

Board of Aldermen
Budget Work Session
Tuesday, February 27, 2024
DRAFT MINUTES

The Town of North Topsail Beach Board of Aldermen held a budget work session on February 27, 2024. A quorum of the board was present.

Board members present: Mayor Joann McDermon, Mayor Pro Tem Benson, Aldermen Connie Pletl, Richard Grant, Tom Leonard and Laura Olszewski.

Board members absent: None

Staff present: Town Manager Alice Derian, IT Director Ricky Schwisow, Finance Officer Caitlin Elliott, Police Chief Younginer, Fire Chief Soward, Public Works Supervisor Al Cablay and Interim Town Clerk Nancy Avery.

Call to order

Mayor McDermon called the budget work session to order at 8:30 am.

Approval of Agenda

Motion – Alderman Olszewski motioned to adopt the agenda as presented; seconded by Mayor Pro Tem Benson; unanimously approved.

New Business

A. Proposed budget overview and economic outlook

Manager Derian stated:

The Town conservatively budgets to maintain service levels delivered to residents and visitors while strategically increasing or expanding services as growth and demand warrant and we all know that we have experienced a significant amount of growth here in North Topsail Beach in the past couple of years. Our General Fund revenue stream is narrow with the majority comprised of ad valorem and local option sales use tax that makes up approximately 80% of the total projected revenues that you will see this morning. Projected expenses were derived from Department Heads who are here this morning and who will be presenting their department requests throughout today. In reviewing historical data, Caitlin (Finance Officer Elliott) and I look at the last three-year actuals and recognize the external economic conditions that are prevalent, such as inflation. Town administration remains focused on pursuing new revenue opportunities through federal and state grants as well as county grants that we submit for as well as unconventional sources such as selling Town merchandise and acquiring sponsorship for Town events that you have seen a little bit of this fiscal year. We will continue to expand on those endeavors.

The priorities that you see on the slide are established for the preparation of the 24-25 budget as follows:

- Remain fiscally sound by maintaining strong reserves and fund balances
- Improve infrastructure and mobility. What does that mean? We made a concerted effort over the last two years to invest in maintaining infrastructure and to provide additional infrastructure in terms of bike lanes. The Board has approved a Memorandum of Understanding with North Carolina Department of Transportation (NCDOT) which committed to this fiscal year \$100,000 for the study for the bike lanes on New River Inlet Road extending those to the end of the island. It also commits us in that agreement to a little over \$1,000,000 which you will see in the next budget workshop we will slate what is going to be applicable to fiscal year 24-25. They have a meeting on the 28th, which is tomorrow. I expect to receive an update on the 29th which will tell us what we will plug in for that number. So you will see that at the next budget meeting, but just know that that will be incorporated into this budget because that is something the Board has committed to. They are still in the environmental study phase.
- Continue to provide and enhance public safety to residents and visitors
- Maintain a high level of preparedness in order to respond to and recover from emergencies
- Continue to provide high service levels and quality of life amenities - our beach
- Continue to employ technology to engage, improve and expand services. One thing we have focused on this fiscal year is implementing new technology to aid specifically with different departments. We have the iWork system which is being currently implemented which will be officially rolled out soon. That is applicable to our Public Works Department which is creating a work order system that tracks activity flows and will also give residents an avenue to report any issues Public Works related. Also it provides assistance to our Code Enforcement area, which I am really excited about, which is really going to bring everything beach operations tied together this year, so that we are not working in silos. It will track and incorporate everything. So everything that our Code Enforcement Officer is doing on the beach and everything that our overnight person who starts to work Memorial Day through Labor Day to remove the abandoned personal property items like chairs, umbrellas, anything that is left over will be pinned and tracked and also with our Police Department the two beach ambassadors that we have will also be using this to track and pin anything they are issuing related to dune violations or educational matters they are dealing with so we will have an idea and a tracking of what is going on all things beach operations related.

