

MINUTES
BOARD OF ALDERMEN
SPECIAL BUDGET WORKSHOP
MARCH 11, 2021

Mayor Mills called the Special Budget Workshop to order at 3:00 p.m. in the Town Hall Conference Room.

Attendance: Mayor F. Darryl Mills, Mayor Pro Tem Hank Miller (remotely and then physically), Alderman Jeff DeGroot, and Alderman Vivian (Zeke) Partin; together with Town Manager Timothy W. Owens and Town Clerk Sylvia J. Holleman. Presenters: Finance Director Melissa Norton, Information Technology Manager Raquel Ivins, Public Works Director Bill Squires, Police Chief David Squires, Fire Chief Glen Rogers, Ocean Rescue Director Dave Baker, Planning and Parks Director Tony Wilson, Program Supervisor Katie Ryan and Parks Maintenance Supervisor Evan Morigerato.

Absent: Alderman Ken Dull due to a scheduling conflict.

BUDGET OVERVIEW BY THE TOWN MANAGER

Mr. Owens reviewed the General Fund and the Water and Sewer Fund with the following highlights:

- The current Tax Rate is \$.1275 per \$100 of valuation. Staff will have to determine the revenue neutral tax rate and this will have to be detailed within the adopted Budget.
- General Fund: FY21/22 Draft Budget Expenditures: \$13,806,924.
- General Fund: The Budget is \$237,594 from being balanced.
- General Fund: Added 4% Merit/COLA to the salary line items. (Proposing a 2% COLA and a 2% Merit Raise mid-budget year.
- Water and Sewer Fund: Draft FY 21/22 Budget Expenditures: \$3,597,825.
- Current projected FY21/22 Water and Sewer Revenue projected at \$3,657,340; the Budget currently has a surplus of \$59,515.
- Water and Sewer Fund: Added 2% COLA to the salary line items. (Proposing 2% Merit increase mid-budget year.

GOVERNING BODY by Mr. Owens

- Draft FY21/22 Budget Expenditures: \$999,945. (The Flotilla asked for \$35,000; we left it the way it was (\$29,000). Also, \$7,000 for Christmas Decorations.)
- CIP items: \$750,000 for beach nourishment (was \$500,000).

GENERAL ADMINISTRATION by Finance Director Melissa Norton

- Draft FY21/22 Budget Expenditures: \$719,164. (Pay and Class Study \$25,000).

INFORMATION TECHNOLOGY by IT Manager Raquel Ivins

- Draft FY21/22 Budget Expenditures: \$360,796.
- Departmental Supplies: 7 laptops, 10 PCs \$25,300; 5 MDTs \$18,400.
- Capital Outlay: 2 Servers (\$14,000 each) \$28,000.
- CIP: Police RMS Software \$10,000.
- Will have to upgrade infrastructure for \$75,000. (Mayor Mills noted that it would be helpful for the Board to receive an email with the list of items.)

PUBLIC WORKS DEPARTMENT by Public Works Director Bill Squires

Administration

- Draft FY21/22 Budget Expenditures: \$317,747.
- 5% increase in budget.
- Personnel Summary for Public Works Department: 27 authorized positions; 7 unfilled positions; staffing level is at 73%; 6 people with less than one year's experience; 6 people close to retirement.

Fleet Maintenance

- Draft FY21/22 Budget Expenditures: \$324,056.
- 15% decrease in budget.
- Capital Outlay: Forks for Loader (\$18K-CIP) \$18,000; Tire Changer \$17,000; Exhaust Vent System \$7,000.
- CIP: Service Truck Replacement \$10,000.

