



Town of Southern Shores

5375 N. Virginia Dare Trail, Southern Shores, NC 27949

Phone 252-261-2394 / Fax 252-255-0876

www.southernshores-nc.gov

April 23, 2019- WORKSHOP MEETING MINUTES

April 23, 2019 Minutes: Special Council Meeting-Budget Work Session

[This Special Meeting/Budget Work Session is being held for a preliminary review of the Budget Officer's draft projected General Fund Expenses and Revenues to be subsequently included in his Proposed Annual Operating Budget. The Budget Officer will submit his Proposed Annual Operating Budget to the Council in accordance with NCGS §159-11 on May 7, 2019; and on same day and pursuant to NCGS §159-12, the Budget Officer will file a copy with the Clerk where it will remain available for public inspection, and receipt of written comments. Also, on that same day, the Budget Officer will recommend the Town Council set a Public Hearing for June 4, 2019 at which time, and after required advertisement/notice of the Public Hearing, any persons who wish to be heard on the Proposed Budget may submit comment. Subsequent to the Public Hearing and as required by NCGS §159-13, the Town Council must adopt a Budget no later than July 1, 2019. The Town Council's enactment of an Ordinance adopting a Budget may, pursuant to NCGS §159-13, make appropriations and levy taxes in such sums greater or less than those recommended by the Budget Officer.]

COUNCIL MEMBERS PRESENT: Mayor Bennett, Mayor pro tem Chris Nason, and Council Members Fred Newberry, Jim Conners and Gary McDonald.

OTHERS PRESENT: Budget Officer /Town Manager Peter Rascoe, Finance & Human Resource Officer Bonnie Swain, Town Clerk Sheila Kane, Deputy Town Manager/Town Planner Wes Haskett, Public Works Director David Bradley, Police Chief David Kole.

CALL TO ORDER / PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE

Mayor Bennett called the meeting to order at 9:00 A.M., led the Pledge of Allegiance, and held a moment of silence.

Adoption of Agenda

Councilman Newberry moved to amend the agenda by adding a second public comment period after agenda item #5. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

General Public Comment

Mayor Bennett called for comment and the following citizen's spoke:

1. Ann Sjoerdsma, 69 Hickory Trl-allocate additional funds for traffic reduction and recording of Planning Board & Board of Adjustment meetings.
2. Joe Van Gieson-Questioned a revenue transfer in (approx. \$300,000) and debt service to the Fire Department (not aware that funding had been finalized)

Review of Draft Projected General Fund Revenues for FY 19-20

Budget Officer and Town Manager Peter Rascoe, along with Finance Officer Bonnie Swain, reviewed the projected revenues and expenses for FY 19-20 with Council. Mr. Rascoe started his presentation with review of each line item as presented.

GENERAL FUND SUMMARY						
	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Revenues:						
Ad valorem taxes	2,951,740	3,030,645	3,013,549	3,081,460		
Occupancy, Sales Tax & Land Transfer Tax:	2,072,762	2,227,618	2,129,539	2,165,590		
UNRESTRICTED Intergovernmental Revenues	455,591	453,294	426,622	450,200		
RESTRICTED Intergovernmental Revenues	870,805	639,141	205,264	189,382		
Permit and Fees	132,252	156,815	124,000	129,000		
Other revenues	67,693	81,833	191,950	109,600		
SubTotal:	6,550,843	6,589,346	6,090,924	6,125,232		
Transfer IN from Other Funds	-	22,000	282,828			
Appropriated-Undesignated Fund Balance	-	-	225,376	95,614		
Total:	6,550,843	6,611,346	6,599,128	6,220,846		
Expenditures:						
Administration Department	916,080	944,656	1,064,234	1,080,656		
Code Enforcement Department	222,603	245,974	317,339	265,523		
Police Department	1,460,868	1,468,688	1,786,269	1,730,614		
Streets, Bridges and Canals	1,594,164	1,419,636	1,138,597	842,067		
Public Works Department	406,564	389,150	549,253	532,469		
Sanitation Services	630,540	650,166	688,465	716,083		
Fire Contracted Service	476,880	691,767	871,471	869,934		
Ocean Rescue Contracted Service	161,550	161,550	163,500	163,500		
Total Operating General Fund Expenditures	5,869,249	5,971,587	6,579,128	6,200,846		
Transfer OUT to Capital Reserve Fund- Canals	20,000	20,000	20,000	20,000		
Transfer OUT to Capital Reserve Fund	-	254,019	-	-		
			6,599,128	6,220,846		
REVENUES OVER (UNDER) EXPENDITURES	681,594	617,759	-	-		
.01 = \$132,468						

