



**City of Boiling Spring Lakes
Board of Commissioners Proposed Budget Meeting
April 16, 2015
City Hall – 10:00 a.m.**

PLEASE TURN OFF CELL PHONES

1. Call to Order – Mayor Craig Caster

Mayor Caster called the meeting to order at 10:00 a.m.

2. Attendance: In attendance at the meeting were ~

Mayor Craig Caster	Commissioner Glidden
Commissioner Mike Forte	Commissioner Stilwell
Commissioner David Putnam	City Manager Jeff Repp
City Clerk Jane McMinn	Finance Director Karen Thompson

Department Heads Present ~

Brad Shirley ~ Police Chief	Mary Green ~ Parks & Rec.
Bill Murphy ~ Public Works	Ernie Siriani ~ Buildings & Grounds
Jim Nicholas Code Enforcement & Inspections (excused)	

3. Mayor Caster stated the purpose of this meeting is for review and discussion by the Board of Commissioners and the City Manager for the proposed budget for the 2015 / 2016 fiscal year.

Prior to the start of the meeting Commissioner Putnam commented he sent an email with respect to having two members of the Board to agree to place a topic on the agenda. Commissioner Putnam stated that if a board member feels that something should be on the agenda for discussion then they should be allowed to add that topic. Our City Charter does not state that a second board member has to agree to add a topic to the agenda.

City Manager Repp commented that there are no statutory requirements in state law or in the code of ordinances stating how items should be placed on the agenda. Referring to Robert's Rules it specifies that an individual, whether it is the mayor, city manager or city clerk prepares a draft agenda; that agenda is then presented to the board which is then voted on at the board meeting to be accepted. That is the opportunity to ask for any item to be added to the draft agenda before it is approved, if it receives a second and the majority vote to add then that topic is added to the agenda. In May 2014 this Board established a policy that two members would be required to place a topic on the agenda. State law gives wide preference for a board to establish how you want to conduct your business.

After discussion the Mayor and Board members agreed to keep the policy as it is at this time requiring a board member to make the request with one board member approving that request prior to the public meeting.

4. Budget Introduction ~ City Manager Jeff Repp

Mr. Repp stated he has prepared the draft budget for the fiscal year 2016 and after today's review there will be an updated version which will be posted to our web page for public review and the focus of the public hearing will be at our BOC Meeting on May 5th. After the public hearing we have the rest of the month of May for anyone to comment before you consider the budget ordinance at the June meeting. Upon the adoption of that ordinance the budget can still be changed. Once the budget ordinance is adopted at that time the budget will be set. Mr. Repp explained the sales tax revenue history, property tax rate history and the sales tax revenue that Brunswick County will receive is approximately \$21,000,000; of that amount the City will receive 3.4%. The city is projecting a \$ 0.21 per \$ 100 of assessed valuation tax rate for the upcoming year. Personnel costs are projected with a 3% COL increase. We are budgeting on the health insurance side a 6% increase. We are offering the employees the option to keep their health insurance as it is or employees have the option of participating in the Health Savings Account (HSA).

5. Animal Control ~ Chief Shirley

No Comments

6. Police Department ~ Chief Shirley

Chief Shirley stated that in 2015 we had two vehicles with high mileage, between August 2014 and February 2015 the officer put approximately 12,000 miles on the vehicle. I anticipate that in another 6 months there will be an additional 12,000 to 15,000 miles added, the increase is not due to just road miles but also engine hours. In the budget we are requesting one new vehicle for \$44,000. We will dispose of one vehicle and purchase a new vehicle. This would be a fully equipped car with cameras, computer and all emergency equipment. There is a \$15,000 grant that the department has applied for to obtain some equipment with no match required from the City. It was suggested by the Board that a future workshop be held to further educate and gain information with respect to the feasibility study on the police department expansion plans.

7. Buildings & Grounds ~ Ernie Siriani ~ Department Head

Ernie explained that a replacement mower is needed and the line items that have increased are due to the rising cost in the products and materials. There is significant work/repair that is needed in one room of the Community Center and must be placed under Buildings & Grounds. Also listed are repairs for the City Mechanic Shop.

8. Building Inspections & Code Enforcement ~ Jim Nicholas ~ Department Head

Jim Nicholas was excused from the budget meeting.

