

Town of Swansboro
Board of Commissioners
February 11, 2026, Special Meeting Minutes

In attendance: Mayor William Justice, Mayor Pro Tem Jeffrey Conaway, Commissioner Douglas Eckendorf, Commissioner Tamara Pieratti, Commissioner Tim Vannoy, and Commissioner Wayne Herbert.

Call to Order

The meeting was called to order at 9:00 am and Mayor Justice led the Pledge of Allegiance. The purpose of the meeting was discussion and direction of the FY 25/26 year end projections and FY 26/27 budget requests.

Town Manager Jon Barlow explained that the budget workshop marked the initial review of the proposed FY 26/27 budget, the first step in a four-to-five-month process leading up to a public hearing in June. He emphasized that the budget was the town’s most important annual policy document, serving as a roadmap for operations, and noted that developing it responsibly required a clear understanding of the town’s current financial condition through a mid-year budget review. Manager Barlow highlighted the importance of closely examining revenues and expenditures—particularly tax and sales tax revenues, the town’s largest funding sources—and stressed that limited revenues make it essential for commissioners to prioritize projects and focus on what was feasible in order to achieve a balanced budget.

Finance Director Sonia Johnson provided an overview of the town’s major revenue sources, emphasizing a conservative approach to budgeting due to timing uncertainties in ad valorem tax collections, the lack of county revaluation estimates, and variability in revenues such as sales tax and utility franchise tax. She relied on prior budget figures and early guidance from the North Carolina League of Municipalities, intentionally budgeting below projected increases to avoid future shortfalls. Sonia explained that a slight decrease in tax revenue projections reflected this caution, while spikes in utility franchise tax and building and inspection revenues were driven by weather impacts and a one-time Walmart renovation fee, with some additional Wawa related revenue anticipated. She also outlined state requirements restricting building permit revenues to permitting operations only, reviewed occupancy tax distributions to the Swansboro TDA after administrative fees, and noted relatively stable Powell Bill funding.

Finance Director Johnson reviewed the town’s fund balance position, highlighting a decline in unrestricted fund balance resulting from its use in the prior fiscal year. She emphasized the need to be cautious with future budget amendments and projects, encouraging the use of available resources before relying on fund balance. As part of the review, she discussed a five-year trend analysis showing fund balance levels increasing in earlier years before beginning to decline, and explained the fund balance

classifications, including restricted funds (such as grants, debt proceeds, and Powell Bill funds), assigned fund balance for planned initiatives like pickleball courts and Project Coffee, and unassigned fund balance available for general purposes. She also referenced the town's fund balance policy adopted January 14, 2025, which required maintaining fund balance at 50% of expenditures, noting that the town remained in compliance at 56% as of June 30, 2025.

Finance Director Johnson also reviewed current-year financial performance, highlighting a one-time fifteen percent reduction in Blue Cross Blue Shield health insurance costs due to a credit following the North Carolina League of Municipalities' exit from the insurance program. Grant-funded police vehicles and sidewalk construction were included in the budget, though the sidewalk project and the \$250,000 Project Coffee initiative were not expected to proceed. Through December 31, 2025, revised budget figures projected revenues of \$6,145,578 and expenditures of \$6,517,345, resulting in a projected deficit of \$371,767; however, assigned fund balance and budget amendments totaling \$848,000 could allow approximately \$473,000 to return to fund balance. Additionally, she identified unfunded items that may reappear for consideration, included the fire apparatus set-aside, capital outlay requests, and previously requested but unapproved personnel positions.

Manager Barlow reviewed a reorganization of the Public Works Department, now renamed Public Services. Following the departure of the Public Works Director, the department was restructured to create two crew leader positions: one for public works operations and one for utilities (enterprise funds including solid waste and storm water). Three staff members - Ryan Smith, Kyle Littleton, and Justin - were promoted to leadership roles with updated job descriptions and pay increases. The reorganization aimed to provide professional development opportunities and improve service delivery while maintaining the department's eight-person staffing level. Manager Barlow confirmed that the Public Works Director position would be retained and funded, with hopes of filling it in the near future while he continued to oversee the department temporarily.

Department heads then reviewed their respective departmental budgets, and the PowerPoint presentations reviewed during the meeting are attached hereto:

Fire Department:

Fire Chief Jacob Randall reviewed the Fire Department's 2025 operations, reporting 1,474 calls for service and noting increased mutual aid activity, incident overlap, and missed calls. He highlighted key accomplishments in training, certifications, and professional development, including a revenue-generating partnership with Coastal Carolina Community College, and noted continued preparation for the fall 2026 ISO inspection. Administrative improvements and community safety initiatives were summarized alongside ongoing challenges related to staffing impacts, extended EMS response times,

aging apparatus, and funding constraints. Chief Randall concluded by outlining future priorities, planned apparatus replacement, and considerations related to the long-term sustainability of EMS services pending county guidance.

Chief Randall also reviewed Emergency Management activities, highlighted significant weather events including winter storms, an unnamed nor'easter that resulted in cancellation of the Mullet Festival, offshore impacts from Hurricane Aaron, and Tropical Storm Chantel. He reported continued participation in county and regional planning efforts, including active shooter preparedness and the southeastern regional hazard mitigation plan. Challenges discussed included uncertainty related to FEMA programs, limited grant availability, and increasing hazard risks, while future priorities focused on grant pursuit, capital and equipment readiness planning, continuity of operations planning, and expanded staff training. Grant opportunities were outlined, including DSIP funding for the public safety building, water supply enhancement projects, stormwater improvements, and emergency services equipment grants, with emphasis on a potential hydrant expansion project that could improve coverage for approximately 152 properties.

