



# CAROLINA BEACH

## TOWN COUNCIL MEETING

MINUTES • APRIL 18, 2017

Council Chambers

Budget Workshop

9:00 AM

1121 N. LAKE PARK BLVD.  
CAROLINA BEACH, NC 28428

### I. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Dan Wilcox	Mayor	Present	
LeAnn Pierce	Mayor Pro Tem	Present	
Steve Shuttleworth	Council Member	Present	
Tom Bridges	Council Member	Excused	
Gary Doetsch	Council Member	Present	
Michael Cramer	Town Manager	Present	
Ed Parvin	Assistant Town Manager	Present	
Debbie Hall	Finance Director	Present	
Kim Ward	Town Clerk	Present	

### II. BUDGET PRESENTATIONS FROM POLICE, FIRE AND PARKS AND REC

#### Police Department Budget Presentation by Police Chief Chris Spivey:

Chief Spivey is requesting:

Two new officers and one new detective position.

Second of three installments on mandated radio upgrade.

Increase training and travel for tactical training, officer survival, and professional development.

4<sup>th</sup> phase of town government campus camera system, taser replacement program and minor equipment & vehicle maintenance.

Maintenance warranty and support service of Satellite Army.

No capital improvements.

Move the captain position from the marina to the police department.

Mr. Cramer presented his suggestions for cuts to the police budget. Those include:

2 new officers and 1 detective position -\$141,390

Moved internet upgrade to executive budget -\$13,200

Reduced training by -\$9,000

Removed Town Hall camera upgrades -\$23,000

Reduced marina electric expenses -\$10,000

Removed Town Hall door access upgrade -\$17,000

Reduced Beach Maintenance M&R Equipment by -\$5,000

Reduced Beach Maintenance supplies by -\$7,500

Potentially cutting the security fencing -\$5,800

Total recommended reduction of -\$226,090

Mayor Wilcox had to excuse himself at 9:30am due to an appointment.

Chief Spivey explained the need to add two new officers and one new detective.

Council Member Doetsch asked how many officers have been added over the years.

Chief Spivey said they have added 3 positions in the last 17 years.

MPT Pierce asked about the increase in the total number of calls.

Chief Spivey said he didn't have those numbers available.

Mr. Cramer mentioned that it is very difficult to maintain reserve officers to fill in when shifts are short. A positive to adding new officers is eliminating the reserve officer budget. That would save \$41,000. It would also improve how they structure the organization.

Council Member Doetsch said he did not have a problem with the increase and was surprised they have only increased by 3 officers over the last 17 years.

MPT Pierce asked about the ages of officers and if we are getting most of our officers straight out of BLET.

Chief Spivey said that it is all over the map. They try to hire employees with experience.

MPT Pierce said she does not have a problem with moving forward with the new positions.

Council Member Shuttleworth asked about the manager's cuts. Council supports the request to add the new positions. This Council supports public safety. We need to look at ways to generate revenue so we can fund adequate services. He asked that the manager revisit the training budget. He feels that their safety and training is more important than some other things that may be requested in the budget.

Mr. Cramer mentioned that the reason he recommended the cut is, he met with Chief Spivey and they discussed ways to bring training in house that would reduce costs and the Chief was comfortable with the numbers.

MPT Pierce said to do what you have to do to get the officers good training.

Chief Spivey presented the idea of placing sharps (needle) boxes to safely dispose of hypodermic needles where they are finding a lot of used needles. Our operation workers are picking up needles in several hot spots every morning.

MPT Pierce asked if we would be sending mixed signals.

Chief Spivey responded that addicts are going to use whether there is a drop box or not. It's a matter of them disposing them safely.

Council Member Shuttleworth asked the Manager put this on a workshop to have an open discussion with the community.

Mr. Cramer said we are putting our staff in harm's way and there have been several employees come to Human Resources to report the safety concern. Our restrooms seem to be the hotspots.

**Fire Department Budget Presentation by Fire Chief Alan Griffin:**

Chief Griffin is requesting:

Increase personnel and benefits for the approval of the three new full time positions - \$30,000

Building maintenance Improvements (resident house roof, kitchen upgrade)

Continue rotation of aged turnout gear building a rotational inventory to allow for proper care and maintenance while improving firefighter health.

New roof on resident house - \$5,000

Kitchen upgrade - \$15,000

Total Increase to M&O - \$24,565.00

Capital Projects

Improve airflow quality in bay area with addition of two commercial ceiling fans.

Commercial Ceiling Fans bay area \$4,000.00

Total Budget \$ 1,120,623.81 increased by \$19,385.12 from 2016/2017

MPT Pierce asked about the percentage of volunteers that show up to calls.

Chief Griffin said we still rely on volunteers and you usually have 3-5 show up on a regular basis.

Mr. Cramer presented the Manager's potential reductions:

Move Dive Team Equipment and Inspection Funds from Police Department to Fire Department (\$5,800)

No Kitchen Upgrade - \$15,000

No Ceiling Fans in Bays - \$ 4,000

Total Potential Reduction - \$19,000

**Lifeguard Budget Presentation by Chief Alan Griffin:**

Total Budget \$ 450,685.62 increased by \$27,315.62 from 2016/2017

Capital Projects

Two new 4 wheelers \$12,000.00

UTV \$16,000.00

Council Member Shuttleworth asked if we get the lifeguard money reimbursed from the ROT funds.

Mr. Cramer said that we get about 80% reimbursed.

MPT Pierce asked why it is not 100%.

Mr. Cramer said that we end up spending more on activity programs. This past year we came close to zeroing out the budget. It's a cash management deal.

MPT Pierce asked the Manager to be more creative with the ROT dollars. Council Member Shuttleworth agreed.

