

1 **MINUTES OF THE SPECIAL WORKSHOP MEETING**
2 **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**
3 **FY 13-14 RECOMMENDED BUDGET**
4 **TUESDAY, MAY 21, 2013**

5 **7:00 PM – ADMINISTRATION BUILDING CONFERENCE ROOM**
6

7 The special workshop meeting of the Emerald Isle Board of Commissioners was
8 called to order by Mayor Art Schools at 6:00 pm.

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10 Present for the meeting: Mayor Art Schools, Commissioners Nita Hedreen, Tom
11 Hoover, Floyd Messer, John Wootten, and Maripat Wright.

12
13 Others present: Town Manager Frank Rush, Asst. Town Manager/Finance
14 Officer Mitsy Overman, Town Clerk Rhonda Ferebee, Parks and Recreation
15 Director Alesia Sanderson, Public Works Director Artie Dunn, Planning Director
16 Kevin Reed, Fire Chief Bill Walker, and Acting Police Chief Jeff Waters.

17
18 Also present: Ben Dadd and EMS Chief Susan Walker, Emerald Isle EMS, Inc.

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20 **Adoption of Agenda**

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22 Commissioner Wootten requested that Item 6(j) – “Community Improvements
23 Package” be discussed immediately following Item 6(a) Emerald Isle EMS.

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25 ***Motion was made by Commissioner Wootten to adopt the Agenda. The***
26 ***Board voted unanimously 5-0 in favor. Motion carried.***

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28 **General Comments**

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30 Town Manager Rush stated that the key decision for the Board was the
31 “Community Improvements Package”, and he looked forward to helping the
32 Board resolve and answer any of their questions.

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34 **Public Comment**

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36 There were no comments from the public.

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38 **FY 13-14 Recommended Budget Presentations / Q & A**

- 39
40 a. **Emerald Isle EMS**
41 b. **“Community Improvements Package” & 5-Year Capital Replacement /**
42 **Improvement Program**
43 c. **Parks and Recreation Department**
44 d. **Public Works / Solid Waste**
45 e. **Planning and Inspections**
46 f. **Police Department**

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- g. Fire Department**
- h. Governing Body / Legal / Administration / NonDepartmental**
- i. Debt Service**
- j. Other Funds**
- k. 5-Year General Fund Forecast**

Town Manager Rush stated that the total cost for the “community improvement package” was \$2.65 million, debt service of \$299,000 which was the equivalent of 1-cent on the tax rate. Mr. Rush said if the Board decided to go forward with the package he felt that should be sufficient to fund the projects which were: the full bike path completion on Highway 58 and Coast Guard Road, the stormwater pipe from the Point back to Emerald Isle Woods, the stormwater pipe from Lands End out ultimately to the Emerald Isle Woods system, and then there was \$100,000 included for the replacement of playground equipment at Blue Heron Park, and \$100,000 included for expansion of the Community Center to expand the aerobics and weight room. Mr. Rush said if the Board decided to move forward they would begin working as quickly as possible to make those projects happen. Mr. Rush said realistically the first debt service payment would not be paid until the following fiscal year but he budgeted the first years debt service payment in the same fiscal year because that was the commitment made to the public – that the tax rate would be in effect for 10 years.

Mr. Rush said if the Board decided not to move forward with the proposed package but they still wanted to tackle some of the projects then they needed to discuss how they wanted to finance those other projects.

Mr. Rush noted that the results of the emails received following verification of property ownership came out to be 69% in favor and 31% that favored a more gradual approach, with the bulk of the 31% not so much opposed to the projects but opposed to the idea of the debt and tax rate impact.

The Board discussed the proposed “Community Improvements Package”. Commissioners Hedreen, Hoover, Wootten, and Wright stated they were in favor of the whole package. Commissioner Messer said he only supported getting the stormwater project done because that was all he felt needed to be fixed. Commissioner Messer felt the other things didn’t need fixing in his opinion. He believed in saving money and getting what you wanted when you saved enough to buy because he hated debt, and this was a 10 year big debt. Town Manager Rush noted that for completing just the stormwater the cost would be about \$700,000, between \$75,000 - \$80,000 per year debt service, about one-quarter of a percent.

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2 Mayor Schools proposed if the Board agreed that for purposes of putting together
3 the recommended budget they would assume the “community improvements
4 package” would be included and they could have further discussion and
5 consideration by the Board during the budget process.
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7 Town Manager Rush and all Department Heads summarized and discussed with
8 the Board each of their budget requests, priorities and goals for the Fiscal Year
9 2013-2014.

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11 **Employee Compensation, Benefits**
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13 Town Manager Rush noted that he had included a 2% Cost of Living increase for
14 all Town employees. He noted the CPI at the end of March was right about 1.5%
15 so if the Board was comfortable with 2% they would proceed with that and if not
16 they could change to 1.5%, 1% or 0%. In addition, Mr. Rush noted that they had
17 budgeted money to maintain the same health insurance plan, there was a 15%
18 increase in premiums this year but he budgeted to maintain the same benefit
19 coverage. Mr. Rush said that different alternatives had been thoroughly
20 reviewed but the savings were in his opinion not enough to make it worthwhile to
21 change.
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23 **Additional Board Discussion**
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25 There was general discussion of the recommended budget by the Board with
26 Town Manager Rush. There was consensus by the Board to fund the purchase
27 of the tasers as needed for the Police Department, and for the addition of the two
28 new full-time employee positions.
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30 Mr. Rush noted the next meeting would be the Budget Public Hearing and that
31 meeting was scheduled for Tuesday, June 4 at 7:00 pm in the Administration
32 Building Conference Room.
33

34 **Adjourn**
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36 ***Motion was made by Commission Hedreen to adjourn the meeting. The***
37 ***Board voted unanimously 5-0 in favor. Motion carried.***
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39 ***The meeting was adjourned at 9:00 pm.***
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41 Respectfully submitted:
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43
44 Rhonda C. Ferebee, CMC, NCCMC
45 Town Clerk