

**Town of Surf City**  
**Regular Council Meeting Minutes**  
**June 4, 2013**

Mayor Guy called the regular monthly meeting of the Surf City Town Council to order at 7:00 p.m. Mayor Pro Tem Medlin gave the invocation, and Councilman Curley led the Pledge of Allegiance. Also present for the meeting were Councilwoman Albury, and Councilmen Fowler and Helms, Attorney Trey Carter, Co-Interim Manager/Finance Director Jane Kirk, Co-Interim Manager/Fire Chief Joseph Rivenbark, and Town Clerk Patricia Arnold.

**BEAUTIFICATION & APPEARANCE RECOGNITION**

Mayor Guy presented the Proclamations for the Home of the Month for June to John Davis for his property located at 330 N. Topsail Drive and the Business of the Month for June to Sea Scape Motel located at 518 N. New River Drive and owned by Jean Brown.

**APPROVAL OF MINUTES**

Minutes of the May 6, 2013 Special Meeting were recommended for approval by Town Attorney Trey Carter. Motion was made by Councilwoman Albury and seconded by Councilman Helms to approve as presented and was carried unanimously.

Minutes of the May 7, 2013 Regular Meeting were recommended for approval by Town Attorney Trey Carter. Motion was made by Councilwoman Albury and seconded by Councilman Helms to approve as presented and was carried unanimously.

Minutes of the May 21, 2013 Special Meeting were recommended for approval by Town Attorney Trey Carter. Motion was made by Councilwoman Albury and seconded by Councilman Helms to approve as presented and was carried unanimously.

**PROPOSED BUDGET FY 2013-2014**

Michael Moore read the Budget Message. I have prepared and recommend the budget for fiscal year 2013 - 2014. The budget, based on the current information from the Pender County Tax Office and the Onslow County Tax Office reflects our real and personal property valuation for 2013 to be estimated at \$1,307,695,639. This is a total valuation increase of \$31,805,775.

This budget reflects increasing the Tax Rate from the current rate of \$.31 per \$100 to \$.41 per \$100. The \$.10 cent tax increase is for the purpose of Storm Damage Reduction Plan. The \$.10 increase is reflected in a project budget ordinance set up specifically for Storm Damage Reduction and is to "Sunset" off the Tax rate in five (5) years. The .26 per \$100 will go for the General Fund Operations for the Town. I know none of us want to see our taxes increase but after careful study I do believe this is in the best interest for all property owners of Surf City.

I do believe with this budget Surf City will remain in sound financial condition. I am confident that you, the elected Board and your staff will monitor all the funds throughout the year. The budget was prepared in accordance with NCGS 159.7, and The North Carolina Local Government Budget and Fiscal Control Act. All funds within

the budget for the General Fund, the Accommodations Fund, and the Enterprise Fund are balanced, and all revenues and expenditures are identified for the fiscal year 2013 – 2014.

The total budget for 2013 - 2014, as recommended, is **\$13,458,929** which reflects a \$1,404,626 total increase over the 2012-2013 budget. The **General Fund amount is \$7,965,396** or \$1,310,553 increase. The **Accommodations Tax Fund is \$999,080** or \$5,372 increase. The **Enterprise Fund (Water & Wastewater) is \$4,494,453** or \$89,036 increase.

**General Fund:** The General Fund for Surf City is where the daily operations of our business occur. This fund includes basically all general functions except our Tourism related activities as well as our water and sewer operations. The areas included in the General Fund are: Governing Board; Elections; Legal; Insurances; Management; Finance; Community Development; Streets; Public Works/Public Buildings; Sanitation; Hurricane Expenses; and Interfund transfers. Each department head was aware and very mindful of the economic conditions while preparing their request for this budget. There are currently 49.5 full time positions in the general fund and I am recommending three (3) new positions. This would bring the General Fund to a total of 52.5 positions. I am not recommending any layoffs or reduction in force. I am not recommending any furloughs or days off without pay. The budget does recommend an across the board salary increase of 4% for the employees. I have made no recommendation for changing the employee insurance program but with the ever increasing cost I fear that in the near future Council may need to review this benefit.

All debt service payments have been included in this budget.

**Accommodation Tax Fund:** This fund covers any tourist related activity such as the Welcome Center, Beach Accesses, Mosquito Control, Holiday Decorations, Chamber, and the 4<sup>th</sup> July celebration. This fund increased by \$5,037. We currently have two full time employees salary coming from this fund.

**Enterprise Fund:** The total amount proposed in the Enterprise Fund amounts to \$4,494,453 which is an increase of \$89,036.

Total positions in the Enterprise Fund (Utility Fund) are currently 14.5 but I am recommending eliminating 2.5 positions which have been unfilled leaving the recommended positions at 12.

