



# County of Dare

P.O. Box 1000 | Manteo, NC 27954

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## MINUTES

DARE COUNTY BOARD OF COMMISSIONERS

**SPECIAL MEETING – BUDGET WORKSHOP**

Dare County Administration Building, Manteo, NC

**8:30 a.m., April 25, 2022**

Commissioners present: Chairman Robert Woodard, Sr., Vice-Chairman Wally Overman, Commissioners Rob Ross, Jim Tobin, Steve House, Danny Couch and Ervin Bateman

Commissioners absent: None

Others present: County Manager/Attorney, Robert L. Outten  
Deputy County Manager/Finance Director, David Clawson  
Clerk to the Board, Cheryl C. Anby, Dustin Peele, Mary Helen Goodloe-Murphy, Dorothy Hester, Elizabeth Reilly, Ernie DaBiero, Sally DeFosse and Matt Hester

At 8:33 a.m. Chairman Woodard called to order the Special Meeting with appropriate prior public notice having been given.

### **BUDGET WORKSHOP:**

1. County Manager explained Lumens would make a video link follow-up presentation regarding an expanded broadband project throughout the county. The estimated \$4.35 million project was applying for a \$3.4 million grant from the state and was asking for \$100,000 contribution from Dare if accepted. The county contribution would be prorated if the number of households serviced was changed. After the presentation the Board discussed briefly.

### **MOTION**

Commissioner Tobin motioned to approve the \$100,000 contribution

Commissioner Ross seconded the motion.

VOTE: AYES unanimous

2. FY2023 Budget discussion: (See handout entitled “2023 Manager’s Recommended Budget”) Throughout the workshop, as each item was discussed, the Board asked questions, the Manager and Finance Director provided background information, direction and guidance. Dave Clawson, Sally DeFosse, Ernie DaBiero and the Finance Department were thanked for their preparation efforts.

- a. General Fund: Mr. Outten explained this was the second year of a two-year budget. There were increases that dealt with software break increases, fuel and a few personnel changes/additions. The 2022 adopted budget was \$112,706,798. Several things had driven expense changes. The 5% COLA (\$2,245,063) was higher than normal, but the salary study was expected to elevate salaries so it was the opinion to budget in a higher COLA now. A 3% employer 401k was listed at \$1,046,953. Step increases were budgeted at \$698,593. Merit pay was unchanged from other years. The Dare schools had a \$2.6 million fund balance and it had been discussed to fund a \$500 teacher supplement to help get on track with other areas (\$250,000). C&D tipping fees did not cover the cost of operations. The county had tried to bid it out and found no one could touch current costs. If the tipping fees were raised to cover the cost, then the C&D tipping fees would exceed the sanitation fund cost. There were three communicator positions (\$242,210) and increased Sheriff Department expenses totaling \$122,550.

Mr. Outten reviewed 2022 revenues. There would be no increase in the property tax rate. Other factors affecting the budget included the delivery lead times for new ambulances and sanitation trucks. The budget document would include a vehicle replacement for ambulances and sanitation trucks. There would be a capital project ordinance to include both FY23 and FY24 vehicles so they could be ordered but not received or delivered prior to July 1, 2023.

Dare County All 2023 Manager's Budgets were reviewed by Mr. Outten with the Board. He went line by line of the budget requests from each department and the 2023 Manager's changes. Several departments such as finance, grounds and maintenance, communications, EMS, transportation and the DHHS had increased budgets due to additional positions being added.

**Meeting recessed at 10:44 a.m. and reconvened at 10:53 a.m.**

- b. Capital Improvement Plan: The 2023 – 2027 CIP and Capital Investment Fund expenditures were highlighted to include: \$10 million placeholder for COA expenditure project had been moved to 2035, Dare MedFlight changed to Airbus H Care program, and changing the Dare County Schools CIP future years' escalation from 3% to 5%.

