

TOWN OF ELIZABETHTOWN
2023 ANNUAL BUDGET & PLANNING RETREAT
March 7, 2023

The Elizabethtown Town Council met for its Annual Budget & Planning Retreat on Tuesday, March 7, 2023 at the Mac Campbell, Sr. Terminal Building. Those in attendance included Mayor Sylvia Campbell, Mayor Pro Tem Rufus Lloyd, Council Members Howell Clark (*had to leave the meeting early*), Rich Glenn (*had to leave the meeting early*), Paula Greene, Ricky Leinwand, Herman Lewis, Town Manager Dane Rideout and Assistant Town Manager Pat DeVane. Department Heads attending were Finance Director Sharon Penny, Police Chief Tony Parrish, Fire Chief Hollis Freeman, Planning Director Rusty Worley and Director of Public Works/Engineering Services Steve Duffy. Director of Communications & Marketing Terri Dennison and Airport Manager Mitch Taylor were absent. No members from the public nor representatives from the press attended this meeting.

Mayor Sylvia Campbell called the meeting to order and thanked all those in attendance for making the arrangements for this important event. Mayor Campbell called upon Mayor Pro Tem Rufus Lloyd to give the invocation.

Those in attendance had been provided a binder containing the meeting agenda outline and backup material.

Remarks – Town Manager Dane Rideout

Mr. Rideout praised the Department Heads for the great work each of them are doing. He passed along thanks to the Bladen's Bloomin' Manager Chuck Heustess as well. The Manager then gave a general rundown on the agenda items for the day and noted we are working in a way to increase the Town's tax base.

Sharon Penny – Financials & Budget Planning

Finance Director Sharon Penny gave a PowerPoint presentation that touched on the following budget-related items: Snapshot of Revenues/Expenditures; the increases for FY 23-24 that are known at the present time; and Assumptions/Recommendations/Discussion Items.

First Bank is the Town's central checking account for all operating and capital project funds. Total Available Cash for 6/30/22 was \$5,636,229 and as of 2/28/2023 Total Available Cash is \$6,725,177. In order to keep some of the Town money local, Mrs. Penny noted that if First Bank can't keep up with same investment as Capital Management, then she will transfer back to N.C. Capital Management Trust. There was general discussion about faulty water meter readings as it relates to revenue sources for the Town. Director of Public Works/Engineering Services Steve Duffy provided an explanation. General discussion followed concerning solid waste fees – need to be certain the solid waste fee is in line - Town needs to increase revenue. Solid waste survey information is being planned for presentation at Town Council's April meeting. There was mention of new financial software for the Finance Department. Finance Director is looking at changing the current system - \$13,000 - \$15,000 package for the Town through 2026 – for the current Incode system, the cost is about \$20,000.

Mrs. Penny outlined the Debt Service Schedule of the Town with the Total General Fund Debt Service being \$4,420,922 as of 6/30/2022. The Debt Service Schedule for the Water Fund is \$900,213 - for a Grand Total of \$5,321,135. A 10-Year Financial Summary was reviewed for General Fund Revenues and a 10-Year Financial Summary for Expenditures as well as Utility Fund and Expenditures. There will be an increase in retirement costs if salaries remain the same and rate increase for Hospitalization for a total increase of \$40,977. Guidance request from Council on recommendations for new budget: For Revenues: Increase solid waste fees 3%; increase water and sewer rates 4% and no increase in tax rate. For Expenses: COLA – Cost is \$31,715 for each 1% increase; continue three additional Federal holidays (Presidents Day, Juneteenth and Columbus Day); Benefit Rate Increases – Health Insurance = 5% (unknown at this time), Regular employee’s matching retirement = 7%, Law Enforcement employee’s matching retirement = 8%, Façade Grant Program (through Chamber of Commerce) - \$20,000 and Local 10% (\$120,000) match needed for \$4.7M Airport Runway & Apron Rehab project – (County of Bladen has provided \$350,000 towards project) and project will be re-bid, additional cost to eliminate recycling program – approximately \$14,000/year, guidance and directions on Christmas decorations (Mayor noted to get all new Christmas decorations at once and that way, all the Christmas lights would be the same shade), stormwater fee (Director of Public Works/Engineering Services Steve Duffy gave a few comments about the King Street stormwater problem and the Master Stormwater Plan for the Town - with this being an unfunded program, a property tax increase for such a program would need to be considered – a stormwater camera purchase is needed and Town can buy the equipment or hire a contractor), increase to Police salaries to be competitive – increase all sworn officer positions (except) police chief by \$6,000 – total cost of \$108,596 and eliminate 2 vacant Full-Time Employees to pay for sworn officer increase - \$127,868 (\$63,934/vacant FTE).

