

**TOWN OF DUCK
TOWN COUNCIL
MID-MONTH MEETING
April 15, 2026**

The Town Council for the Town of Duck convened at the Paul F. Keller Meeting Hall at 1:00 p.m. on Wednesday, April 15, 2026.

COUNCIL MEMBERS PRESENT: Mayor Monica Thibodeau; Mayor Pro Tempore Sandy Whitman; Councilor Brenda Chasen; Councilor Kevin Lingard; and Councilor Marc Murray.

COUNCIL MEMBERS ABSENT: None.

OTHERS PRESENT: Town Manager Drew Havens; Development and Infrastructure Director/Assistant Town Manager Connor Winstead; Town Attorney Robert Hobbs; Police Chief Jeffrey Ackerman; Fire Chief Matthew Dudek; Public Information and Events Director Kristiana Nickens; Finance Administrator Lauren Creech; and Town Clerk Lori Ackerman.

OTHERS ABSENT: None.

Mayor Thibodeau called the meeting to order at 1:00 p.m.

DISCUSSION OF FY 2026-2027 DRAFT BUDGET

Town Manager Havens Drew Havens was recognized to speak. Town Manager Havens gave a presentation on a gross needs “budget” noting that it was not in balance, touching on revenues, new personnel/purchases/projects, department by department review of expenditures and the five-year forecast to Council and the audience. He noted that he was looking for direction from Council on getting the budget balanced so it can be put together in a draft ordinance to be advertised for the public hearing, which would be at Council’s May 6, 2026 meeting.

Mayor Thibodeau clarified that the money shown in the MSDs was shown in the full budget even though it was restricted. Town Manager Havens stated she was correct, adding that he shows it as revenue to be collected as revenue and then shown on the expenditure side as a transfer, and it transfers into the beach fund.

Mayor Thibodeau clarified that the changes that are implemented with regard to sales tax would not be seen until the following year. Town Manager Havens stated she was correct. Councilor Lingard clarified that the tax rate will go down because Duck has a lower tax rate than the Town of Southern Shores. Town Manager Havens stated that it was the rate. Councilor Lingard clarified that Duck’s percentage would go down based on the lower rate. Town Manager Havens stated that it would not because of the amount of Duck’s assessment that increased, adding that it wasn’t the tax rate but was the levy,

which was the amount that Duck actually bills for taxes. He explained that the rate applies to the assessed value and Duck's assessed value increased more than the Town of Southern Shores, adding that Duck went above revenue neutral more than Southern Shores did. He believed that Duck's percentage should increase slightly. Councilor Lingard clarified that the tax rate on the table shown in the presentation was not as relevant as it may look. Town Manager Havens stated he was correct, adding that it was the tax rate in that year, which was 2025.

Councilor Chasen asked if other municipalities were in the same boat in that it cost them more than what they were charging for with regard to building permits and inspection fees. Town Manager Havens stated that he did not know the answer, but he thought the other towns may be in the same boat, but he has not looked at the data from them.

Mayor Thibodeau clarified that with regard to the beach fund, even though it is rolled in and out of the General Fund, a separate ledger was kept so income and expense could be tracked. Town Manager Havens stated that it was accounted for in the accounting system separately and also gets audited.

Councilor Murray asked what the difference was between the estimate and last year's revenue versus actual. Town Manager Havens stated that the Town ended up in Fiscal Year 2025 at \$500,000. Councilor Lingard asked how it was looking for this year. Town Manager Havens stated that, based on conservative estimates of Revenue and Expenditures, it was approximately \$600,000.

Councilor Murray stated that in one of Council's prior meetings, there was a discussion of Police Sergeant Joe Knight aiding the Fire Department because of his training and occasionally helping out on calls. He asked if that was not something that was discussed. Town Manager Havens explained that the police officers respond to fire and EMS calls and they can and have hooked up fire hydrants. He pointed out that they were not trained as firefighters; however, the specialized training that Sergeant Knight has with the drone allows him to interact with the fire department. He asked Fire Chief Dudek if that was correct. Fire Chief Matthew Dudek was recognized to speak. Fire Chief Dudek stated he was correct, adding that the discussion was regarding integrated training using the drone capability both with surf rescue and the fire department for training for searches, people in the water, people offshore that may be in trouble, and for surveilling by using the thermal imaging during a fire event to help check for spot fires. He thought that was the discussion Councilor Murray was referencing. Councilor Murray thought there was discussion regarding the fire in the Four Seasons subdivision where Sergeant Knight had helped with hooking up the fire hydrants. Fire Chief Dudek stated he was correct, adding that usually a police officer arrives at a scene first and will assist the fire department in the first few minutes because the mutual aid help doesn't show up for about 10-15 minutes. He pointed out that it has been an ongoing cross-training item.

