Town of Blowing Rock
Town Council Regular Meeting
January 13, 2015

The Town of Blowing Rock Town Council met in regular session on Tuesday, January 13, 2015 at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street, Blowing Rock. Present were Mayor J.B. Lawrence, Council members Albert Yount, Dan Phillips, Sue Sweeting, Doug Matheson and Ray Pickett. Others in attendance were Town Manager Scott Fogleman, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Planning Director Kevin Rothrock, Building Inspector John Warren, Police Chief Tony Jones, Finance Officer Nicole Norman, Public Works Director Mike Wilcox, Parks & Recreation Director Jennifer Brown, Fire Chief Kent Graham and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Lawrence called the meeting to order at 6:00 p.m. and welcomed everyone.

APPROVAL OF MINUTES

Council Member Phillips made a motion to approve the minutes for the December 9, 2014 meeting as written, seconded by Council Member Sweeting. Unanimously approved.

SPECIAL RECIGNITIONS AND REPORTS

Recognizing Council Member Doug Matheson

Mayor Lawrence called Council Member Matheson forward to be recognized for completing a variety of training and education requirements as part of the "Local Elected Leaders Academy" administered through the UNC School of Government. Mayor Lawrence advised that Council Member Matheson was the first Blowing Rock Town Council Member to receive the prestigious "Master" distinction. He thanked Council Member Matheson for his hard work.

Resolution Recognizing Judy Burns

Mayor Lawrence called Ms. Kim Blumeyer forward to receive a resolution in honor of her mother Judy Burns. Judy was the former Town Clerk/Finance Director for the Town from September 1972 until her retirement in December 1999. A framed photograph and resolution was given to Ms. Blumeyer and family members present on behalf of the Town Council, citizens of Blowing Rock, and Town employees past and present to honor and pay tribute to Judy for her many years of service. Mayor Lawrence said the display room at the 1888 Museum located in Memorial Park would be named in Judy's honor.

Ms. Blumeyer thanked everyone for honoring her mother in this special way, stating that Blowing Rock meant a great deal to her mother and the 1888 Museum was near and dear to her heart. Ms. Blumeyer commented that her mother being honored in this manner meant a lot to her and her family.

Highway 321 Valley Boulevard Construction Update

Mr. Kipp Turner of Maymead Construction gave a brief update on the Hwy 321 Widening Project. He stated inclement weather had impacted plans to move forward with transitioning to the new traffic pattern near Chetola. Mr. Turner stated if the weather cooperated, there were plans to add more layers of pavement to the newest section of the widening project in order to make the transition, which was their primary focus.

Council Member Phillips asked about a recent incident that had occurred and requested that more barrels be placed strategically to keep folks from driving in construction areas they shouldn't be. He expressed his concerns with safety during the course of the project.

Mr. Turner stated he was unaware of the incident but would check on the situation.

Council Member Sue Sweeting extended her appreciation to Mr. Turner regarding the paving crew working the day after Thanksgiving. Mr. Turner stated that normally during this time of year asphalt plants were not working; however, with the urgency of this project they were still keeping them busy getting asphalt.

Council Member Matheson asked about the status of Walls #37 and #38. Mr. Turner explained the placement of the walls and what needed to occur before they could be completed.

Mayor Lawrence thanked Mr. Turner for his monthly update.

CONSENT AGENDA

Town Manager Scott Fogleman presented the following Consent Agenda items to Council for approval.

1. **Tax Releases and Refunds**

Various tax adjustments over time become apparent and present themselves in the form of requests for releases (adjustments) and refunds. Five tax releases totaling $1,786.99 and two tax refunds totaling $793.80 have been identified for Council approval. **Tax Release #2014-02 – Exhibit A-1, Tax Release #2014-03 – Exhibit A-2, Tax Refund #2014-01 – Exhibit A-3, Tax Refund #2014-02 – Exhibit A-4, Tax Release #2014-04 – Exhibit A-5, Tax Release #2014-05 – Exhibit A-6, Tax Release #2014-06 – Exhibit A-7**

2. **Section 125 Flexible Spending Account Resolution #2015-01**

The Federal Government has approved a $50 increase in the total allowable employee contribution to the health savings account from $2,500 to $2,550 effective January 1, 2015. In order for the Town's plan to incorporate this change, a resolution has been prepared for Council approval. **Section 125 Flexible Spending Account Resolution #2015-01 – Exhibit B**

3. **Budget Ordinance Amendment to Account for Various Items**

Several business items requiring budget ordinance amendments have been consolidated for Council approval and include an unemployment reimbursement ($13,910), recognition of a donation from Ginny Stevens for the purchase of a display case at the Police Department ($2,000), recognition of a donation from the Blowing Rock Chamber Foundation for winter lights ($1,057), and the Blackberry Utility System purchase as approved at the Council meeting in December ($10,000). **Budget Ordinance Amendment – Exhibit C**

4. **Resolution #2015-01 - To Support NC Clean Water Grant Request for the Middle Fork Greenway**

The Middle Fork Greenway Association (MFGA) has requested that the Town of Blowing Rock sponsor a grant request from the NC Clean Water Division in the amount of $171,300 to support construction of 1,935 feet to the greenway along the Chestnut Ridge property being developed by the Appalachian Regional Healthcare System. The MFGA has agreed to raise the funds necessary to provide the matching requirements and to perform the majority of the associated work. **Resolution #2015-01 to Support NC Clean Water Grant Request for the Middle Fork Greenway – Exhibit D**

5. **Declaration of Surplus Items To Prepare For Sale on GovDeals**

Items to be declared surplus include two public works trucks being replaced this year, the old pool cover no longer being used, and various old chairs that are no longer needed. Once declared surplus, the items will be posted for sale online through the government sales website www.govdeals.com as has been done with items previously declared surplus by the Town of Blowing Rock.

Council Member Sweeting made a motion to approve the Consent Agenda items as presented, seconded by Council Member Pickett. Unanimously approved.

PUBLIC HEARINGS

1. **Appalachian Ski Mountain Related Sign Ordinance Amendment #2015-02**

Planning Director Rothrock reported that on December 9, 2014, a conditional use permit for construction of a welcome center for Appalachian Ski Mountain on the corner of Highway 321 and Edmisten Road was approved by Council. He stated the proposed freestanding sign is currently under staff review and will require some code modification in order to be approved as submitted or with a similar design.

Planning Director Rothrock noted with the historical and tourism related significance of Appalachian Ski Mountain and the need to direct traffic, the Applicant is requesting a

change in the sign ordinance to allow an increase in overall sign height at the welcome center to the 18 feet above grade. The standard ground-mounted freestanding sign is limited to 6 feet above grade. Other tourism attractions in the area have freestanding signs between 18 feet and 28 feet in height, such as:

- The Blowing Rock – approximately 18 feet
- Tweetsie – approximately 23 feet
- Grandfather Mountain – approximately 28 feet

The sign ordinance currently allows an increase in the overall height of a freestanding sign if the ground elevation is below the road elevation of Hwy. 321. The maximum sign structure height is limited to 10 feet above the road elevation and not more than 22 feet above the ground elevation. Planning Director Rothrock advised that this provision of the ordinance applied to pole-mounted signs only.

Planning Director Rothrock stated in the draft ordinance amendment, Appalachian Ski Mountain would be allowed to construct a ground-mounted sign up to 18 feet in height as long as landscaping is maintained at the base of the sign to a minimum height of 3 feet. Their signature color orange would be allowed on the sign as well.

The sign design indicates a separation of 8 feet between the back of the sign panels to provide an angled view for display. The maximum distance of sign panels in the draft ordinance is 10 feet.

Planning Director Rothrock advised that during their regular meeting held on December 18th, the Planning Board recommended to approve the draft ordinance with some modifications.

Planning Director Rothrock explained this amendment to the sign ordinance would apply to Appalachian Ski Mountain only.

Council Member Phillips asked Mr. Rothrock to explain how the Town would not be setting precedence if other businesses along that area wished to apply an amendment to the Town's sign ordinance to construct an 18 foot sign as well. Planning Director Rothrock gave a brief history on how staff decided to draft an ordinance to give Appalachian Ski Mountain special consideration. Mr. Rothrock explained that a sign variance didn't seem like the right path for approval since no hardship could be proven to meet the variance standards. However, their situation was unique, due to them being a large tourist destination in the area, a change to the sign ordinance could be done similar to other tourist attractions such as The Blowing Rock and what was formally known as The Farm House Restaurant. Council Member Phillips said he wanted to feel comfortable that we wouldn't be going through this process again with a similar business.

Council Member Phillips asked Mr. Rothrock if he had used the same template that had been used with the Blowing Rock many years ago. Mr. Rothrock explained that The

Blowing Rock Attraction sign was another unique situation due to it being grandfathered because it had existed before the Town's sign ordinance.

Planning Director Rothrock further explained that signs were not covered in the Conditional Use Permit process, they were usually approved administratively. In this unique situation, any significant change to the sign ordinance had to come before Council for approval.