There was discussion about the Town’s Delinquent Personal and Real Property Tax collection. Finance Director Sharon Penny is working on a number of delinquent tax accounts and sending letters and making arrangements to set up a payment plan in an exerted effort to collect the delinquent Town taxes.

Ken Clark (NCDOT) Presentation

Ken Clark, NCDOT Engineer, gave a PowerPoint presentation with the following updates: The second phase of the new Cape Fear River bridge is almost finished. The bridge work is currently in the phase of the concrete curing then rail installation and tie-in will be completed. The plan is to shift traffic from old bridge to new bridge early May 2023. May 2024 is the date for complete construction of the bridge. Other items that were touched on included the U.S Hwy. #701 Interchange Lighting system and the Cape Fear River Bridge lighting request. As reported, for the bridge lighting plan (17 lights), there can be two options (\$96,500 or \$159,000) available to the Town whereby Duke Energy can install the lights for the bridge and the DOT and Town maintains and Town pays the monthly power charge (County can split the cost of the electric bill). Mr. Ken Clark noted that no negotiations with Duke Energy have taken place about the bridge lighting request. Other items briefed on were roadway improvements in the Industrial Park and roadway resurfacing plan for DOT-owned streets/roads. DOT is looking at the Peanut Road drainage problem. The chip-seal work for the Town-owned streets is planned for May/June 2023.

Upon completion of Mr. Clark’s presentation, Mayor Sylvia Campbell called upon Mayor Pro Tem Rufus Lloyd to give the blessing for the meal.

Town Activities Calendar – Terri Dennison

This agenda item was presented at the March 6, 2023, 7 p.m., Town Council meeting rather than at the Annual Budget Retreat. Applicable material was included in the Budget Retreat binders.

Grants Review – Town Manager Dane Rideout

During the working lunch, Town Manager Dane Rideout gave his Power Point presentation on Grants that Elizabethtown has received, is receiving and those grants being applied for. Such includes: **Community Development Block Grants:** \$950,000 received to rebuild three (3) homes and for sidewalks and lighting on Dunham (MLK to Poplar) Street; \$2.575 million received for new Town Community Center and a \$2 million request will be resubmitted in 2023 for the Sewer Collection System, CDBG – Infrastructure. **Golden Leaf Grants:** \$364.9K for the Live Work Play Infrastructure and \$132K for Stormwater Master Plan; For the **N.C. State Grants:** \$13.6M for Wastewater Treatment Plant Expansion and Upgrade and \$2.5M requested in 2023 for Project Samuel Hangar for Flight Training and Aviation Maintenance; \$10K for EV Charging Station at Farmer’s Market, \$329K to be resubmitted in March 2023 for Workforce Housing Site Preparation for Old Ace Wrecker site – Rural Transformation, A&E – E.L. Robinson and \$2.2M to be resubmitted in 2023 for King Street Stormwater. **Other Grants:** T-Mobile grant for \$50K for Farmer’s Market Stage and Information Kiosks, \$900K to be resubmitted in 2023 for Infrastructure Hardening and \$210K to be submitted in 2023 for King Street Stormwater. Submitted in 2022 - for Technical Assistance for Thriving Communities Program for New Town Revitalization, \$795K received for Airport Improvements and \$1 billion available and requested in 2023 for Reconnecting Communities Pilot for New Town Revitalization.