The past several years have been very difficult for us as we know it has been for all our citizens. I must give the credit to our elected officials for the foresight they had in completing the master plans and sticking with these plans which have allowed us to keep our infrastructure current and with growth potential we are finally beginning to see the growth begin to pick up.

I know there have been many difficult decisions that each of you have had to consider and make along the way but with your ideas, dreams, and goals, I am confident our residents and visitors will have a better place to live, work, and play for many years to come.

As this is the last budget message I will prepare as your town manager I, from the bottom of my heart wish to thank each of you for the past 12 years. In my 40 years serving the public this has truly been the most rewarding experience for me. You are a very dedicated elected board with outstanding leadership skills and no one truly knows

the hours of valuable time you give up each year only to make Surf City a better place for everyone.

I thank all the Town Employees for their dedicated work and wish each of them as many wonderful years serving the public as I have been able to enjoy.

Budget was presented to Council and Town Clerk to display for public review for 10 days.

### **ADVISORY BOARD REAPPOINTMENTS**

Hurricane Re-entry	A.D. Register	6-30-13	Councilman Fowler
	Bob Nolley	6-30-13	Councilman Curley
	Tommy Oliver	6-30-13	Councilwoman Albury
Recreation	Carl Johnson	6-30-13	Councilman Helms
	Hiram Williams	6-30-13	Mayor Pro Tem Medlin
	Boyce Kay	6-30-13	Mayor Guy
	Bobby Owings	6-30-13	Councilman Helms
	Michael	6-30-13	Mayor Guy
	Pasquantonio		
Planning Board	Bob Barlett	6-30-13	Board
	Rick Benton	6-30-13	Councilman Fowler
	Sally Edens	6-30-13	Councilwoman Albury
Board of Adjustment	Teresa Batts	6-30-13	Board
	Jimmy Campbell	6-30-13	Board
	Randy Cox	6-30-13	Councilman Curley
	Larry Bartholomew	6-30-13	Councilwoman Albury
	Sally Edens	6-30-13	Councilman Fowler

Councilman Fowler made a motion to reappoint all of the members listed. Councilman Helms seconded motion. Motion carried unanimously.

### **AUDIT CONTRACT**

Councilwoman Albury made a motion to approve the Audit contract for FY ending 6/30/2013 with M. Wade Greene, CPA. Councilman Fowler seconded motion. Motion carried unanimously.

### **RE-FINANCING OF LOANS**

The Loans with the interest being modified total \$5,607,331.00. The loans are for the Waterwater Treatment Plant Land, Police Department, and the Mainland Pump Station.

Councilman Helms made a motion to approve Re-financing. Mayor Pro Tem Medlin seconded motion. Motion carried unanimously.

### **TAX RELEASES**

Mayor Pro Tem Medlin made a motion to approve the tax releases. Councilman Fowler seconded motion. Motion carried unanimously. Copy of tax releases are attached to these minutes.

### **PUBLIC FORUM**

No comments.

### **COUNCIL FORUM**

Councilman Curley thanked everyone for coming.

Mayor Pro Tem Medlin stated that he appreciated everyone coming and Mike Moore and staffs work on the budget.

Councilwoman Albury thanked everyone for coming and for everyone's hard work.

Councilman Fowler invited everyone to movie on Friday night and to all the activities going on and thanked everyone for the great job on the budget.

Councilman Helms thanked everyone for coming and invited everyone to the July 3 Fireworks.

Mayor Guy stated that he is looking forward to large amount of visitors for this year for July 3<sup>rd</sup>. Thanked Mr. Moore for his service to the Town.

### **MANAGER REPORT**

No report at this time.

### **TOWN ATTORNEY REPORT**

No report at this time.

**CLOSED SESSION** 7:20 p.m. upon the motion by Councilman Fowler and seconded by Mayor Pro Tem Medlin. In compliance with 143-318.11(A)(5) Land Acquisition.

Regular meeting reconvened at 7:28 pm upon the motion by Councilman Helms and seconded by Councilwoman Albury.

### **PROPERTY PURCHASE**

Councilwoman Albury made a motion to approve offering \$70,000 for .24 acres adjacent to the Surf City Police Department contingent on title work being done by the Town Attorney. Councilman Helms seconded motion. Motion carried unanimously.

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**RECESSED**

This meeting was recessed at 7:29 p.m. upon the motion by Councilwoman Albury and seconded by Councilman Helms until June 18<sup>th</sup> at noon. The Council unanimously approved motion.

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Patricia E. Arnold, Town Clerk

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A. D. (Zander) Guy, Jr., Mayor