipment outside enclosed structures where: (i) vehicles or equipment are owned and used by the person making use of lot; and (ii) parking or storage is more than a minor and incidental part of the overall use made of the lot									ZS	ZS	ZS	ZS	ZS				
11.000 Scrap Materials, Salvage Yards, Junkyards, Automobile Graveyards																	
12.000 Services and Enterprises Related to Animals																	
12.100 Veterinarian														Z			
12.200 Kennel																	
13.000 Emergency Services																	
13.100 Police Station									S	S	S	S	S	S			
13.200 Fire Station									S	S	S	S	S	S			
13.300 Rescue Squad, Ambulance Service									S	S	S	S	S	S			
13.400 Civil Defense operation									S	S	S	S	S	S			
14.000 Agricultural, Silvicultural, Mining, Quarrying Operations																	
14.100 Agricultural operations, farming																	
14.110 Agricultural operations excluding livestock. Includes beekeeping; plant nurseries; orchards; fruit, grain, leaf, vegetable, and seed crops	Z								Z	Z	Z	Z	Z				

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Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
14.120 Agricultural operations including livestock, but excluding commercial feed lots and commercial egg production. The number of livestock, in any combination, shall be limited to the equivalent of the following: no more than two cows or cattle per acre; no more than two horses per acre; no more than five hogs per acre; no more than eight sheep or goats per acre; and no more than 20 chickens per acre. The preceding figures are intended to be proportional and not cumulative; therefore, only one cow and one horse would be permitted on a single acre; or one cow and three hogs; or one cow and four sheep; or one cow and ten chickens, etc.		Z															
14.130 Sod farming	S																
14.200 Silvicultural operations	Z	Z	Z	Z	Z	Z	Z	Z									
14.300 Mining or quarrying operations, including on-site sales of products		Z															
14.400 Reclamation landfill	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
15.000 Miscellaneous Public and Semi-Public Facilities																	
15.100 Post Office										S	S	S	S	S	S		

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Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
15.150 Public Maintenance Building									S	S	S	S	S	S		Z	
15.200 Airport																	
15.300 Sanitary landfill																	
15.400 Military Reserve, National Guard Centers																	
16.000 Dry Cleaner, Laundromat										S	S	S	S	S			
17.000 Utility Facilities																	
17.100 Neighborhood	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S		
17.200 Community or Regional									S	S	S	S	S	S			
18.000 Towers and Related Structures																	
18.100 Antennas that are not part of the distribution network of a commercial tele-communications system.	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
18.200 Towers for non-commercial, individual use; 20 feet in height or less	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
18.300 Towers for non-commercial, use; over 20 feet in height	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
18.400 Telecommunication Towers									S	S	S	S	S	S			
18.500 Alternative Tower Structures.									S	S	S	S	S	S	S	S	
18.550 Commercial Wireless Telecommunications Antennas that are part of the distribution network of a commercial telecommunications system.	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z

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Z/C = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
19.000 Open Air Markets and Horticultural Sales																	
19.100 Open air markets (farm and craft markets, produce markets)	Z								S	S	S	S	S				
19.200 Horticultural sales with outdoor display to the extent authorized by the applicable conditional use permit.	Z								S	S	S	S	S				
19.300 Temporary sale of goods, wares, or merchandise by religious, educational, civic, patriotic, charitable, or fraternal organizations within the right-of-way of any of the streets or portions of streets or any sidewalk adjacent thereto as described in Section 8-49 of the Town of Blowing Rock Code of Ordinances. The use as described herein shall be subject to obtaining a zoning permit from the Zoning Administrator.	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
19.400 Temporary sale of farm products (fruits, vegetables, eggs, or similar products) or nursery products by an itinerant merchant. Permit not valid for more than ninety calendar days. Not more than one such permit per property or development. No display of products within thirty (30) feet of edge of pavement or right-of-way.																	

Z = Zoning Permit required; S=Special Use Permit required;

Z/C = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
<i>20.000 Funeral Home</i>																	
20.000 Funeral Home										Z	Z	Z	Z	Z	Z		
<i>21.000 Cemetery and Crematorium</i>																	
21.100 Cemetery	S	S	S	S	S	S	S	S									
21.200 Crematorium																	
<i>22.000 Nursery Schools; Day Care Centers</i>																	
22.000 Nursery Schools; Day Care Centers	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S		
<i>23.000 Temporary Structures Used in Connection with the Construction of a Permanent Building or for Some Non-Recurring Purpose</i>																	
23.000 Temporary Structures Used in Connection With the Construction of a Permanent Building or for Some Non-Recurring Purpose	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z		Z
<i>24.000 Bus Station</i>																	
24.000 Bus Station										S	S	S	S	S			
<i>25.000 Commercial Greenhouse Operations</i>																	
25.100 No on-premises sales	S	S								S	S	S	S	S			
25.200 On-premises sales permitted	S									S	S	S	S	S			
<i>26.000 Special Events</i>																	
26.000 Special Events	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
<i>27.000 Off Premises Signs</i>																	
27.000 Off Premises Signs																	

Z = Zoning Permit required; S=Special Permit required;

Z/S = Zoning permit if lot less than 1 acre, SUP if lot 1 acre and greater; Blank = Use not permitted.