Council Member Matheson asked if Appalachian Regional Healthcare System could request an 18 foot sign as well. Planning Director Rothrock advised that they could make a similar request and would have to go through the same process as Appalachian Ski Mountain (Planning Board and Council).

Town Attorney Moseley explained when he and Mr. Rothrock had discussed this request, Appalachian Ski Mountain's situation was unique due to them having a directional billboard for the past 45 years letting people know where they were located. However, with the changes in that area, the billboard would no longer be there and there was concern expressed by the applicant that potential customers would pass by the business if there was no sign of significant size. He also stated with the speed limit being greater than 35 mph in that area, this would also add to the problem. Due to the unique characteristics of this request, Attorney Moseley didn't think the Town would be setting precedence.

Council Member Pickett asked for clarification regarding the ordinance being modified in areas where the speed limit exceeded 35 mph. Planning Director Rothrock explained in these areas, the square footage of sign text and graphics could go from 35 square feet to 45 square feet, and column signs could go from 40 square feet to 60 square feet. In addition, if the grade of the land was lower than road grade the height could also be increased. The height increase does not apply to this request because the land grade is level.

Council Member Pickett stated that he had a problem with changing the ordinance for only one business since Blowing Rock was a tourist town. He thought there could potentially be other tourism businesses in the E.T.J. area as well. He felt it wouldn't be fair to change it for one business.

Council Member Yount commented this ordinance change could be looked at in the future.

At this time, Mayor Lawrence asked if there were any members of the audience who wanted to speak regarding this issue. Several people were sworn by the clerk.

Appalachian Ski Mountain owner Brad Moretz was first to speak, stating that Appalachian Ski Mountain's intent with this sign ordinance request was to construct a sharp, clean, tasteful sign that would enhance the area. According to the Town's ordinance a larger sign could have been constructed; however, they had designed a

slightly smaller one which would be constructed from local elk stone. The reason for their request for flexibility was due to the visibility of the sign for potential customers traveling at an approximate speed of 50 mph. Mr. Moretz also stated that 50 percent of their customers were coming from the south and would be looking over four lanes of traffic making it hard to see the sign. He also explained that traffic coming from Boone traveling at that speed would have approximately two seconds to read the sign due to the mountainside.

Mr. Moretz commented the sign design was more architecturally interesting and distinctive and would be aimed toward traffic in order to see it more clearly. While some ski slopes in the area could be seen from the road, Appalachian Ski Mountain could not be seen. Without signage, this could be very detrimental to their business.

Mr. Moretz further explained that in 1961 before Appalachian Ski Mountain opened, there was one restaurant that stayed open in the winter time and now there were 26 restaurants open during the ski season. As with lodging, in 1962 when their business first opened, there was one motel open in the winter and now there were approximately 28 lodging facilities within the Blowing Rock area open during the ski season. He also advised their business created many jobs and helped with the economy of the area.

Mr. Moretz closed by stating having effective signage was an expensive yet solvable problem with a helping hand and expression of good-will from the Town.

Council Member Pickett questioned the reasoning for an 18-foot sign. Mr. Moretz explained the sign needed to be seen above four lanes of traffic traveling at 50 mph and would have their business logo and the words "turn here". He also advised the current billboard was approximately 288 square feet and the proposed sign was less than 20 percent of that.

Council Member Yount asked about the "Sale" sign that was posted on the billboard at times and if that would be allowed on the new sign. Mr. Moretz advised that option would be eliminated; the sign would have one standard message at all times.

Kent Tarbutton, a member of the TDA and owner of Chetola spoke in favor of the proposed sign. He advised that the TDA Board looked at the plans and discussed the design and found it to be very attractive. He also agreed a large sign is needed in order for potential customers to see where the business is located while driving 50-55 mph. Mr. Tarbutton also spoke regarding the economic boost that Appalachian Ski Mountain provides to the area and when their season is bad, it affects other businesses in the area as well. Mr. Tarbutton advised that the Town's current ordinance would allow a 60 square foot pole mounted sign which would be much less attractive than what was being proposed. He urged Council to consider the request being made in order to keep this important tourist attraction and the jobs it created for the local economy.

Council Member Pickett expressed that a pole-mounted sign could be very attractive with columns constructed from stone such as the elk stone being proposed.

Business owner and resident Cobb Milner also spoke in favor of the proposed sign. He commented the sign was beautiful and Appalachian Ski Mountain was a business worthy of this consideration, a business that pre-dated the Town's sign ordinance as well as the formation of the Extra-Territorial Jurisdiction (ETJ) district. Mr. Milner spoke of the unfortunate situation of losing the current billboard. He commented that a year-round sign would spark interest in visitors to come back in the off-season to visit this attraction. Mr. Milner also urged Council to figure out a way to allow this sign.

Mr. Billy (Butch) Triplett spoke regarding Council's concern for setting precedence if this request was granted. He stated this was replacing a current billboard which was a very costly project and asked that Council give consideration to the request.

Mr. Dick McDonald of the Timbercreek Property Owner's Association (POA) stated the POA is unanimously in favor of the proposed sign. He advised that the residents in that area thought the sign's appearance was beautiful and they were very appreciative of Appalachian Ski Mountain being good neighbors and going to such an expense to construct a sign of this magnitude.

Business owners Lisa Stripling and Rob Dyer also expressed their support for the sign request. Mr. Dyer stated the sign was a work of art that the Town should be proud of. Ms. Stripling stated that she had a letter of support from their business partner, The Blowing Rock Ale House that she wished to share with everyone.

Charles Hardin, Executive Director of the Blowing Rock Chamber of Commerce stated their Board of Directors was in unanimous favor of the Welcome Center and the sign due to the economic impact and jobs created by Appalachian Ski Mountain. He commented there are "attractions" and "attractors" and Appalachian Ski Mountain, Grandfather Mountain and Tweetsie Railroad were the "attractions" that brought people to the area who eat at the restaurants, stay at the motels, etc.; these businesses were the "attractors". Mr. Hardin expressed the Chamber's appreciation to these attractions and stated the proposed sign was superior to the billboard erected in 1969.

Business owner, Debra McDowell spoke in support of the project and thought the sign would be an enhancement to the area and urged Council to support the project.

Local realtor, Maurice Williams expressed his support for the project as well. He stated that Appalachian Ski Mountain brought a lot of real estate business to the area in the winter. Mr. Williams commented that he thought the sign was architecturally beautiful and asked that Council show their support for this request.

Council Member Yount asked that architect Larry Greene and David Harwood come forward to speak regarding the sign request.

Mr. Greene stated while working on the sign design with Mr. Moretz, several variations had been talked about, but they had agreed upon this simple design so that people driving by could focus on the sign only.

Planning Board member David Harwood stated he had dealt with the Town's sign ordinance at length and when this project came before the Planning Board recently he was prepared to turn it down. However, after listening to Mr. Moretz and others, he felt in this particular situation, an amendment should be granted due to the economic impact this business had on Blowing Rock. He stated that looking at the resort as a whole, the signature logo and color was needed on both the building and the sign. Mr. Harwood sympathized with Council's position regarding this project, but felt that sometimes legislating with the heart is needed.

With no further comments, Council Member Pickett, seconded by Council Member Sweeting made a motion to close the public hearing. Council Member Pickett stated that he did not want anyone to think that he was against Appalachian Ski Mountain, but he was a rule follower. He advised that changing the ordinance for one person bothered him because he wanted everyone to be treated as fairly as possible.

Council Member Matheson agreed, stating that he felt other property in that area would be developed and he would like to see something in place that would be for everyone, not just one person.

Council Member Sweeting commented that she did have a concern with the size of the monument sign. She thought it being 18 feet and the Welcome Center at 20 feet it was out of scale. She suggested that the applicant look at a design that would be more within the Town's sign ordinance.

Council Member Pickett asked how long it would take for a draft ordinance amendment to be completed. Planning Director Rothrock advised that he needed direction from Council in order to move forward with any changes. Council inquired as to when the billboard was to come down. Mr. Moretz stated at the end of the ski season it would be removed.

Mayor Lawrence advised that a vote on the motion to close the public hearing was needed at this time. Council voted unanimously to close the public hearing.

Mayor Lawrence commented that nine (9) people had spoken in favor of the project during the public hearing.

Council Member Pickett expressed his main concern was with the process of making an ordinance change for one person. He felt that it would be helpful during future development if everyone knew what is allowed in the ETJ district and that everyone should be treated fairly. Council Member Pickett stated he was unsure if everyone realized how large the sign would be and gave the example of stacking 3 full-sized pick-up trucks on top of one another and still the sign would still be taller.

Council Member Phillips commented possibly a recommendation needed to go back before the Planning Board regarding the speed limit, etc.

Council Member Yount asked for clarification as to what Council Member Pickett's needs were regarding this project. Council Member Pickett stated he wanted everyone to be treated fairly and that he was not against the sign, even though it was rather large; however, he did have concerns with the process.

