

TOWN OF SUNSET BEACH

Proposed Changes to Levels of Service & Impacts for Requested Level of Budget Reductions

Finance & Administration

Proposed service changes for FY 16-17

Recycling Program Administration – This program allows Town residents to opt in for participation in Curbside Recycling at a discounted rate from Waste Industries. The Town staff handles the administration for Waste Industries and the customers are provided a significantly discounted rate. This uses significant staff time to administer and this does not uniformly benefit the Town citizens as many opt not to participate. Staff proposes to eliminate the program and have the residents subscribe directly for the services at the market rate or opt to have a mandatory program so that all residents are included and the extensive administration time identifying who is and isn't participating each year could be significantly reduced or eliminated.

Purchase Order Requirement - The Town Ordinances require for the Finance Department to issue a Purchase Order for every purchase. However, there are a number of cases where it is not beneficial to do so. While the NC State Law requires the pre-audit of expenditures and this process is most often practically completed through the process of Purchase Order issuance, there are other ways to pre-audit that could also be used to allow staff to work more efficiently if staff was not constrained by this ordinance. We propose that Town Council consider passing an amended Purchasing Policy and that it amend this Ordinance to allow recurring expenditures such as electric and phone bills, and small purchases, those under a \$250 purchase, as well as other purchases with Finance Officer approval to be excluded from the PO requirement.

Travel Expenditure Processing – The Town currently reimburses travel expenditures in accordance with the Personnel Policy. Staff recommends that the Town change to a Per Diem in lieu of the general reimbursement process. This could save significant staff time in gathering and checking receipts and would be consistent with state and federal travel guidelines.

Departmental Impact of 10% Budget Reduction:

There is very little excess in the Finance Department budget. If the Town Council were to opt for the 10% budget reduction in this department, it would reduce the ability to have two full-time employees and this would likely hinder the Town's ability to meet its legal requirements for financial record-keeping and financial management. It would also prevent the staff from having the capacity for extra items such as special event assistance and recycling program fee management. It would reduce efficiency for the financial processes by increasing the time it would take to turn around vendor payments and purchase order requests. It would reduce the effectiveness of the Town's internal controls and would hinder the recent progress that has been made in the areas of regular financial reporting and financial information transparency due to time constraints.

Administration would have to eliminate the much-needed purchase of requested Records Management software in order to reach the 10% budget reduction. Additional cuts to make the required reduction would come in the form of salaries and this would reduce the amount of administrative support hours that could be used for the department's activities.

Planning and Inspections

Proposed service changes for FY 16-17

Once the department is fully trained and staffed, there is no need for additional staff to handle operations. Currently, the department's inspection operations are staffed with one (1) probationary Level 1 inspector and two (2) part time inspectors to cover higher level inspection needs on a temporary basis. Staff is proposing to work to fill the one full-time position with a properly trained and certified inspector to replace the two part-time inspectors. This will result in the two (2), full-time inspectors that are currently budgeted for the Town.

For the planning, zoning and regulatory aspects of the department, the staff level is currently staffed adequately with one Department Director and one GIS Planner.

Additionally, there is one full-time administrative assistant who coordinates the activities for the department. No further additional staff are needed for the department.

Departmental Impacts of 10% Reduction:

Staff has reviewed the impacts of a 10% reduction in budget. Whereas staff has identified some discretionary money that could be reduced, it does not meet the mandatory 10% threshold being requested by Town Council. Staff estimates that discretionary spending can be reduced by approximately 2-3%. However, to obtain the 10% reduction, a staff position will have to be eliminated.

Currently the department is functioning by providing two core services. One is inspections (which is covered by two building inspectors) and the other handles the planning, zoning and regulatory permitting requirements. This is covered by the GIS Planner and Department Director.

If an inspector position is eliminated from the inspections operations, the department will be required to operate with one inspector. This will result in:

- Reduced or delayed response to service for calls
- Reduced oversight in code and building code violations
- The need to rely on inter local agreements to handle caseloads or in instances of inspector absences.
- Work fatigue for staff

If the position is eliminated from the Planning side of operations, the following impacts are predicted:

1. The Director will have to assume all day-to-day roles in regulatory permitting and data management such as, but not limited to:
 - GIS maintenance and asset management
 - CAMA permitting and floodplain management

- Code enforcement

This will result in:

- Significant limitations in the amount of time allocated for working with Town Council and appointed boards; including having dedicated time to fix noted problems with operations, the UDO, the Land Use Plan or any other activity or project assigned by the Boards.
- Placing a heavier reliance on needing contracted, third party services to complete projects with associated costs.
- Reduced attention needed to maintain the Town's CRS, ISO, and other such programs
- Work fatigue for staff

In the absence of the Director for illness, extended leave, or any other reason, there will be no departmental backup for any of the aforementioned services, staffing of the Boards, or citizen engagement for day-to-day operations.

