

OAK ISLAND TOWN COUNCIL  
SPECIAL MEETING—BUDGET WORKSHOP  
MAY 17, 2016—3 P.M.  
OAK ISLAND TOWN HALL

Present: Mayor Cin Brochure, Council members Jeff Winecoff, Charlie Blalock, Loman Scott and Sheila Bell, Interim Town Managers Lisa Stites and Rob Gandy, Finance Director David Hatten, Administrative Support Specialist Debbie Lasek. Mayor Pro Tempore Jim Medlin was not able to be present and was excused from the meeting.

Mayor Cin Brochure called the meeting to order at 3 p.m.

**PRESENTATION AND DISCUSSION of Proposed FY 2016-17 Budget:** Interim co-Manager Lisa Stites reviewed the budget message with Council. The proposed budget has no tax increase with a minimal transfer to balance the budget. Finances are strong, and the Town is maintaining its operating budget above state standards. There is an increase of 1.5% in utilities rates to account for inflation, and the Town is relying using its own historic data rather than planning documents to determine rate recommendations. There is no increase in the Sewer District Fee proposed. Some expenditures are now shared among the departments, such as utility bills, internet, electric, and water instead of being lumped into Public Works. This allows the budget to show a more true and accurate picture of the costs for each department. There is no proposed Beach Nourishment tax at this time, as Council has not made a decision on a nourishment project.

The Fire Department's request for a training center is not timely, and the staff feels this is more of a regional project. There is money in reserves to perhaps revisit this in the future, along with a possible input from other local communities to make it a more regional center. New thermal imaging cameras and a new SUV are in the budget. This department's budget includes the Town's contracted amount for Water Rescue.

The Police Department budget has included a new narcotics officer, along with a new vehicle purchased for this position which was purchased with funds saved in the current fiscal year due to lower fuel expenses. Additionally, there are three replacement vehicles in the budget, along with an increased overtime budget to account for police officer schedules.

Parks and Recreation has a large transfer to the Golf Course -- \$197,838 -- due to planned specialized equipment purchases. There is a new line item to show funds for the Sea Turtle Program. Councilman Winecoff asked where the transfer of funds was coming from; Mr. Hatten referred him to page 17 of the workbook for the transfer of funds information. The department is also requesting a new position of Program Supervisor to cover events, which would replace the existing part-time position (Farmers Market Manager).

**Public Works:** David Kelly has been handling the Public Works and Public Utilities departments and staff would like to restore the title of Public Services Director for his position, with his salary coming out of public works, water and wastewater. With Public Works, he plans to address items that need attention, such as bulkheads, public accesses. He is working with an engineer to identify stormwater solutions, and Council recently approved that contract. There is also a proposed increase in the stormwater fee to help cover engineering costs and projects. There is also a new position of Stormwater Administrator that would be responsible for review of stormwater plans from Development Services and implementing drainage issue plans for the Town.

Public Utilities budget includes the final payment for the Fish Factory Road plant.

Development Services has one proposed new position of Zoning Technician which would assist in easing the burden on staff in Code Enforcement.

Outside Agencies requests are subject to Council approval.

As far as Employee Benefits, staff recommended a 2% COLA and a 2% potential merit, along with an increase in the 401K matching funds from 2% to 3%.

The Comprehensive Plan and Unified Development Ordinance are scheduled for completion, and are the results of many volunteers working on these issues. Also, they wanted to single out and offer many thanks to David Hatten for all of his work in getting this budget together.

Mayor Brochure opened the floor to questions. Councilman Winecoff said that evaluations are a tool that works, instead of using a COLA. He thinks they should stick with that and offer a 4% raise if employees deserve it instead of just giving a COLA to someone who is not doing the job. He proposed merit raises of up to 4%; Council consensus concurred. He also wanted to hear more about a stormwater administrator. Responding to an inquiry from Councilman Winecoff, Mr. Hatten said the Fire Department has 22 full-time and 10 part-time positions with 5 part-time vacancies; he said he was comparing the uniform budgets between the Fire and the Police departments.

Councilman Scott Council is still concerned with the narcotics and heroin situation in the Town, with lives lost and others hospitalized. His proposal is to add one more person, making two positions, to the investigation division to start a narcotics unit. His experience is that it takes at least two people; he thinks it is time to put our money where our mouth is, getting rid of drug dealers, arresting and putting them in prison and letting them know they are not welcome in this Town. Council Blalock said there was a time when the word on the street was “don’t do business on OKI,” and sadly, that has changed. There is a need to make them aware the Town will no longer put up with that. Interim Chief Jordan said he would like to have a second narcotics position. Since 2015, there have been 6 deaths related to drug overdoses ranging in age from 15-60; these are just the deaths they know about. Mayor Brochure asked if this would up their presence in the target areas; Chief Jordan explained they don’t have a targeted area and they have learned that the drug dealers go to houses and not on corners. One officer would focus on getting dealers, and the other officer would focus on other things; they would work hand-in-hand. The officer he has in mind for the lead narcotics detective has a great deal of training in narcotics, and Interim Chief Jordan has also asked for additional confidential informant funding.

Councilman Winecoff asked about paying off the Oak Island Pier; he believes if they are close they should go ahead and get it off the books.

Mayor Brochure commented about additional sources of revenue from those people other than the taxpayers; she had invited some people to make a presentation in this area, and feels we need to be aggressive in exploring everything we can. She suggested having them come to the next budget workshop. She said she wants to invite the public to come in and give suggestions, and that the island has many smart people willing to come in and volunteer.

Ms. Stites and Council discussed and scheduled a budget workshop date -- May 27th at 3 p.m. The Beach workshop will be June 3<sup>rd</sup>, a Friday, at 10 a.m.; the manager is suggesting combining that with another budget workshop.

Councilman Winecoff asked about the golf course equipment and why it was not under capital; Mr. Hatten explained. Ms. Stites said that there are codification service for ordinances and they bill quarterly; this number has been increased to \$18,000 in anticipation of the new UDO as about 700 pages would be replaced. Mr. Hatten also noted that accommodations and beach tax have been broken out between the two funds 45 and 46; he felt like it should be separate to reflect their own revenues and expenses.

**Councilman Blalock made a motion to adjourn. Councilman Scott seconded, the motion passed unanimously and the meeting adjourned at 3:25 p.m.**

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Cin Brochure, Mayor

ATTESTED: \_\_\_\_\_  
Lisa P. Stites, CMC  
Town Clerk

*Clerk's Statement: Minutes are in compliance with the open meetings laws. The purpose of minutes per the open meetings laws is to provide a record of the actions taken by a Council or a Board and evidence that the actions were taken according to proper procedures. All actions of the Council are recorded in the official minutes. Not all portions of Town of Oak Island meetings are recorded verbatim in the official minutes, with general discussion items, reports, presentations, and public comments being paraphrased or summarized in many instances. Public comments in writing should be submitted to the clerk via hard copy, electronic mail, or other means so as to ensure an exact verbatim account. The Town of Oak Island provides full coverage of meetings on Government Channel 8 so that the Citizens and the Public may view and listen to the meetings in their entirety.*