

MINUTES  
OAK ISLAND TOWN COUNCIL  
SPECIAL MEETING – BUDGET WORKSHOP  
April 19, 2017 – 9 A.M.  
COUNCIL CHAMBERS - OAK ISLAND TOWN HALL

Present: Mayor Cin Brochure, Mayor Pro Tempore Loman Scott, Council members Sheila M. Bell, Charlie K. Blalock, Jim Medlin and Jeff Winecoff, Town Manager David Kelly, Assistant Manager/Town Clerk Lisa P. Stites, CMC, Finance Director Dave Hatten, Parks and Recreation Director Rebecca Squires, Fire Chief Chris Anselmo and Police Chief Greg Jordan.

Mayor Brochure called the meeting to order at 9 a.m. and welcomed staff.

Council Budget: Finance Director Dave Hatten reviewed the Council budget; increased expenses are in videotaping and advertising. Mr. Kelly will send some dates to Council for the Town to host a volunteer dinner.

Outside Agency Requests: Mr. Hatten said that once Council approves the budget and agency requests, it is up to the agency to formally request the money from the Town. The Chamber of Commerce is requesting \$17,000. That amount includes the typical \$5,000 requested annually and an additional \$12,000 to go toward a study the Chamber wants to do for the area. Council consensus was leave the amount at \$5,000. Regarding the request from Brunswick Family Assistance, Mayor Brochure asked what the direct benefit was for Oak Island. Councilor Medlin said the agency helps families pay bills when they fall on hard times. Councilor Bell said that the agency will pay the bills directly for people rather than just hand money over. Mayor Brochure asked if we could find out how many Oak Island residents had been helped. Oak Island Water Rescue is now included as an outside agency instead of as part of the Fire Department budget. The request went from \$22,500 to \$60,350; the increase covers a request for a new truck. Councilor Bell asked if the Town had given them a truck; Mr. Kelly said they had, and that Water Rescue was using it. The last truck they used had 11,000 miles on it. Councilor Bell asked what the \$22,500 covers; Mr. Hatten said we had asked for a breakdown of the expenses. Councilor Medlin said that money would cover vehicle and equipment maintenance, etc. The group does respond to calls in Caswell Beach but that town does not contribute financially to fund it. Mayor Brochure said the comment was made that why would Caswell Beach pay for that when they use the Coast Guard. Chief Anselmo said there are calls inland that the Coast Guard cannot respond to. Councilor Bell asked why the Town gives Water Rescue \$22,500 and the County only funds \$9,000. Council consensus is to not purchase the new truck. Councilor Winecoff said with a request for \$22,500, the group needs to provide financial records for Council to review. Council also wants information on the number of calls per year. None of the Council members would support buying a new truck. Council wants to see a balance sheet and a record of calls.

Councilor Medlin suggested donating money to the July 4<sup>th</sup> Festival since we are not doing fireworks this year. Regarding the July 4<sup>th</sup> Festival, Council consensus was to donate \$2,000 from the current budget as a one-time only donation.

The request from the airport is \$19,000 this year. Councilor Medlin said he was opposed to any amount as he considered it a private, for-profit business. Councilor Blalock asked if Howie Franklin could come and speak to Council about the airport.

Animal Control: Two years ago the Town contracted with Brunswick County for Animal Control. This year, the cost is increased 3%. Staff will get more information from the County as to how much other towns pay for this service, etc.

Police Department: There is an opportunity to purchase two vehicles out of savings from the current budget. The savings came from unfilled positions throughout the year. The vehicles were requested in next year's budget, along with three new cameras for vehicles, but they could be purchased now instead, and money in next year's budget could go into Capital Reserve. Consensus is to purchase the vehicles out of this year's budget. The proposed budget also includes changing the summer uniform.

Fire Department: Chief Anselmo explained the difference between scheduled and unscheduled overtime. Working at special events and things like the hurricane use up that overtime, and he is asking for additional overtime for the department. Mr. Kelly clarified that the overtime already included in the proposed budget has been split between scheduled and unscheduled. Councilor Blalock asked if they do training while they are working their 24-hour shifts. Chief Anselmo said that they do some training on shift, but not all of it can be done that way. Councilor Blalock asked about classes; when we host a class, we get spots in those classes for our employees as well. Most of the maintenance costs included in the proposed budget are for items needed at Station 1, such as kitchen repairs, ceiling and floor repairs, etc. Mr. Kelly said they would cover as much work as possible out of the current budget, and try to reduce what is needed next year. Regarding use of the ambulance, Chief Anselmo said it was a nice thing to have, but not a necessity. When the County needs the use of our ambulance, it means a temporary loss of staff from the Town's department. Chief Anselmo said that the calls from the County have drastically increased in the past couple of years, so it is more of a problem now than it used to be. The Chief said he was on the fence about getting rid of it completely. The Town can take it down to basic level, but since we still have the equipment, medications and the staff, the County can still request our services. The Chief explained that at times when the County gets busy, our ambulance may be called to sit at Midway Road or another location to be ready to respond. Councilor Medlin said that his concern was the loss of staff and putting Oak Island citizens at risk. He said that needs to be fixed, even if it means selling the ambulance.

Council took a brief recess from 10:18 a.m. to 10:27 a.m.

