



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
SPECIAL MEETING
THURSDAY, APRIL 20, 2023 – 5:30 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Thursday, April 20, 2023 at 5:30 p.m. in the Town Hall Public Assembly. Present were Mayor Pro Tem Rick Smith; Commissioners Brian Murdock, Page Dyer and Gerald Arnold; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Police Chief Jeremy Dixon; Public Works Director Chris Clemmons; Inspections Director Tim Evans; Finance Officer Daniel McRaney; and Town Attorney Rick Green. Mayor J. Alan Holden was unable to attend.

Mayor Pro Tem Smith called the meeting to order.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

BUDGET WORKSHOP

Town Manager Hewett reviewed the budget schedule and how the packet documents are laid out. We are in the revaluation year and have calculated the revenue neutral rate. That rate has to be published in the manager's message and the ordinance. Occupancy tax projections will exceed \$4 million. We consolidated the parking revenues in the BPART Fund due to enabling legislation. We are showing the ARP funds housed in the General Fund. They will still be designated for stormwater.

Highlights on the revenue side include that the \$540,000 that represents the reimbursement of FEMA interest has been secured and deposited. For state appropriations, we are asking for \$2 million on the water tower, \$1.5 supplemental for the Greensboro lift station upgrade, \$4 million for the pier upfit, \$800,000 for Block Q and \$525,000 for the Coastal Storm Damage Reduction Study. On the federal side, we asked for \$1.5 million in operations and maintenance funding for the Corps to perform inlet maintenance in the Lockwood Folly Inlet and \$425,000 for the Corps' portion of the 50-year project study. As a reminder, there is \$2.6 million in appropriations to the Town that will be reflected in this upcoming budget and \$100,000 in stormwater money. There is \$1 million to the Corps for their portion of the Coastal Storm Damage Reduction Study. The Corps is sitting on \$1 million to provide their required maintenance in the Lockwood Folly Inlet that they are not able to do because the inlet is shoaled in.

Town Manager Hewett said in the budget he put the revenue neutral rate as a placeholder for the tax rate.

The Board reviewed the budget by department.

Mayor Pro Tem Smith said the Town increased salaries to get them where they should be. He thinks the proposed COLA and merit is a little high. He said it may need to be revisited at some point, but he was thinking a total of 8%. COLA and merit increases were discussed. Insurance rates were discussed.

Town Clerk Finnell explained Contracted Services under Admin went up due to new software. The amount includes software support to run the old and new software concurrently and should go back down in the following year. Department Supplies and Materials went up based on the increased cost of supplies.

For the Police Department's budget, Chief Dixon stated he does not have any big requests. It is basically the same as last year.

Inspections Director Evans explained under the Inspections' budget, he upped Contracted Services. There is a lot going on. They are also trying to work on one of the Board's goals, modernizing the department. Travel and training is probably not right. There will be a lot more training because we lost an employee to retirement. There is a new vehicle in the budget. They have one vehicle that is beyond the guidelines for replacement. He is looking at replacing it with a Bronco.

Public Works Director Clemmons reviewed the specifics for line increases in his department. Under Revenues in Water & Sewer we may need to look deeper at sewer use charges. There may be a 37-cent increase from the county. He provided information about a new EPA regulation being considered where the Town would need to do an inventory of every line on the island going to the house and identify what type of pipe it is. The proposed regulation was discussed.

Assistant Town Manager Ferguson explained a lot of the increases in the BPART Fund are specifically project related. We have the money we need to put in for the Lockwood Folly Inlet this year. It is also our year to do the bend widener project. This budget is where several points from the previous meeting's accessibility plan will be addressed. The cost of rebuild and repair as far as accesses is going up exponentially compared to what we are used to programming. The Public Restrooms line shows funds for waterless bathrooms on the east end as recommended by the Parks & Recreation Advisory Board. The only other major change is the recommendation for a parks maintenance technician. She reviewed duties that would be assigned to the proposed new position. We have so many needs, she thinks it is time to launch on that position. Town Manager Hewett said it would be the same job description as an entry level public services technician but be housed in BPART. Assistant Town Manager Ferguson said the line detail for Jordan Blvd Ops, Maintenance and Repair should say \$33,575.50.

The beach ranger program and the access at the pier were discussed.

Finance Officer McRainey provided the Board with a debt service worksheet.

796 Ocean Boulevard West and bathrooms were discussed.

Town Manager Hewett stated we are getting pretty close. Even though we are showing a 12 cents revenue neutral number, he thinks it will end up with a 14 cents tax rate. We won't know how much money we will need until we get the details in for the pier. He thinks that will get the Town in the ballpark of what we need in terms of doing all the improvements, plus borrow some and take some from fund balance. When it comes down to making the budget, the Board will need to make decisions if the appropriations don't come out, you probably will need to carry a place marker in the budget as those being loan funds, unless you want to take it off fund balance. How to move forward was discussed.

Assistant Town Manager Ferguson provided information from the canal dredging working group. Harbor Acres would like to do a maintenance dredge of the entrance canal and a few hot spots. We are working with our engineer to see if it can be accomplished. As the other canal subdivisions view their surveys, they may want to join in. Town Manager Hewett explained this is a small volume job and you will not need a disposal area.

ADJOURNMENT

Motion to adjourn by Commissioner Arnold at 7:02 p.m.; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk