



ORIENTAL ANNUAL BUDGET RETREAT  
Wednesday, May 8, 2024  
507 Church Street, Oriental, NC  
Mayor Sally Belangia Officiating

6

7 The Town Board of Oriental Budget Meeting #2 was held on Wednesday, May 8, 2024.  
8 Mayor Belangia noted all Board members present, as well as Members of the Public, Manager Miller, and Dep  
9 Finance Officer Tammy Cox.  
10  
11 Pre-meeting conversation: Police Awareness: educational and social positive interaction with Police. Maybe adding  
12 Fire and dog display in addition to what is proposed.  
13  
14 Commissioner Crosser (BC) asks if health costs are in WF. Manager notes only salaries (by percentage) are in the  
15 water fund.  
16  
17 Cost of tapping across Broad St cost us all savings under costs/revenue- we would have to put it in the fee schedule  
18 that cost is dependent on Contracted service.  
19  
20 Mayor (SB) calls the meeting to order at 9:01AM. Water Fund is balanced- meter reading cost not included  
21 (\$11616) Meter reading is significantly less than what it costs us to do. Their vehicles, their time. Commissioner  
22 Roe (FR) asks about electronic meters. Estimate was \$268,000 implementation, and then 5 years later, you start  
23 replacing things. We do rereads, we do leaks. Commissioner Price says electronic meter reading allows you to sit in  
24 office and cut it off if there is a problem. BC- difficult to justify that kind of investment with the big project  
25 upcoming. FR asks about fixing loops and such to decrease the amount that we have to put on the ground each  
26 month. BC- fixing the loops and replacing the valves- may have unintended additional requirements.  
27  
28 2 year contract is 1.21/meter=\$11,616. Savings calculated does not include stopping to do daily work. Also that  
29 number is NOT in the budget. FR asks about replacement truck- 2024s have recall issues- should be soon. Will be  
30 paid in 2023-2024 budget. Depreciation figures as slush number- whatever is left goes to depreciation.  
31  
32 BC: Should not allocate admin contract to water- (\$6,240) Tammy's contract portion for water. Too loosely defined.  
33 Allocation should be out of GF appropriated. Would like to see allocation of benefits to Water Fund for true costs.  
34 Manager notes she did this, and it was the beginning of the issues. Commissioner Litzenberger (BL) asks why.  
35 Portion allocated from contract- totally up to the Board. Putting the health costs into WF disproportionately drawn  
36 from water fund. Legally and justifiably coming from GF only. BL asks about grant purposes- Mgr notes that grants  
37 will be asking "Are you covering your costs?" FR: We raised rates 2 years in a row- Mgr: absolutely and are now  
38 covering costs plus depreciation. BL: We do not have to raise rates? No. FR: Is sewer raising rates? We have not  
39 heard. Same with tipping costs on trash. FR: prefer not to raise water rates again. BC: If we go to outsourcing meter  
40 reading, reduction of staff time is 1152 hours- 1/2 of FTE.  
41  
42 We have 3 people to be replaced in PW. One in Admin. FR: Immediately fill one, try to replace another. Charlie  
43 Overcash: taking away one person saves time on meter reading, but we need to serve the people. Mgr notes we no  
44 longer have any heavy equipment operators.  
45  
46 BL: What is the downside to adding healthcare benefits to water and keeping contract? If we just did it on PW  
47 salaries, it would be Anywhere from \$18,000-\$23,000. BC- we are not fully carrying the cost of the water plant.  
48 Mgr says the state does not see it that way. If you allocated some of healthcare to WF- \$29,775(depreciation)-11,616  
49 (meter reading)= \$18,159 that can be allocation from General Fund of PW health benefits- nothing left in  
50 depreciation. BC- should still take out the contract. BC- we should not allocate what we can't justify. BL asks