Public Works (Streets)

Proposed service changes for FY 16-17

Propose to evaluate proposals for outsourcing Leaf & Limb pick-up and redirect the staff labor to allow for the Town to resume maintenance work that has been delayed and that which will be added as a result of the Storm Water Maintenance Plan. Prior quotes for this service were in the neighborhood of \$90,000; however this is for a reduced service level of only 2 cans of debris per month per residence.

Leaf & Limb pick-up takes 2-3 full days for 3 workers to clear a zone in the months containing 4 weeks. When the month has 5 weeks, the skipped week causes the subsequent pickup time to increase to 3-4 days. Each of the 2 zones is picked up twice per month. This task alone takes 3 workers time 8-12 full days of the month.

The second trash pick-up for the island and select mainland areas could be eliminated to save the Town roughly \$100,000 from the Accommodations Tax budget. This service is provided from May through the end of September and the rates for the service are continuing to increase.

Departmental Impacts of 10% Reduction:

Public Buildings:

If the Public Buildings budget is reduced by 10% there will not be adequate funding to maintain the buildings even at a minimal level. There are roof repairs needed at the Fire Stations to deal with active leaks, there are maintenance and repairs needed at Town Hall, Gutters are needed at the Public Works building and these are just the known issues.

Additionally, the grounds maintenance would not be able to be funded at the current level and there is an existing contract for this work.

Sanitation:

The recycling program could be eliminated and this would remove \$45,000 from this budget's expenditures.

Environmental Protection:

To reach a 10% reduction in this department budget the required reductions would cause the Town to not be able to meet its obligations for Professional Services associated with the Storm Water Management Plan or the required Storm Water system repairs.

Mosquitos:

This budget cannot sustain a 10% cut because chemicals are purchased every other year and are needed in this year. Since it was a mild and wet winter, the need for additional mosquito spraying is anticipated.

Powell Bill Fund:

This is a restricted fund source. The departmental budget has not been reduced by 10% since the funds must be used in accordance with guiding legislation. Due to the legislative changes in the use of the funds, gas and oil expenditures have been moved from the Powell Bill to the Streets Budget and the Paving line has been increased to \$100,000. Additional paving expenditures previously funded in the General Fund have been reduced.

Fire Department

Proposed service changes for FY 16-17

No changes to levels of services are proposed for FY 16-17.

Departmental Impacts of 10% Reduction:

Closure of Fire Station 2 would result in an approximate expenditure reduction of \$50,000.

Fire Station 2 would no longer be open and the staff would be reverted to Station I. Minimum staffing levels would decrease to three. This would allow the department to reduce spending in Building Services, Utilities, Janitorial and salaries. The negative impact to the citizens in the fire district would be an increase in insurance premiums and longer response times. This would create a negative impact throughout the community.

Police Department

Proposed service changes for FY 16-17

Currently, we provide no services that create such a drain on resources that we would recommend eliminating them. We do, as will be discussed with our proposed fee scheduling,

provide services that create enough resource strain that we feel there should be a charge for said services.

Our Department is for the most part a full-functioning department in that we provide just about every service that we can. There are some areas that we have traditionally dealt with on an as requested basis, such as crime prevention. Our current Work Plans lay out programs that will hopefully take a more proactive stance on crime prevention. Those programs include Serial Number Registration of at-risk property, regularly scheduled Security Surveys of Homes and Businesses rather than waiting for a request, and a Community Watch type program for interested neighborhoods.

Departmental Impacts of 10% Reduction:

For the 2016-2017 Fiscal Year the Sunset Beach Police Department has been asked to achieve a 10% reduction in our budget. This would result in a cut of \$144,445.00 from the current budget. To bring this request to fruition, we have proposed some cuts to operating expenses and other expenditures that were planned for this year. We have cut a much-needed request for a part-time employee budget, a utility vehicle for safer beach strand patrolling, in-car cameras for patrol vehicles to replace outdated and inferior equipment, and one marked patrol vehicle. The resulting impact on services provided is as follows:

- Shifts not covered due to staff in training, sick, on vacation, etc., may not be covered if we are not able to find someone available to work overtime. This being the case, response time to calls will be slowed and backup for other officers may not be available which creates a great safety risk.
- For preservation of our patrol vehicles and safety of beach goers, we will not be able to make regular patrols of the beach strand.
- We will only respond to the most serious of emergencies by way of the beach strand which will result in reduced response times.
- We will have to continue to rely on in-car video technology that is outdated and continues to fail on a regular basis. Not having reliable technology of this kind puts officers at risk of not having the video evidence needed for court cases and personnel complaint cases as well.

Given our currently proposed budget, the Sunset Beach Police Department will be able to provide most of the usual services that we have all become accustomed to, with the exception of what is listed above. No matter what the level of funding, we will not allow it to compromise our integrity, employee performance, or quality of customer service.