Councilor Murray stated that he was curious as Council was discussing the budget and ways to save; if spending money on training existing personnel that are on staff to cross-

train in that way was a way to help alleviate some of that expense. Town Manager Havens noted that the police officers and firefighters will always help each other out.

Mayor Thibodeau clarified that with regard to the adjusted pay scales, Town Manager Havens took the entire pay scale and added the CPI and then an additional 6% to the entire chart. Town Manager Havens stated she was correct. Mayor Thibodeau clarified that people that fall below in their category would need to be brought up to the minimum. Town Manager Havens stated she was correct.

Mayor Thibodeau pointed out that the Town completed a pay study in 2021. She asked how often Town Manager Havens was recommending a pay study, further asking if this was just an interim item that will be completed instead of a pay study. Town Manager Havens stated that it was getting to be time to have another one completed; however, Police Chief Jeffrey Ackerman studies every year to see how Duck was comparing. He added that Public Safety had the most competition for talent. He stated that they were also looking at the other positions as well to be sure the Town was in the right space. He thought another study was worth looking at in the next couple of years, adding that the Town of Nags Head recently completed one and the Town of Southern Shores completed one but he hasn't seen the results yet.

Mayor Thibodeau asked for an explanation of the 5% merit increase. She clarified that employees do not automatically receive a merit and it was based on an assessment of their performance up to 5%. Town Manager Havens explained that he sets a merit pool which gives a certain number of dollars. He stated that, annually, every employee receives a performance evaluation which was the same instrument that Council uses to evaluate him. He stated that all employees get evaluated on a fiscal year basis, so the performance is from July 1 to June 30 and after June 30, the department directors have through early September to complete the performance evaluations. He noted that it was not an easy process and was intentional as it requires work on both the supervisor and the employee. He added that each employee completes a self-evaluation, the supervisor completes a narrative written evaluation and then there was an evaluation conference. He stated that there was a scale of five different categories that an employee gets assigned and then a final rating, which was Consistently Excellent, Highly Successful, Successful, Needs Some Improvement, and Needs Much Improvement. He stated that once all evaluations were completed, there is a pool of money and he tells the department directors how much money they have in their part of the merit pool, less the directors and they work it out based on the evaluation regarding how much the merit increase will be.

Mayor Thibodeau clarified that with regard to the 5% merit increase pool, the Town was at 6% last year. Town Manager Havens stated that it was 5% this year. Mayor Thibodeau pointed out that it was something that was put in the budget for merit pay. Town Manager Havens thought it was 6% the year before.

Councilor Murray stated that working for different towns was a different experience. He asked if there was a retention compulsion driving Duck to keep up with the other towns or was that not happening. Town Manager Havens stated that he knew that people on

Town staff were actively being recruited by other places. He added that the primary enticement they are using was how much money they could make and the benefits that are offered that Duck does not offer. He pointed out that Duck has not experienced a lot of people that did leave. Police Chief Jeffrey Ackerman was recognized to speak. Police Chief Ackerman did not think Duck lost anyone, but he did know that some staff members were being actively recruited by other towns. He added that it was an open discussion between the police chiefs and as it gets harder to recruit and retain and send officers to school, the veteran officer – usually between five and 10 years of experience – becomes a free agent. He noted that while culture does a lot to keep people in Duck, people still have to pay their bills and they get to a point where they become enticed by the offers. He stated that he had one officer that left, saw that the grass was not greener on the other side, and came back, which was a win for Duck and the culture. He stated where he really was seeing the issues was Duck's ability to recruit, adding that if it was an entry-level officer, they were watching the starting salaries for each police department and it was a race to the top. He pointed out that there were some benefits that Duck does not offer that make it impossible for him to recruit an officer in the 10-15 year range, with the primary benefit being retiree healthcare, because they either won't leave where they are to give up that benefit or they have reached a point where they could not qualify for the benefit to leave and come to Duck.

