

Board of Aldermen Budget Work Session  
Wednesday, March 13, 2024  
**MINUTES**

The Town of North Topsail Beach Board of Aldermen held a budget work session on March 13, 2024. A quorum of the board was present. The Town Attorney was not in attendance.

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

Board members absent: None

Staff present: Town Manager Alice Derian, IT Director Ricky Schwisow, Police Chief William Younginer, Fire Chief Chad Soward, Finance Officer Jessica Helms and Caitlin Elliott, interim Town Clerk Nancy Avery

Call to Order

Mayor McDermon called the meeting to order at 8:30 am.

Approval of agenda

Motion – Alderman Olszewski motioned to adopt the agenda; seconded by Alderman Leonard; unanimously approved.

Presentation

Flock Automatic License Plate Readers

Representative Hector stated that Flock is a public safety technology company founded in Atlanta, Georgia, in 2017. Our Chief Executive Officer (CEO) and his neighbors were seeing a real uptick in crime such as home and car break ins in his neighborhood. Like many of you, they had video camera footage, or ring camera surveillance and went to law enforcement in the hope that these crimes would get solved. Unfortunately, the feedback that they received from their local law enforcement was that they needed a license plate in order to find the people behind these events. Our CEO started doing an extensive amount of research and found out that license plate readers had been around since the 1970s and were still extremely expensive, tens of thousands of dollars per camera, and that mostly cities were the ones purchasing them. He also found that many of the legacy providers were sharing data with third party companies. That is when Flock Automatic License Plate readers came into existence. Our cameras are \$3,000 per year, but that includes all of the maintenance and upkeep as well as the access to the software. The technology itself provides your Police Department with an image of the back of the vehicle, vehicle characteristics and the license plate. It does not provide facial recognition or traffic enforcement. Your Police Department will receive real time alerts through National Crime Information Center (NCIC) or Amber Alert about stolen vehicles as well as missing persons. It is important to talk a lot about what this is not. There is no personal identifiable information. It does not have any Department of Motor Vehicles (DMV) records or third-party databases. We solely provide your law enforcement with leads on vehicles that are known to be wanted, or that

match a description of what you are looking for. The data is not stored beyond 30 days. We have seen this to be enough time for police department to investigate a crime, even if it is not reported right away. This software also protects privacy rights, so the 30 days is kind of that sweet spot that we have seen as far as protecting privacy. All of the footage will be owned by your agency, by the city and will never be sold or shared by Flock. Only your agency can share the information within the system for legal law enforcement purposes. All of the data is stored in an AWS government cloud, Amazon, or web server. It is end to end encrypted. The system requires a search reason to use and that is usually established through your policy, such as a case number. This cannot be used for traffic enforcement or the like. Something unique for Flock is our transparency portal. This is something that we created so that any resident can look up your department's policy, who they are sharing it with, in real time. We have created a web page for your department that you can put on your city website or social media. Flock provides real time alerts within 20 seconds when a stolen vehicle enters your community. There are many cities in North Carolina already using this technology. One success story in your area is from Roanoke Rapids, North Carolina. An officer received an alert that a vehicle stolen out of Northampton County had been detected and nearby offices initiated a traffic stop. They detained three occupants, searched the vehicle, and it yielded some firearms and drug paraphernalia. Raleigh started using its first 25 cameras in June of 2022. In only six months, they had arrested over 40 different suspects using the Flock cameras.

#### *Questions for Flock*

Alderman Olszewski - Where are your servers held? And where are your redundant servers held? Have you ever been hacked? What is the SLA for downtime?

Hector replied that our servers are Amazon web servers east, so they are mainly completely within the United States. I can find out the information on redundancies. This is the gold standard as far as hosting this type of information and is the same type of servers used by government agencies such as the CIA, and FBI, for example. We have never been hacked. The SLA is a technician who will contact you within 48 hours.

