



ORIENTAL TOWN BOARD BUDGET MEETING

Tuesday, April 12, 2022, 8AM  
507 Church Street, Oriental, NC  
Mayor Sally Belangia Officiating

1 The Town Board of Oriental Budget Meeting #1 held on Tuesday, April 12, 2022 was called to order at 8 AM.  
2 Mayor Belangia determined a quorum to be present, opened the budget meeting and turned it over to the Manager.  
3 The meeting was open to the public. All documents for the meeting were available through the Town's website at  
4 [www.TownofOriental.com](http://www.TownofOriental.com).

5  
6 Present: Mayor Belangia, Mayor Pro Tempore White, Commissioner Overcash, Commissioner Price, Commissioner  
7 Winfrey, Commissioner Roe, Town Manager Diane Miller, Deputy Finance Director Tammy Cox, Officer Nic  
8 Blayne, and members of the public.

9  
10 Fee Schedule- Chapter S in General Ordinances. General Fund Revenues. Commissioner Roe asks about revenues/  
11 fees. How many things can we control on the fee schedule/budgeted revenues can we change? Manager explains  
12 that the property tax revenue is controlled by the Statutes and Treasurer's rules that we can budget the same  
13 percentage that we collected the previous year (year we are currently in). TODAY, we are at 96% with 3 months of  
14 revenues left to collect. Confident we will be at at least 98%. Discussed the municipal certification. Commissioner  
15 Roe asks if we can raise property taxes. Manager confirms. He also asks about raising fees for services- everything  
16 in Chapter S.

17  
18 Manager discusses sanitation fund. Has always been subsidized by the General Fund. Commissioner Roe says we  
19 need to either cut expenditures or raise fees/taxes. Manager confirms.

20  
21 Mayor Pro Tempore White notes what came from Budget Retreat people, drainage, roads.  
22 Manager notes the potential for road tax. We had discussed that previously, but we do have significant Powell  
23 funds, but all contractors are currently overbooked. When we get them into town, we will be spending a good  
24 portion of it.

25  
26 Commissioner Price asked about setting a baseline and raising incrementally. Manager confirms- absolutely, but it  
27 was already denied in the past two years.

28  
29 19-20 was last rate raises- for sanitation. Commissioner Roe asks what we lose by quitting recycling. If we stop, we  
30 can't get it back, and then all recyclables go into trash, which costs tipping. Recycling currently saves us some. We  
31 negotiated extension last year that capped our rate raise for this year, but CRSWMA chose not to raise tipping fees  
32 this year- anticipating a significant raise next year. Commissioner Price asks about the County recycling service at  
33 Rec Park. We have had no indication that will be removed or changed. Commissioner Roe asks about the amount of  
34 tipping would increase if recycling removed. Manager notes all dependent on weight and tipping fees.

35  
36 Manager notes that most recycling bins are just as full as trash bins when emptied- the tipping would be significant.  
37 Discussed issues with people putting trash in public recycling bins- that can contaminate the whole load and cost us  
38 tipping on that load. Commissioner Roe asks how often that happens. Manager notes a few times per year- usually  
39 near large events- that has happened- GFL has notified us. Generally not a problem at residential properties.  
40 Commissioner Roe asks about ownership of public cans- Manager responds we are responsible- issues arise with  
41 large events, boat trash, etc.

42

43  
44 Mayor Pro Tempore White notes that even if we raise fees, we won't be covering ALL of the sanitation expense.  
45 Notes we have a lot of new houses going up- that property tax is what makes us get the high percentages- they are  
46 up between County aggregation of taxation levy. Commissioner Roe asks about charging businesses more  
47 depending on the business. Manager notes businesses licensing was outlawed by GA in 2014, and charging  
48 businesses differently can be a legal tightrope...you can charge TYPES of businesses differently- like we do for  
49 water- but ALL businesses that use X gallons or more are paying the same rates. We charge the process to get a  
50 business type into the district, but the cost has to be appropriate to the cost to the Town. Discussed the Water Impact  
51 litigation in Carthage. Commissioner Roe notes that we pay staff to process permits. We can raise fees relative to  
52 the time it takes staff to process. Manager confirms.

53  
54 Manager notes that property tax is adequate. Sanitation fees should be considered for raise. Discussion about "water  
55 bill" going up- noted that water, sewer, trash, and recycling are all on one bill. Manager explains all of the fees on  
56 that bill- flat fees, tiered rates, \$3.75/1000 gal water, \$9.25/1000 gal of sewer. County charges \$4.75/1000 gal of  
57 water. Rates go up with higher usage. Commissioner Roe asks if we should raise property taxes. Manager says not  
58 indicated right now, but we are going through revenue projections, and we have to go through expenses yet.

59  
60 Mayor Pro Tem White asks how much sanitation is being subsidized by the GF. Manager notes those numbers are  
61 further down. He wants to see green waste costs relative to that overage. He notes he is not a proponent of stopping  
62 recycling. Manager notes green waste cost has improved other things- less burning, less yard waste dumped into  
63 drainage ditches. There is no revenue associated with green waste. We also use it for weather events- not FEMA  
64 sized events, but smaller, like last weekend. We need the one cent equals X dollars on the tax rate.

65  
66 Manager notes today's numbers indicate \$219,000 into water, \$211,000 out. Razor thin operating margin. Most  
67 ARPA money in a restricted fund for major fixes are not in there. Hoping to reduce the salt cost. Was \$28,000/year  
68 when I arrived, now almost \$50,000. Softener fix should reduce the cost. CCR will be completed next week. We had  
69 talked about water rates, capital fee. Commissioner Roe notes it is obvious that we need to raise water rates.

70  
71 Mayor Belangia excused 8:40AM for another appointment.