Council returned to the discussion of what to do with the ambulance: take it down to Basic or sell it. Chief Anselmo recommended taking it down to Basic and discuss not being called out by the County. Councilor Medlin said that whenever the ambulance is used, it takes staff away from the primary function of the fire department which is fire protection. **Councilor Winecoff made a motion to sell the ambulance. Councilor Medlin seconded and the motion passed unanimously.**

The proposed budget for next year does not include money for fireworks, counting on the Oak Island Pier being rebuilt by then. Councilor Scott said the Town ought to get out of the fireworks business while we have the chance. Councilor Winecoff said the fireworks are important to the visitors. Mayor Brochure said that Caswell Beach had offered to help rent a barge for this year.

Recreation Department: Parks and Recreation Director Rebecca explained what the proposed capital costs include: resurfacing tennis courts, updating the Parks and Recreation Master Plan, an artificial Christmas tree for Middleton Park and a storage building.

During a discussion of the pickle ball courts, the question was raised as to how many Oak Island residents were using the courts versus St. James or other town residents. Ms. Squires said that the courts are open for use and would require staff time to monitor. Councilor Bell said that she gets a lot of complaints that the courts are so full of non-residents that our residents can't get on them. Ms. Squires suggested limiting use during certain time periods. Councilor Winecoff asked why we wouldn't use money already set aside for capital expenses rather than include these expenditures in the next budget. Mayor Brochure asked if a sign could be put up that the courts were for Oak Island resident use only; Council Blalock said that would be difficult to monitor. Councilor Blalock suggested that if there is a St. James pickle ball association, that group should be asked to donate toward the resurfacing. Council consensus was to use funds from the current budget for the resurfacing the pickle ball and tennis courts.

Other capital expenses include matching funds for approved grants. Councilor Bell said that grants were a wonderful thing, but they were costing \$154,718 this year. Other capital expenses include lights for the ball fields. The proposed budget also includes moving a part-time employee who is receiving benefits to fulltime. The budget also includes buying new exercise equipment for the Rec Center; consensus is to purchase that equipment out of the current budget and put money toward reserves next year.

Community Center: There was a title change for a fulltime employee from coordinator to assistant; this full-time position will replace two part-time positions. There is money in the budget for floor maintenance at the Center (to put it out of this budget rather than another department's budget).

Golf Course: So far this fiscal year, \$94,000 has been transferred to the golf course to pay for expenses. Councilor Bell said she had a problem with being charged rent for a portion of the clubhouse. Mr. Kelly said the Town also pays a portion of the utilities, \$3,500 a year (which includes the maintenance building). Councilor Medlin asked if there was money in the budget for a new mower. Mr. Kelly said that a mower would be purchased in the coming years, and that we would be setting money aside for that purchase. Councilor Medlin said that money had already been authorized for a mower and asked why it was not spent on that; the change in expenditure should have been brought to Council for approval. Ms. Squires said that a blower and other equipment was purchased instead. Council directed staff to bring changes such as these to Council in the future. Council discussed fees; Mr. Kelly said the practice of allowing members of the Par 3 Committee to play for free had been discontinued. Councilor Medlin asked for the projected revenues for the golf course and projected expenses.

Council took a break from 11:18 a.m. to 11:26 p.m.

Councilor Medlin said we needed a plan for paying for beach nourishment and we should get something started this year. Councilor Medlin referenced a recommendation from the Beach & Inlet Committee to establish municipal service districts. Zone 1 (beachfront) would be a 12-cent tax and Zone 2 (rest of town) would be a 6-cent tax; that would produce \$765,426/year. Councilor Winecoff said the main objective was to raise \$40 million for beach nourishment and he didn't think raising taxes would do that. He said the only way to do it was through assessments. He estimates that \$10 million per year can be generated with assessments broken into three zones. Mr. Kelly reviewed a sheet staff created that shows projected revenues from assessments. Staff had put some numbers together as well. Mr. Kelly referenced a sheet that showed the value of 1 cent of taxes through 10 cents of taxes. That would be for a town-wide tax rate; districts wouldn't start until the fourth year. The tax for a Municipal Service District can't be charged until within one year of awarding contracts. Assessments, however, could be implemented immediately. Councilor Winecoff reviewed his proposed plan for generating the needed revenue from assessments in four years: Zone 1 (beachfront), \$3,200 per year; Zone 2 (2<sup>nd</sup> row), \$1,600/year; Zone 3 (3<sup>rd</sup> row to Oak Island Drive), \$725/year; and Zone 4 (rest of town), \$575/year. That would raise just over \$10 million/year. If the Town gets funding from the State, these numbers could come down in the later years. Councilor Winecoff said that taxes alone wouldn't be enough. This would be a way to raise the money without any financing. Mr. Kelly said that Moffatt & Nichol will have something for Council to consider at the May meeting, such as what level of storm protection to pursue. There is also a meeting later this month with the Beach & Inlet Committee, and they'll discuss numbers with DEC Associates. Councilor Medlin said his suggestion was just to get something started. Councilor Blalock said that's what he heard all the time as well, that something needed to get started.

Citizen Barry Golob asked Council to consider doing Councilor Winecoff's figures as a tax instead, so that it would be tax deductible. The tax could be implemented as a town-wide tax without implementing MSDs.

Staff will have numbers for Council for the assessments suggestion, and transfer those numbers into tax.

**Councilor Bell made a motion to adjourn at 11:48 a.m. Councilor Blalock seconded and the motion passed unanimously.**

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Cin Brochure, Mayor

ATTESTED: \_\_\_\_\_  
Lisa P. Stites, CMC  
Assistant Manager/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.*