Council Member Matheson agreed that an ordinance was needed that fit the needs for future development in that district.

Mayor Lawrence interjected that the ordinance change was for Appalachian Ski Mountain only.

Council Member Matheson stated the Town ordinance should be for everyone in that area, not one person. Council Member Phillips agreed and commented that in his opinion, the sign overpowered the building and he would be inclined to vote against it. Council Member Phillips stated the Town needed to take control of the ETJ district because there would be future development in that area. He suggested the Planning Board review this issue and devise something that would take into account the factors in the ETJ area such as speed limit, etc.

Council Member Phillips stated there could be a multitude of signs in that area. Planning Director Rothrock stated that most likely the businesses developed near the Chestnut Ridge project would be on one sign due to the lack of space. He also stated the Planning Board could look at that section and propose changes that reflected the speed limit, square footage, etc. if that was what Council wanted them to do.

Council Member Pickett advised that he had several people approach him who were not against Appalachian Ski Mountain at all, but they had issues with treating someone differently. Mayor Lawrence stated those people were not present to speak during the public hearing. Council Member Yount commented that Council was the public's advocate.

Mayor Lawrence also commented that Appalachian Ski Mountain had been in business for 50 years and had an impact on the local economy. He stated if the general ordinance was changed, everyone in that area could have a large sign.

Council Member Phillips responded the Town had an ordinance for a reason; in order to have consistency for everyone. He also commented approval of the request wasn't immediately needed; there was sufficient time to develop an ordinance.

Council Member Sweeting expressed that she had a problem with the size of the sign, it was too large. She felt with the Chestnut Ridge project, there would be other

development in that area. She commented that she liked the design concept, but had a concern with the height of the sign.

After further discussion, Commissioner Phillips made a motion to send the Appalachian Ski Mountain sign ordinance request back to the Planning Board for further review pertaining to areas where the speed limit exceeded 35 mph. The motion also pertained to ground based signs as well as column signs. The motion was seconded by Commissioner Pickett. Unanimously approved.

SPEAKERS FROM THE FLOOR

None

Council Member Matheson made a motion to move into Closed Session pursuant to NCGS 143.318-11(a)(3) to consult with the Town Attorney, seconded by Council Member Sweeting. Unanimously approved.

ADJOURN

At 8:10 p.m., Council reentered their regular meeting and with no further business to discuss, the meeting was adjourned.

MAYOR _____ **ATTEST** _____
J.B. Lawrence **Sharon Greene, Town Clerk**

ATTACHMENTS (01-13-15)
Tax Release #2014-02 – Exhibit A-1, Tax Release #2014-03 – Exhibit A-2, Tax Refund # 2014-01 – Exhibit A-3, Tax Refund #2014-02 – Exhibit A-4, Tax Release # 2014-04 – Exhibit A-5, Tax Release # 2014-05 – Exhibit A-6, Tax Release #2014-06 – Exhibit A-7
Section 125 Flexible Spending Account - Resolution #2015-01 – Exhibit B
Budget Ordinance Amendment #2015-01 – Exhibit C
Resolution to Support NC Clean Water Grant Request for the Middle Fork Greenway – Exhibit D

Presentation

Doug Matheson

Council Member, Town of Blowing Rock

is recognized as a

Master

by the

LOCAL ELECTED LEADERS

Academy

October 13, 2014

Sponsored by

School of Government at UNC-Chapel Hill
North Carolina Association of County Commissioners
North Carolina League of Municipalities

Michael R. Smith, Dean
School of Government, UNC-Chapel Hill

Paul A. Meyer, Executive Director
North Carolina League of Municipalities

Presentation

RESOLUTION IN HONOR OF
JUDITH (Judy) M. BURNS

WHEREAS, the Town of Blowing Rock Board of Commissioners wish to honor former Town of Blowing Rock Finance Officer and Town Clerk, Judy Burns; and

WHEREAS, Judy Burns, served as a dedicated and knowledgeable employee of the Town of Blowing Rock from September 18, 1972 until her retirement on December 31, 1999; and

WHEREAS, during her twenty-seven years of service, Judy played an integral role in the historic preservation of Blowing Rock, her beloved hometown; and

WHEREAS, Judy Burns, known for her love of other employees considered it a privilege to be an employee of the Town; and

WHEREAS, with the best interest of the Town in mind and a sense of humor when needed, Judy worked diligently and to the best of her ability to make Blowing Rock a better place in which to work and live.

NOW, THEREFORE; BE IT RESOLVED, the Town of Blowing Rock, Mayor and Board of Commissioners, Town Employees, past and present, as well as citizens of the Town wish to honor and pay tribute to Judy Burns this 13th day of January, 2015 by naming the display room in the 1888 Museum located in Memorial Park in her honor.

MAYOR _____
J.B. Lawrence

ATTEST: _____
Sharon Greene, Town Clerk

Exhibit A-1

Town of Blowing Rock
Release Request
No: 2014-02

Property Owner: Harper, FG Trustees & Henkle CV

Address: c/o Howard B. Arbuckle, III 1100 Buckingham Rd

Greensboro, NC 27408-7304

Parcel Number: 02 3 1 7 **Request Date:** 12-15-2014

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

Assessment	Tax	Interest	Total	Tax Year
$195,900	$607.29	0	$607.29	2014
$195,900	$548.52	0	$548.52	2013
$ 82,500	$231.00	0	$231.00	2012

Account Number: 000000104969 **County:** Caldwell

Date of Council Meeting: _____ **Release Amount:** $1,386.81

Specific Reason for Release
Portion of acreage was taken by NCDOT in court settlement – Per Caldwell County release difference in value

Approved By: _____ **Date:** _____

Exhibit A-2

Town of Blowing Rock
Release Request
No: 2014-03

Property Owner: Harper, FG Trustees & Henkle CV

Address: c/o Howard B. Arbuckle, III 1100 Buckingham Rd

Greensboro, NC 27408-7304

Parcel Number: 02 2 4 7 **Request Date:** 12-15-2014

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

Assessment	Tax	Interest	Total	Tax Year
$3,100	$9.61	0	$9.61	2014
$3,100	$8.68	0	$8.68	2013
$2,000	$5.60	0	$5.60	2012

Account Number: 000000104971 **County:** Caldwell

Date of Council Meeting:_____ **Release Amount:** $ 23.89

Specific Reason for Release
Partial owned by NCDOT – Release per Caldwell County Tax Administrator

Approved By:_____ **Date:**_____

Exhibit A-3

TOWN OF BLOWING ROCK TAX DEPARTMENT

Refund Request No 2014-01

Refund Request pursuant to NC General Statute 105-381 For Year 2014

Year	Tax	Int/Penalties	Total Paid	Total Refund
2013	$548.52		$1,256.64	$548.52
2012	$231.00		$ 955.36	$231.00

Specific Reason for Refund: Portion of acreage was taken by NCDOT in a court settlement. Refund due to taxpayer.

Person Receiving Refund: Harper, FG Trustees & Henkle CV c/o Howard Arbuckle, III 1100 Buckingham Rd. Greensboro, NC 27408-7304

Check No._____ Check Amt $779.52 Date Pd_____

Council Meeting Date: _____Date Approved: _____

Approved By _____ Tax Collector_____

Exhibit A-4

TOWN OF BLOWING ROCK TAX DEPARTMENT

Refund Request No 2014-02

Refund Request pursuant to NC General Statute 105-381 For Year 2014

Year	Tax	Int/Penalties	Total Paid	Total Refund
2013	$8.68		$8.68	$8.68
2012	$5.60		$5.60	$5.60

Specific Reason for Refund: NCDOT owned parcel and is tax exempt. Refund due to tax payer.