The upgrades to the parks and recreation buildings had come in at \$24.9 million from Oakley Collier. Commissioner Bateman mentioned there was a group who wanted artificial turf on every playing field. Short discussion followed and Mr. Outten noted the county had aged facilities that needed work to get them up to speed. The demand for fields exceeded our capacity for fields. Chairman Woodard added soccer plays all four seasons and suggested a parks and recreation study be done to determine what the future recreation needs of the county would be so we could plan accordingly. The County Manager would also look into putting in lights at First Flight playing field.

The group reviewed the expanded CIP 2023 Recommended Projects which included new requests for public works equipment, jail renovations and the Manteo Masonic Lodge remodel/replacement. The Financial Model for Capital Investment Fund provided the financial summary for the CIP from 2023 – 2027 with graphs of debt service, risk and yearly expenditures by type.

c. Solid Waste:

- i. Sanitation Fund – Raftelis Financial Consulting had run a model and there are two options. A large rate increase (like 4-6% which would be a 5 cent increase per household added to ad valorem) or smaller increases each year i.e. 1% a year. This would only affect unincorporated Dare County.
- ii. C and D Fund – It is costing more to dispose of the C and D than the rate will cover. Bidders cannot meet our current cost. Raftelis recommended model includes \$400,000/year from General Fund, a 3% annual tipping fee increase and \$50,000/year for landfill closure liability.

- d. Water Fund: There was no real change and the group discussed rates and trends. Mr. Clawson pointed out the Cape Hatteras water line replacement from Avon to Buxton would be funded in 2023 (\$1,000,000)

**At noon the group took a lunch break and reconvened at 12:16 p.m.**

3. Workplace Improvement Discussion: Mr. Outten and Mrs. Reilly had met with every department head to open discussion about how to improve the county's workplace. He shared the many requests from salary issues, benefit changes and scheduling.

a. Salary issues: The county was currently having a salary study performed, which when completed would offer additional insight. He offered if only a few suggestions could be implemented then some priorities could be set. Five percent had been set aside in the recommended budget for a cost of living allowance. As to 401k, it was recommended to reinstate the program at 3% for everyone which was estimated at \$1,046,953 a year. A Step Plan was discussed, however, it was recommended not to fund it until the salary study had been completed. Staff had also asked for return of longevity. Mr. Outten explained it would cost \$435,000 to bring it back in and was not in the budget at this time.

b. Benefits: The Board had recently addresses several new changes to the health insurance plans with copay changes and the addition of a spouse category. As to leave, employees currently received twelve vacation days with equal sick days. One suggestion was to add some personal days. After brief discussion it was the consensus of the Board to add three additional personal days.

**The meeting recessed at 1:10 p.m. and resumed at 1:14 p.m.**

c. Other:

- i. Flex schedule. Mr. Outten offered many staff suggested remote work, flex hours, and a four-day work week. Remote work had been done and worked pretty well with the county. It was proposed a combination of

all three in some departments may be possible. If a four-day work week was offered, the employees would not be permitted to have the same day off each week.

- ii. Team building by department and county-wide was discussed with a proposed \$30,000 set aside for each year.
- iii. Ongoing employee surveys would be scheduled from time to time.
- iv. Childcare assistance was discussed briefly and consensus was it would be difficult to accomplish.

4. Monthly meeting schedule: After a brief discussion, the Board agreed to have one Board meeting a month beginning with the new fiscal year. All meetings would begin at 9:00 a.m.

Commissioner Couch mentioned Rodanthe, Waves and Salvo were growing and needed a County building which could provide direct services like the Sheriff's office. Mr. Outten stated he would have some discussion with department heads to see if their capability of deliver services would change if a building was put there.

**MOTION:**

Commissioner Tobin motioned to adjourn the meeting.

Commissioner Bateman seconded the motion.

VOTE: AYES unanimous

At 2:17 p.m., the Dare County Board of Commissioners adjourned the Special Meeting Budget Workshop.



APPROVED:

Respectfully submitted,

By: *Cheryl C. Anby*  
Cheryl C. Anby, Clerk to the Board

By: *Robert Woodard, Sr.*  
Robert Woodard, Sr., Chairman  
Dare County Board of Commissioners