Alderman Grant – I am a little bit lost on the data sharing. Because if on the one hand you said there is no data sharing, and yet the example you put up there said that something happened in Georgia, but the person was apprehended in Alabama. So, by definition you would have had to have information for Georgia to be able to get somebody in Alabama. If you are not sharing data, are you saying you just access a national database? You access it, but you do not share it? Because in that case, the people must have been sharing it with you, right?

Hector replied that your department owns its data so they can share information with other law enforcement. For example, in that case, that was an Amber Alert, but they were able to search the cameras in their area in the vicinity to find that suspect vehicle.

Mayor Pro Tem Benson said we have a lot of miles of thoroughfare and if the cameras spot a license plate that is a suspect vehicle, does it give the direction of travel and the estimated speed of travel? How does local law enforcement actually find that vehicle?

Hector said as the cameras are placed to look at the rear of vehicles, every image is basically tagged to a direction. A police department may have several cameras on one road and would be able to estimate the location of the vehicles.

#### A. Continue discussion on replacement of cameras in Police Department

Police Chief Younginer said we had a success story here. Day before yesterday, there was an attempted murder in Sneads Ferry. Onslow County Sheriff's Office put that out yesterday. We could have put that data into this system and watched it happen if it came through here. The vehicle went to Chadwick Acres where they have a Flock camera. Chadwick Acres let the Sheriff's Department access their data and the Sheriff was able to get the vehicle and a suspect from the data. That data was shared, and we all looked for the vehicle and found it in Holly Ridge. HOAs are purchasing Flock cameras too.

Mayor McDermon - One of my concerns is the 30-day retention, because we all know somebody is not going to go for their final trial within 30 days. Are you able to download and keep that data?

Chief Younginer said yes, we can download it to our body cam software and send it to the District Attorney's (DA) office that way.

Mayor Pro Tem Benson – Do you do traffic counts in the summer season to know how many vehicles we have coming with vacation visitors and so forth. My concern is that we have people coming from other states, such as Maryland, Ohio or Pennsylvania and we do not want to put out the message that we are going to check your license plate. If a driver's license has expired in say Maryland, are you guys going to check that?

Chief Younginer said the ones that we done have been through the Department of Transportation (DOT). The new radar camera that I asked for will do a count and speed and we can use some of that data to tell you what is happening in certain neighborhoods. I guess maybe 30,000 vehicles in the summer season. Flock cameras do not provide any DMV data, only stolen vehicles We can put in a vehicle like last year when we had a red truck stealing wood. We did it with the camera we had, but it took us weeks.

Mayor McDermon - I do not think we are broadcasting that fact, because we have cameras now. It is really just if the Board decides to agree with the change in the provider or not.

Alderman Leonard - It is different. Our cameras are different than what is out there now. There is plenty of data out there and plenty of information on the web and articles and municipalities are now thinking twice and removing their Flock cameras. I am not going to vote on a budget that has Flock cameras in it.

Mayor McDermon to Town Manager Derian – Have you had a chance to talk with Attorney Edes at all, does he have an opinion?

Manager Derian stated the attorney said legally there is nothing that would prohibit you from doing this. The only thing that I recommend is looking at a policy, which I thought the vendor was going to do.

Chief Younginer said we have already put a policy together.

Alderman Olszewski said there is personally identifiable data. The fact that you can look up a registration license plate number sets us up for liability. I am not in favor of this system.

Alderman Pletl - I also am not in favor. The example that was given to us by the sales representative was Raleigh. They had 40 suspects, and their population is over 480,000. Our population is just barely over 1,000. So, if they got 40, are we going to get one? I just think at this time, it is not a good use of the taxpayer's money.

Mayor McDermon – Chief, are we going to need to do something with the cameras even if we do not go to Flock? If so, what is the cost?

Chief Younginer – We will most likely keep what we have and work with Ricky (IT) to use the other cameras in town.

Alderman Olszewski – Do you have the cost for additional cameras like what we have and what is the replacement cycle for existing cameras?