Police Chief Ackerman stated that he and Town Manager Havens have had a lot of discussions and they don't want to set up a situation where someone wants to leave because they are unhappy but they don't leave because of a benefit, adding that it was getting harder to recruit and there were officers he would love to hire, but Duck was not a good training ground. He noted that he has hired new officers and cadets, but they do not get the action and experience they are looking for in a place like Duck; however, he wasn't able to recruit the 10–15-year officer who are ready to come work for the Town, due to salary and benefits.

Mayor Thibodeau clarified that the more seasoned officers that may want to come work for Duck were not able to move because of the retiree healthcare. Police Chief Ackerman stated she was correct, adding that a lot of other departments offer 50% towards retiree healthcare. Mayor Thibodeau clarified that the 50% that is seen after 15 years was until an officer qualifies for Social Security, adding that it was the gap between retirement and Social Security. Police Chief Ackerman stated that it was Medicare and not Social Security until they reached 65 years of age. Mayor Thibodeau clarified that it was 50% just for the employee or for the whole family. Police Chief Ackerman thought there may be some grandfathered plans where dependents were able to obtain the same rate, but he didn't think any agency was offering that anymore so it was just for the employee and then a cost sharing option between the Town and the employee. He did not know of any agency that was offering it to dependents.

Mayor Pro Tempore Whitman asked how many years an officer has to work to get their retirement. He asked if it was 20 or 25 years. Police Chief Ackerman explained that in order to get the retiree healthcare benefit, the officer would have to take an unreduced retirement which was 30 years of credible service. He added that if an officer was to take

one of the lesser options, such as 25-year retirement, they would give up that benefit. He explained that Deputy Police Chief Melissa Clark was retiring this year and won't reach 30 years, but because of her age and the 25 years of service she has completed, she will receive a full retirement.

Town Manager Havens stated that he programmed in some money to complete an actuarial study of this benefit if Council wanted to consider having a professional look at it and state what it will cost the Town to provide the benefit. He stated that if Duck was the only one that wasn't offering it, it should be looked at. Councilor Lingard felt that retention was cheaper than recruitment, adding that anything Council could do to retain staff would be beneficial.

Councilor Murray asked if the pressure from other towns and municipalities was higher on Public Safety departments or if was across the board. Town Manager Havens stated that it was primarily Public Safety. He pointed out that Duck has 41 employees and he wanted to be sure that the Town provided a benefit package that was comparable to other places they would choose to work. Councilor Murray asked if there was a Human Resources policy provision that precluded Duck from dealing specifically with sweetening the deal for Public Safety and not necessarily for everyone on staff. Town Manager Havens did not believe Duck would be precluded from it, but he strongly urged Council not to. He explained that state law requires that municipalities provide law enforcement officers a 5% contribution into their 401(k), adding that most towns, including Duck, provide that same benefit to all employees. He stated that he was trying not to create different classes of employees. Councilor Murray thought it was a valiant effort but pointed out that there was a difference between a police officer, a firefighter, and someone that works in the Planning Department. Town Manager Havens agreed, adding that they are asked to do different things. He stated that from his perspective, the Town has 41 valuable employees and he will not value one above another.

Councilor Murray stated that he was asking if the competition for those employees is the same. He thought that he was hearing that it was a little stiffer for Public Safety. Town Manager Havens stated that it was based on the sheer numbers in Public Safety, adding that officers and firefighters talk to each other all the time about how much money they make. Police Chief Ackerman explained that he has been on the Outer Banks for the entirety of his career and will be reaching 30 years later this year, but some really valuable employees have stuck with their employers because of the benefit that he thought otherwise would have looked elsewhere where they could have found less expensive housing. He stated that he would feel terrible as a Public Safety employee if that benefit wasn't offered across the board. He understood what Councilor Murray was saying, but the other reason it disproportionately affects Public Safety was because they tend to start their careers younger while in other departments that was not always the case, so people may be closer to Medicare eligibility when they retire since police officers typically retire between 50 and 55 years of age.

Councilor Lingard guessed the skills of personnel that were not in Public Safety were more transferrable to the private sector so there was more competition. He noted that it

was not only the other municipalities the Town was competing for, but it was also everyone else that employs people. Mayor Thibodeau stated that she was grateful to Police Chief Ackerman and Deputy Police Chief Clark for their length of service, adding that she appreciated them.