51 Tammy if she typically works in the water fund. She oversees the two employees that are in it all day, plus orders  
52 and pays for all items purchased for the water operation. BL- so we need to decide about the contract being in the  
53 WF or not. BC:If that contract money is not used, where does it go? Mgr: It gets moved end of the year to  
54 depreciation or WF unrestricted unreserved (savings). FR: If it flips the other way, what happens. Either we fund it  
55 or not. The pension allocation continues to accumulate. Mgr nots- anything revenue over expenditures can be  
56 moved to those. BC: Keep the contracted money. Mgr- add a line for healthcare- \$18,539 (portion of public works  
57 health.) Add Contracted meter reading (\$11,616). FR: This is for 2 years? Yes.  
58  
59 Can change cost to tap across NCDOT highway to be different- flaggers, paperwork, etc- can be a separate line –  
60 use an asterisk. BL asks what should depreciation be? MG: we should hold 20-30% in reserve- we do not have that.  
61 That’s how we ended up on UAL list. CO: When can we adjust Chapter S fee schedule at the same time to allow for  
62 these strange situations. FR asks for Daniel’s school, etc. DFD Cox answers it is already in there.  
63  
64 At this point there is a statement that WF is balanced. We are, with SOME of PW health benefits in the WF. And  
65 some of the PW benefits in the GF. There is a buffer to allow for mowing. (Estimates coming).  
66  
67 GF expenses: Audit fees are greatly reduced. \$10,500.  
68 BC: GF Other: 3800- adjustments when things happen-unexpected expenses. Volunteer appreciation gifts,  
69 Christmas event, any overage on retreat, any other gatherings not expected.  
70  
71 Storm prep holds \$3600- you have to spend that much before filing. Last year, 2 events not file-able- we spent it- no  
72 reimbursement.  
73  
74 Drainage BC: \$14,000 and \$10,000. Are we addressing the beach? Rules are different against the ocean than up  
75 against the river- per renourishment. New people in place, we can go down that road again. It would be helpful to  
76 know what we are planning for drainage projects.  
77  
78 BC: reduction of 600 hours of outsourced mowing.  
79 BL: Can I share my thoughts on salaries. Did research on NC living wages. \$17.14/adult w/o children to live. (from  
80 Census) Starting with Manager’s pay- of those- men paid \$18,000+ more than the women. We need to address it.  
81 Bellhaven and Manteo run by women- on average men \$140K/year, Women \$120K, proposing manager gets  
82 \$101K. I think pay for staff is important- living wage and gender gap. Would like the Board’s thoughts. CO: asks if  
83 she has proposals- Some things can be funded less. Not sure about results of Our State ROI. Digital advertising path  
84 they checked out was better- but they did not take that route, but costs less than ½ of Our State. BC: Those are from  
85 restricted funds. Different pots of money. BL: Can recommend salary changes at next meeting. FR: advocate of  
86 paying people appropriately. On the other hand, we are equally passionate about roads. We continue to lobby for  
87 more funding for roads. We hear that all the time. Our reserves- we need to funnel some to roads. BC: I don’t think  
88 there is enough for drainage in this budget. CO and FR have contacted several entities to pave- getting those quotes  
89 is difficult at best.  
90  
91 BL: When does the USDA grant get here? CO: just got that approval- we’ll have to wait and see.  
92 \*short break to retrieve paperwork\*  
93 BL asks when was the last time we raised property taxes. 20 to 22 in 2016, then had a revaluation, when we did not  
94 take the revenue neutral rate, which means a rate increase. FR: In order to request a bond- must go through LGC-  
95 must give about \$50K before you apply for a bond. Is it possible to put bond on ballot? Mgr- absolutely- but that’s  
96 not nearly the first step-. If we need the funds, we need to consider it. CO: Even Sherill Styron came in and after  
97 listening to the arguments, he agreed. BC: let’s go back- Commissioner White said we need to keep approximately  
98 \$750K in reserve- adding 15% means \$862,500- cost increases. Mgr: FEMA is getting better at reimbursing. BC:  
99 This is the safety net to cover projects coming up- drinking water, \$200K MGR: plus USDA project coming online.

100 No idea how much. CO: get through hurricane season- after that- look at what we have in reserve to do road work. –  
101 USDA might fix Hodges, Water, and Main. Mgr explains revaluation process. County is currently surveying for new  
102 revaluation. Also people can fight their revaluation and most are granted. (after we have already budgeted). BL  
103 wants to look at salaries and see what else we can do. Have \$11K+ without mowing (everybody's out mowing!) BC  
104 says between mowing and meters we are saving one full time equivalent-BL- asks if the tasks are getting done while  
105 we are still mowing and reading meters- Mgr: not anymore- we were barely keeping up with a full crew. If we had  
106 full staff and took off meter reading, we could have kept up- exercising and identifying bad valves, maintenance  
107 logs, other things that are not being kept up. FR: advocate of outsourcing mowing. Cutting Edge-Mgr- that's the one  
108 that did not answer, nor go to voicemail. Edwards does the schoolhouse condos- and the one's up on the next block.  
109 Moore's corner, Town Hall, TD 2, etc- a few that have to be done by hand. Mgr- we have \$150K worth of heavy  
110 equipment and no heavy equipment operators.

111  
112 BL: What else do you want from us? Mowing contract, get us balanced, library has asked for a contribution. Board  
113 agrees that last year's building contribution was a one time thing. BC: We're done with water. Done with expenses,  
114 have not addressed salaries.