9. Public Works ~ Bill Murphy ~ City Engineer

Mr. Repp commented as an overview that one item removed from the budget this year was a request for a replacement for the excavator which is about 16 years old. Public Works requested that we fund that but I have removed it from the budget at this point. Mr. Repp stated he would add this to the budget next year but cautioned the Board that it may come up due to the fact that currently this piece of machinery is still functioning but is at the end of its life span.

Bill Murphy discussed the need for a part-time employee, someone who is an experienced operator; we are a staff of only three employees with the amount of work and the size of the city. Our department works on the city streets, ditches, mosquito spraying, mowing of ditches, maintaining mowing along Rt. 87 and more during the months of May through November. Also we are contemplating the purchase of a Dura Patch Truck Machine. Each year we contract this work out at a cost of approximately \$30,000. Purchasing this machine would allow us to repair the potholes year round. Bill explained that Public Works is in need of a new mower, the clutch is in constant need of repair which is costly and Mr. Repp explained that we also have to take into account the time the mower is in for repair; the City loses 35 to 40 days while the mower is being repaired. During the repair time that leaves the city with one mower and we then fall behind. Bill explained we will be looking into getting the generator at the city garage repaired. If there should be a power outage we currently do not have backup in place to provide power.

Dams / Lakes

Mr. Repp explained that we are budgeting for contract services for \$25,000 for spraying of the lakes that may be needed for aquatic vegetation. At this point we are at ongoing yearly maintenance.

Mosquito Control

Bill explained the increase in the chemical cost was largely due to the stockpile of chemicals previously, however we also will be using a larvicide as we learn more about mosquitos in the water before they hatch. The combination of the insecticide and the larvicide will be more effective. We have received \$1,000 in assistance from the County.

Powell Bill Expenditures ~ City Manager Repp

Mr. Repp explained a portion of the funding for the Dura Patch Truck/Machine will come from the Powell Bill. Mr. Repp also explained the funding of the Powell Bill will go up as the price of gas goes up. Revenue is down 1% from the current year due to the passage of the new Gas Tax but the amount of revenue will go up as I mentioned due to the gas prices going up. What is approved today by the Board is the dollar value of the paving to be done. We will have the Board approve which streets will be paved after July 1st when the budget has been adopted.

10. Special Events

No comments.

11. Community Center / Parks & Recreation ~ Mary Green

Mary commented that there are not a lot of changes in the budget from last year. Mary commented on Fitness on Demand which has started off slower than we anticipated; we have started a new marketing program so I anticipate seeing a large jump and we should see a revenue increase. The Community Center has one room to work with so when activities are going on in that one room there cannot be Fitness on Demand. I am laying the ground work at this time going forward for needed expansion of the Community Center. Mary is working on the playground that will be added in the 2016 fiscal year. Mary stated that they will be replacing one stationary bike for a rowing machine and replacing another stationery bike along with the replacement of a treadmill and elliptical machine.

12. Library Commission

Francis Thomas, Chairman of the Library Commission commented that we primarily rely on donations from the County and donations of used books from individuals. I would like to see the library expand and grow. We would like to add additional shelving and we should be able to make improvements at a minimum cost.

13. Appearance Committee

No comments

14. Debt Service ~ City Manager Repp

Mr. Repp advised that debt service was up slightly due to the financing of the DuraPatcher equipment.

15. Capital Improvement Fund Revenues ~ City Manager Jeff Repp

Mr. Repp stated that we carried over \$114,320 from the previous year from the Capital Improvement Fund. In the coming FY funds will be transferred to the Parks and Recreation budget to cover the cost of a new playground at the Community Center (\$ 38,000) and to match a proposed state grant for a fishing pier and parking lot at North Lake (\$ 30,000). The playground will be included in a PARTF grant application and if we are not successful it will still be built in the spring. The fishing pier will not go forward if the grant is not received and those funds will remain in the Capital Improvement Fund.

Mayor Caster and Commissioners thanked City Manager Repp and Finance Director, Karen Thompson for the hard work and time they have devoted into putting this budget together. All were in accord with the conservative budget.

City Manager Repp stated that the updates to the budget will be made and provided online by next week. A Public Hearing will be held at the May 5, 2015 BOC meeting; at that time we will receive public comments. We will then prepare an ordinance for adoption of the budget at the June 2, 2015 BOC meeting.

The Budget Meeting was adjourned at 12:38 p.m.




Craig Caster, Mayor

ATTEST:



Jane McMinn, City Clerk



Date