Building Maintenance

- Draft FY21/22 Budget Expenditures: \$1,062,840.
- Up 69% over last year mostly due to Capital Outlay.
- Water/Sewer Utilities: Water/Sewer all buildings \$175,000.
- Maintenance and Repair: Access 4 Bathroom Remodel \$40,000; Park Ranger HVAC \$6,000; Plans for New Fleet Garage \$30,000; Plans for PW Office Remodel \$20,000; Paint Public Safety Building \$15,000; Repair Public Safety Building Exterior \$5,000; Public Safety Building Boiler Replacement \$25,000.
- Capital Outlay (\$45,000 from CIP): Wynn Plaza Remodel \$250,000; Beach Access Repairs \$100,000. (Mr. Squires noted that the beach access at Southridge had been removed and no complaints had been received.)
- CIP: Town Hall Improvements \$100,000; Public Works Office Remodel \$30,000.

POLICE DEPARTMENT by Police Chief David Squires

- Draft FY21/22 Budget Expenditures: \$3,016,333
- Roughly 5% increase in budget.
- Expenditures: New Employee +/- \$65,000. (Focused on Two Primary Increases: 1) Grow Staff to 25 by adding one additional non-supervisor to allow for seven-day-a-week power shift coverage; and 2) Take Home Cars for most Officers. (Both items focused on retention and improved service delivery; both items are scalable and can be modified year to year.) Auto Supplies (take home car) \$20,000. (Significant increase in mileage, oil, tires and gas tied to the proposal to allow Take Home Cars but it would bring us in line with NHC Sheriff's Office, Kure Beach and Carolina Beach.)
- Need capacity to hire as many as three Deputies at \$36/hour per Deputy to work six hours (9pm to 3am); \$648 per week for 23 weeks for a total of \$14,904. We are asking for \$10,000 in part because we will give priority to our own officers in sign up and that money will come from OT budget.
- Debt Service Public Safety Building: \$233,492.
- Departmental Supplies: reduce Ammunition and Weapons cost by \$5,000; increase cost of emergency equipment for vehicles to \$30,000 (3 new vehicles x \$10,000 each).
- Capital Outlay: Three Ford Explorer 4x4s @ \$27,580 = \$82,740; plus 5% for price variability = \$86,977.

FIRE DEPARTMENT by Fire Chief Glen Rogers.

Emergency Preparedness

- Draft FY21/22 Budget Expenditures: \$12,175.

Fire Department

- Draft FY21/22 Budget Expenditures: \$2,044,911.
- Career Development Program: \$115,000.
- Capital Outlay: Pager Replacement \$33,500; Gear Replacement \$16,000.
- Debt Service: Public Safety Building \$233,492; Apparatus \$178,715.
- CIP: Chief Vehicle \$10,000; Fire Truck Replacement \$100,000.
- Just received new Fire Insurance Rating; we had a 17-point improvement; we went from a 4 to a 2; it will be in effect June 1st.
- The Fire Department has a problem with recruitment, not retention.

OCEAN RESCUE DEPARTMENT by Ocean Rescue Director Dave Baker

- Draft FY21/22 Budget Expenditures: \$523,072.
- Lifeguard Salary Increase of \$.50 per hour: \$14,000. (Mr. Baker noted that he had requested an increase of \$1.25 per hour in last year's budget; the Lifeguards received an hourly increase last year of \$.75; he would like the remaining \$.50 per hour this year to bring the Lifeguards to \$12.50 per hour.)
- Capital Outlay: ATV \$5,800; Captain Vehicle (\$38,250 CIP) \$56,000.
- CIP: Director Vehicle \$15,000; Portable Radios \$4,000.
- Uniform Costs have gone up: currently \$45/male and \$125/female.
- USLA is asking us to buy raincoats for new Lifeguards; for 10-12 new people @ \$75-\$100 per coat.

MEETING RECESSED AT 4:20 P.M. AND RECONVENED AT 4:25 P.M.