The Manager then briefed on the interest of Sovereign Aerospace locating to the Industrial Park. He mentioned that McQueen Campbell first told him about Sovereign Aerospace because Mr. McQueen uses their services for his aircraft maintenance work. Mr. Rideout then introduced Mr. Ken Hadaway, Sovereign Aerospace’s CFO. Mr. Hadaway’s wife, Carrie, accompanied him to the meeting. Mr. Hadaway gave the history of Sovereign Air and outlined their business of flight training, aviation maintenance and Avonic services.

The Manager commented that the Town is excited to partner with Sovereign Air.

Departmental Presentations:

Police Department - Police Chief Tony Parrish’s PowerPoint presentation included the following: Major Crime Summary from 2015 – 2022. During 2022, the Town saw a 22.3% reduction in the number of major crimes reported from previous year. Officers seized 147 pounds of marijuana in December 2022. Chief reported on the 2022 Flock Safety system and outlined the statistics from April – December 2022. Police Department Personnel – currently, there are vacancies with two officers having applied to Smithfield’s Police Department and one to the North Carolina State Highway Patrol. There was a salary comparison for County and Town law enforcement agencies. Chief Parrish’s budget request for FY 2023-2024: Flock Safety ALPR Cameras (\$25,250) and to Increase Starting Salary for Police Officers to \$44,000.

Fire Department - Fire Chief Hollis Freeman’s PowerPoint presentation included the following: Reviewed the awards that were presented at the February 24, 2023 Fire Department Awards Banquet which included 18 Life Saving awards, 21 Unit Citations and 11 Distinguished Service awards. He reported there was one special award (Red Heart Award) presented to Firefighter Allston Freeman.

Firefighter Freeman received 2nd and 3rd degree burns while on a fire call. Chief Freeman then outlined the Call Volume Report for 2022 – a total of 531 calls. As of 3/7/23, there have been 147 reported incidents. With the Fire Department’s annual budget planning, the department will continue to purchase three (3) sets of turnout gear each year (\$10,000). The Fire Department’s Capital Improvement Plan – Purchase a new brush unit due to high demands of wood and brush fires which would make less use of the fire engine. The Fire Department has 41 Members with 7 Staff.

Public Works Department - Public Works/Engineering Services Director Steve Duffy’s PowerPoint presentation included the following:

Personnel Accomplishments: Greg Taylor (Certified Pesticides/Herbicides Operator and Studied for Wastewater Grade 2) and George Hopkins (Certified Pesticides/Herbicides Operator);

Facility Management: For the Farmer’s Market HVAC units, recommendation was to replace one unit per year for the next 3 years, Exit signs at Town Hall need replacing; Painting various Parks, Town Hall, Breezeways in Downtown, Pier/Boardwalk at Lock & Dam #2 needs repair and replacement of damaged lumber and surplus equipment sold – 5 items totaling \$4,992.

Properties Maintenance: 240 acres at Airport and Bike Park contracted and 100 acres maintained by staff, additional data collection needed to incorporate remaining areas for outfall lines and other, intend to perform vegetative retardation spraying at the Airport with pull-behind sprayers.

Road Maintenance & Paving: Approx. 11 miles of roads to be chip-sealed and \$900,000 remains in 2022-2023 Budget;

Capital Items for Consideration: 250-gallon sprayer trailer with 30-50 foot spray booms (\$6,500), New 48” Zero Turn Mower (replacement, old unit to be sold as surplus)(\$8,796), 36” Brush mower head for mini excavator (\$3,328), John Deere 2038R Compact Utility Tractor (36hp) – Spraying and Landscaping (replacement, old unit to be sold as surplus)(\$33,008) and Skid Steer 40-60 hp (shared Public Works and Water Utilities)(\$50,000);

Water Utilities Department:

Personnel Accomplishments: Sherry Lanier – Collections 2 – Studied for B – Distributions & Grade 3 Wastewater, Jerimey Sykes – Collections 2 – Studied for B – Distributions and Don Edwards – Grade 1 Wastewater;

Water Operations: Dewitt Street Elevated Tank Rehabilitation Status, Valve Insertion Demo, March 14-15, will have 4 new valves installed and employee participation, training provided to employees for Aclara One meter reading solution, meter/MTU replacement program working to improve overall service and ROI on meter reading technology and meter/MTU supply chain issues hindering repair/replacement implementation;

Sewer Operations: Planning sewer line repair at Affordable Tire across to King Street, WWTP 80% design drawing have been received and are being reviewed internally, WWTP plans submitted to NCDEQ-DWI for approval by April, Capital Predictor Model – WithersRavenel – expect draft delivery by March 10th and regionalization waiting for further communication from outside parties (LKC, Bladenboro);

Stormwater System: King Street at Affordable Tire – NCDEQ, DWI Grant Funding was not approved, planning the addition of two (2) drop inlets at S. Robeson St. and S. Craig St. to reduce surface flow on King Street, Golden Leaf Stormwater Master Plan Grant – WithersRavenel working on planning to conduct surveying, project to be completed by August 2023 and County Stormwater Mapping project and GIS data;

Capital Items for Consideration: 20 ft. Tilt Trailer for Mini Excavator and Accessories (\$14,000), replace Control Panels – Cape Craft Lift Station, Cromartie Lift Station and Well 1, Well 2 (\$24,000) and concrete coring set (1”, 2”, 4” & 6” bits) (\$2,500);

Information Technologies: New servers, new firewall/router installed and operational, new network switches are being installed, new Star Communication fiber connection has been installed and is operational, services to be switched over early March, Police Department configuration being determined before deciding a direction for their connectivity, software services (Tyler Technology and Dorsett Controls) scheduling transition/upgrade for their services to the new servers, majority of large transitions to be completed by April 2023, strategic replacement plan being prepared to address other aging IT infrastructure, Fire Department to become permanently integrated into existing Town domain resources; Geographic Information Systems (GIS): Water, Sewer and Stormwater asset inventory is available to staff via the internet and ArcGIS Online, resources will be available as both editable and view-only resources, Elizabethtown now operates a sub-centimeter (0.4”) GPS data collection device, training on ArcGIS Online and GPS usage to be conducted March and/or April, the Elizabethtown Cemetery system of record is being transitioned to GIS via GPS data collection, cemetery records to be available through the ArcGIS Online platform by July 2023, many other Town-owned assets will be recorded and maintained within the GIS over time.

Community Center & Update on Economic Development Matters: Planning Director Rusty Worley’s PowerPoint presentation provided a rendering of the proposed Elizabethtown Community Center. Mr. Worley mentioned that he was handling two “Requests for Proposals” for this CDBG-NR Community Center project. For Economic Development, he presented the following updates: The Live Work Play Master Plan; Project Bob, an aircraft manufacturer, plans to locate in the old Anthem Building; a Distillery with maybe two restaurants and then Sovereign Air will be locating to the Industrial Park. For the April 2023 Town Council meeting, there will be a Public Hearing scheduled for a Special Use Permit related to a Hydroponics Company locating in Elizabethtown with a \$150 million valuation; Project Nut – application will be made for a Reuse Building Grant; Project Hover – a Pharmaceutical Company with locations in Spain and N.C. – all to increase tax revenue. Mr. Worley reported that the annexation of the Industrial Park is being worked on – city limit survey has to be completed first.

In response to the question about the FY 2023-24 process for the proposed budget, Mayor Campbell asked that Finance Director Sharon Penny draft the budget with the numbers she best knows and make available for Council review.

In closing, Mayor Campbell noted that the Department Heads are doing a fantastic job.

There was no Closed Session for the purpose of Economic Development.

With no further business to conduct, the meeting was adjourned at 3:30 p.m.

Sylvia Campbell, Mayor