Person Receiving Refund: Harper, FG Trustees & Henkle CV c/o Howard Arbuckle, III 1100 Buckingham Rd. Greensboro, NC 27408-7304

Check No._____ Check Amt $ 14.28 Date Pd_____

Council Meeting Date: _____Date Approved: _____

Approved By _____ Tax Collector_____

Exhibit A-5

Town of Blowing Rock
Release Request
No: 2014-04

Property Owner: Edward Mr. Break. Trustee

Address: 2681 Orchard Drive, Apopka, Fl 32712

Parcel Number: 280799195400 **Request Date:** 12-15-2014

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

Assessment	Tax	Interest	Total	Tax Year
$32,300	$100.13	0	$100.13	2014

Account Number: 000001624316 **County:** Watauga

Date of Council Meeting: _____ **Release Amount:** $100.13

Specific Reason for Release
Property valuation adjusted by the Property Tax Commission from $457,100 to $424,800 – total adjustment of $32,300 per Watauga County Tax Administrator

Approved By: _____ **Date:** _____

Exhibit A-6

Town of Blowing Rock
Release Request
No: 2014-05

Property Owner: George W. & Jeannine Wilson

Address: 7901 Sagewood Ct. Raleigh, NC 27615-3730

Parcel Number: 2818002576005 **Request Date:** 12-15-2014

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

Assessment	Tax	Interest	Total	Tax Year
$38,900	$120.59	0	$120.59	2014

Account Number: 000001535800 **County:** Watauga

Date of Council Meeting: _____ **Release Amount:** $120.59

Specific Reason for Release
Property valuation adjusted by the Property Tax Commission from $217,000 to $178,100 – total adjustment of $38,900 per Watauga County Tax Administrator

Approved By: _____ **Date:** _____

Exhibit A-7

Town of Blowing Rock
Release Request
No: 2014-06

Property Owner: PVH Retail Division D/B/A Bass Retail

Address: PO Box 6969 Bridgewater, NJ 08807

Parcel Number: Business Personal Prop **Request Date:** December 15, 2014

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

Assessment	Tax	Interest	Total	Tax Year
$49,200	$155.57	0	$157.57	2014

Account Number: 000001514655 **County:** Watauga

Date of Council Meeting: _____ **Release Amount:** $157.57

Specific Reason for Release
PVH Retail was purchased by AM Retail Group, Inc. and was double-billed in 2014 under both businesses.

Approved By: _____ **Date:** _____

Exhibit-B

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

Resolution #2015-01

The undersigned authorized representative of Town of Blowing Rock (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on January 13, 2015, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Dependent Care Flexible Spending Account and Health Flexible Spending Account effective July 1, 2015, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Town of Blowing Rock Section 125 Plan as emended and restated, and the Summary Plan Description approved and adopted in the foregoing resolutions.

Adopted this 13th day of September 2015.

_____
J.B. Lawrence
Mayor

ATTEST: _____
Sharon H. Greene
Town Clerk

Phone: (828) 295-5200 ★ Fax: (828) 295-5202 ★ www.townofblowingrock.com

Exhibit B

TOWN OF BLOWING ROCK SECTION 125 PLAN

SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

I
ELIGIBILITY

1. When can I become a participant in the Plan? 1
2. What are the eligibility requirements for our Plan? 1
3. When is my entry date? 1
4. Are there any employees who are not eligible? 1
5. What must I do to enroll in the Plan? 1

II
OPERATION

1. How does this Plan operate? 2

III
CONTRIBUTIONS

1. How much of my pay may the Employer redirect? 2
2. What happens to contributions made to the Plan? 2
3. When must I decide which accounts I want to use? 2
4. When is the election period for our Plan? 2
5. May I change my elections during the Plan Year? 2
6. May I make new elections in future Plan Years? 3

IV
BENEFITS

1. What benefits are offered under the Plan? 3
2. Health Flexible Spending Account 3
3. Dependent Care Flexible Spending Account 4
4. Premium Expense Account 4

V
BENEFIT PAYMENTS

1. When will I receive payments from my accounts? 5
2. What happens if I don't spend all Plan contributions during the Plan Year? 5
3. Family and Medical Leave Act (FMLA) 5
4. Uniformed Services Employment and Reemployment Rights Act (USERRA) 5
5. What happens if I terminate employment? 5
6. Will my Social Security benefits be affected? 6

VI
HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do limitations apply to highly compensated employees? 6

VII
PLAN ACCOUNTING

1. Periodic Statements 6

VIII
GENERAL INFORMATION ABOUT OUR PLAN

1. General Plan Information 6
2. Employer Information 6
3. Plan Administrator Information 6
4. Service of Legal Process 7
5. Type of Administration 7
6. Claims Submission 7

IX
ADDITIONAL PLAN INFORMATION

1. Claims Process 7

X
CONTINUATION COVERAGE RIGHTS UNDER COBRA

1. What is COBRA continuation coverage? 7
2. Who can become a Qualified Beneficiary? 8
3. What is a Qualifying Event? 8
4. What factors should be considered when determining to elect COBRA continuation coverage? 8
5. What is the procedure for obtaining COBRA continuation coverage? 9
6. What is the election period and how long must it last? 9
7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event? 9
8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights? 10
9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare? 10
10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated? 10
11. What are the maximum coverage periods for COBRA continuation coverage? 11
12. Under what circumstances can the maximum coverage period be expanded? 11
13. How does a Qualified Beneficiary become entitled to a disability extension? 11
14. Does the Plan require payment for COBRA continuation coverage? 11
15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments? 11
16. What is Timely Payment for COBRA continuation coverage? 11
17. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage? 12
18. How is my participation in the Health Flexible Spending Account affected? 12

XI
SUMMARY

TOWN OF BLOWING ROCK SECTION 125 PLAN

INTRODUCTION

We have amended the "Flexible Benefits Plan" that we previously established for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the amended Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our amended Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

I
ELIGIBILITY

1. When can I become a participant in the Plan?

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan once you have satisfied the conditions for coverage under our group medical plan. Of course, if you were already a participant before this amendment, you will remain a participant.

3. When is my entry date?

You can join the Plan on the same day you can enter our group medical plan.

4. Are there any employees who are not eligible?

Yes, there are certain employees who are not eligible to join the Plan. They are:

-- Employees who are not eligible to receive medical benefits under our group medical plan.

-- Retirees and ABC Store employees.

5. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for the benefits you have elected.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan.

II
OPERATION

1. How does this Plan operate?

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal Income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III
CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the insurance coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

2. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

3. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance unless you elect, during the election period (defined below), not to participate in the Plan.

4. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

5. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

-- Marriage, divorce, death of a spouse, legal separation or annulment;

-- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;

-- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;

-- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and

-- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights

you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

6. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV
BENEFITS

1. What benefits are offered under the Plan?

Under our Plan, you can pay for the following benefits or expenses during the year:

2. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for expenses incurred by you and your dependents.

However, if you participate in a HSA, you can only be reimbursed by the Employer for out-of-pocket dental or vision expenses incurred by you and your dependents.

If you are a HSA participant, drug costs, including insulin, may be reimbursed if they are considered for dental or vision expenses.

You may be reimbursed for "over the counter" drugs only if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is $2,550.00.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

3. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

(a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;

(b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and

(c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan. We will also provide you with a debit or credit card to use to pay for dependent care expenses. The Administrator will provide you with further details.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) $5,000 (if you are married filing a joint return or you are head of a household) or $2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of $250 for one dependent or $500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

4. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

-- Health care premiums under our insured group medical plan.

-- Group term life insurance premiums.

-- Dental insurance premiums.

-- Other insurance coverage that we may provide.

Under our Plan, we will establish sub-accounts for you for each different type of insurance coverage that is available. Also, certain limits on the amount of coverage may apply.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any insurance contracts providing benefits described above. We will not be liable to you if an insurance company fails to provide any of the benefits described above. Also, your insurance will end when you leave employment, are no longer eligible under the terms of any insurance policies, or when insurance terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

V
BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. Requests for payment of insured benefits should be made directly to the insurer. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

If you have not spent all the amounts in your Health Flexible Spending Account or Dependent Care Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 75 days after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Health Flexible Spending Account or Dependent Care Flexible Spending Account.

Any monies left at the end of the Plan Year and the Grace Period will be forfeited. Obviously, qualifying expenses that you incur late in the Plan Year or during the Grace Period for which you seek reimbursement after the end of such Plan Year and Grace Period will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance, group-term life insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect $1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from $100 per month to $150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect $1,200 for the year and are out on leave for 3 months, your amount will be reduced to $900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

(a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.

(b) You will still be able to request reimbursement for qualifying dependent care expenses incurred prior to your date of termination from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after you terminate. You must submit claims within 90 days after termination.

(c) For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

VI
HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

VII
PLAN ACCOUNTING

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

VIII
GENERAL INFORMATION ABOUT OUR PLAN

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

Town of Blowing Rock Section 125 Plan is the name of the Plan.

Your Employer has assigned Plan Number 602 to your Plan.

The provisions of your amended Plan become effective on January 1, 2015. Your Plan was originally effective on July 1, 2004.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31.

2. Employer Information

Your Employer's name, address, and identification number are:

Town of Blowing Rock
1036 Main Street
Blowing Rock, North Carolina 28605
56-6001184

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Town of Blowing Rock
1036 Main Street
Blowing Rock, North Carolina 28605
828-295-5200

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. **Service of Legal Process**

The name and address of the Plan's agent for service of legal process are:

Town of Blowing Rock
1036 Main Street
Blowing Rock, North Carolina 28605

5. **Type of Administration**

The type of Administration is Employer Administration.

6. **Claims Submission**

Claims for expenses should be submitted to:

Savers Administrative Services, Inc.
635 W. Fourth Street, Suite 201
Winston-Salem, North Carolina 27101-2740

IX
ADDITIONAL PLAN INFORMATION

1. **Claims Process**

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. However, if you terminate employment during the Plan Year, you must submit your Health Flexible Spending Account claims within 90 days after your termination of employment. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. However, if you terminate employment during the Plan Year, you must submit your Dependent Care Flexible Spending Account claims within 90 days after your termination of employment. Any claims submitted after that time will not be considered.