Chief Younginer - I did not put that together because we will just keep what we have.

Mayor McDermon asked the Clerk to take a roll call vote on switching to Flock cameras.

Alderman Pletl	no
Mayor Pro Tem Benson	no
Alderman Leonard	no
Alderman Olszewski	no
Alderman Grant	no

**Consensus** – Do not include funding in the budget for Automatic License Plate Reader cameras.

#### B. Recap of Draft FY 24-25 budget

Manager Derian stated the draft budget we are going through this morning has been amended since the first budget meeting in February to include the recommended employee package cost.

Noteworthy changes include:

- Updated salary figures
- Insurance increase
- Funding for a town wide compensation study
- Additional funding for legal fees
- Funding for the fire cascade system

- Funding placeholders for the Board of Aldermen for the allocations such as for the Ocean City Jazz Festival
- An increase in revenue based on the projected county levy that we have since received since the last budget meeting

Since the last meeting, we have included a proposed 4% increase in salaries across all departments. This is comprised of a 4% cost of living adjustment.

We have not received the increase for insurance costs from our provider yet who is Cigna. And we typically do not receive this information until the end of our budget process. We have included a 5% increase for this insurance. Historically, we have seen a 2 to 3% increase.

The employees benefit package includes health insurance for employees and includes the short-term disability coverage which was approved last year, and we kept the HRA at \$1,500 per employee with continued availability to use for dependents.

In an effort to ensure that we are operating effectively along with ensuring that we continue to be competitive within our identified market, which is local government, I intend on engaging a consultant to complete a town wide compensation study. The study will set staff compensation along with looking into the structure of our compensation. Historically, the town has looked at compensation using a salary range or grade structure for budgeting individual positions. One thing we may consider is transitioning away from longevity-based systems in favor of a pay for performance system. The goal is to attract and retain quality employees by rewarding productivity in lieu of the traditional base pay increase and design a useful appraisal system. It is not just a basic compensation study but will look at everything as a package.

The difference in this draft budget from the one we went over in February is an increase of \$189,322 in revenues based on the projected Onslow County tax levy, and an increase of \$429,228 in expenditures. There is \$278,625.34 surplus in the General Fund.

The first item is the Governing Board with a 25.87% increase. This primarily reflects the change in the increase request for legal fees that the Board has been discussing.

In Administration, the increase is for contracted services, including the compensation study that we just talked about. The full time Code Enforcement position was moved into administration.

There is a bit of a decrease on the planning side. It reflects the increase for new computers, and we will have more information on that as we proceed today.

Public Buildings include the costs for Town Hall erosion and up-fitting office space. We talked about that at the last meeting. Town Hall is being assessed for some erosion that has been identified. We have accounted for a potential \$100,000 in necessary repairs and creation of additional office spaces in Town Hall. Some of the offices are very large and can be made into two offices.

Police includes increases for salaries, new weapons and Automated External Defibrillators (AED).

Public Works Streets include the sweeper, the crack sealer and crosswalks that we went over.

Recreation reflects a big increase for extensive repairs to the boardwalks, such as Peters Park, for example, kayak launches that we discussed at the last meeting.

Fire reflects the increase for salaries and the Cascade system.

The draft budget maintains the existing tax rate without any proposed increase.

It currently shows the contingency of \$270,625.34, which is lower than the 23-24 budget.

The Town continues to boast a very healthy fund balance. The Local Government Commission recommends maintaining at least 8% in undesignated General Fund balance. Our last audit reflected 117%. This type of buffer is crucial and critical especially in our environmentally sensitive area to respond to and recover from emergencies.

#### C. Finalize funding amount for Ocean City Jazz Festival

Finance Officer Elliott said we had a \$10,000 place holder for funding to the Ocean City Jazz Festival. My question is what is the consensus from the Board? Do we want to remain at \$10,000?