Town Manager Havens stated that Duck doesn't want to be on the top but it doesn't want to be on the bottom. He added that he wanted Duck to be competitive so someone doesn't look at working for the Town and decide not to because the Town wasn't competitive.

Councilor Murray stated that he wanted to be clear that he was not suggesting that everyone push one part of the staff to the bottom and the other to the top, but if Council could not frankly discuss what the problem was, they could not solve it. He added that he was trying to understand how much the pressure was on each department and what Council needed to do to make it so employees were happy and want to stay in Duck.

Councilor Murray asked where fuel costs were listed, further asking if they were under Vehicle Supplies and Materials. Town Manager Havens stated that it was. Councilor Murray asked if electric vehicles were considered for the Police Department. Police Chief Ackerman stated that they have considered it. He stated that the entry price point was a bit higher, adding that he could not find a substantial savings because most of the driving was in and around Duck. He noted that commuting was where most of it was, but it was something he looked at. He pointed out that he had not brought that proposal back in order to save money, but it was something he could research. Councilor Murray realized the police were limited in what was available in a police cruiser, adding that the construction company he works for switched most of the fleet to electric and saw an 80% reduction in fuel costs, but there was a larger up-front cost of the vehicle. He thought it was something that could be researched. Police Chief Ackerman stated that it would not be an expenditure until next year, adding that he would complete some more research on it to figure out where the break-even point was. Town Manager Havens thought some of the vehicles were hybrid vehicles. Police Chief Ackerman stated that Ford initially had a hybrid vehicle; however, it wasn't a hybrid in the traditional sense because it used the battery when the vehicle was idling. He stated that it was a good concept but it was the top class of vehicles that has had repairs completed. He thought a true electric vehicle may be better, adding that Tesla is now on the State contract. Councilor Murray explained that fuel and oil changes have decreased but the upfront cost was an issue.

Councilor Lingard thought a Fire command vehicle may be a better place to start. Councilor Murray agreed. Mayor Thibodeau stated that the electric pickup trucks were good. Police Chief Ackerman stated that he would complete some research.

Fire Chief Dudek stated that he would look into the costs for electric vehicles for him and Deputy Fire Chief Jeffrey Del Monte. Councilor Lingard stated that the Chevrolet Silverado EVs seemed like they were reasonably priced. He stated that the entry level electric vehicles have a 250–300-mile range and look like a reasonable purchase. Mayor Thibodeau suggested that Fire Chief Dudek check the Chevrolet Silverado regular truck issues with transmissions, adding that she has not been hearing good things about them.

She stated that she bought one for her company two years ago and it needed to go back for warranty work and they kept it for about three months. Fire Chief Dudek stated that he would complete some research on vehicles.

Councilor Lingard pointed out that the westside trail seems to be a project that keeps getting deferred, adding that he wasn't happy about it but he realized it was a lot of money. He stated that it was something that a lot of people see as a benefit and want, adding that he would be reluctant to defer it but he knew that Council would be discussing it next year and he hoped that even though the discussion would be about funding the new Public Safety building, he feared it will get lost. He thought it was something that Council should seriously consider, adding that he would not want it to be the exactly the same discussion each year about spending money. He stated that it was something that he and people that live in the area see as needed.

Mayor Thibodeau asked if it needed to be further engineered before a grant could be applied for it. She asked if it was shovel ready. Town Manager Havens stated that he did not have construction drawings, but the preliminary engineering work has been completed. Councilor Chasen asked if the project was the one that was being done jointly with the Town of Southern Shores. Town Manager Havens stated that it will catch the end of the west side. Councilor Chasen clarified that Duck did not need to coordinate with them when the project was implemented. Councilor Lingard explained that it was only the first phase of the trail from Aqua Restaurant and just south of the Four Seasons subdivision. Mayor Thibodeau thought it ended at Settlers Landing.