Initial tax estimates are expected in early March from Onslow County. The slides presented represent the existing tax rate of 43 cent per hundred-dollar valuation and assume a 95% collection rate. Historically we have seen 98 to 99% but to be conservative, we are assuming once again 95% collection rate. The 43 cents is broken down with 26 cents allocated to the General Fund, 7 cents allocated to the Capital Improvement Fund and 10 cents allocated to the Beach Fund. The represented tax levy is \$1,630,900.00 with motor vehicle tax levy excluded which we usually do exclude that historically. That equates to a little over \$6.9 million in revenue at the same tax rate. Some of the highlights include revenues without the use of prior year reserves and conservative assumptions once again such as not accounting for grants other than what is currently awarded. We have submitted grants for the upcoming fiscal year that include the North Carolina Emergency Management Disaster Relief and Mitigation Fund grant for a little over \$1.2 million dollars. Grants pending completion for \$500,000 to Onslow County

that will be used to offset the debt service for the special obligation bonds for the Phase Five beach project that we are getting ready to wrap up this April. Our payment is just under \$2,000,000 so that will assist in that repayment. This is much more than what was requested last year. We were allocated \$200,000 last year. I have talked with the county manager already and I feel comfortable with upping that request. He understands the justification for that. Whether that will get approved or not I cannot say for certain or not, but I think it is well justified and will be in our application.

Alderman Grant asked what is the NC Emergency Management money?

Manager Derian said it is state grant money that was allocated through the Disaster Mitigation Relief Fund.

Also we have \$299,460 that will be applied for vitex removal. That is something we have been discussing for the last couple of years. We had it in the budget for this year but the decision was made to pause until these grant monies were released and to also have the Towns of Surf City and Topsail Beach get on board, so the idea is we all submit one application so that we are eradicating the vitex all at one time because it is so invasive and spreads. Those grant applications I spoke of are pending completion and will be submitted this week and the county grant will be submitted next week.

We also accounted for a conservative 5% increase in occupancy tax and a 10% increase for local sales and use tax. The General Fund total draft budget is a little over \$7.7 million dollars.

Alderman Grant stated that is over last year's budget and not actuals, correct?

Manager Derian said yes that is correct.

The General Fund expenses have been drafted in the amount of \$7.1 million dollars on current needs and of course recognizing inflation. Personnel costs will account for over half of the General Fund as they historically do. Please be aware that salary figures overall are still in the process of being calculated. Those will be large changes that are mentioned throughout the meeting. We have the current ones plugged in but just be aware the proposed salary increases will be reflected prior to the March budget workshop meeting.

The draft 24-25 budget reflects an overall decrease of 5.46% or \$414,279 under fiscal year 23-24 total operating budget and the reason why we present this is unbalanced is to give the Board the opportunity to get a snapshot of where we are at right now and provide input so that we can take your priorities and goals and then incorporate them for the next budget workshop.

Alderman Grant said before you leave that though when you are talking about reduction, there is no contingency in the budget right now and there is no increase in salary costs, right?

Manager Derian said that is correct. The main point is that we are getting feedback from the Board so we can incorporate that into the next meeting.

Similar to the previous two years, we will also take a strategic budgeting approach for the next budget by providing the five-year projection like we have done in the past. That will provide a long-term perspective of what our known and established priorities look like.

The Board of Aldermen established a Capital Improvement Fund back in 2020 as your recall which allocates 7 cents of ad valorem tax for capital expenditures. In December of 22, the Town entered into the interlocal agreement with Onslow County which allocates 3 cents of county ad valorem tax to be paid to the Town in exchange for fire protection services within the Town's incorporated borders. This will remain each fiscal year in effect for each year of the agreement. This was not an additional tax but a re-allocation of the county's collected levy within North Topsail Beach to the Town.

In conclusion, the summary includes a few highlights of the entire budget. Other notable and significant budgetary changes are provided in the department budget summaries that we will proceed with today breaking down further and will provide the Board with ample opportunities for questions and feedback. The detailed projections for revenues and expenditures are also included in your spreadsheets that Caitlin (Finance Officer) will walk through fund and line item. I thank her and the departments that contributed to the development of this budget. I would also like to welcome Jessica Helms, our new Finance Officer.

