

City of Boiling Spring Lakes
Minutes
Board of Commissioners Regular Meeting
June 7, 2011
City Hall - 6:30 p.m.

1. Call to Order – Mayor White called the meeting to order at 6:30 p.m. and asked Susie Rollyson to lead the Pledge of Allegiance.

2. Attendance: In attendance were Mayor White, Commissioners Caster, Troscianiec, Carroll and Kinney, City Manager David Lewis, and City Clerk Linda Merry.

3. Approval of Monthly Agenda

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to approve the monthly agenda with the following changes:

Add under New Business 12(d) Smithville Township redistricting
Add Closed Session at the end of the meeting pursuant to NCGS 143-318.11(a)(6)
to discuss a personnel matter

Vote: 5-0

4. Special Presentation - Mayor White presented a plaque of appreciation to Special Events Coordinator Mary Stilwell for her tireless efforts in making the Founders Day Celebration a day to remember.

5. Public Hearing for 2011-2012 Budget

Shirley Desnoyers of 341 Fox Squirrel Road commented that times are tough, especially for people on a fixed income. Staff should not get an increase and the Board should exercise stiff control over expenditures.

Arlene Hubner expressed her concerns about newspaper articles reporting the possible elimination of the Building Inspections Department. She explained that the Building Inspector performs many tasks including permitting, inspections, code enforcement and animal control. She believes that City staff deserves more respect from the Board.

George Ball of 341 Fox Squirrel Road commented about out of control spending at State and Federal levels. He is opposed to the 5% increase for staff and to the increase in the property tax rate. He urged the Board to adopt a balanced budget.

Rich Horak, a local builder was against elimination of the Building Inspections Department. He praised inspections staff for being professional and welcoming. He warned that turning over inspections to Brunswick County would destroy the City's small town atmosphere.

Art Williams urged the Board to cut expenses. He is on a fixed income and gas and food prices have increased.

The Mayor asked if there were any further comments. There were none.

A motion was made by Commissioner Carroll and seconded by Commissioner Caster to close the public hearing

Vote: 5-0

6. Public Comments – There were no public comments.

7. Approval of Minutes

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to approve the minutes from the May 3, 2011 Regular Meeting

Vote: 5-0

A motion was made by Commissioner Carroll and seconded by Commissioner Troscianiec to approve the minutes from the May 9, 2011 Water Assessment Refund Workshop

Vote: 5-0

A motion was made by Commissioner Kinney and seconded by Commissioner Troscianiec to approve the minutes from the May 10, 2011 Budget Workshop

Vote: 5-0

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to approve the minutes from the May 17, 2011 Budget Workshop

Vote: 5-0

8. Consent Agenda

- a. Budget Amendments
- b. Department Reports
 - 1. Tax
 - 2. Public Works
 - 3. Public Safety
 - 4. Building Inspections/Code Enforcement
 - 5. Parks and Recreation
 - 6. Buildings & Grounds
 - 7. Planning Department

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to approve the Consent Agenda

Vote: 5-0

9. Committee Reports

a. Community Appearance Commission - Ann Hollingsworth reported that the layout for the calendar should be ready for the July meeting.

b. Planning Board - David Giera reported that the Planning Board is working on a text amendment to allow animal shelters in residential zone R-6. They are also planning to begin work on the Long Range Plan.

c. Parks and Recreation Advisory Board – Commissioner Carroll reported that the Parks and Recreation Advisory Board had decided to allow city residents to sign up for Summer Camp before non-residents. Action by the Board of Commissioners is not required to implement this new policy.

d. Special Events - Mary Stilwell reported that Founders Day was a big success. She thanked all volunteers for their assistance. The Mayors Cup Golf Tournament is planned for August 20.

e. Library Committee - Audrey Carathanasis reported that the Friends of the Library will meet on June 8th at 10:00 a.m. at the Community Center.

10. Unfinished Business

a. Funding of Capital Projects (2 police cars, hydrant testing, EMT Assistance for Fire Department)

A motion was made by Commissioner Caster and seconded by Commissioner Kinney to use the 2010-2011 Budget Reserve to fund the purchase of two police vehicles (\$47,490), fire hydrant testing (\$4,875), and EMT assistance for the Volunteer Fire Department (\$25,000). The funds will be expended prior to June 30, 2011.

Vote: 5-0

b. Approval of Budget Ordinance for 2011-2012

A motion was made by Commissioner Troscianiec and seconded by Commissioner Caster to approve the 2011-2012 Budget Ordinance, with the following change: reduce the cost of living increase for staff from 5% to 4%

Vote: 3-2 (Mayor White and Commissioner Carroll opposed)

Board Discussion:

Commissioner Troscianiec wanted to know how other Board members felt about the cost of living increase for staff. He believes staff has worked very hard for the past three years to save money and deserves an increase.

Commissioner Caster suggested a 3% cost of living increase for staff this year, followed by a 2% increase next year. He added that any further cuts to the budget would result in a decrease in services. He has talked to several local builders, and they fear a loss of the local building inspector will result in tremendous delays in the building process.