Council Member Shuttleworth recommended that we become competitive with the other beach communities as far as salaries. He was concerned with the low salaries of the guards. He feels that the salary is extremely low for employees saving lives. He mentioned that he is not in favor of raising taxes but we need to educate the public with the concerns we have with public safety. MPT Pierce agreed.

Council Member Doetsch said he agreed but the program has come a long way from when he was a head guard.

Mr. Cramer said that we are starting with educating Council, then staff will educate the public.

MPT Pierce said we need to be working Facebook and putting this information out. She feels that we are not posting enough information on social media.

Council Member Shuttleworth suggested that Council hold a workshop and invite the public to see why these decisions are being made.

Mr. Cramer mentioned that there are very few places that can be cut from the budgets because most of the items that departments are asking for are vital resources.

**Parks and Recreation Budget Presentation by Director Eric Jelinski:**

May 1<sup>st</sup> David Gale will start as the Beach Resource Officer.

The application period for the Farmer's Market has closed. Arts and Crafter's are only allowed 8 market days so they can rotate the others in.

MPT Pierce does not want to decrease the size of the market.

Council Member Shuttleworth said we need to be rigidly flexible to allow local vendors to participate in the market. Keep stressing the agricultural vendors but accommodate locals.

Mr. Jelinski said that the market brings in a lot of visitors and they come through the business district to get there.

Mr. Jelinski reviewed the accomplishments for 2016/2017. Those include:  
Repaired drywall damage and painted gym walls

Leased new cardio equipment  
 Fitness on Demand group fitness program  
 Ballfield fence repairs and infield grading  
 Installed new 2 to 5 year old playground at Mike Chappell Park  
 New youth/game lounge at Recreation Center

Revenue for the Parks and Recreation has increased \$109,492 since FY 2012/2013.  
 Pickleball has brought in a large number of new members.

MPT Pierce asked Mr. Jelinski to look at the fees associated with contract fitness instructors.

Mr. Jelinski would like to consider bringing those programs in house. He would like to have a fitness instructor and physical trainer on staff. 70% of memberships are residents. We are right in line with other communities as far as fees. We are recapturing approximately 26% of our costs.

Council Member Shuttleworth mentioned that we have outside agencies using our facilities. It is not a bad thing but are we getting compensated for wear and tear?

MPT Pierce reiterated that we need to be using the ROT funds. Council Member Shuttleworth agreed.

Parks and Rec is requesting:

Basketball backboards and electric height adjusters	\$25,000.00
Replace dated weight equipment - dumbbells	\$5,000.00
Mike Chappell Park - picnic tables, playground items, shelter roof	\$17,500.00
Resurface outdoor basketball court at Mike Chappell Park	\$15,000.00
Mike Chappell Skate Park repairs	\$15,000.00
Personnel & Benefits	\$484,006.19
Maintenance & Operations	\$276,525.00
Capital Outlay	\$0
Total Budget	\$760,531.19

Mr. Cramer presented the manager's potential reductions:

P & R - Remove Bathroom Upgrade	-\$15,000
½ of Backboard Replacements	-\$12,500
Picnic tables	-\$8,000
Shelter roof at Mick Chappell Park	-\$2,000
Playground items at McDonald Park	-\$7,500
Total Potential Reductions	-\$45,000

Mr. Jelinski expressed the importance of reviewing the Master Parks Plan and having one in place for future grant opportunities.

MPT Pierce said she needs to read it before she is willing to vote on it.

Mr. Jelinski said that copies will be in their boxes this afternoon.

MPT Pierce asked about spin bikes.

Mr. Jelinski said they have ordered 5.

MPT Pierce suggested opening the gym earlier. She hears that some people don't join the Rec Center because it doesn't open early enough.

Mr. Jelinski said he would look into it.

MPT Pierce suggested having an officer visit the youth lounge and interact with the kids that visit. There will be kids there that have no place to go after school.

Mr. Cramer said he has reviewed various options for COLA. We have had a pretty robust COLA program since 2005. We are now in a better position for recruiting and retaining employees. Holly has looked at our benefits as a whole. We have not looked into incentive categories. He has asked Holly to look at incentive programs. She came back with 2% COLA which is \$108,000 in actual dollars but that does not include the compounding of \$37,000 for retirement, worker's comp, etc. We spend \$31,000 per year in 457 contributions. Holly recommended taking the COLA and the 457 incentive program and putting it into up to a 2% match in their 401k. We would be saving \$69,000 per year in total expenses.

Council Member Shuttleworth had concerns that it is easier for employees on the higher end of the pay scale to put up that contribution but not so much for the employees on the lower end of the pay scale. He would rather give employees increases based on merit.

Mr. Cramer reminded Council that this is just COLA. We are still considering offering up to 3% merit. We are working on this and will present various options.

Council Member Shuttleworth emphasized that he would rather look at increasing revenues instead of cutting the budget without increasing taxes.

MPT Pierce said that parking passes are inexpensive for residents. She would rather increase the parking permits instead of increasing taxes. Residents have the option of purchasing parking decals and if you educate them that there will be an increase in parking permits versus raising taxes, they most likely would not have a problem with it.

Mr. Cramer said he is looking at parking revenue from residents and visitors. We have also looked at camping at Freeman Park. We are currently looking at \$1.5M deficient in the proposed budget.

Council Member Shuttleworth asked Mr. Cramer to look at what increases would cost homeowners at certain percentage points.

Mr. Cramer said he is working with the tax department to get those rates.

Council Member Doetsch asked Mr. Cramer to set up an appointment with our current solid waste collector. They have options for us to save money. He also asked that the manager start looking for water storage in the near future.

Mr. Cramer said that Gil DuBois will present those topics at the next meeting.

Meeting adjourned at 12:10 p.m.

**III. ADJOURN**

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Kimberlee Ward, Town Clerk

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Date Approved