B. Proposed FY 24-25 budget highlights

Finance Officer Elliott stated:

- Proposed General Fund revenue is \$7,707,828.45 which is 1.54% increase over current year of \$7,591,075.78
- Proposed expenses are \$7,176,796.84 which is 5.46% lower than current year of \$7,591,075.78
- The proposed budget shows salary figures as the same which is likely to change
- The proposed budget does not include a contingency amount
- Tax rate remains the same as current year with no increase projected
- Tax revenue is split with 75% to the General Fund and 25% to the Beach Fund (30)
- Parking revenue is projected the same
- The proposed budget includes a 30% increase in garbage collection fees
- Projected ad valorem is \$3,982,875.00, which is the same as current year. We should be receiving updated information from the county soon.

C. Departmental presentations on needs and requests

Building Inspector Allen stated his budget remains neutral. He has no large ticket items projected over the next three years. He does expect to need to replace a truck in three to five years.

Alderman Olszewski suggested calling out all IT expenses as a separate line item rather than in each department.

Planning Director Hill stated her budget remains static. She will have a need to replace a truck in the next five-year plan. She is working on adding additional personal.

Public Works Superintendent Cablay said his budget is the same with some Capital Improvement Project carryover items of a new town entry sign, purchase of a crack sealer for pavement restoration and refurbishment of both kayak launches.

Finance Officer Elliott said in the Streets budget, also part of Public Works, there is a proposed increase in line items for training, supplies, uniforms and software.

Alderman Olszewski asked why the mosquito control line item is dropping from \$4,000 to \$3,000.

Manager Derian said this service has been historically offered. It requires use of chemicals and pesticides we are not trained for and she is not sure we should continue to provide this.

Board members discussed the history of mosquito spraying.

Consensus – Continue discussion on whether to keep spraying for mosquitos at the next budget work session.

Public Buildings - Finance Officer Elliott said the projected budget for Public Buildings includes a decrease in utilities and grounds and repair line items, an increase in the furniture line items for the new Fire Station, and \$33,500 for new security cameras to be installed at the park, Town Hall boardroom and new Fire station. \$120,000 Capital Infrastructure items are \$100,000 for erosion at Town Hall and \$20,000.

Alderman Olszewski said if the cameras are IT based and the cost is in the Public Works budget, she would like it pulled out and put in the IT budget.

Alderman Grant said the Public Works building is the next to look at. The trend has been to patch which ends up throwing good money after bad after a building gets too old.

Alderman Olszewski asked why the telephone line item increased and for which ones.

Finance Officer Elliott responded that a fax line has been added for the police department, a phone has been added for the elevator, desk phones and cameras on the bridge and cell phone costs are also included.

Alderman Olszewski said she want the details because there might be an opportunity to switch to a different provider.

Special Events - Finance Officer Elliott said \$10,000 has been budgeted for Special Events, which is the same amount as this current year.

The Board discussed items in this line item such as the Christmas tree lighting and decorations.

Consensus- leave the amount at \$10,000.

Break - Mayor McDermon called for a break at 9:48 am

Return - Mayor McDermon resumed the meeting at 9: 58 am.

Fire Department Chief Soward said we had a few line-item increases, and we have adjusted a few for transparency. For some reason for years our turnout gear was hidden under departmental supplies. We pulled it out and moved it to uniforms because it makes more sense. That is why you see the increase. Plus our turnout gear cost has increased a lot this year. We are requesting to replace one Tahoe vehicle. The other Tahoe is at 100,000 miles and is starting to have problems. We want to keep it within the fire department because we gave one of our trucks to Public Works because they were in need. Then we actually needed that truck. Dues and subscriptions have increased because in January he was notified that the current recording software company had been sold. The new company increased the cost. Unfortunately for the Town and us if we are not reporting to the state, we are not eligible for FEMA grants. We are shopping for new software. Our contract with them ran out in July. Our fire apparatus is coming next week, and we will sit down and project increases. That is one thing he has not gotten to yet to the budget. We are actively shopping for new insurance for the fire department . We carry separate insurance from the Town because he is able to get to get it cheaper. The budget does not include the Cascade system. A grant will be applied for. It will be an added expense of \$109,000.

Mayor McDermon asked if the Fire Department is at full staff.

Chief Soward said there is one opening he is interviewing for next week.

Finance Officer Elliott said the Gas, Tires and Oil line item increased by 10% for both Fire and Police.

Alderman Grant asked if we could use the county fire tax for anything fire related, including the Cascade system.

Finance Officer Elliot responded yes, we can.