**Consensus** – Fund Ocean City Jazz Festival \$10,000

#### D. Finalize funding amount for Chamber of Commerce

Finance Officer Elliott stated the Chamber requested \$3,000. A placeholder of \$2,500 was decided on at the last meeting.

**Consensus** – Fund Chamber of Commerce \$2,500

#### E. Finalize funding amount for Topsail Island Shoreline Protection Committee (TISPC)

Mayor Pro Tem Benson said the request of \$217,797.86 from TISPC included \$30,000 for the Beach Clean initiative which includes beach signage, merchandise, and informational placards for rental units. Several reasons were presented that negate the approval of \$30,000 line item in the overall TISPC budget request. He recommended that we decrease the \$30,000 line item by \$10,000 which would be our share as one of three towns providing funds to TISPC.

**Consensus** – Approve the requested TISPC budget minus \$10,000 for the Beach Clean initiative.

F. Decision on whether to continue mosquito spraying as a service

After a discussion on the optics, use of materials, whether it should be done on private streets, chemicals used, name of the line item and so forth, the Board reached a consensus on funding.

**Consensus** – keep the line item for mosquito spraying and fund \$3,000

G. Estimated costs for three existing pedestrian crosswalks

Public Works Superintendent Cablay stated \$75,000 is in the proposed fiscal year 24-25 budget to improve three existing crosswalks at:

- 790 New River Inlet Road – Villa Capriana
- 465 New River Inlet Road – Richard Peters Park/ County beach access # 4
- 4021 Island Drive - Roger's Bay/beach access # 31

He proposed three options for consideration by the Board as:

A. Cost \$15,000 each for labor and materials

- Two solar powered flashing LED pedestrian signs placed at the crosswalk location – one in each direction.
- Two pedestrian manually actuated push button pedestals – one on each side of crosswalk.
- Two reflectorized thermo-plastic “Ped Xing” stencils – one for each direction

B. Cost \$20,000 each for labor and materials

- One solar powered overhead streetlight placed on either side of crosswalk.
- Two advanced pedestrian crossing signs one for each direction placed 150 feet ahead of LED signs.
- Two solar powered flashing LED pedestrian signs placed at the crosswalk location – one in each direction.
- Two pedestrian manually actuated push button pedestals – one on each side of crosswalk.
- Two reflectorized thermo-plastic “Ped Xing” stencils – one for each direction

C. Cost \$2,000 each

- As is with enhanced stenciling. DOT will freshen it up.

The Board discussed the options and type of road at each location, whether flashing lights will really make people stop, whether each of three locations needs the same improvement, whether DOT replaces what the Town does when resurfacing the road, whether more improvement is needed where there is a curve in the road with poorer visibility.

**Consensus** – Reduce the budgeted amount from \$75,000 to \$40,000:

- Use Option B at 790 New River Inlet Road – Villa Capriana (\$20,000)
- Use Option C at 465 New River Inlet Road – Richard Peters Park/ County beach access # 4 (\$2,000)
- Use Option C at 4021 Island Drive - Roger's Bay/beach access # 31 (\$2,000)

- Use Option C at the two other existing crosswalks (\$2,000 x 2 = \$4,000)
- Include \$12,000 to be used for four (4) possible new crosswalks at \$3,000 each

#### H. New additional crosswalks

**Consensus** – Have Jacksonville Urban Metropolitan Planning Organization (JUMPO) do a study and provide a recommendation for location of new crosswalks.

#### I. Leasing versus purchasing computers

Town Manager Derian said at the last meeting there was request for clarification of cost for leasing new computers versus purchasing them.

IT Director Schwisow stated he received lease pricing through Dell financial services. The lease total will be \$78,405 over five years as opposed to the \$62,000 proposed in the capital outlay line-item to purchase computers, so that adds an extra \$16,000 over the course of five years just to lease the computers.

Alderman Olszewski asked if that includes maintenance and equipment replacement during the lease. What is our depreciation schedule?