Councilor Murray asked if this was only a third of it, it should be broken into pieces and make it part of the Capital Improvement where funds would be set aside each year in smaller amounts. He pointed out that it was something Council knew they wanted to do. Councilor Chasen stated that it needed to be done. Mayor Thibodeau did not know if it made sense to break the project up any more than that economically. Councilor Murray stated that he was not suggesting breaking up the project but breaking up the funding and once the Town has a chunk of money, then do that chunk. He explained that instead of asking for \$450,000, Council would set aside \$150,000 each year for funding. Councilor Chasen stated that doing that would mean that Council would not keep deferring the project. Councilor Murray agreed.

Councilor Lingard knew it was different than the project that the Town of Southern Shores was doing, but he saw Southern Shores putting in sidewalks each year and Duck doesn't seem to be able to do that. He knew Duck's would be a better project than Southern Shores, but it seems that they can do it on a yearly basis and Duck was lagging behind.

Councilor Murray asked if there was a way to allocate revenue surplus. He asked if there was a revenue surplus, the Town could dedicate it to that project as a Capital Improvement. Town Manager Havens stated that it could be done. Mayor Pro Tempore Whitman asked if there was a requirement that the Town had to have utilities relocated

before starting the project. Town Manager Havens explained that included in the \$450,000 was utility relocation.

Mayor Thibodeau appreciated the graph and the five-year forecast in general because the Public Safety building that is needed and anticipated being closer to actuality by now was something that Council needed to discuss in terms of what Council is looking at. She stated that it was a conversation in and of itself in terms of a whole new expense that Duck did not have before, more than the ladder truck and more than the sidewalk project, adding that it was big money. She reiterated that Council needed to discuss it.

Councilor Lingard thought it was bigger than anything that was in the budget, adding that it was considerably bigger. He thought it will be a lot more than the \$13 million. Town Manager Havens explained that the \$13 million that was programmed in the CIP came from Dills Architects. He agreed that it could be more, adding that he wanted to ask a public finance advisor to talk through with Council the different ways to structure debt. He noted that Council would need to borrow money to do this and he wanted to have someone come in and explain how general obligation debt works, how limited obligation debt works, as well as all of the nuances of it will help understand how debt gets serviced. He stated that while he and Assistant Town Manager Winstead could do it, there were some people that were really good at explaining things so that Council could understand it. He pointed out that it was something that he wanted to have Council spend some time on as the planning process was being completed for the facility.

Mayor Thibodeau stated that it could possibly include the lease for the property itself under the building, since it would be a factor because Council has not seen what it will cost moving forward, depending on how things go. Town Manager Havens agreed, adding that compared to what the Town will pay for debt service, it would be less than \$200,000 per year.

Town Manager Havens noted that budget did not include a tax increase and he believed Council could get to a balanced budget with current expenditures without increasing taxes. Town Manager Havens stated that he has some ideas on how to balance the budget, adding that he would not share his opinion unless Council asked for it. He stated that, in order to balance the budget, he would suggest the following:

1. Move the radar speed sign replacement to the current fiscal year and buy it before June 30 - \$7,000.
2. Move the playground equipment replacement/expansion to the current fiscal year - \$100,000.
3. Move the following projects that were currently in the Fiscal Year 2027 budget to the current year:
 - a. Retiree actuarial study - \$25,000
 - b. Website redesign for ADA compliance - \$50,000
 - c. Generator fuel tank - \$25,000
 - d. Parking lot stone surface - \$4,000
 - e. Bench replacement/repair for 3 benches - \$1,800

Town Manager Havens explained that he was suggesting moving a total of \$212,800 into Fiscal Year 2026 which gets the budget to \$389,292 out of balance. He stated that he could recommend using Fund Balance to fund approximately \$300,224 in expenditures. He stated that the following could be tagged to Fund Balance:

- Replacement of turnout gear - \$22,000
- Hose and appliances - \$12,000
- Retaining wall replacement - \$25,000
- Duck Trail repaving - \$75,000
- NC 12 stormwater improvements - \$130,000
- Septic health initiative - \$15,000
- Security grant match in the IT budget - \$21,224

Town Manager Havens noted that this would be an appropriate use of Fund Balance because they were non-recurring expenditures. He added that Council did not want to use non-recurring revenue for recurring expenses such as salaries or utilities. He stated that capital projects or capital expenditures were non-recurring and were an appropriate use of the Fund Balance. He pointed out that the Fund Balance was adequate and well within the policy. He stated that if Council wanted to use \$300,000 and appropriate the Fund Balance, it may not be used because he budgets fairly conservatively and it may not be used. He added that by doing that it gets the budget to \$89,068 out of balance and he thought there was some wiggle room in a couple of the revenue lines in Sales Tax, Transfer Tax, and then take the rest of it in Fund Balance that is not tagged to anything would bring the budget into balance. He noted that it would not get to the point where he was taking any money and putting it into a reserve; however, as Duck gets to the end of this fiscal year and he sees revenue in excess of expenditures and paying for the \$212,800 worth of projects and it looks like there will be money left over, there was no reason he couldn't set up a reserve project and fund it for whatever Council wanted towards the end of the fiscal year.