GENERAL FUND						
REVENUES	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
AD VALOREM TAXES:						
Property taxes - current year	2,849,641	2,885,427	2,903,049	2,936,160		
Property taxes - prior years	2,422	10,210	5,000	5,000		
Vehicle taxes - prior years	5	42	2,500	2,300		
NCVTS	96,829	101,506	100,000	105,000		
Tax penalties and interest	2,843	3,460	3,000	3,000		
Special Assessment	-	30,000	-	30,000		
Total Ad Valorem Taxes	2,951,740	3,030,645	3,013,549	3,081,460		
Occupancy, Sales Tax & Land Transfer Tax:						
Occupancy tax	926,873	1,014,531	964,262	958,000		
Local option sales tax	923,481	964,512	934,840	961,619		
Land transfer tax	222,408	248,575	230,437	245,971		
Total Occupancy, Sales Tax & Land Transfer	2,072,762	2,227,618	2,129,539	2,165,590		
UNRESTRICTED INTERGOVERNMENTAL REVENUES:						
Utilities franchise tax	259,610	259,893	237,120	263,000		
Video Programming Tax	70,180	68,982	67,372	65,000		
Telecommunications tax	27,398	24,875	23,730	23,000		
PEG Channel Revenue	27,683	27,031	25,000	26,000		
ABC revenues	55,571	57,717	58,000	58,000		
Beer and Wine Tax	13,198	12,786	13,000	13,000		
Solid Waste Disposal Tax	1,951	2,010	2,400	2,200		
Total Unrestricted Intergovernmental Revs	455,591	453,294	426,622	450,200		
RESTRICTED INTERGOVERNMENTAL REVENUES:						
Powell Bill	119,047	119,139	119,000	118,000		
COPS Grant- DOJ	47,126	15,869	-	-		
GCC Grant	-	21,486	37,264	18,632		
GHSP Grant	-	-	15,000	18,750		
Controlled Substance tax	75	1,775	-	-		
Government Access Channel Grant	4,200	7,424	10,000	10,000		
Shoreline Stabilization	24,000	24,000	24,000	24,000		
NCDOT Grant	218,125	-	-	-		
US Dept of Homeland Security- FEMA	373,776	-	-	-		
NC Dept Public Safety-DEM-FEMA	84,456	-	-	-		
Dare County Beach Nourishment Grant	-	449,448	-	-		

REVENUES	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Total Restricted Intergovernmental Revs	870,805	639,141	205,264	189,382		
PERMITS AND FEES:						
Building permits	106,618	128,873	103,000	105,000		
Plan review fees	11,670	12,376	8,000	10,000		
CAMA fees	2,740	4,615	2,500	2,500		
Planning board fees	3,350	4,775	2,000	3,000		
Court costs and fees	974	777	1,000	1,000		
Parking and other fines	6,900	5,399	7,500	7,500		
Total Permits and Fees	132,252	156,815	124,000	129,000		
Other Revenues:						
Interest income	26,230	68,955	45,000	100,000		
Charter Communications	1,587	-	-	-		
Sale of fixed assets	20,722	2,074	-	-		
Rental Income	1,700	3,000	2,400	2,400		
Miscellaneous	5,945	6,054	12,571	5,000		
Body Armour Grant	1,065	750	1,200	1,200		
Outer Banks Community Foundation	1,000	1,000	1,000	1,000		
Insurance proceeds	9,444	-	10,779	-		
Dare County Tourism Bureau	-	-	119,000	-		
Total Other Revenues	67,693	81,833	191,950	109,600		
Total Other Revenues	1,526,341	1,331,083	947,836	878,182		
TOTAL REVENUE BEFORE TRANSFERS						

ADMINISTRATION DEPARTMENT	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Salaries	362,528	370,844	375,114	385,150		
FICA	25,951	26,243	30,120	30,887		
Retirement	44,580	46,572	47,827	53,845		
Group Health Insurance	42,424	43,044	47,565	50,324		
Council Compensation	18,600	18,600	18,600	18,600		
Council Travel & Training	-	2,394	2,000	5,000		
Unemployment Payments	-	-	-	1,000		
Legal services	48,555	59,251	111,500	100,000		
Audit services	16,000	16,000	17,000	17,000		
Payroll services	6,410	8,511	7,500	8,200		
Computer services	72,970	53,455	58,887	75,000		
Insurance and bonds	67,818	70,230	75,000	75,000		
Advertising	770	725	1,000	1,000		
Travel	7,390	8,490	15,000	15,000		
Telephone	30,914	29,845	30,000	31,500		
Utilities	20,151	22,822	25,000	25,000		
Dues/subscriptions	6,903	8,240	10,000	10,000		
Training	4,269	5,731	13,500	13,500		
Supplies	8,669	7,378	13,000	10,000		
Postage	1,512	1,286	2,000	2,000		
Equipment lease & maintenance	8,931	8,291	19,071	16,000		
Municipal Elections	-	4,280	-	5,000		
Dare County & NCVTS tax collection	46,662	47,540	50,000	50,000		
Gov't. Access Channel (PEG Channel)	27,683	27,031	26,500	26,000		
Gov't. Access Channel Membership	1,000	1,000	1,000	1,000		
Municode publishing	2,896	3,706	5,000	5,000		
Vehicle Operations	140	386	500	500		
EE Recognition & Appreciation	7,020	9,258	8,500	8,500		
Wellness Initiative	2,692	2,862	3,000	3,000		
Contracted Services	2,635	3,630	3,000	9,100		
Misc.	3,067	7,286	10,000	10,000		
Technology Update- Pitts Center	4,200	7,424	10,000	10,000		
Recording of Meetings	5,350	5,681	7,050	7,550		
Cleaning of Town Buildings	17,390	16,620	20,000	1,000		
Total	916,080	944,656	1,064,234	1,080,556		

Administrative Services

Mission

The Administrative Services Department conducts the overall administration of the Town as prescribed by the North Carolina General Statutes. Personnel coordinate all Town operations and activities in accordance with the specific provisions and authorities of Chapter 160 (Cities and Towns) of the North Carolina General Statutes, the Town Charter of the Town of Southern Shores granted by the North Carolina General Assembly on March 26, 1979 in Chapter 203 of the 1979 Session Laws, the *North Carolina Local Government Budget and Fiscal Control Act* [NCGS Chapter 159, Article 3] and the Town of Southern Shores adopted *Council Rules of Procedure*. Personnel implement all policies and actions adopted and directed by the Town Council.