PUBLIC WORKS (Continued) by Public Works Director Bill Squires

Streets

- Draft FY21/22 Budget Expenditures: \$1,175,045.
- 35% increase in budget.
- Contracted Services: Street Paving (Sandpiper, Heron and Section of Parmele to Bermuda) \$150,000; Safe Sidewalk Program (ADA Requirement) \$75,000; Sweeney/Columbia Bulkhead \$300,000.
- Capital Outlay: Backhoe (have \$60K in CIP) \$130,000.
- CIP: Truck Replacement \$20,000; Truck Replacement \$10,000.

Sanitation

- Draft FY21/22 Budget Expenditures: \$1,012,339.
- CIP: Container Truck \$50,000; Load Packer \$50,000; Load Packer \$50,000; Service Truck \$10,000.
- Staff conducted an audit of commercial customers and found that some commercial customers pay less than they should.
- The ordinances need to be amended with regard to definitions and rates.

PARKING by Town Manager Tim Owens

- Draft FY21/22 Budget Expenditures: \$996,000.
- Pivot Services \$531,000. (\$111,000 Management Fee)
- Parking Meters \$10,000.
- CIP: Golf Carts \$10,000; Pay Stations \$10,000.

PLANNING & INSPECTIONS DEPARTMENT by Planning & Parks Director Tony Wilson

- Draft FY21/22 Budget Expenditures: \$486,540.
- Moving forward with part-time Ranger.
- CIP: New Ranger Truck \$5,000; Ranger Truck Replacement \$5,000.
- Mr. Wilson said this department could use more help; they used to have an Administrative Assistant to help).
- \$366,000 in Revenues collected so far this year.

PARKS & RECREATION: PROGRAMS by Program Supervisor Katie Ryan

- Draft FY21/22 Budget Expenditures: \$365,500. (Down from last year)
- Not much change; going by the Governor's guidelines; getting programs back on track.

PARKS MAINTENANCE by Parks Maintenance Supervisor Evan Morigerato

- Draft FY21/22 Budget Expenditures: \$390,761. (Does not show budget adjustments. Mayor Pro Tem Miller said he would like to see the budget adjustments.)
- Capital Outlay: Mower Replace (\$17,250 CIP): \$19,000. (\$16,800 with trade-in)
- CIP: 2012 Gator Replacement \$7,000; Greensboro Play Equipment \$5,000; 2011 Truck Replacement \$10,000; Playground Surfacing \$10,000; WB Loop License Plate Fund \$5,000.
- Dock Repair at Wynn Plaza is just the bulkhead/dock section with bumpers, cleats and loops.
- We added more trees this year.

WATER AND SEWER DEPARTMENT by Public Works Director Bill Squires

Water

- Draft FY21/22 Budget Expenditures: \$1,733,955.
- 2.5% increase from last year.
- Contracted Services: Purchase of Water CFPUA \$30,000; Meter change-out gallon conversion \$300,000 (we may do this sooner).
- Capital Outlay: Replace Trailer \$12,000; Grading Bucket for Excavator \$5,000.
- Capital Reserve: Future Waterline Replacement \$250,000; WTC-1 Generator \$20,000; Replace Vehicle \$10,000; Replace Vehicle \$10,000; Replace Vehicle \$10,000; Backhoe Replacement \$50,000.

Storm Water

- Draft FY21/22 Budget Expenditures: \$232,520.
- Capital Reserve: Storm Water Project \$100,000.
- We need to come up with reasonable fee; 2006 was the last fee change. We are lagging behind what we charge for storm water.

Sewer

- Draft FY21/22 Budget Expenditures: \$1,631,350.
- 3.6% decrease from last year.
- Capital Outlay: Jetvac Truck (\$155,000 CIP) \$230,000.
- Capital Reserve: Replace Sewer Camera \$20,000; Sewer Replacement CIP \$250,000; Portable Generator \$10,000; Portable Generator \$10,000; Portable Generator \$10,000; Portable Generator \$10,000.
- Operating Costs basically stay the same.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, THE BUDGET WORKSHOP WAS ADJOURNED AT 5:02 P.M.

Respectfully submitted,

Sylvia J. Holleman
Town Clerk