Mayor Thibodeau clarified that Town Manager Havens suggested that the projects that were being moved to Fiscal Year 2026 will actually happen in Fiscal Year 2026 and will happen before the end of the fiscal year. Town Manager Havens stated that he can have all of the projects fully encumbered by June 30, 2026. He added that whether or not a piece of playground equipment can be delivered and installed by then may not happen, but he could have a vendor and equipment selected as well as a purchase order issued, which was all that needed to be completed by June 30.

Councilor Murray asked if the Parks and Recreation Committee would have any input regarding the playground equipment. Assistant Town Manager Winstead stated that they would. Councilor Lingard stated that they were given three choices which they could make minor tweaks to on the basic bottom line. Assistant Town Manager Winstead agreed, explaining that if Council approves the plan, staff will drive it but they wanted to involve the Committee prior to the final approval by Council. Councilor Lingard stated that the Committee would rather spend the money on a limited choice than not spend it at

all this year or next year. He added that they were very keen to have the new equipment. Town Manager Havens pointed out that the playground equipment project was something that has been deferred for the past four years, adding that it was time and Council had the money to spend on it. Mayor Thibodeau hoped that shade would be involved since it gets a little hot on the slide.

Mayor Thibodeau clarified that the repaving of \$75,000 would happen in 2027 but would be encumbered from the Fund Balance. Town Manager Havens explained that the expenditure would happen as if it did not show up in the column on the table, adding that it would remain in the Fiscal Year 2027 budget but the only thing is it would be shown on the revenue side of the budget, appropriating Fund Balance. Mayor Thibodeau clarified that it would happen in 2027. Town Manager Havens stated she was correct, explaining that when Council completes the appropriation of Fund Balance, it won't be listing the projects as he did it to show Council if they appropriate from Fund Balance, what could be accomplished.

It was *consensus* of Council to have the suggested changes made to the draft budget and move forward with the public hearing.

Town Manager Havens explained that the next step will be the public hearing on Wednesday, May 6, 2026 and then a work session at Council's mid-month meeting on Wednesday, May 20, 2026, if needed.

Mayor Thibodeau thanked Town Manager Havens for his presentation.

DISCUSSION/CONSIDERATION OF RESOLUTION 26-09, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF DUCK, NORTH CAROLINA, DESIGNATING TOWNE BANK AS AN OFFICIAL DEPOSITORY FOR TOWN FUNDS AND AUTHORIZING CERTAIN PERSONS TO WITHDRAW FUNDS

Town Manager Havens explained that because the Town was obtaining a loan from Towne Bank for the new ladder truck, he was opting to deposit a CD at Towne Bank that they will use as collateral for the loan. He added that a resolution needed to be adopted by Council to authorize Towne Bank as an official depository as well as authorizing the individuals that were currently authorized by Town ordinance to sign the resolution.

Councilor Chasen moved to adopt Resolution 26-09 as presented and to authorize the Mayor, Mayor Pro Tempore, Town Manager and Assistant Town Manager to sign the necessary documents to establish accounts with Towne Bank and to further authorize the Town Clerk to provide any additional certifications that may be required.

Motion carried 5-0.

Mayor Thibodeau noted that the next meeting would be the Regular Meeting on Wednesday, May 6, 2026 at 1:00 p.m.

Councilor Lingard noted that he would be absent from the May 6, 2026 meeting as he will be attending City Vision in Raleigh.

ADJOURNMENT


Councilor Whitman moved to adjourn the meeting.

Motion carried 5-0.

The time was 3:21 p.m.



Lori A. Ackerman, Town Clerk

Approved: May 6, 2026


Monica Thibodeau, Mayor