Finance Officer Elliott stated there is also a five (5) percent increase built in for Property and Liability insurance. We are waiting on final quotes.

Police Department Chief Younginer stated we are requesting one new truck in the Capital projects. In non-capital line items, we are waiting for a grant response for new Automated external defibrillators (AED). We put in \$30,500. We included \$25,000 for weapons changes. The weapons we have were bought in 2016. There is \$4,500 for radar that will go on the side of the road. The Dues and Subscription line items of \$24,000 includes costs, reporting software, and cameras at north Town entrances. One thing we put in this year is funding to change to the Flock camera system now to integrate with the national crime reporting system. The cameras we have at the entrances are limited in capabilities. If we have a missing person associated with a vehicle or a stolen vehicle, we can add the plate number in there. We had a couple of breaking and entering's that we were able to solve with the cameras, but there is no way to track or look for a vehicle or a tag. There is some controversy about the Flock camera and some people think it is a lot of big brother, but it actually is not. The capabilities are great but we are limited on what data we can collect legally. It is not tracking you every time you come in and out of town.

Alderman Olszewski asked what is in Professional Services?

Chief Younginer replied it is hiring services for the State's required psychological and physical evaluations.

Alderman Leonard asked if he is asking for both a Dodge Charger and a truck, or only a truck. Last year, we bought ahead on the Chargers, correct? Last March we came in with a budget amendment request for three additional chargers.

Chief Younginer responded he is asking only for one truck. He has two Chargers he plans to sell this year. He will hold onto two Chargers to use for travel to training and as a spare for the canine.

Board members discussed concerns about the Flock camera with the following highlights:

Alderman Pletl - I am uncomfortable with the Flock system and I am not sure we need it for our town or that it is a good way to spend taxpayer dollars. Mass surveillance puts the Town in a negative light. If Surf City has it, I do not think we need it. The controversy includes the ACLU and they have really doubled down on saying that it is a mass surveillance system. It allows federal and local law enforcement to access the comings and goings of vehicles even in the smallest of towns. I think it is something that can be done by police patrols with positive police engagement with residents, property owners and visitors. Our police are really great. As far as helping with missing persons, Amber Alerts, and people entering the town and stuff, we have only the two points of entry. I have complete confidence in our police force. I do not know that we need something like Flock.

Manager Derian - We talked about having a policy tied to this as to what we are doing and how long data is stored.

Mayor Pro Tem Benson - I agree with Connie (Alderman Pletl) and want to think about some more before we go this way.

Alderman Leonard - I do not like the optics of it. We have only two entrances. I would rather see officers driving around and engaging with the citizens. This reinforces that the officers are there to give help when needed. I do not see myself supporting this. The Flock website says they are the fix for your crime rate. I do not think we have a crime problem. We have a reputation as a family friendly beach town, not welcome to North Topsail Beach smile for the cameras as you drive by.

Mayor McDermon - I do not think cameras replace officers. This would be useful for amber alerts and breaking and entering. My phone already tracks me. We have to take into consideration all the growth in Sneads Ferry and around us. I do not have an issue with it if it is something that we think would be of benefit, because I am thinking of those situations that hopefully do not occur. We have had no missing children in our town. We have had breaking and entering and theft. It is minimal because we are such a small town with a good-sized police force. I do not think these take the place of each other. I do agree with considering to mull it over. We do not have to make a decision today.

Alderman Olszewski - Have we brought in a vendor like Flock to give a presentation on the benefits? We are in the age of cameras now.

Alderman Grant - Is the county using Flock? Maybe they could place one on the other side of the bridge? There needs to be a wall between the information we are collecting and where it goes for liability concerns.

Chief Younginer - We pride ourselves on keeping crime down because a lot of people here rent their houses, and they are empty. We keep the streets hot by moving around. This is a force multiplier for us. The cost will be about the same as what we are paying. They replace these cameras for free and that is a good thing when they are in a salt environment.

Consensus - Bring this subject back to the next budget work session.