FY 19-20 Budget Highlights

Personnel

- **Salaries** – Includes annual 2.5% cost of living adjustment.
- **FICA** – Social Security and Medicare rate of 7.65%. Includes FICA withheld for Council Compensation.
- **Retirement** – Mandatory rates for FY 19-20 set by the State LGERS Board of 8.98% for General Employees. 5% annual Town contribution to 401k for all employees.
- **Group Health Insurance** – Insurance rates reflect approximately a 5% increase.
- **Council Compensation** - \$4,200/yr for Mayor, \$3600/yr for Council Members
- **Unemployment Rates**- Reimbursable employers are required to maintain 1% of taxable wages in their account. Budgeting \$1,000 which is in line with what we paid FY 18-19. Currently there are no pending claims, however if a claim is paid out in the future, budget will need to be increased to cover mandatory replacement of funds expended from account.

Professional Services

- **Legal Services** - Retainer cost is \$30,000/yr +\$185/hr).
- **Audit Services** – Cost of required annual audit. Contracted with Dowdy & Osborne, CPA firm in Nags Head.
- **Payroll Services** – Fees for processing payroll, quarterly payroll reports and COBRA administration.
- **Computer Services** – Renewal of three-year service contract, includes 10% down payment and monthly charges to replace all computers, battery backups, servers and will include all service calls, Office 365 licenses, software licenses/annual renewals and cloud-based sharing, sonic wall, secure cloud backup & recovery. This covers all departments (admin, planning, public works, police). Includes quarterly charges for the website maintenance and archival of Town's social media as a public record.

Operations

- **Insurance** – All insurance (general liability, property and casualty, worker's compensation) and bonding costs.
- **Advertising** –Includes cost of publishing notices for Council meetings and public hearings.
- **Travel** – Overnight stays, meals and mileage reimbursement for training for, Town Manager, Town Clerk, Finance/Personnel Officer and the Administrative Assistant.

- **Council Travel and Training**- training and travel for Council, including, but not limited to, the annual NCBIWA conference. Due to an election year, 3 Council members will need to attend the Ethics training. The amount is also more in line with what has actually been spent in FY 18-19.
- **Telephone**-Land lines and cellphones for all Departments of the Town. Includes \$1800.00 for mask communication with Dare County.
- **Utilities**- Electricity, internet and water for all Town buildings and natural gas at PW building
- **Dues/Subscriptions**- Memberships for Chamber of Commerce, NC League of Municipalities, UNC School of Government, NC Beach, Inlet & Waterway Association, International Institute of Municipal Clerks, Organization of Municipal Personnel Officers, NC-International Personnel Management Association, International Personnel Management Association, NC Government Finance Officers Association, NC Association of Municipal Attorneys, and newspaper subscriptions.
- **Training**- NC City and County Manager's Conference, Clerk Certification Class, Finance Officer's Summer and Spring Conference, OMPO Fall Conference, NC-IPMA Spring Conference, IPMA Spring and Fall Conference, Public Employment Law Update, and training classes through UNC School of Government.
- **Supplies**- Cost of office supplies (paper, pens, staples, etc).
- **Postage**- Stamps for all mailings, bills, etc
- **Equipment Lease & Maintenance**- Town Hall copiers and water coolers.
- **Dare County Tax Collection**- Expense (1.5%) to Dare County for collection of Town property taxes.
- **Gov't Access Channel (PEG)**-Town receives this from the State and appropriates to Dare County for the Government Access Channel.
- **Gov't Access Channel membership**- Annual membership expense.
- **Town Code publishing**- Annual cost to MuniCode for constant publishing updates.
- **Vehicle Operations**- Fuel costs attributed to Administrative Dept. for use of Town vehicle.
- **EE Recognition & Appreciation**- Annual morale and appreciation events for Town employees. Annual July 4th employee and families, and Council members picnic, all-employee annual Christmas party, all-employee work anniversary luncheon, and monthly employee group birthday recognitions.
- **Wellness Initiative**- Annual expense providing reimbursement subsidies to qualifying employees establishing and maintain good physical fitness, health, and wellness - Results in lower rate of employee work absences due to illness and injury; and lower risk of work-related injury adversely affecting worker's compensation insurance premiums. Qualifying subsidies fund portions of active gym memberships, fitness training, run-cycle events, and diet counseling.
- **Contracted Services**- Annual required cost of Other Post Employment Benefits (OPEB) actuarial study. Also includes \$5,100 for a Classification and Pay Study. These are recommended to be done every 5-7 years. Ours was last done in 2013.
- **Misc**- Annual projection for unbudgeted and unanticipated necessary administrative costs.
- **Technology Update-Pitts Center**- Expense of any received grant money from Dare County Government Education Access Channel Committee to fund audio-visual technology upgrades at Pitts Center.
- **Recording of Meetings**- Videographing 12 night meetings @ 4 hours each (\$250 first 2 hours/\$100 per hour after) and 3 workshops @ 5 hours each.
- **Cleaning of Town Buildings**- cost to have all carpets and chairs cleaned at Town Hall and Police Dept. Also includes the cost to have carpets cleaned at Pitts Center. The cost of cleaning is now budgeted under Public Works as a part time employee.