Claims that are insured will be handled in accordance with procedures contained in the insurance policies. All other general requests should be directed to the Administrator of our Plan. If a dependent care or medical expense claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

X
CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

1. **What is COBRA continuation coverage?**

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

2. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

(a) Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

(b) Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan. However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

3. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provided that the Plan participant would lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

(a) The death of a covered Employee.

(b) The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.

(c) The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.

(d) A covered Employee's enrollment in any part of the Medicare program.

(e) A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993 ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

4. What factors should be considered when determining to elect COBRA continuation coverage?

You should take into account that a failure to continue your group health coverage will affect your rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied by other group health plans if there is more than a 63-day gap in health coverage and election of COBRA continuation coverage may help you avoid such a gap. (These pre-existing condition exclusions will only apply during Plan Years that begin before January 1, 2014.) Second, if you do not elect COBRA

continuation coverage and pay the appropriate premiums for the maximum time available to you, you will lose the right to convert to an individual health insurance policy, which does not impose such pre-existing condition exclusions. Finally, you should take into account that you have special enrollment rights under federal law (HIPAA). You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your Spouse's employer) within 30 days after Plan coverage ends due to a Qualifying Event listed above. You will also have the same special right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

5. What is the procedure for obtaining COBRA continuation coverage?

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

6. What is the election period and how long must it last?

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

Note: If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks that he or she and/or his or her family members may qualify for assistance under this special provision should contact the Plan Administrator or its designee for further information.

The Trade Act of 2002 also created a tax credit for certain TAA-eligible individuals and for certain retired employees who are receiving pension payments from the Pension Benefit Guaranty Corporation (PBGC) (eligible individuals). Under the new tax provisions, eligible individuals can either take a tax credit or get advance payment of a part of the premiums paid for qualified health insurance, including continuation coverage. If you have questions about these new tax provisions, you may call the Health Coverage Tax Credit Consumer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282. More information about the Trade Act is also available at www.doleta.gov/tradeact.

7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

(a) the end of employment or reduction of hours of employment,

(b) death of the employee,

(c) commencement of a proceeding in bankruptcy with respect to the Employer, or

(d) entitlement of the employee to any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES:

Any notice that you provide must be ***In writing***. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Town of Blowing Rock
1036 Main Street
Blowing Rock, North Carolina 28605

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the **name of the plan or plans** under which you lost or are losing coverage,
- the **name and address of the employee** covered under the plan,
- the **name(s) and address(es) of the Qualified Beneficiary(ies)**, and
- the **Qualifying Event** and the **date** it happened.

If the Qualifying Event is a **divorce or legal separation**, your notice must include **a copy of the divorce decree or the legal separation agreement.**

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated?

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

(a) The last day of the applicable maximum coverage period.

(b) The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.

(c) The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.

(d) The date, after the date of the election, that the Qualified Beneficiary first becomes covered under any other Plan that does not contain any exclusion or limitation with respect to any pre-existing condition, other than such an exclusion or limitation that does not apply to, or is satisfied by, the Qualified Beneficiary.

(e) The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).

(f) In the case of a Qualified Beneficiary entitled to a disability extension, the later of:

(1) (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or

(2) the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

11. What are the maximum coverage periods for COBRA continuation coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

(a) In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.

(b) In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries ends on the later of:

(1) 36 months after the date the covered Employee becomes enrolled in the Medicare program. This extension does not apply to the covered Employee; or

(2) 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.

(c) In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.

(d) In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

12. Under what circumstances can the maximum coverage period be expanded?

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

13. How does a Qualified Beneficiary become entitled to a disability extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

14. Does the Plan require payment for COBRA continuation coverage?

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?

Yes. The Plan is also permitted to allow for payment at other intervals.

16. What is Timely Payment for COBRA continuation coverage?

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of $50 or 10% of the required amount.

17. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the Plan will, during the 180-day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the Plan. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

18. How is my participation in the Health Flexible Spending Account affected?

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of $500 and, at the time you terminate employment, you have contributed $300 but only claimed $150, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the $500. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

XI
SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

Exhibit - C

Town of Blowing Rock

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

To: Mayor Lawrence and Town Council

From: Nicole Norman, Finance Officer

Date: January 13, 2015

RE: Budget Ordinance Amendment #2015-01

Enclosed please find a Budget Ordinance Amendment for the fiscal year 2014-2015 for your consideration.

Section 1 (General Fund)

- Allocates fund balance to fund an unemployment claim recently received in the amount of $13,910.
- Allocates donated funds received from Ms. Ginny Stevens in the amount of $2,000 for the purchase of a historical display case to be located at the Police Department.
- Allocates $1,057 to the Parks & Recreation Special Events budget to be donated by the Blowing Rock Chamber Foundation towards the purchase of additional winter lighting for the Maple trees located in Memorial Park. These lights will replace the ones used in the Maple Trees in Memorial Park.

Section 2 (Water/Sewer Fund) allocates Water/Sewer fund balance to fund the Blackberry Sewer System purchase approved at the December 9, 2014 Town Council meeting.

Section 3 (Water/Sewer Capital Fund) completes the transfer of fund balance to fund the Blackberry Sewer System purchase approved at the December 9, 2014 Town Council meeting.

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

Phone: (828) 295-5200 ★ Fax: (828) 295-5202 ★ www.townofblowingrock.com

2014-2015 Fiscal Year
Budget Amendment Ordinance 2015-02

Be it ordained by the Board of Commissioners 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, 2015:

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

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
10-80-6100-056	Special Events (Parks & Recreation)	$ 24,650	$ -	$ 1,057	$ 25,707
10-10-4310-016	Maintenance/Repair Buildings/Equipment (PD)	$ 10,000	$ -	$ 2,000	$ 12,000
10-00-4200-010	Unemployment Reimbursement	$ 9,000	$ -	$ 13,910	$ 22,910
			$ -	$ 16,967	

This will result in a net increase of $16,967 in the appropriations of the General Fund. To allocate the revenue for the above, the following revenue will be increased. This revenue has been or will be received.

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
10-00-3400-399	Fund Balance Appropriation	$ 237,484	$ -	$ 13,910	$ 251,394
10-00-3400-358	Donations	$ -	$ -	$ 3,057	$ 3,057
			$ -	$ 16,967	

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

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
30-91-7110-505	Transfer to Water/Sewer Capital Fund	$ 260,000	$ -	$ 10,000	$ 270,000
			$ -	$ 10,000	

This will result in a net increase of $10,000 in the appropriations of the Water/Sewer Fund. To adjust for the above, the following revenue will be increased. This revenue has been or will be received.

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
30-91-3400-399	Fund Balance Appropriated	$ 325,000	$ -	$ 10,000	$ 335,000
			$ -	$ 10,000	

Section 3. To amend the Water/Sewer Capital Fund, the appropriations are to be changed as follows:

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
50-91-5000-546	Blackberry Ridge Sewer System	$ -	$ -	$ 10,000	$ 10,000
			$ -	$ 10,000	

This will result in a net increase of $10,000 in the appropriations of the Water/Sewer Capital Fund. To adjust for the above, the following revenue will be increased. This revenue has been or will be received.

Acct. No.		Current Appropriation	Decrease	Increase	Proposed Appropriation
50-91-3400-332	Transfer from Water/Sewer Fund	$ 1,165,906	$ -	$ 10,000	$ 1,175,906
			$ -	$ 10,000	

Section 4. Copies of this budget amendment shall be furnished to the Clerk to the Board of Commisioners and to the Finance Officer for their implementation.

Adopted this 13th day of January, 2015.

Attested by:

JB Lawrence, Mayor

Sharon Greene, Town Clerk

Exhibit- D

TOWN OF BLOWING ROCK

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

TO: Mayor Lawrence and Members of the Town Council

FROM: Scott Fogleman, Town Manager

SUBJECT: Support for Middle Fork Greenway Grant Application

DATE: January 13, 2015

The Middle Fork Greenway Association (MFGA) is spearheading a project that includes in total a 6.5 mile pedestrian and cycling path that will run from the Town of Blowing Rock to the Town of Boone. It is planned to generally be constructed along the corridor of Highway 321 and the Middle Fork of the South Fork of the New River.

The MFGA has identified a possible grant offered through the North Carolina Clean Water Resources Division of the North Carolina Department of Environment and Natural Resources (NCDENR) to assist with construction of the greenway along the frontage of the property currently being developed for the Chestnut Ridge Post Acute Care Facility. This portion of the greenway is approximately 1,935 feet long. The amount of grant funds being requested is $171,300 and the estimated total project costs are $687,000.

The MFGA has agreed to raise the funds necessary to provide the matching requirement and to do the majority of the detailed work should this grant request be approved by the State. A local government agency is required to sponsor grant requests. This particular section of the greenway runs through the corporate limits of the Town of Blowing Rock along the property owned by Appalachian Regional Healthcare System which is being developed for the Chestnut Ridge Post Acute Care Facility.