72  
73 Commissioner Price asks if adding loops at the dead end water system pay for itself? Manager notes we struggle to  
74 pump to the White Farm area benefits from more residents and people are building. The problem is worse in the  
75 winter when people go away and there is less usage, so we have to flush much more to keep the residuals up in the  
76 area to those who remain. Ultimately, it would save SOME, don't know if it will pay for itself. Commissioner Price  
77 asks if there are dead ends at Whittaker Point like Dolphin Point, but the area is much more built out and the largest  
78 user is at the end of the line, so we don't get those complaints out there.

79  
80 Manager notes we have had more of those "tank emptying" events in leaks- not a leaky toilet, but a hose left running  
81 for a week, or a leaky toilet left running for a week. Manager believes that the leak adjustment policy should be  
82 adjusted, especially as we offer to turn it off at no charge. Commissioner Roe asks about benefits of meter  
83 changeout. Manager explains PD meter aging/ advantages to the customer with older meters- accuracy.  
84 Commissioner Price asks if those with bills that jump after replacement have been saving money because of the age  
85 and deterioration of the meter- YES. We've gotten to all meters are still under warranty numbers (under 375,000  
86 total gallons)- when we started, some were over 1 million total gallons. Commissioner Roe asks about radio read  
87 meters- Manager explains that we crunched it all in 2016 for the 16-17 year, and the cost to initiate infrastructure,  
88 towers, vehicles, and the placement of meters and noted breaking of equipment without antenna on them would cost  
89 us over \$323,000 initially, (the entire water budget) then annual costs would exceed our ability to keep up with the  
90 regular losses. More cost efficient to read. Commissioner Roe asks about reading the meter quarterly instead of  
91 monthly-Manager believes the cost savings would be overrun with the administrative costs. Also- leaks would not

92 be caught until unmanageable/ruinous. He asks about any savings to online billing. Manager notes we do pay  
93 postage, and we do NOT give a discount for paying online. Commissioner Roe suggests that paper billing be  
94 charged for that service. If we set you a goal where we want you to raise \$25,000 in revenue, can you come back  
95 with a list of things that need to be raised. Absolutely. Commissioner Roe would like the Manager's professional  
96 opinion of what needs to be raised and what does not- to cover our costs. Manager notes we would link any raise in  
97 fees to those raises in our costs. Not an across the board percentage raise in fees, but those justified by our costs,  
98 like we raised our development fees a few years back. Specifically asked about residential compliance fees-  
99 currently \$150- absolutely does not cover the cost associated with time spent with potential builders to get the  
100 building right. Roe asks if there is no fee for subdividing lot. No, there is not. Commissioner Roe suggests that the  
101 Manager's time as LUA is not being properly charged to developers. Roe notes that those kinds of fees raised only  
102 impact those using the service instead of everyone.

103  
104 Mayor Pro Tem White notes we need to look at water and trash most, but development fees need to cover the cost.  
105 We can't even qualify for grants because our fees are so low. Manager notes granting agencies are checking the rate  
106 FIRST- the Town is doing all it can do (rates are painfully high and no further raises can be acceptable) without a  
107 grant. OR- the Town is repeatedly in violation AND rates are too high already. So when people empty and fill pools,  
108 we get that? Yes- they get a SEWER adjustment, not a water adjustment.

109  
110 Commissioner Roe asks the one resident participating (Martin Barrow) to compare the water- Town to County- Mr.  
111 Barrow notes the Town water is better than the County water, now has switched from one to the other. Question  
112 about turning over the system to the County- Manager notes that turning it over removes your control of price and  
113 quality.

114  
115 Commissioner Roe wants a list of all reasonable fee increases from the manager.

116  
117 Manager notes the Auditor comes next week and will do some adjusting entries that we cannot do. Anything that  
118 comes in after July that needs to be backed in requires the Auditor to do that.

119  
120 Unrestricted unreserved is sitting at approximately \$774,000. Number will be verified by the auditor next week.  
121 Commissioner Roe asked about what we need to hold. Manager explained we are way above our requirement.  
122 Commissioner Roe stated the School of Govt said we were very good at reserving enough. Mayor Pro Tem White  
123 wants the unrestricted unreserved number so we can see where we are. Manager notes some of those one time  
124 projects are counted into the operating budget, which then increases our operating budget and necessarily lowers the  
125 percentage. Roe asked for explanation of restricted reserves and what they can be used for. Asked about using  
126 "event" (storm FEMA) money for those restricted things. Only can be used to repair/replace what has been  
127 damaged/destroyed. The question raised where that split was designated. State local bill allows for collection and  
128 distribution of occupancy tax. Could we change the distribution? Yes. Could make another reserve restricted  
129 account, not into general or water fund. How much is in HWAC reserve? About \$213,000. HWAC maintains  
130 waterfront facilities. Who pays for the portable toilet? P&R. Could Harbor Waterfronts pay for that? Yes. All those  
131 come from one account currently. (Commissioner Roe excused briefly).

132  
133 Manager asks if there are any other questions about the calculations.

134  
135  
136 Next meeting scheduled: Town Board Budget Meeting – May 19, 2022, 8AM

137  
138 Manager gets a MOTION from Commissioner Overcash to close the meeting. Commissioner Price seconds.  
139 Commissioner Roe returns and has another question. Tree Board hiring contractor to trim large trees- can we take  
140 that from Harbor Waterfronts? If the trees are at the waterfront. Mayor Pro Tem White asks if there are any other

141 directions we want to give the Manager. You (the Manager) have the priorities we set at the budget retreat? Yes.  
142 Maintenance, roads, drainage, people. 5-0.

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145  
146 Meeting **ADJOURNED** at 9:57AM.

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Sally Belangia, Mayor

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Diane H. Miller, Town Manager/Clerk

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152  
153 Approved \_\_\_\_\_, 2022