PLANNING & CODE ENFORCEMENT						
	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Salaries	127,206	152,443	178,938	184,009		
FICA	10,116	10,793	13,689	14,077		
Group Health insurance	21,484	21,901	24,746	25,862		
Employee retirement	16,622	16,419	18,913	21,425		
Contracted Services	19,290	9,267	11,800	3,600		
Printing	475	561	1,000	1,000		
Advertising	834	1,317	1,000	1,000		
Travel	147	123	4,536	1,500		
Dues/subscriptions	120	105	350	350		
Training	200	562	5,400	2,000		
Supplies	634	334	1,000	3,000		
Uniforms	-	198	-	200		
Medical Testing	-	66	-	-		
Capital Outlay- Vehicles	-	-	30,000	-		
Vehicle Maintenance	-	-	1,000	1,000		
Vehicle operations	652	630	1,000	1,000		
Homeowners Recovery fee	585	558	1,000	1,000		
Flood Zone Map Mailing	1,505	1,797	2,000	2,000		
Misc	100	-	1,000	1,000		
Historic Landmark Designation	-	-	2,000	1,500		
Town Code Update	22,633	27,600	16,867	-		
BOA Meeting transcription	-	1,300	1,100	-		
Total Code Enforcement	222,603	245,974	317,339	265,523		

Planning & Code Enforcement

Mission

The Planning and Code Enforcement Department is responsible for planning, permitting, and code enforcement services for the Town. The primary goal of the Department is to provide citizens with timely and efficient permit issuance and administration and enforcement of building regulations, flood regulations, nuisances, subdivision regulations, zoning regulations, CAMA regulations, and hazard mitigation.

FY 19-20 Budget Highlights

Personnel

- **Salaries** – Salaries include a 2.5% COLA for all employees.
- **FICA** – Social Security and Medicare rate of 7.65%. Includes FICA withheld for Council Compensation.
- **Retirement** – Mandatory rates for FY 19-20 set by the State LGERS Board of 8.98% for General Employees. 5% annual Town contribution to 401k for all employees.
- **Group Health Insurance** – Insurance rates reflect approximately a 5% increase. Actual numbers will come in May.

Contracted Services

- \$3,600 annual funding for Citizenserve permitting software.
- Decreased by \$8,200 after first year of payment.

Printing

- Funding for printing services for cards, signage, and applications.

Advertising

- Funding for public/legal notice publications.

Travel

- Funding for meals and overnight accommodations usually associated with training.
- Decreased by \$3,036 due to completion of UNC SOG Municipal and County Administration course.

Dues/Subscriptions

- Funding for media subscriptions and employee certifications.

Training

- Funding for continuing education.
- Decreased by \$3,400 due to completion of UNC SOG Municipal and County Administration course.

Supplies

- Funding for materials and equipment.
- Increased by \$2,000 for filing cabinets and office stool.

Uniforms

- Increased by \$200 for funding for Town Staff shirts with Town logos.

Vehicle Maintenance and Repair

- Funding for maintenance and repairs for the Department's only vehicle.

Vehicle Operations

- Funding for vehicle fuel.

Homeowners Recovery Fee

- Funding for payment to the North Carolina Homeowner Recovery Fund as required by § 87, Article 1 A (payment of \$9 per permit issued for work performed by a licensed general contractor associated with a single-family dwelling that is over \$30,000).

Flood Zone Map Mailing

- Funding for printing and mailing of annual Community Rating System outreach projects to all property owners.

Misc.

- Funding for unexpected expenses.

Historic Landmarks Commission

- Decreased by \$500 due to in-house property research for potential Historic Landmark reports.
- Funding for plaques/monuments for designated Historic Landmarks.

POLICE DEPARTMENT	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Salaries	819,660	871,532	885,472	887,575		
Holiday	29,179	30,775	25,000	25,000		
Overtime	11,575	14,247	20,000	20,000		
FICA	64,986	67,569	71,182	71,343		
Group Health Insurance	104,519	119,430	122,725	129,191		
Employees retirement	110,685	120,389	123,642	135,041		
Career Development	1,000	1,000	3,000	1,500		
Computer services	2,830	9,649	8,500	11,000		
Printing	-	-	1,000	1,000		
Advertising	603	707	-	-		
Travel	7,162	9,400	12,000	10,000		
Dues/subscriptions	1,045	790	1,500	1,500		
Training	12,199	7,438	15,500	12,000		
Medical testing	714	269	1,000	1,000		
Uniforms	14,070	9,709	20,000	20,000		
Supplies	33,138	33,208	31,200	37,200		
Contracted Services	13,718	15,412	25,000	25,000		
Equipment lease & maint.	4,250	7,588	5,000	5,000		
Equipment purchase	70,998	55,543	90,981	88,000		
Vehicle maintenance & repair	17,884	29,891	28,000	28,000		
Vehicle operations	25,566	30,199	35,000	35,000		
Misc.	-	3,095	10,000	10,000		
Capital Outlay- Vehicles	77,023	-	160,641	85,000		
GHSP Grant	-	-	25,000	25,000		
GCC Grant- Radios	14,480	7,264	37,264	37,264		
Total	1,437,284	1,445,104	1,758,607	1,701,614		
Sep. Allowance Transferred to Pension Fund	23,584	23,584	27,662	29,000		
Total Police	1,460,868	1,468,688	1,786,269	1,730,614		



Southern Shores Police Department

Budget Justification Summary Report

2019-2020

(proposals, prices, and needs noted below are subject to change without notice. They may also depend upon availability, prices and/or unforeseen needs that may arise during the FY2019/20. These proposals are not inclusive of all the department's needs/requirements, and are only a summary)

2/11/19 Revised 3/5/19

Line Item

Career Development- Decrease \$1500 from \$3000 to \$1500 – Tuition 1 officer, 4 yr. degrees possible for 1 officer

Computer Services- Increase \$2500 RMS- from \$8500 to \$11,000.00 Shoshin non-contract for our MDT/Laptops. Install updates in vehicles. DCI Computer upgrade. New BWC Maintenance. *\$2500guestimate*