The attached grant application documentation includes additional details including maps of the overall greenway and a resolution in support of the grant.

Water Resources Development Grant Resolution for Middle Fork Greenway

WHEREAS, the Town of Blowing Rock desires to sponsor the construction of a section of the Middle Fork Greenway crossing the property owned by Appalachian Regional Healthcare Systems (ARHS); and whereas, this 1,935 foot section of the greenway will follow the river within an easement provided by ARHS, the easement area providing a buffer for filtering water runoff from the hospital development and highway 321; and whereas, the Middle Fork Greenway is a developing 6.5 mile pedestrian/cycling path connecting Blowing Rock and Boone which, in addition to preserving natural areas and stream buffers along the river, will provide safe and accessible avenues for better health and recreation; and whereas, the greenway will enhance the local economy by providing tourists a pedestrian and cycling experience connecting to interesting destinations and attracting businesses that are in keeping with the vision for development of the corridor; and whereas, this particular section is a critical link in connecting the new Post-Acute Care Facility (PACF) site to the Blue Ridge Parkway and Mountains-to-Sea Trail, as well as to the entrance of the Town of Blowing Rock; and whereas, there is a window of opportunity to construct this section of the greenway more cost effectively while construction of the new PACF infrastructure is underway,

NOW, THEREFORE, BE IT RESOLVED THAT:

1) The Town of Blowing Rock requests the State of North Carolina provide financial assistance to the Town of Blowing Rock in the amount of $171,300 or 50 percent of the construction costs (or non-federal portion), whichever is the lesser amount;

2) The Town of Blowing Rock assumes full obligation for payment of the balance of the construction costs (or non-federal portion);

3) The Town of Blowing Rock will obtain all necessary State and Federal permits;

4) The Town of Blowing Rock will comply with all applicable laws governing the award of contracts and the expenditure of public funds by local governments;

5) The Town of Blowing Rock will supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction according to approved plans and specifications;

6) The Town of Blowing Rock will obtain suitable spoil disposal areas as needed and all other easements or rights-of-way that may be necessary for the construction and operation of the project without cost or obligation to the State;

7) The Town of Blowing Rock will assure that the project is open for use by the public on an equal basis with no restrictions;

8) The Town of Blowing Rock will hold the State harmless from any damages that may result from the construction, operation and maintenance of the project;

9) The Town of Blowing Rock accepts responsibility for the operation and maintenance of the completed project.

Adopted by the Blowing Rock Town Council this 13th day of January, 2015.

_____ _____

Clerk to the Council Mayor

ORDINANCE NO. 2015-01

AN ORDINANCE TO MODIFY SIGN REGULATIONS SPECIFIC TO THE APPALACHIAN SKI MOUNTAIN WELCOME CENTER

WHEREAS, the Article 17 of the Land Use Ordinance provides sign regulations within the Town of Blowing Rock's planning and zoning jurisdiction; and

WHEREAS, Appalachian Ski Mountain has been a unique tourism partner with Town of Blowing Rock and the overall Blowing Rock and High Country community for over 50 years; and

WHEREAS, Appalachian Ski Mountain has displayed a directional billboard across from the Hwy 321/Edmisten Road intersection for over 40 years; and

WHEREAS, with the pending removal of the billboard triggered by bridge construction for an access road, Appalachian Ski Mountain will lose an effective directional sign that cannot be replaced due to a federal law protecting scenic byways (Blue Ridge Parkway); and

WHEREAS, Appalachian Ski Mountain is authorized to construct a welcome center on the corner of Edmisten Road and Hwy 321; and

WHEREAS, Appalachian Ski Mountain draws thousands of visitors to the area and many of those visitors are traveling at night, needing clearly recognizable signs and landmarks; and

WHEREAS, the Town of Blowing Rock Land Use Ordinance limits the overall height of an on-premise ground mounted sign and limits sign face separation; and

WHEREAS, the Planning Board and Town Council find there should be exceptions to the sign ordinance limitations based on the historic and unique tourism benefits associated with Appalachian Ski Mountain; and

WHEREAS, the Planning Board and Town Council confirm that the regulation of directional signage is consistent with the 2014 Comprehensive Plan Update.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Blowing Rock, North Carolina, that:

Section 1. Section 16-17.12.3 of the Land Use Ordinance is hereby added and will read as follows:

> "**Section 16-17.12.3 Appalachian Ski Mountain Welcome Center Sign.** Due to its unique tourism/directional-related significance based on skier traffic volume and

nightly activities, the Appalachian Ski Mountain Welcome Center shall be allowed to construct a ground-mounted freestanding sign up to 18 feet from the ground. The overall length of the sign shall not exceed 17 feet. The sign face shall be limited to 60 square feet per side based on the posted speed limit exceeding 35 mph, similar to allowances in Section 16-17.12.2.2. The sign faces shall not be separated by more than 10 feet. All sides of the base of the sign shall be landscaped to a height not less than 3 feet above grade.

Unless otherwise specified herein, this sign shall meet the size, style, height, materials, and design criteria in Section 16-17.12 and shall be located outside the NCDOT designated right-of-way. The sign colors are regulated by Conditional Use Permit No. 2014-04, approved on December 9, 2014.

The sign shall meet all requirements of this Article with regard to lighting, maintenance and safety."

Section 2. Severability; Conflict of Laws. If this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to that end, the provisions of this ordinance are declared to be severable. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Section 3. Effective Date. This ordinance shall be effective upon adoption.

Adopted this the _____ day of _____, 2015

TOWN OF BLOWING ROCK

_____
J.B. Lawrence, Mayor

ATTEST: _____
Sharon H. Greene, Town Clerk

The Chamber means business

Friday, December 5, 2014

Honorable Mayor and Town Council:

The board of directors of the Blowing Rock Chamber of Commerce is presenting this letter to encourage the Town to continue in the spirit of forward progress by working with Appalachian Ski Mountain to facilitate Appalachian Ski Mountain's proposed Welcome Center to be located on US 321 and Ski Mountain Road.

Since 1963, Appalachian Ski Mountain and the Moretz family have been instrumental in making Blowing Rock a year round tourism destination. By adding winter sports to the list of "attractions" in the summer and fall, the winter economy of Blowing Rock has improved dramatically over the years. For example, in 1963, there were only a couple of restaurants that operated here year round. Today, there are 28 restaurants operating year round within the city limits. In 1963 there were only two or three hotels operating year round while today there are 16 hotels and inns open year round.

In addition to the significant contributions from the introduction of skiing in the High Country, the Town has benefited from the volunteerism of the Moretz family. The Chamber encourages the Council to be solution-oriented as it considers Appalachian Ski Mountain's request(s) to enable it to maintain a signage presence on US 321 after the removal of its almost-historic billboard.

Respectfully,

Charles Hardin
Executive Director
Blowing Rock Chamber of Commerce
828.295.7851
HardinCE@BlowingRock.com

BLOWING ROCK
Tourism Development Authority

12/16/2014

Blowing Rock Planning Board
Mr. Jim West, Chairman
Blowing Rock Town Council
Mr. JB Lawrence, Mayor

Dear Mr. West, Planning Board, Mayor Lawrence and Town Council,

This letter is to let you know that the Blowing Rock Tourism Development Authority Board of Directors, at both its Quarterly Meeting held October 18th, and its Board Retreat held on December 9th, reviewed and unanimously support the Appalachian Ski Mountain Welcome Center project and the proposed code amendment to the Town of Blowing Rock Sign Ordinance.

Since 1962, Appalachian Ski Mountain has been a major winter tourism draw to the region and an iconic partner with the Town of Blowing Rock. The ski area is listed as a Blowing Rock attraction with the NC Division of Tourism and continues to be a major player in winter sports across the Southeast.

Because of the number of new visitors and winter sports enthusiasts visiting each year, it is imperative that the ski area have proper signage to direct travelers to the facility. The TDA has always strived to ensure that visitors get to their intended destinations without confusion or delay. The proposed new signage and welcome center will help to that end with the removal of their old directional billboard.

Please let this letter serve as support from the Blowing Rock Tourism Development Authority in your decision-making process. Please do not hesitate to call me or Kent Tarbutton, Chairman of the Blowing Rock TDA, at 295-4636 if you have any questions.

