



**City of Boiling Spring Lakes
Board of Commissioners Proposed Budget Meeting
April 15, 2015
City Hall – 9:00 a.m.**

PLEASE TURN OFF CELL PHONES

1. Call to Order – Mayor Craig Caster

Mayor Caster called the meeting to order at 9:00 a.m.

2. Attendance: In attendance at the meeting were ~

Mayor Craig Caster
Commissioner Putnam
Commissioner Crawford
City Clerk Jane McMinn

Commissioner Stewart
Commissioner Stilwell
City Manager Jeff Repp
Finance Director Karen Thompson

Department Heads Present ~

Brad Shirley ~ Police Chief
Bill Murphy ~ Public Works
Jim Nicholas Code Enforcement & Inspections

Mary Green ~ Parks & Rec.
Ernie Siriani ~ Buildings & Grounds

3. Mayor Caster stated the purpose of this meeting is for review and discussion by the Board of Commissioners and the City Manager of the proposed budget for the 2017 fiscal year.

4. Budget Introduction ~ City Manager Jeff Repp

Mr. Repp reported he has prepared the draft budget for the fiscal year 2017, the Board will make comments to the proposed budget and make changes to the budget they deem appropriate. That updated budget will be the budget we will use for the public hearing on May 3, 2016, to receive public comments. The proposed budget will be available to the public here at city hall and on the website on April 25, 2016. The final adoption to the budget will be at the June 7, 2016 BOC meeting. The budget is not completed until the final adoption at the June meeting. Once the budget is passed on June 7, 2016, that is when the budget becomes final. This is my recommendation to the Board. You are encouraged to ask questions of myself and staff. In my summary you will note what was requested by the department heads and what I have included in the budget.

The board decided to go page by page for review and comment.

Questions and clarifications were made to the COLA percentage, tax rate, workers compensation claims, purchasing of an excavator through the fund balance. Mr. Repp noted under the General Fund Expenditures that the insurance rates for the fiscal year

have not yet been received, however we have built in a 10% increase; we have not exceeded that percentage in the previous years and we are hopeful it will remain below the 10% mark.

6. Department head requests verses city manager recommendations ~

Questions and clarifications were made on the request for police officers and vehicles, Lexipol Software, donation of funds from the city to the fire department, parks & recreation fencing and master plan, part-time building inspector.

6. Budget Summary ~

Mr. Repp explained this is basically your audit. When you look at the audit this year it is presented in a different way than you see the monthly finance report. This takes a look at the audit and compares the budget to the audit previously from fiscal 14 forward which shows what we have for this year and what we are projecting for 2017.

7. Building Inspections & Code Enforcement ~

Mr. Repp explained previously Jim Nicholas had planned to retire and as of yesterday has since changed his mind and will continue on in his current position. However this budget was prepared for the new employee with some estimates for that new employee. Revisions will be made to what the known costs currently are.

Mr. Repp explained the request Mr. Nicholas made for a software system will help input the permit requests. The software package should interact with the counties software. The Town of Leland will be having a display of a system which we will attend. At that point a revision will be made with regard to the software change which is needed. My feeling is before the budget process is complete there will be revisions made.

8. Public Works ~

A discussion and questions were asked regarding road paving, in particular Eden Road. Comments were made regarding the infrastructure and the need for repair or replacement of many roads. It was suggested the city possibly use the money in the reserve fund to repave and repair our roads. The consensus of the Board was to fund Eden Road from undesignated fund balance as opposed to borrowing funds for the project.

Mr. Repp explained the starting point of this discussion should be staff coming back to the board and recommending a percentage of the budget that should be set aside for unanticipated expenses. Staff will come back to the board with a figure that is based on our location near the coast. At that point we can determine how the fund balance should be used. I would recommend we do these repairs over a period of time, not all in one year.

After a discussion regarding additional access for Tuscarora Road members of the board agreed that they would like to have a Request For Quote (RFQ) sent out for pricing for a preliminary feasibility and/or a design concept. The board would like to see funds added to the budget to have this study done. It has been estimated a feasibility study would be between somewhere between \$15,000 to \$20,000.

8. Debt Service ~

Mr. Repp explained, based on the comments made earlier I will remove the debt service for Eden Road and include the revenue coming out of fund balance. The city has a 20 year loan for city hall at 3.94% which will be fully repaid on March 12, 2029.

9. Powell Bill Revenue ~

Mr. Repp commented we will not see any great fluctuation with the stabilization of the legislation that was passed last year for gasoline tax. Due to this we should not see a significant drop in Powell Bill funds or a significant increase. However, as our city grows our Powell Bill revenue will grow based on the population.

10. Recap ~

Mr. Repp stated after today we will remove Eden Road from debt service and fund that through the general fund. We will work on the \$1,000 for the certification for playground inspector. The only outstanding issue we have is the master plan for parks and recreation; I think we can go one more year before beginning that process. Mr. Repp explained his thinking on the issue is we have the police department and the expansion of that issue. My suggestion is we should resolve one, before we go to the other. That is my recommendation to the board. We will add the \$15,000 for the Tuscarora Feasibility Study.

Mr. Repp stated the revised budget will be out next week reflecting the changes we have discussed today. We will be advertising for the public hearing on the May 3, 2016 at the Board Meeting. Mr. Repp reminded the board that this is not the end of the process, after the May 3rd meeting if you think another budget meeting is warranted we can certainly set that date.

11. Adjourn ~



The Budget Meeting was adjourned at 11:28 a.m.

Jane McMinn
Jane McMinn, City Clerk

Craig M. Caster
Craig Caster, Mayor

May 3, 2016
Date