Printing- Same

Advertising- Same

Travel- Decrease \$2000 from \$12,000.00 to \$10,000.00 To cover SRO refresher school, possible DARE refresher, covers officers schools/training, F/A, Radar, Taser, PT (\$8,000) covers meals/lodging. *\$2000 added to Equip line for BWC*

Dues/Subscriptions- Same

Training- Decrease \$3000 from \$15,000 to \$12,000 (\$500-Dare) PO's training-P/T, F/A. DARE covers schools not free like Salemburg, Edneyville 8hr travel time. Gym-\$125 x 13=\$1625, Dare-\$1200, SRO Refresh-\$800,(\$4725) F/A's,Taser, Radar x 12 officers-Simunitions New training *\$3000 added to Equip. BWC's*

Medical Testing- Same

Uniforms- Same

Supplies- Same

Contracted Services- Same

Equipment Lease/Maint- Same

Equipment Purchase- 13 BWC (Body Worn Cameras) \$1155.00 x 13 =\$15,015.
 No grant last yr. Required Interview/record system replacement \$10,000. 2 mobile radios (\$3900.x2=7,800.+ \$500-Installs) 4 portable radios (\$3,700x4=\$14,800) 1-Radar/Message board Trailer-\$12000.00. AED's \$1300 x14=\$18,200. (\$78,315)=\$9685

Vehicle Maint. & Repair- Same

Vehicle Operations- Same

Contingency-Misc Same

Capital -Outlay See Vehicle Replacement below

Vehicle replacement- Same

CRO- \$17.00 per hr Community Resource Officer

NOTE Salary request for a 2.5% COLA for all personnel. Also 3% Perf. Raise

Grants- \$62,264.00 – Total see breakdown below;

<u>GHSP-</u>	<u>\$ Total</u>	<u>75%</u>	<u>25%</u>	
12 MDTs	\$15,000	11,250	3,750	(Match may be 50%)
2 In-Car Cam	\$10,000	7,500	2,500	“ “

<u>GCC</u>	<u>\$total</u>	<u>75%</u>	<u>25%</u>
Port. Radios	\$37,264	(may not have to match)	

Totals: \$62,264.00

Streets, Bridges, Beaches and Canals	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended	FY 19-20 Requested	FY 19-20 Recommended	FY 19-20 Adopted
Street Sign Maintenance	6,414	748	4,000	5,000		
Engineering & Arborist Services	3,350	5,850	5,000	5,000		
Street Maintenance	19,250	20,633	57,202	57,202		
Brush Trimming	11,900	5,245	20,000	20,000		
Bridge Maintenance	2,125	-	2,125	2,125		
Beach Profile Study	850	33,106	75,000	45,000		
Beach Nourishment Engineering	40,316	-	-	-		
Beach Nourishment - Legal	29,636	-	-	-		
Beach Nourishment	-	889,048	-	-		
Financial Planning- Beach Nourishment	-	-	-	-		
Hurricane Matthew Recovery	414,050	-	-	-		
Osprey Lane	154,082	338	-	-		
Juniper Trail	186,768	2,418	287,250	-		
Juniper/Trinite Trail Bridge	7,223	-	-	-		
Fairway Drive	-	225	-	-		
N,S & E Dogwood Intersection	3,563	5,025	-	-		
Yaupon Trail	6,660	4,669	392,000	-		
Beech Tree St. Project	56	-	-	-		
Wild Swan Lane	131,085	113	-	-		
Fox Grape Lane	75	-	-	-		
Hollow Beach Court	-	2,688	-	-		
Palmetto Lane	-	162,310	-	-		
Clam Shell Trail	-	185,006	-	-		
Skyline Dr. Intersection	-	52,567	-	-		
East Dogwood Bike Path	-	-	225,000	-		
Dogwood Bike Path Phase 2	-	-	620	-		
FY 18-19 Infrastructure Projects	-	-	-	-		
FY 19-20 Infrastructure Projects	-	-	-	662,340		
Tall Pine Bridge	(12,923)	-	-	-		
Waterway Maintenance and Repair	400	400	400	400		
Storm Debris Cleanup	67,300	-	20,000	20,000		
Bulkhead Maintenance and Repair	79,110	38,857	50,000	25,000		
NC Hwy12-E, Dogwood Stormwater Floodin	412,874	10,390	-	-		
Dogwood Trail Physical Survey	30,000	-	-	-		
Total	1,594,164	1,419,636	1,138,597	842,067		

Streets, Bridges and Canals

FY 19-20 Budget Highlights

Streets, Bridges, and Canals is budgeted as a separate budget component and is administered by the Public Works Department. The purpose is to implement projects for and administer repairs and capital improvements to the Town's major street, bridge, and canal infrastructures.