115  
116 SB: aren't we hiring two new employees? 3. Outsourcing and getting rid of one of those- I'm a little confused. CO:  
117 I'm not in favor of not filling positions either. BC: The comment is- the reduction off hours needed by contracting  
118 out services. Labor- those hours will be going away- so they have time to do what's needed. CO: You don't want to  
119 reduce the workforce? BC: There's one new position in here- a Public Works Supervisor that I question. BL: We  
120 voted on that. BC: No we didn't. SB: That's the most important position. BL: Andrew said it needed to be split. BC:  
121 Looking at highly skilled supervisor supervising 3 people. BC: We, for years have had one person- now creating two  
122 high level supervisors. CO: We're separating the departments now. BC: But they'll be pooled resources- with 2  
123 supervisors. Mgr. What's on the sheet is Daniel is the PW Director/ORC- with a PW Supervisor that takes over large  
124 projects not involving water. Mgr notes Water ORC Hurricane duties vs duties for PW employees. BL: We were  
125 really lucky with Andrew taking on both jobs. Mgr notes Daniel is coming online as ORC- don't want him  
126 overwhelmed and burnt out. BL: confirms that Andrew recommended that it needs to be split. BC: two high level  
127 supervisor skill sets supervising 3 people. Logistically, we have a very small department- putting that amount into  
128 two high level supervisors does not make sense. Mgr notes it would not make sense to her if they were sit-behind-a-  
129 desk supervisors, but they are both working supervisors. You don't need 40 hours a week of heavy equipment-we  
130 have work to be done at lower levels.

131  
132 Mgr. notes we have new land not addressed for access to water plant to be cleared.

133  
134 BL: asks what preference is? BC: one high level supervisor. Never heard a complaint from Andrew that it was too  
135 much. Dep Fin Cox notes- most of that time we had a master carpenter, Daniel is learning- does not know where or  
136 when to get materials. BC: make it clear- he had not told me (personally) that it was too much. CO: pool of  
137 qualified candidates are small- advantage of this individual is an advantage for us to get crew up to speed. Allen  
138 Price: Do the contracts and see how it works. Mgr notes she has no viable candidates. We cannot serve this town  
139 with 2 PW people, one in water. AP: hire two and see how it goes. Mgr: Would you care to raise the rate to see if we  
140 can get candidates? Currently advertised \$16-\$18/hour, budgeted at \$17. FR: part time at Harbor Freight \$15/hr. \$17  
141 is not enough. Should likely be about \$18-\$20.

142  
143 BL: clarifies open positions- 4. AP: can only spend so much money- BL argues that they need more time to get to  
144 tasks not happening. BC: Are work orders backing up?

145  
146 Mgr brings in County rates. Looking at comparables- harder- our guys do it all- theirs are more specialized. BC:  
147 proposal for Laborer 1 at 18-20 seems reasonable. BL: but you're talking about filling 2 positions, not 3- I don't see  
148 how that is not cutting staff. We had this many bodies, now we will have one less body. Mgr notes if we have a

149 hurricane with no operators, we can't pick up. CO: Are we backlogged? Not recording all those maintenance logs  
150 that say we HAVE been keeping up with those vehicles. BL: Do you need 2 laborers and a supervisor? Mgr: yes.  
151 FR: Agree to pay entry level PW people more 18-20 (Board unanimously agrees.) FR: Issue is- do we need to  
152 contract out mowing? No responses. I will try to get other companies to get back to you (Mgr).

153  
154 Drainage maintenance can also be reduced to the rental of equipment by the hour if you retain the supervisor  
155 position. BC: This is a new position, not agreed upon. BL: We voted on splitting Andrew's position into two. CO:  
156 agrees. BL says we voted on it. BC: we didn't vote. BL: At the retreat. SB: We need to make sure- that's why I'm so  
157 confused. We need to check minutes.

158  
159  
160 Town Board Budget Meeting scheduled for May 22. SB: Can do another day. May 16 and May 17, cancel 15<sup>th</sup>.  
161 Board discusses potential dates/times. May 16<sup>th</sup>, 9am. FR won't be here 22. Back on the 26<sup>th</sup>. 27<sup>th</sup> is Memorial Day.  
162 BL hopes to have it cleaned up on the 16<sup>th</sup>. BC: We have not looked at fee schedule. BC: backup on the 17<sup>th</sup>, 1PM.

163  
164 FR: Staffing of PW: if we will have a higher paid individual. Manager notes that we have applicants who are HE  
165 operators, but that's it. Would they be willing to do part time? FR: Anybody have issue with me going after road  
166 funding? No.

167  
168 Mgr notes she has not done retreat minutes and reconciliation training is scheduled. Manager behind on Minutes.

169  
170 **MOTION** to Adjourn Unanimous vote: 5-0.

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172 \_\_\_\_\_  
173 Sally Belangia, Mayor Diane H. Miller, Town Manager/Clerk  
174 Approved , 2024\_\_\_\_\_