Commissioner Carroll commented that he could not support this budget. He believes the process should have been started earlier and there were opportunities for savings that were not given proper consideration. He restated his opinion that the five cent increase in the property tax rate was not revenue neutral, citing specific properties that would experience a higher tax bill.

Commissioner Caster commented that the total increase in property taxes amounted to about \$ 30,000 for the entire city, and you can't get more revenue neutral than that.

Commissioner Kinney thanked the City Manager and staff for presenting a balanced budget and for working so hard to save money wherever possible. She reminded the Board of the dedication of Public Works staff who gave up their personal time to man pumps during last year's flooding. She supported the 5% cost of living increase for staff.

Commissioner Carroll commented that the pay increase was just a small part of the budget. He again presented his suggestion to eliminate one of the two vehicles in the Building Inspections Department.

Commissioner Troscianiec thought there had been Board consensus at the Budget Workshop to wait and see if the second truck would be needed, after the hire of a part-time animal control officer.

Mayor White was opposed to cost of living increases and suggested merit increases. He reminded the Board that the 5% increase for staff would cost the City \$ 65,381 not only in the next budget year, but in every year thereafter. He suggested using the money for pumps to alleviate flooding problems or on road paving. He proposed eliminating the City Manager's travel allowance and suggested that he could use a city owned vehicle. He was opposed to raising the property tax rate and could not support this budget.

c. Water Assessment Refunds

- **Establish December 31, 2011 as the cut-off date for calculating the water assessment refund amount**

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to establish December 31, 2011 as the cut off date for calculating the amount of the water assessment refund

Vote: 5-0

- **Resolution to Enforce Assessments**

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to approve the Resolution to Use Enforcement to Collect Past Due Water Assessments

Vote: 5-0

Commissioner Caster expressed his opposition to using foreclosure as a means to collect delinquent water assessments.

- **Resolution to Offset Refund against Debt**

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to approve the Resolution to Retain Water Assessment Refunds When Other Debt is due to the City

Vote: 5-0

- **Lot Combinations – Water Expansion Project**

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to allow City Staff to approve lot combinations for the Water Expansion Project, using the same rules applied to the Phase 1 Water Project, allowing up to three contiguous lots to be combined for water assessment purposes

Vote: 5-0

d. Property Easement for Spillway Project

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to approve the easement agreement with the property owners adjacent to the proposed spillway project. This will require the City to plant Leland Cypress Trees at the easement edge to provide a sound barrier for the property. The estimated cost of the project is \$ 500.00 and funding will come from the Spillway Project account.

Vote: 5-0

e. Finance Report – David Lewis reported that the cash balance at May 23rd was \$ 3,935,323. Currently, revenues exceed expenditures by about \$ 40,000.

f. Sewer Update – David Lewis reported that the Sewer Committee did not meet in May.

g. Spillway Project Update – Ed Bazonski reported that subsurface testing was complete at the site of the proposed spillway. Several problems were found during testing. Contractors have been contacted to provide alternative solutions and cost estimates for correcting the problems discovered.

11. New Business

a. Resolution to Adopt GASB 54 Fund Balance Policy

The City Manager recommended adoption of the GASB 54 Fund Balance Policy. This policy must be adopted in order to be in compliance with state law.

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to approve the Resolution to Adopt the GASB 54 Fund Balance Policy

Vote: 5-0

b. Burning Ordinance Amendments

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to approve changes to Section 12-3.1 (a). Change the distance from any structure or combustible material from 30 feet to 50 feet. This will bring the ordinance into compliance with state law.

Vote: 5-0

c. State Energy Grant - Subaward Agreement

The City Manager recommended approval of the State Energy Grant Subaward Agreement. The City is partnering with Brunswick County Schools to obtain a state energy grant for replacement of lighting components at the Community Center.

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to approve the State Energy Grant Subaward Agreement

Vote: 5-0

d. Redistricting for Smithville Township – Commissioner Kinney mentioned that there had been a proposal to redistrict the Smithville Township so that Boiling Spring Lakes citizens would be required to pay the Doshier Hospital Tax. She expressed her opposition to the proposal and wanted to make sure the Mayor would relay her opposition to the Brunswick County Board of Commissioners. The Mayor answered that he had already expressed his opposition to County Commissioners.

12. Board Appointments

Parks and Recreation Advisory Board

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to appoint Bruce Pennington, Melissa Thomas, and Sandra Krasnow to the Parks and Recreation Advisory Board

Vote: 5-0

Special Events

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to appoint Mary Stilwell to the Special Events Committee

Vote: 5-0

13. Closed Session

A motion was made by Commissioner Kinney and seconded by Commissioner Troscianiec to enter into Closed Session pursuant to NCGS 143-318.11(a)(6) to discuss a personnel matter

Vote: 5-0

A motion was made by Commissioner Kinney and seconded by Commissioner Carroll to return to open session

Vote: 5-0

Mayor White announced that the Board had accepted the resignation of the City Manager effective 7/5/11.

14. Recess to Reconvene

A motion was made by Commissioner Carroll and seconded by Commissioner Kinney to recess to reconvene on June 21, 2011 at 6:30 p.m. at City Hall

Vote: 5-0

Linda Merry, CMC, City Clerk

Richard White, Mayor