Streets, Bridges and Canals

- **Street Sign Maintenance-** \$5,000 requested for street sign replacement budget
- **Engineering and Arborist Services-** \$5,000 for engineering services for small repair and drainage projects completed in-house; arborist services for evaluation of trees being considered for removal due to damage, disease or proximity to a Town asset.
- **Street Maintenance-** \$57,202 for contracted minor road maintenance repairs throughout the Town including repair of asphalt failures, edge failures, small full depth repairs and cracking due to root upheaval; pallets of pothole patching product; and for thermoplastic striping materials for a Town-wide refreshing of crosswalks and stop bars.
- **Brush Trimming:** \$20,000 proposed for tree removal in Town rights-of way and at the cemetery, and brush removal and disposal in the interior canals as needed. This work is performed under our Limb and Branch Removal service contract as an hourly rate service with Atlantic Tree Experts.
- **Bridge Maintenance:** \$2,125 proposed for any minor bridge repairs required due to DOT bridge inspections.
- **Beach Profile Study:** \$45,000 is for beach profile survey.
- **Waterway Maintenance and Repair:** \$400 proposed as contribution to the Boat Club for buoys and channel marker maintenance.
- **Storm Debris Cleanup:** \$20,00 proposed for post-storm debris cleanup and disposal in the Town streets, rights-of-way, beaches and canals.
- **FY 19-20 Capital Street Rebuild Projects:** \$662,340 proposed annually for capital improvements to infrastructure - including specific capital projects to be recommended by the CIIP Committee for design and reconstruction of Town streets; annual proposed amount equivalent to revenue derived from 5 cents on the current tax rate.
- **Bulkhead Maintenance and Repair:** \$50,000 proposed for structural repairs/replacement of Town-owned bulkheads.
- **Financial Planning:** \$35,000 is requested for financial planning.

Public Works Department

Mission

Public Works, through its dedicated employees, strives to protect and maintain the Town of Southern Shores' infrastructure and assets, including its streets, sidewalks, rights-of-way, canals, beach, parking areas and buildings, in the most environmentally respectful, financially efficient and highest quality manner possible. We are committed to being courteous and respectful to citizens, and to providing a safe, pleasant, respectful and productive workplace to our employees, and will always encourage education and training opportunities to further our staff's talents.

FY 19-20 Budget Highlights

Personnel

- **Salaries**—Includes annual 2.5% cost of living adjustment. \$12,480 plus FICA is requested for a new part time position at \$15/hour for 16 hours/week to clean the Town owned facilities and replace our current cleaning services.
- **FICA** — Social Security and Medicare Rate of 7.65%
- **Retirement** — Mandatory Rates for FY 19-20 set by the State LGERS Board of 8.98% for General Employees. 5% annual Town contribution to 401k for all employees.
- **Group Health Insurance** — Insurance Rates reflect approximately a 5% increase

Public Works

- **Training/Professional Development:** \$3,000 is requested for pesticide training class, continuing education classes for pesticide license, and training through the UNC School of Government.
- **Printing:** \$600 is requested to cover mailing costs for routine notice of street rebuild projects, environmental permitting required notices and of any shoreline stabilization measures.
- **Travel:** \$2,000 is requested for travel related to attendance of professional development/training classes; this includes any hotel accommodations needed to attend training.
- **Uniforms:** \$3,500 is requested for uniform service for the Public Works Maintenance Technicians, purchase of hard toe safety shoes for six employees, and any new uniform needs.
- **Dues and Subscriptions:** \$350 is requested for American Public Works Association (APWA) membership renewal, which is a source of free and reduced cost training opportunities for staff.
- **Supplies:** \$8,500 is requested for supplies including small hand tools and parts for various repairs. Examples include nuts/bolts/nails, lumber for various projects, paper towels and toilet paper, water and Gatorade for the Maintenance Technicians, etc.
- **Advertising:** \$500 is requested for newspaper advertisement of employment positions.
- **Safety Compliance:** \$1,500 is requested- \$900 for emergency exit sign and fire extinguisher repair/replacement, and Personal Protective Equipment (PPE) for the Public Works employees, including safety glasses, vests, etc.; and \$600 for fire hydrant reflectors supplied to the Southern Shores Volunteer Fire Department.
- **Town Buildings Maintenance & Repairs:** \$33,300 is requested- \$1,000 for lighting supplies; \$2,000 for refinishing of decking and painting of buildings; \$3,500 for Public Works shop upgrades (ventilation and storage needs); \$1,800 for flags; \$5,000 for fence repairs; \$5,000 for unforeseen repairs on the generator; and \$15,000 for miscellaneous repairs and upkeep of aging buildings and associated equipment including the generator service.
- **Beautification- grounds:** \$5,000 is requested- includes \$2,000 for beautification of the Town Hall complex and Town-maintained medians and parking lots, including new plants and mulch/fertilization/pesticides; and \$3,000 for any needed replanting or removal of vegetation following major road projects.
- **Equipment Lease & Maintenance:** \$6,500 is requested for lease and maintenance of equipment, including purchase of mower blades, new tires for tractors/mowers, etc., and \$2,000 for new flail mower teeth.
- **Vehicle Maintenance & Repair:** \$3,500 is requested for regular maintenance and repair of the four Public Works' vehicles (four trucks) and boat.
- **Vehicle Operations:** \$9,000 is requested to cover fuel for Public Works' vehicles and equipment. This increase is to cover fuel costs for a new vehicle and ethanol free gas for the mowers.
- **Misc.:** \$ 1,000 is requested
- **Medical Testing:** \$150 is requested for any drug screenings needed.

- **Equipment Purchase:** \$27,850 is requested: \$3,700 for a new tandem axle utility trailer, \$9,000 for a new hydraulic dump trailer, \$4,100 for a 4 in 1 bucket and bolt on scraper blade for our large tractor, \$350 for new scraper blade for small tractor, \$300 for new drill set, \$400 for a top handle chainsaw, \$9,000 for new commercial Z mower, \$500 for safety lights on vehicles and equipment, \$500 for assorted power tools, and for any other equipment needs.
- **Shoreline Stabilization:** \$24,000 is requested for dune stabilization measures including beach grass and sea oats planting and fertilization. Funds to come from the Dare County Shoreline Stabilization Fund.
- **Parking Lot Maintenance:** \$2,000 is requested for maintenance and improvements to the Town-owned parking lots and beach access parking areas.