IT Director Schwisow said his operating budget is staying the same except for the capital outlay for new computers and network equipment. The computer equipment we have now was due for replacement last year on a five-year schedule, but we pushed it out for another year, so that we could get some other things done last year. That was the very first year of the IT department. The last computer and network equipment replacement we did was roughly \$100,000. The cost for this year is about \$62,000. This does not include the Police Department's laptops that they acquired a grant for that we got last year. Also, we applied for a cybersecurity grant last year and we were awarded the full amount for \$13,527. That will get applied to some of the Dues and Subscription items like antivirus and email security. New cameras at the Town Park and in Town Hall are in here. For the five-year outlook, he is considering adding fiber internet to all locations using Brightspeed when it is available.

Alderman Olszewski asked if we have looked at leasing computers instead of purchasing them. How many devices do we have?

Director Schwisow said we are leasing now and we pay a significant cost. There are around (70) devices.

Alderman Olszewski Said that is beyond the industry average for one person to maintain that many devices. Her concern is that we are going to do a capital outlay to have one person try to maintain that much equipment. If we look at leasing, again, with HP, Dell, or small business leasing, they will do some of the maintenance, and they will do a replacement. She thinks we need to look at leasing again. That is a lot of equipment to maintain for one person who also is supposed to be doing more strategic work rather than tech work.

Board members discussed the pros and cons of leasing versus purchasing along with how old current IT equipment is.

Administration - Finance Officer Elliott said we have a slight increase here. We also increased our Health Reimbursement Account (HRA) deductible. Last year \$1,500 per employee was approved. We have opened this up to dependents and increased the cost and we are seeing utilization increasing and have heard good feedback about it as well. A lot of the costs are

remaining the same. We do have a slight increase in our vehicle maintenance and repair. And also in advertising as well. We increased our town merchandise expense to purchase new merchandise. Contract services has been increased. This is used for temporary staff or contracted services to fill in for staff.

Governing Body. Finance Officer Elliott stated a lot of these costs are also the same. Aldermen receive \$500 each per month. Town Attorney costs are here also in the professional services line item. We have increased that this year. We have \$45,000 slated for the Carters to keep them on retainer. We left the donations to other agencies blank so you can discuss that.

Alderman Grant stated we have had a number of very complicated legal issues that are more than what a town attorney normally handles. We have talked in general terms about litigation, contracting and things like that. I would ask Alice (Manager Derian) to give a good thought to maybe splitting the town attorney function. We have issues related to contracts, significant contracts, and the beach plan, and all those things coming. If we do not have that stuff done the correct way, it could be a real problem for us. Think about whether we need to increase that.

Alderman Olszewski said we have asked the town attorney to now be present at the planning meetings. We need to make sure the hours are accounted for and that we look at his actuals for last year for an appropriate increase for the increased meeting attendance as well as a percentage, to be conservative.

Manager Derian said she has asked the town attorney for specifics as far as what the dollar amount will be for Planning Board attendance, as well as any potential increase that he would be requesting. She has not received anything but included a buffer in there for planning board and extra legal expenses, because that has been expressed as an interest by the Board to potentially bring in other legal services.

Outside Agency donations - Finance Officer Elliott said last year we accounted for \$2,500 to the Chamber of Commerce, \$1,000 to the Jazz Festival and \$2,500 to the Topsail Island Shoreline Protection Committee (TISPC) beach clean initiative.

1. Chamber - Manager Derian said the Chamber requested a \$3,000 financial commitment this year.

Board members discussed whether to fund the requested \$3,000 to the Chamber.

Consensus - Keep \$2,500 as a placeholder now and discuss further at the next budget work session.

2. TISPC - Manager Derian said there was confusion about the amount the TISPC was requesting due to the way the requested was worded.

Consensus - Mayor Pro Tem Benson to provide a breakdown at the next budget work session.