Uses Description	R-A	R-15	R-10S	R-10D	R-10M	R-6S	R-6M	R-MH	CB	TCE	TCW	TCS	GB	OI	HMC	HSG	PGS
28.000 Subdivisions																	
28.100 Major	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S		
28.200 Minor	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z		
29.000 Combination Uses	S	S	S	S	S	S	S	S	ZS	ZS	ZS	ZS	ZS	S	ZS		

*Note: The Office/Institutional District and related uses were enacted on July 14, 1998.
 The Parks and Green Space District and related uses were enacted on July 14, 1998.*

The R-10S District and related uses were enacted on October 13, 1998.

The R-10D District and related uses were enacted on December 8, 1998.

The R-10M District and related uses were enacted on October 13, 1998.

The R-6S District and related uses were enacted on October 13, 1998.

The R-6M District and related uses were enacted on October 13, 1998.

The R-A District and related uses were enacted on March 14, 2000.

The Town Center District and related uses were enacted on July 10, 2010.

The Town Center East District and related uses were enacted on November 12, 2024.

The Town Center West District and related uses were enacted on November 12, 2024.

The Town Center Sunset District and related uses were enacted on November 12, 2024.



PROCLAMATION IN SUPPORT OF MENTAL HEALTH AWARENESS MONTH TOWN OF BLOWING ROCK, NORTH CAROLINA

WHEREAS, mental health is essential to everyone's overall health and well-being, and all people experience times of difficulty and stress in their lives; and

WHEREAS, mental illnesses are common and treatable, yet stigma and misunderstanding persist, discouraging many individuals from seeking the support and treatment they need; and

WHEREAS, the Town of Blowing Rock recognizes that mental health conditions are real and prevalent in our community, affecting residents of all ages, races, genders, and backgrounds; and

WHEREAS, organizations such as the National Alliance on Mental Illness (NAMI) play a vital role in raising awareness, providing education, fighting stigma, and offering resources and support to individuals and families affected by mental health conditions; and

WHEREAS, Mental Health Awareness Month, observed each May, provides an opportunity to reflect on the importance of mental health, to advocate for policies that support mental well-being, and to show compassion and support for those living with mental illness; and

WHEREAS, through public education and community engagement, the Town of Blowing Rock seeks to foster an environment where mental health is prioritized, support is accessible, and all individuals are treated with dignity and respect;

NOW, THEREFORE, I, Charles Sellers, Mayor of the Town of Blowing Rock, North Carolina, and on behalf of the Blowing Rock Town Council, do hereby proclaim May 2025 as **Mental Health Awareness Month** in the Town of Blowing Rock, and encourage all residents to join in promoting mental wellness, supporting those in need, and working to eliminate stigma surrounding mental illness.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Town of Blowing Rock to be affixed this 13th day of May, 2025.

Charlie Sellers, Mayor

Hilari Hubner, Town Clerk



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council
From: Tasha Brown, Finance Officer
Subject: Project Ordinance # 2025-03
Date: May 13, 2025

Attached please find for your consideration an Amended Project Ordinance for the Memorial Park Improvement Project – Phase 2. This amendment reflects the costs for the new playground equipment and HVAC for the Recreation Center. Both expenditures will be reimbursed with loan proceeds for the project.

**ORDINANCE
MEMORIAL PARK IMPROVEMENTS PHASE 2
PROJECT ORDINANCE (AMENDED)**

BE IT ORDAINED by the Town of Blowing Rock 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 I. The project authorized includes the Town of Blowing Rock's Memorial Park Improvements Project Phase 2

Section II. The officers of the Town of Blowing Rock are hereby directed to proceed with the project within the terms of the rules and regulations and the budget contained herein.

Section III. The following revenues are anticipated to be available to complete the project:

Installment Loan Proceeds	\$ 1,126,841
Part F Grant	\$ 500,000
Phase 1 Budget Remaining	\$ 20,750
	<u>\$ 1,647,591</u>

Section IV. The following amounts are appropriated for the project:

Construction	\$ 1,483,591
Contingency	\$ 50,000
Engineering Fees	\$ 93,250
Engineering Fees (From Original Contract Phase 1)	\$ 20,750
	<u>\$ 1,647,591</u>

Section V. The finance officer is hereby directed to maintain sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement, Federal and State regulations.