Sanitation

FY 19-20 Budget Highlights

The sanitation budget includes residential and commercial solid waste and recycling collection and disposal, large item pickup conducted twice annually, and the monthly residential limb and branch removal service.

Sanitation

- Residential Collection: \$180,225 (represents a 2% CPI adjustment)
- Commercial Collection: \$46,300 (represents a 2% CPI Adjustment)
- Landfill Tipping Fee: \$190,000 (In line with what will actually be spent in FY 18-19)
- Recycling Collection: \$156,200
- Misc.: \$500 is requested for any miscellaneous pickups needed.
- Large Item Pickup: Two pickups per year (one in April and the other in October)
- Limb and Branch Removal: \$132,600 is requested for limb and branch removal.

INCOME

3/12/2019

Southern Shores Volunteer Fire Department

Copy of 2019-2020 FINAL

Accounts	Budget 2018-2019	Actual 6 Months 2018-2019	Estimated 2018-2019	Budget 2019-2020
301 - Dare County	120,570	79,088	120,570	120,270
302 - Southern Shores	545,914	272,957	545,914	545,914
304 - Dare Radio payment	0	0	0	0
306 - TOSS Radio Payment	0	0	0	0
Revenue	666,484	352,045	666,484	666,184
305 - Interest & Misc Income				
305.01 - Interest Earned		489	550	
305.02 - Donations		2,950	3,000	
305.03 - Special Donations	40,000	0	40,000	40,000
305.04 - T-Shirt Sales		716	1,000	
305.09 - Sign Program		230	300	
305.10 - FEMA Grant				
305.11 - Pension Refunds				
305.13 - NC Relief Fund				
305.XX - Rehab				
305.14 - Truck 121				
305.17 - Loan Proceeds				
305.18 - Sale of Assets			300	
305.19 - Other Income				
305.60 - Beach Wheel Chair Donations		110	200	
305.61 - Storm/Hurricane Reimbursement				
305.16 - Capital Reserves				
305.62 - New Building Costs (TOSS)		57,857	81,257	23,400

Page 22

3/12/2019

Southern Shores Volunteer Fire Department

Copy of 2019-2020 FINAL

310.01 - Grants		0		
399 - Special Income				
399.01 - Rent East Station	1	1	1	1
Interest & Misc Income	40,001	62,353	126,058	63,401
TOTAL	706,485	414,398	792,542	729,585

Page 23

MOTION: Councilman McDonald moved to add a 2.5% fire tax, or an amount equivalent to the Fire Department debt service divided by a penny on the tax rate (2.37%). The motion was seconded by Mayor pro tem Nason. Following discussion, the motion was subsequently withdrawn.

Discussion prior to the vote:

- Councilman Newberry stated this is starting the procedure of raising taxes. He is against raising taxes. If a fire tax is wanted, then it should have been mentioned to the residents ahead of approval of the fire station. He stated it is misleading the public. The Town Manager could cut his budget by 2.5%.
- Town Manager Peter Rascoe stated the fire debt service is already absorbed in the draft proposed budget; and if Council votes to direct a budget cut then they need to direct what service they would like cut.
- Councilman Conners stated Council knew the fire debt service was coming. He stated Councilman McDonald's motion is to raise taxes to cover the debt service of the Fire Department, which he in principle is not opposed to the idea but is not prepared to do that without further discussions.
- Mayor Bennett stated the Town Manager has brought us a balanced budget every year without a tax increase. The only increase in taxes was to monies designated for capital improvements.
- Councilman Nason was not opposed to the idea of raising taxes stating residents will understand if it is unanimous and for reasonable reasons. He felt it was the responsible thing to do.

MOTION: Councilman McDonald moved to put capital monies in the budget to repair Town buildings and bring them up to code. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

Discussion prior to the vote:

- Town Manager confirmed the figure, as provided by the facility assessment, is approximately \$220,000 and this Council directed project will come from the undesignated fund balance.

MOTION: Councilman Newberry moved to direct the Town Manager to prepare a proposed plan for the following:

1. Beach nourishment
2. Walking path (Dogwood intersection to Cemetery)
3. Town buildings
4. Additional funding for roads, cost and repair
5. No left turn, summer traffic
6. Also, any other projects which the the Town Manager may see necessary.

The motion was seconded by Councilman McDonald. The motion failed 3-2 Councilman Newberry and Councilman McDonald voting affirmative; Mayor Bennett, Mayor pro tem Nason, and Councilman Conners opposing.

Discussion prior to the vote:

- Councilman Newberry stated we are doing the Town Manger's job for him. Council needs a holistic plan all brought together.
- Town Manager stated Council knows what a penny on the tax rate is. Council needs to direct by action and actually direct by action what projects the Council wants as goals.
- Councilman Conners stated this is Councils job to direct projects.
- Mayor Bennett stated Council needs to come up with priorities.
- Nason stated the walking path and Town Buildings were just directed by Council to be added to the proposed FY 19-20 budget. These two items from Councilman Newberry's list have already been placed in the proposed budget. Beach Nourishment is a big project and the Town Manager already brought Carter and Associates to present to us at the Planning Workshop. Council has the option to

authorize/contract with them to move forward to seek out funding options.

MOTION: Councilman McDonald moved to increase the Capital projects line an additional .02 cents on the current tax rate. The motion was seconded by Councilman Newberry. The motion failed 2-3 Councilman McDonald and Councilman Newberry voting affirmative; Mayor Bennett, Mayor pro tem Nason and Councilman Conners opposing.