3. Ocean City Jazz Festival - Manager Derian said we have a request that she briefed the Board on back in December, from Ocean City Jazz Festival. They are requesting that we continue to

provide assistance through Public Works and first responder support, which we have historically done, but in addition, they have asked us to consider different options. As far as sponsorships and levels of sponsorships, they highlighted a variety, such as sponsoring the kickoff party celebrating their 75th anniversary for \$8,000; sponsoring one act per night for three nights for \$19,000 or sponsor half of the cost for the Sunday headliner which is \$7,000. They base their case for support on the longevity of the festival. The Ocean City Jazz Festival has been the main event held in North Topsail Beach over the past 14 years. So number one is longevity of an event for North Topsail Beach. Number two is the growth rate that they have seen since 2009. They now have 600 to 700 attendees per night. Third is the economic impact and the uptick that it provides to rental homes, hotels, RV parks and the surrounding areas. They pointed out about hiring locally; restaurants, grocery stores, food and beverage trucks, shuttle buses, water and power. And last, the positive exposure locally, and state and nationally. North Topsail Beach is included in all of the promotional materials. The Ocean City community is of great historical significance to this town. And it is an honor that this town is incorporated around that area. The Jazz Fest is hugely popular and it is a shining star for North Topsail Beach. We should, of course, consent to continue to provide assistance through Public Works and first responders while looking over the opportunities for financial support from the town. She is not really comfortable providing the maximum request of \$19,000. But neither is she satisfied with the other two options of 7,000 or \$8,000. She thinks donating \$10,000 to the festival to be used however they want to use it would be a good opportunity for us.

Board members discussed funding for the Jazz Festival.

Consensus - Use \$10,000 as a placeholder for now and discuss again at the next budget work session.

E. Review of Capital Projects- Finance Officer Elliott stated we have seven cents currently allocated to this fund. The tax dollar amount remains the same. The General Fund amount stays the same. And in lieu of just projecting a figure we carried over the same number we received the previous year for the Onslow County Fire tax. Again, just reiterating, it is three cents of the county's collectibles that are then allocated back to the town for fire purposes. We receive that in July for the year previous. Currently we have 1.5 million slated for revenues. A new line item was created for a new capital project for the fire department. The \$584,000 figure is our year one of debt service for the fire station. There is \$100,000 budgeted for the bike path project.

F. Review of Beach Fund - Finance Officer Elliot said ten (10) cents of the forty-three (43) cents tax is allocated to this fund, which has a little over a million dollars. The General Fund does not balance so you can see what numbers you have to work with. We have done a five percent (5%) increase on the accommodation tax. Ad valorem tax is currently staying the same. We did increase the interest here as well, along the lines of increasing it within the General Fund. We have it split between the General Fund and Fund 30 (Beach). We did a ten percent (10%) increase for the Sales and Use tax again. We kept the parking revenues the same as last year.

G. Lunch break - Mayor McDermon called for a break at 11:37 am
Return - Mayor McDermon resumed the meeting at 12:03 pm.

H. Discussion on prioritization of needs versus available funds and goals

Mayor McDermon - I added this item to make sure that the Board's vision of goals and what we want to accomplish this year matches up with what our budget is tracking towards. And from what I have heard I did not hear anything different. I want to go through what I think is important and then we all can weigh in. I want to make sure we budget to continue moving forward with the beach plan that Chris Gibson (engineer) outlined. For us, I think that is our best option at getting sand everywhere on the beach. Alice (manager) had mentioned the bike lane and where we are with that, and I know that is a constant push. I appreciate you continuing to follow up because at this point, we just do not even know if we can do it or not yet. We still need the camera feedback to know if we can do a little bit or a lot. But I think that that is a priority to at least know what we can and cannot do. No tax increase. We talked about this last year. We certainly want to try and make sure that everything that we have outlined fits in with our existing fund allocation. The fire station certainly has started and I cannot wait to see that actually break ground, because that is really exciting for us. And the last thing I had, and I know it is on our capital needs outline for the next five years. We have not really talked about it much. I do not know if there is a way to work it in somewhere. But we really need to budget for offsite land for an Emergency Operations Center (EOC). And we have talked about it, we have some opportunities, we have had other things that have jumped up that have been critical in nature. So I know we did not talk about that much today. I would like to kind of keep that in the back of our head as we move through this budget process. Because if we do have a big storm, you know, we are kind of stuck with the middle school, or whoever will fit us in. And I know you have a plan for where we can go. But it would be nice for it to be ours. I was thinking we could go around the room.