IT Director Schwisow said no, it does not include that. The warranty is applied to each individual computer as you can pick and choose. If the manager wanted a five-year warranty and someone else needed a three-year warranty, that is factored into the overall cost of the lease. We will have a warranty on each computer whether we lease it or buy it. Our depreciation schedule is five years.

Alderman Grant said they are financing at 6%. Laura's (Olszewski) point before was that it is not about the cost of things and how we are financing them, but about the service that we are getting. Is that right?

Alderman Olszewski said that is correct.

IT Director Schwisow said we get a warranty on each computer regardless of whether we lease it or buy it.

Alderman Olszewski asked if that is on site service?

IT Director Schwisow stated typically it is on site service for them to come and replace hardware, not software, but that does not change whether you buy or lease.

Alderman Olszewski said the difference she is looking at is where we are taking the costs, capital equipment or operating budget. The advantage with leasing is it comes out of operating cost. She asked that they look at that with accounting and see what the better option is.

After discussing pros and cons of leasing versus purchasing, the Board reached  
**Consensus** – Move forward with purchasing new computers as in the proposed budget

IT Director Schwisow said to your previous questions about cameras. The proposal is for eight cameras at Town Hall; some in the boardroom, one in the lobby, two on the side doors on each side of the building and then covering the parking lot.

Alderman Pletl asked what other cameras we have in town. Do we have any coming into town?

IT Director Schwisow said we have cameras at the Fire Department and Public Works building. We have proposed ones for the town park and the ones coming into town are just for law enforcement and are not tied into the others.

#### J. Uniform policy

Manager Derian said another item that came up last week was a question on uniform policies. Each Department Head will speak on the current policy on how we purchase or replace uniforms.

Fire Chief Soward said our policy for replacing is dependent on the call. If it is a medical call and they are contaminated with bodily fluids or they are working on a truck and they tear their uniforms, they get instant replacement. Our boot policy is to allow \$100 a year. We supply Tee shirts, long sleeve shirts, job shirts, pants, and turnout gear and firefighting gear. We issue two sets of turnout gear. There are companies now that can decontaminate gear, so we are not having to eat the cost of a new set of gear.

Police Chief Younginer stated we give each officer three long sleeve shirts, four short sleeve shirts, five sets of pants, one coat, one pair of boots, and a raincoat. We also have outer vests, gizmo holders, hats, and patches. If a uniform is contaminated during an EMS call, we replace it.

Public Works Superintendent Cablay said our policy is OSHA compliant. Annually they get steel toed boots. We do our own laundry. We give them six shirts, long sleeve and short sleeve, and three different styles of pants for the seasons. We supply caps and hard hats.

Mayor Pro Tem Benson said he thinks the Board should have uniforms. A long sleeve and short sleeve shirt with our new logo on it for when we go to Board meetings and when we represent the Town.

Finance Officer Elliott said we allocated money for this fiscal year for that.

#### K. Police weapons

Alderman Olszewski asked Chief Younginer to explain the weapon replacement policy and what you are doing with that in your request. What were you asking for with sights? How often are officers going to the range to practice? Do we have anybody that is National Rifle Association (NRA-RO) certified? How many times have our officers in the last year had to pull weapons? Do

you have a count on that? Has any officer on staff fired their weapon in the last year? Is there a difference in cost without the sites?

Chief Younginer said these weapons were purchased in 2016 or so. Every six to eight years we start looking at changing them out. We use Glocks and do a trade in through them. On the ammo, we will be changing from a 45 to a 9-millimeter. We have a vendor that will change it out box to box. The whole package was all together with the Glock seventeens with holsters and red dot sights, which is a feature on the back of the weapon that has a picture window for the officer to look through. That is a new thing. We have to range shoot once a year, but we go out once monthly. Our officers are certified by the state, which is more enhanced program. He does not have a count on how often officers pull a weapon, but it is infrequent. We have not had a discharge this year. Most officers will go through their entire career without discharging. The difference in a weapon without sight is about \$200 less.