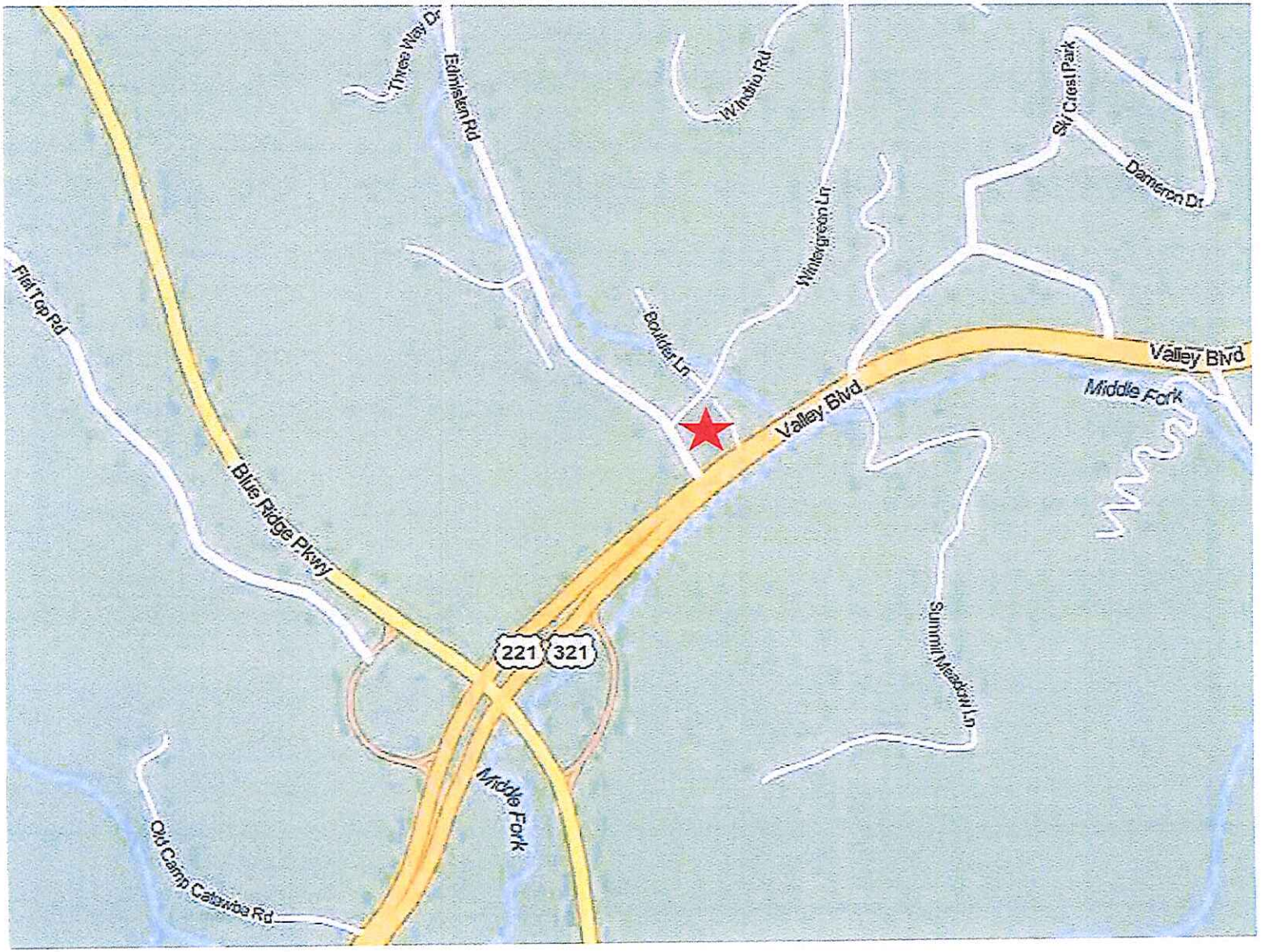
Regards,

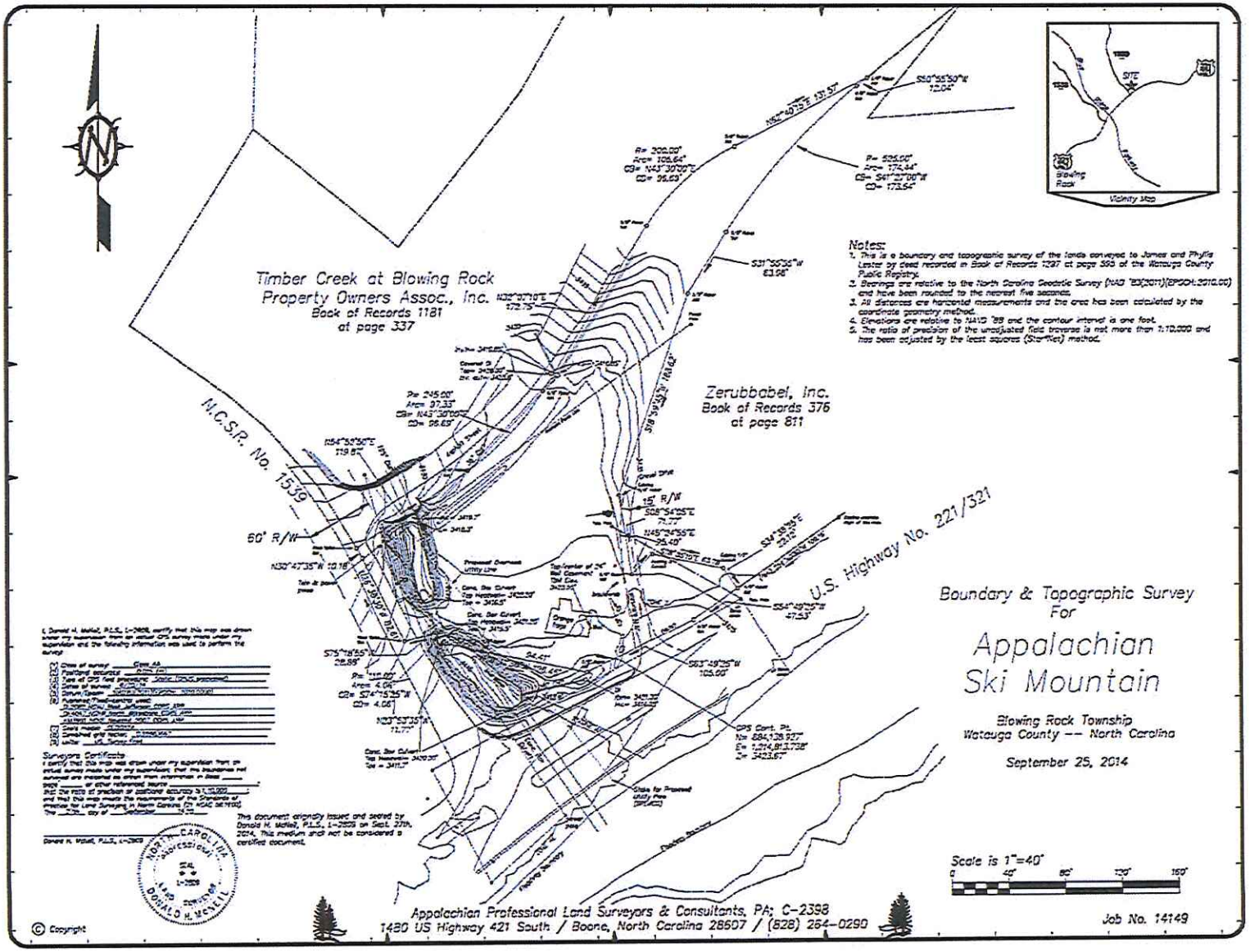
Tracy Brown
Executive Director
Blowing Rock Tourism Development Authority