In response to inquiries, Chief Randall clarified the following:

- Additional staffing or implementation of a paramedic program could have prevented some missed incidents; however, eliminating missed incidents entirely would require two fire companies in service at all times.
- The new fire engine was expected to be delivered in summer 2026, with the ladder truck planned for acquisition in the 2027–2028 budget cycle.
- The EMS program remains viable but was pending completion of the county fire plan and identification of a sustainable funding mechanism.

Parks & Recreation Department

Parks and Recreation Assistant Director Sara Elliott reported on departmental accomplishments, including growth in special events and toddler programs, successful Parks and Recreation Month initiatives, and strong interdepartmental collaboration through town's first Safety Town program and the National Night Out event. She noted ongoing staffing challenges that prevented summer camp programming due to uncompetitive wages, along with aging facilities requiring increased maintenance, particularly playgrounds and the Splash Pad. Assistant Director Elliott also discussed plans to address growing pickleball demand through construction of regulation courts estimated at \$400,000, with grant opportunities being explored to support the project.

In response to inquiries from the board, Assistant Director Elliott clarified the following:

- Summer camps were not offered due to staffing shortages, driven largely by uncompetitive pay rates. She noted that surrounding jurisdictions, including Onslow County, offer significantly higher wages for comparable seasonal positions, making recruitment difficult. Ongoing difficulties in hiring and

retaining part-time staff continue to impact program offerings and event operations, particularly during peak seasons.

- Pickleball project had not yet been finalized or approved. She explained that the board still needs to determine whether to proceed with converting the existing skate park or constructing new regulation courts. Converting the skate park would only allow for three pickleball courts, which would not meet current or projected demand. Constructing new regulation courts would allow for six courts and better accommodate community use and potential tournaments. Estimated cost for six regulation courts were approximately \$400,000, which included stormwater permitting, court construction, fencing, and amenities, and that grant funding opportunities are being explored to offset costs.
- Aging playground equipment, particularly the tot lot, were the most urgent replacement need due to parts no longer being available. She also noted ongoing maintenance challenges with the Splash Pad and other facilities.

Planning Department

Planner Rebecca Brehmer reviewed current commercial development projects, and various subdivision projects as well as daily operations in the planning department and its role in serving advisory boards and reviewing permits for compliance with UDO standards.

Additionally, she provided an overview of potential updates to the town's land use plan, explaining that plans were generally updated every five to ten years to remain relevant, effective, and accountable. She noted that Swansboro's 2009 CAMA Land Use Plan underwent a major revision in 2019 and a minor revision in 2023, and that given recent growth and changing development conditions, an additional update may be appropriate to consider. Planner Brehmer also reviewed cost estimates from consulting firms, which varied widely depending on the scope of work, with update-only estimates ranging from \$20,000 to \$70,000 and full rewrite estimates ranging from \$70,000 to \$117,000.

Commissioners expressed concerns about updates to the Land Use Plan due to possible changes at the state level that could impact Extraterritorial Jurisdiction (ETJ) management. It was also noted that while updates were recommended from time to time, the town had other priorities to consider, and the cost of updating the plan could be difficult to accommodate in the current budget.

Police Department

Police Chief Dwayne Taylor provided an overview of the department, noting a staff of thirteen full-time sworn officers, two reserve officers, and civilian administrative support. The department operates thirteen vehicles equipped with mobile data terminals, speed enforcement equipment, and body-worn cameras. Chief Taylor reported increased activity in 2025, including higher patrol activity, calls for service, reports, felony

investigations, and physical arrests. The department also participated in multiple community events and off-duty security details.

Chief Taylor highlighted recent accomplishments, including the hiring of three officers, with one recently sworn in and another candidate in progress, putting the department on track to reach full staffing for the first time in over a decade. He attributed improved recruitment and retention to the board-approved public safety pay study and salary increases. Equipment included new patrol vehicles, replacement planning for outdated radios, and use of a portable speed trailer. Operational improvements included installation of an Intoximeter at the police station to reduce DWI processing time and receipt of donated fitness equipment. Ongoing initiatives included a risk assessment, policy updates, and preparation for state accreditation. Chief Taylor also reviewed budget pressures related to rising equipment, vehicle, and uniform costs.

In response to inquiries from the board, Chief Taylor clarified that discussions were underway with the Onslow County Sheriff's Department about transitioning school coverage responsibility to the town's police department. He noted that the change would require approval from the Board of Education before moving forward.

The board recessed for lunch from 11:51 am to 12:35 pm.

Board Comments

Commissioner Eckendorf emphasized the importance of economic development and the planning department as the source of municipal wealth through facilitating investment. He advocated for prioritizing land use plan updates to provide clear guidance for investors and prevent chaotic development patterns.

Mayor Pro Tem Conaway acknowledged the ongoing challenge of limited revenue growth versus increasing costs for equipment, materials, and salaries. He praised the improved detail in presentations while encouraging departments to prioritize requests and maintain realistic expectations given budget constraints.

Commissioner Herbert thanked staff for comprehensive presentations and supported the public works reorganization. As a first-time budget workshop participant, he emphasized the value of departmental prioritization in decision-making with limited resources. He offered assistance with grant writing and reminded staff of the March 1 deadline for Onslow County grant applications, particularly for the visitor center bathroom project.

Commissioner Pieratti expressed appreciation for staff efforts in pursuing grants and conducting thorough research. She looked forward to seeing prioritized requests and suggested establishing recurring allocations for some departmental needs to avoid annual budget requests.

Commissioner Vannoy congratulated the public works team on their reorganization and emphasized the importance of public works services that residents interact with regularly. He acknowledged the challenging decisions ahead while appreciating staff efforts in preparing comprehensive presentations.

Adjournment

On a motion by Commissioner Eckendorf, seconded by Commissioner Herbert, the meeting adjourned at 12:50 pm.