Alderman Pletl - I had a lot to say and you covered most of it. Cutting out everything you said, my goal for this upcoming budget as with every budget, is to be a good steward of the taxpayers money and not raise taxes this year. We talked about it last year, and we are really in these hard economic times. We are really being very conscientious. My priorities, in addition to what you said are the beach, public safety, town services and good environmental practices, which I really appreciate what this Town has been doing. Make sure that environmentally we are doing well. When it comes to budgets, there are always wants and needs. And although the line between the two is sometimes blurred, we must take care of the needs and delay many of the wants. The economy has not been kind to a lot of people and they are feeling the hurt financially every time they go to the grocery store, put gas in their vehicles, pay their bills, and on and on. I am really pleased with this budget meeting so far. I think we are doing well. I think we are not taking too long either.

Alderman Leonard - I have just a few things to add and reinforce; one which is no tax increase, ensure the best use of our taxpayers' funds again for the reason about the economy as stated and you know from a personal perspective, every one of my insurance policies that I have in North Carolina for houses and cars went up twenty percent (20%). On this past renewal, with the exception of the National Flood Insurance Plan (NFIP). I want to ensure the best use of our taxpayers' money. And I will just leave it at that.

Mayor Pro Tem Benson - I support no tax increase. I am really excited that the Board has begun the path towards the beach plan that we approved for the permitting. We are on the way now. I think that in just a few years' time, we are going to be very excited and happy with what we have accomplished. One thing I wondered about, back in the day, when we were talking about the public safety building, down with the south fire station, is having the police there. I am wondering if we need to expand Town Hall for additional police facilities. I do not know where, but I think we should be thinking about that. The other thing I want to bring up is every day those of us that live up from New River Inlet Road, particularly in the summer, see the traffic, which is great, because they are visitors taking advantage of our beautiful beaches. We see people walking and jogging along the road. We have a plan to expand the bike lanes on New River Inlet Road, which is fine for bikes but it does not accommodate walkers, joggers, or baby joggers. We need to go back and revisit the multi-use path from 2016. I know there was a lot of controversy when we talked about it back a few years ago. But as we have more and more visitors using it in the summer, I really think that at some point, we are going to have to think about the multi-use path for the safety of our visitors. We have the draft plans that we had paid for as a town. I think the problem was the expense of it. And then the challenge also with some of the right of way. There was some opposition and challenges to it, but I am not opposed to revisiting it. We have some new members on the Board now.

Alderman Grant - I would like to thank staff for putting together the budget up to this point so that we could review it. I am definitely against any tax increase. I do think we need to continue to look at life safety issues; certainly fire, police and those budgets and see if there any other additions or improvements we can make there. I do consider the crosswalks and the beach walkovers as part of our life safety issues that need to be addressed. And the increase to the Jazz Festival. I am definitely in support of that. I would like to see the Board consider a line item for land acquisition for the Town to be able to purchase additional land on and off the island, one for the Emergency Operations Center but also for us to expand parks and recreation on the island and pick up any additional lots or land that we could use on the island. I think we actually need to take it a little bit forward beyond just saying we do not want a tax increase. The only way we are going to be able to do that with rising costs and stuff is to be fiscally prudent in how we are doing things, which means building up those fund balances and not thinking that we are going to borrow on everything else. And I think making sure that we have the money so that we do not get to a point like we did, Mike, with the fire station and wait to get things done. We end up spending more money. So I think that is a big thing. I think the other thing that we ought to really be focusing on, and I think that she (manager) has done a great job with this, but I think it needs to be expanded on, is grants. Every time I go to a county meeting, they have gotten another grant for something. Now, the problem with that is a \$20,000 grant that takes forty-six (46) hours to write it up and has a matching fund is not worth chasing. You know, I think that if we are looking at a fire truck, we need to see if there is a grant out there without flooding the manager or us with a whole bunch of hey, here are things to research. I think that should be a real focus of ours, because every dollar we bring in as a grant is a dollar we do not have to spend and if you look at what Chris (Gibson) presented to us, a lot of that relates to bringing in that third party money. I think that we ought to be looking at if we have decided we are going to buy something, is it better to lease it? Is it a better deal to us? Fiscal responsibility. I think we have come such a long way in a couple of years. I thought this was a very productive meeting.

Adjournment

Motion – Alderman Leonard motioned to adjourn at 12 :15 pm; seconded by Alderman Pletl; unanimously approved.

Joann McDermon, Mayor

ATTEST: _____
Nancy Avery, Interim To