Alderman Leonard asked the cost of the weapon and how many weapons are we buying? How many officers do we have now? What kind of trade in is Glock giving us? Do we have a ballpark round count for these weapons as they have been used mainly at the range.

Chief Younginer said the cost is about \$500 a piece and we are buying fourteen. We have thirteen officers; five part time and spares. All part time officers do not keep a weapon. We are at 100% for staffing. We do not know the credit from Glock yet, but it is usually between \$180 – \$350. The blue line price for the 45s is less than \$500. Round count is probably 5,000.

Alderman Grant said he assumes that when you change one, you have to change them all for standardization.

#### Police Vehicles

Alderman Leonard asked to go back through why we are buying another another vehicle this year. The minutes from the March meeting last year specifically state we were told that if we bought the extra cars last year, we would not have to buy a car this year.

Chief Younginer said we replaced a Charger. We are on a five-year rotation on vehicles. We have two Dodge Chargers that we will get rid of this year, and we are buying one truck.

Finance Officer Elliot stated last year the Police Department had two trucks and two Chargers. During Covid, they forwent any purchases of vehicles for cost savings. The next fiscal year, they had two vehicles. Last fiscal year, there was an amendment for the two Chargers because we had the opportunity to get them before they were gone and the two trucks. Then this year, we had one vehicle and the truck they just purchased.

Mayor McDermon said to clarify, you are getting rid or selling two Chargers and purchasing one truck. What is the cost difference between the resale of the two Chargers and the purchase of the truck?

Chief Younginer said the trucks are about \$48,000. They do not make the Chargers anymore. The trucks are working out better for us. We sold the last Chargers for about \$7,000 each.

Alderman Grant said the budget shows \$62,000.

Chief Younginer said the truck net is \$48,000 and then it costs about \$12,000 to upfit it for what we need.

Alderman Olszewski asked how long we have had in place a five-year replacement policy. I do not understand why as a lot of cars are getting 150,000 miles.

Chief Younginer said it was in place when he started in 2018. It is a lot rougher on a police car. There is a lot of idle time and when they start getting 100,000 miles they require a lot of maintenance.

Alderman Leonard asked how many cars we have today.

Chief Younginer said he does not have that number but thinks they have about 21 total vehicles with 13 of those police cars, two Rangers for beach use, two side by sides and some older Crown Vics used for training travel.

Break – Mayor McDermon called for a 15-minute break at 10:51 am.  
Mayor McDermon resumed the meeting at 11:07 am.

Alderman Olszewski asked what is the radius that a Police Officer can take home a police car? Do we have GPS trackers on our cars to know where they are? Are our cars allowed to be used for personal use?

Chief Younginer replied 30 miles. We do not have GPS but there is dispatch software that tracks the car.

Alderman Grant asked if an officer is on vacation, does the police car stay at his/her home?

Chief Younginer responded if they are on regular vacation, yes. If it is for an extended time, the car will stay here. We do not allow personal use of police cars.

#### Five Year Outlook

Finance Officer Elliott reviewed the Capital Improvement summary with these highlights:

- Added \$20,000 for an engineer assessment for rebuild of the Public Works project in the next 2 to 3 years
- Plugged in \$3,000,000 for the bike path project in the following fiscal year – the number we just verbally received from DOT
- Fire Department ladder truck is in the latter part of the five-year plan

The Board discussed pushing out the expansion of the Police Department. Manager Derian asked for a consensus on whether there is a desire to include police in the rebuilding of the Public Works building.

**Consensus** –unanimous vote to not include police in the rebuilding of the Public Works building project. Police will be located at the Town Hall facility.

**Consensus** – Leave Five Year forecast as presented.

**Adjournment**

Alderman Leonard motioned to adjourn at 11:48 pm; seconded by Mayor Pro Tem Benson; unanimously approved.

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Joann McDermon, Mayor

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ATTEST: Nancy Avery, Interim Town Clerk