Section VI. Funds may be advanced from other Town of Blowing Rock fund accounts for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency following the regulations and rules of the grant.

Section VII. The finance officer is directed to report as requested on the financial status of the project element in Section IV and on the total revenues received or claimed.

Section VIII. The budget officer is directed to include an analysis of costs and revenues on this project as requested by the Council.

Section IX. Copies of this Project Budget Ordinance shall be made available to the budget officer for direction in carrying out this project.

This ordinance shall become effective upon adoption.

Adopted as submitted this 13thth day of May 2025 at Blowing Rock, North Carolina.

Charles Sellers, Mayor

Attest:

Hilari Hubner, Town Clerk

PARKING UPDATE

WHERE WE ARE NOW:

- Winter Retreat, Meridith McLaurin provided the council with parking solutions and options.
 - Findings showed that parking was usually at compacity by 10 am – 4 pm.
 - Recommended parking times be reduced from 3-hour parking to 2-hour parking on Main St and Sunset Dr.
 - Maple St parking be moved to 3-hour monitored parking.
 - Wallingford and Ginny Stevens parking decks remain for parking over three hours and encourage Main St employees to register with the town and park here.
 - New signage displaying vehicles left for 24 hours will be towed or immobilized.
 - Enforcement year-round.
 - Remove parking enforcement from PD.
 - Software options: Passport Parking
 - Did not recommend any type of App to pay for parking.
 - Increase parking fines; First offense \$20, second offense or 30 days unpaid \$30, 60 plus days unpaid \$60 and third offense immobilization.
- We have had several meetings with Passport parking, and they can provide/design citations, QR code to pay for tickets and a system for collection and delinquent notices.
 - Passport also provides handheld citation devices with waterproof paper.
 - No kiosks or meters.
- We have posted two part-time positions for parking enforcement 20 hours a week year-round coverage.
 - We have received 14 applications for the parking enforcement position.
 - Telecommunications supervisor Casandra Reid will supervise the parking ambassadors.

CURRENT CODE

PARKING TIMES / FINES

- (A) Fees may be charged for parking any vehicle in a parking space owned and maintained by the Town. A list of parking areas and associated parking fees shall be approved by the Town Council and listed in Appendix A6 – 18.
- (B) The payment of fees will be enforced Monday through Saturday from 9am until 5pm and on Sundays from 1pm until 5pm.
- (C) The Police Chief or his/her designee shall be responsible for the enforcement and collection of fees for parking.
- (D) The Town Council may approve the waiver of fees for certain groups, during certain times or in certain spaces. These waivers shall be issued through an approved system of permitting. A list of approved permit holders shall be maintained and made available by the Police Chief of his/her designee.
- (E) The Town Manager may suspend fees for parking during times of public meetings, public hearing or other times when participation from the public is encouraged, or during times of inclement weather.
- (F) Fines and remedies for violation of this section shall be set forth in Article VI of this Chapter.

Parking Violation Fines [Amended August 8, 2023]

- Overtime

-1st Offense \$10.00

-2nd Offense \$15.00

-3rd and subsequent \$20.00

- Two Spaces \$25.00
- Wrong Direction \$15.00
- Improper Use of Designated Space \$25.00
- No Parking \$50.00
- Parked in Street \$50.00
- Loading Zone \$25.00
- Parked on Sidewalk \$50.00
- Other \$25.00
- Failure to Pay \$25.00
- Blocking Street (impeding traffic flow) \$50.00
- Fire Hydrant \$50.00

Regular Agenda - Staff Report

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

Subject: 2025-2026 Budget Presentation

Date: May 13, 2025

Information:

Town staff have been working diligently to finalize the 2025-2026 budget document. Town Manager Shane Fox will present the draft budget at the Town Council meeting held on May 13, 2025. At this meeting, copies of the draft budget will be distributed for your review. This is just a draft, as the workshop and public hearing are still to come. A copy of the draft budget will be available for the public to review online and in person at Town Hall after the May 13th meeting.

Please also note the following important dates related to the budget process:

- **Budget Workshop:** Tuesday, May 27, 2025, from 1:00 PM to 5:00 PM at Town Hall. The public is welcome to attend this workshop; however, please be aware that it is designed for the Town Council and staff to engage in detailed discussions, and public participation will be limited to observation.
- **Public Hearing:** Tuesday, June 10, 2025, at 6:00 PM. This hearing will provide an opportunity for the public to offer comments on the proposed 2025-2026 budget.