Cc: Kent Tarbutton
Brad Moretz

P.O. Box 2445, Blowing Rock, NC 28605 | 828-295-4636 | www.blowingrock.com

Northeast Corner of Edmisten Road and Highway 321




Timber Creek at Blowing Rock
Property Owners Assoc., Inc.
Book of Records 1181
at page 337
Zerubbabel, Inc.
Book of Records 376
at page 811
M.C.S.R. No. 1539
U.S. Highway No. 221/321
60' R/W
15' R/W
Vicinity Map
SITE
Blowing Rock
Notes:
1. This is a boundary and topographic survey of the lands conveyed to James and Phyllis Lester by deed recorded in Book of Records 1297 at page 395 of the Watauga County Public Registry.
2. Bearings are relative to the North Carolina Geodetic Survey (NAD '83(2011)(EPOCH:2010.00) and have been rounded to the nearest five seconds.
3. All distances are horizontal measurements and the area has been calculated by the coordinate geometry method.
4. Elevations are relative to NAVD '88 and the contour interval is one foot.
5. The ratio of precision of the unadjusted field traverse is not more than 1:10,000 and has been adjusted by the least squares (Star*Net) method.
Boundary & Topographic Survey
For
Appalachian
Ski Mountain
Blowing Rock Township
Watauga County -- North Carolina
September 25, 2014
Scale is 1"=40'
0 40' 80' 120' 160'
Surveyors Certificate
This document digitally issued and sealed by Donald H. McNeil, P.L.S., L-2808 on Sept. 27th, 2014. This medium shall not be considered a certified document.
NORTH CAROLINA PROFESSIONAL SEAL L-2808 LAND SURVEYOR DONALD H. MCNEIL
Appalachian Professional Land Surveyors & Consultants, PA; C-2398
1480 US Highway 421 South / Boone, North Carolina 28607 / (828) 264-0290
Job No. 14149
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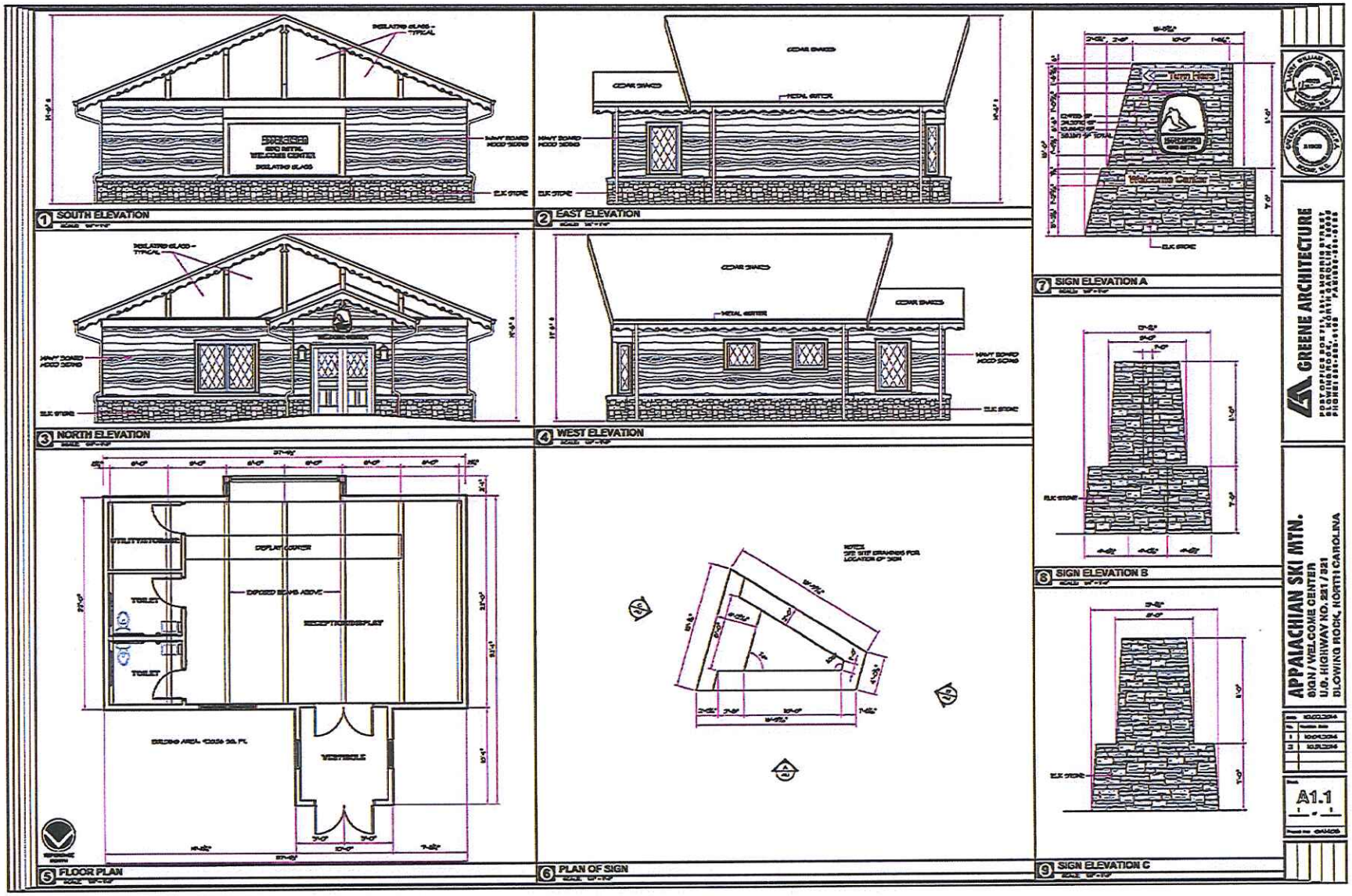
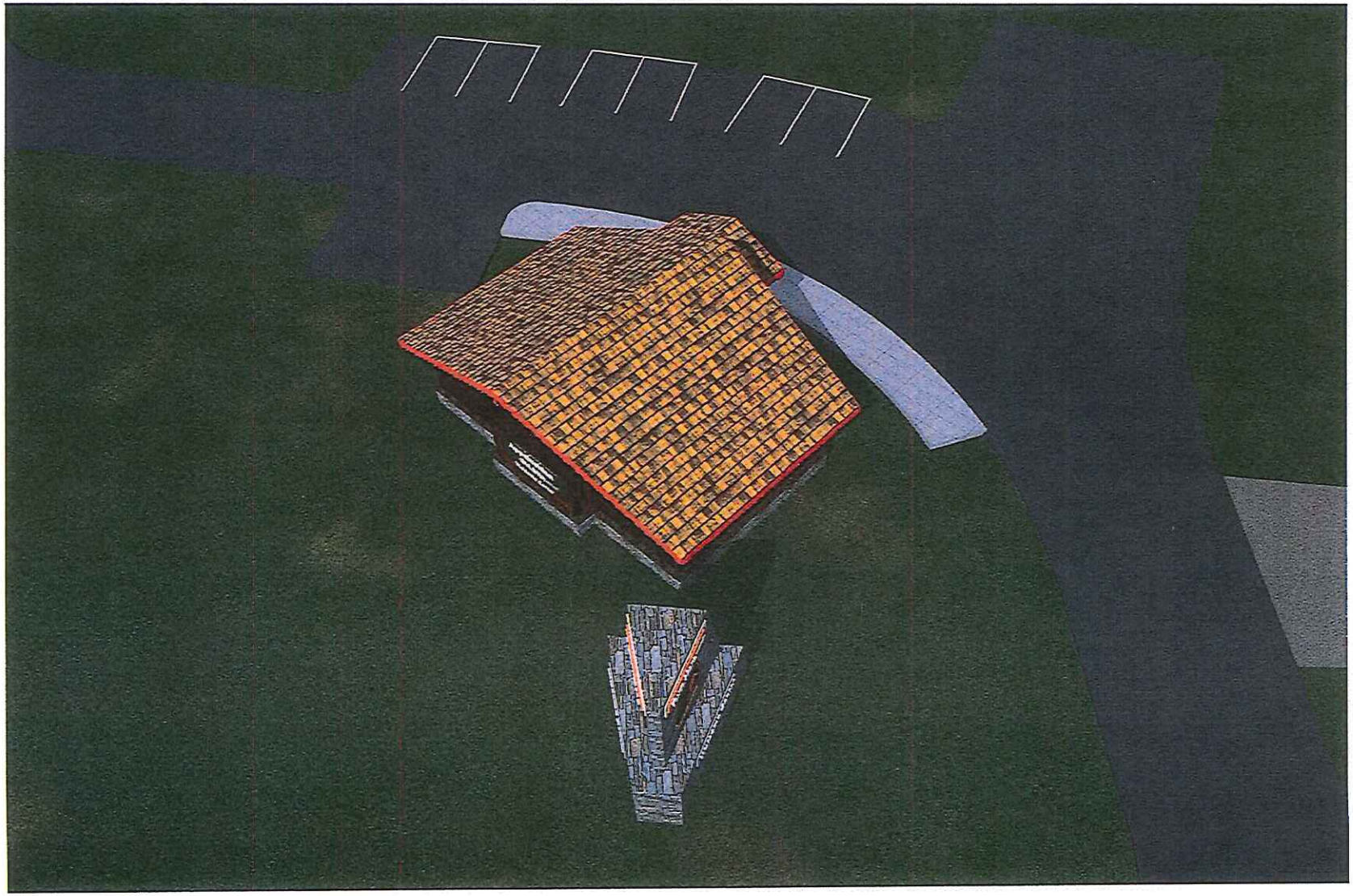

1 SOUTH ELEVATION
2 EAST ELEVATION
3 NORTH ELEVATION
4 WEST ELEVATION
5 FLOOR PLAN
6 PLAN OF SIGN
7 SIGN ELEVATION A
8 SIGN ELEVATION B
9 SIGN ELEVATION C
GREENE ARCHITECTURE
APPALACHIAN SKI MTN.
SIGN / WELCOME CENTER
U.S. HIGHWAY NO. 221 / 321
BLOWING ROCK, NORTH CAROLINA
A1.1

New Signage and Welcome Center

New Signage and Welcome Center

12sf on Welcome Center
53.2sf on New Signage

View from above



View from the Edmisten / 321 Intesection coming from Blowing Rock

View on 321 coming from Boone

Welcome center entrance

Appalachian Ski Mtn. Entrance Signage Size Comparison

Current 28'

Proposed 18'

0'

Comparison of Area Attraction Signage

28' Current

18' Proposed