Discussion prior to the vote:

- Councilman McDonald Council voted to increase this line last year but no years before that. He would like to increase it again.
- Mayor Bennett stated you are increasing the line item 30% in one year.
- Councilman Nason stated Councilman McDonald increased the capital infrastructure improvement projects to .05 cents on the current tax rate just this past year. (Equivalent to \$662,340). If it was just for one year and going towards the walking path he would consider, but not this year.

MOTION: Councilman McDonald moved to include monies to cover “No Left Turn” for South Dogwood Trail entrance, Memorial Day through Labor Day. The motion was seconded by Councilman Newberry. The motion failed 2-3 Councilman McDonald and Councilman Newberry voting affirmative; Mayor Bennett, Mayor pro tem Nason, and Councilman Conners opposing.

Discussion prior to the vote:

- Town Manager Rascoe reminded Council that any “No Left Turn” enforcement weekends before the new budget year starting July 1, 2019, will have to be funded by a budget amendment for this current fiscal year. The location is administrative jurisdiction of NCDOT and traffic jurisdiction of Kitty Hawk.
- Before the vote, Police Chief David Kole stated he would need to hire an additional officer at the cost of approximately \$120,000 to cover salary, uniforms, certifications, and training. This additional officer would not be available in time for this summer. The overtime budget line would also need to be increased. He also reminded Council that this is a state road in Kitty Hawk jurisdiction. The burden should not be placed on the Town of Kitty Hawk, therefore requiring a Southern Shores Officer in place at the location the entire weekend.
- Town Manager Rascoe stated two public works employees would also need to be scheduled to work weekends and barracades would need to be rented.

CLOSED SESSION

MOTION: Councilman Nason moved to go into Closed Session pursuant to NCGS §143-318.11 (a)(6) for purpose of approving prior closed sessions’ minutes and NCGS §143-318.11(6) for purpose of considering qualifications, competence, performance, character, and fitness of an employee(s). The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

OPEN SESSION

MOTION: Upon returning to open session, Councilman Conners moved to cancel the April 30th Special meeting. The motion was seconded by Councilman Nason. The motion passed with an original vote of 4-1 with Councilman McDonald being the sole opposing vote. Councilman Newberry subsequently changed his vote and the motion passed 3-2 Mayor Bennett, Mayor pro tem Nason and Councilman Conners voting affirmative; Councilman McDonald and Councilman Newberry opposing.

MOTION: Councilman Nason moved to have each Council Member prioritize a list of their priorities and either email or turn it into the Mayor by May 7th. The motion was seconded by Councilman McDonald. The motion passed unanimously 5-0.

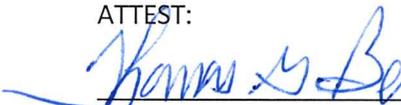
Discussion after the vote:

- Mayor Bennett stated once the priority lists are received, he will compile them, disperse to Council, and Council will review and set another meeting to discuss.
- Councilman McDonald stated the bike path should have been done years ago. He stated he agrees with putting the path on Dogwood Trail but according to the Town Manager it will take longer than one year. He stated trees are going to have to come out in order to build the walking path and people aren't going to be happy about it but as long as you tell them it's going to happen, then it has to be done. He stated he has issues with pulling money out of the "savings account" so to say. He further stated the budget kicks over the excess into the fund balance. There is more money coming in then going out each year, but now we have the Fire Department debt service that will take that away. He has done budgets for 35-40 years, bigger budgets then this, and it is the job of the Town Manager and staff to bring a plan, put something together. He stated the Town has not raised taxes in years and people will be less angry if you raise taxes in little by little. The Town hasn't raised taxes and we keep providing more services. The Fire Department will occur a twenty-year debt.
- Mayor Bennett stated people will be angrier raising them little by little, he felt one lump sum would be easier.
- Councilman Connors stated Council need to do something with the excess, the auditor addressed this with such a healthy fund balance. Eventually it needs to come back to the residents in the form of tax rebate, services or more projects.

ADJOURN

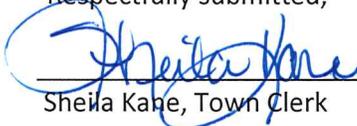
MOTION: Mayor pro tem Nason moved to adjourn. The motion was seconded by Councilman Connors. The motion passed unanimously 5-0.

ATTEST:


Thomas G. Bennett, Mayor



Respectfully submitted,


Sheila Kane, Town Clerk



Closed Session
April 23, 2019

Those in attendance: Mayor Bennett, Mayor Pro Tem Nason, Council Members Newberry, Connors and McDonald.

Also present: Town Clerk Sheila Kane

Absent: None

The purpose of the closed session is for approval of closed session minutes.

Minutes: March 5, 2019

Motion: Jim Connors / Second: Nason Vote: 5-0

Minutes: November 7, 2018

Motion: McDonald / Second: Newberry Vote: 5-0

Minutes: September 5, 2018

Motion: McDonald / Second: Nason Vote: 5-0

Minutes: July 10, 2018

Motion: McDonald / Second: Mayor Vote: 5-0

Minutes: February 6, 2018

Motion: McDonald / Second: Mayor Vote: 5-0

Minutes: December 5, 2017

Motion: McDonald / Second: Nason Vote: 5-0

MOTION: Mayor pro tem Nason moved to adjourn the closed session and return to open session. The motion was seconded by Councilman Connors. The motion passed unanimously. The time was 11:50 am

Attest: Thomas G. Bennett

Thomas G. Bennett, Mayor



Sheila Kane

Sheila Kane, Town Clerk