

PUBLIC HEARING FY 08/09 BUDGET
MAY 21, 2008
6:30 P.M.

TOWN COUNCIL MEMBERS PRESENT:

Kathyanne Runninger
Fletcher Fosque
Kay Wescott

George Miles
Maphis Oswald
(ABSENT: Duke Shannahan)

OTHERS PRESENT:

Bruce Paone, Mayor
Susan D. Scott, Town Mgr.
Bill Bagwell
Jeffrey Barrett
Travis Bradley
Vera & Dempsey Bruton
Cheryl Cashman
Jean & Dario DiDanielle
Minnie Lee Duncan
Dawn & Vincent Erato
C. William Guy

Karen Simpson, Admin. Asst.
Charlotte Heath
Kris LaMontagne
Patty McCulloch
Linda Nicola
Anne Nock
Linda & Thom Nolan
Janet & Haydon Rochester
Janet & Roland Stahl
Karen & David Tweedie
Shirley Zamora

Mayor Paone read into the minutes the published public notice regarding the proposed fiscal budget for Fiscal Year 2008-2009 (see copy attached). He requested that all cell phones be turned off or set to vibrator and that comments be limited to three (3) minutes.

Roland Stahl asserted that under the Town Manager's proposal, a lot of people will be paying less taxes than last year. He was surprised that none of the speakers at the regular Town Council meeting on May 19th called for tax cuts. He noted that there would have to be at least a 70% increase in home value before any more money would have to be paid on taxes. Only those properties which were sorely undervalued, whose value quadrupled, would owe a

considerable larger amount of money on taxes. He thinks Council has done a good job.

Linda Nicola compared Los Angeles' budget to Onancock's. She wants to believe that the proposed budget is Council's best effort, but feels there is lack of communication in how the budget was arrived at. She feels taken advantage of when the inns in Onancock agreed to a 1% tax increase in order to help the Town and increase tourism, only to see a 2% increase – none of which goes toward tourism. She does not feel Council is taking care of Town businesses.

Councilwoman Oswald remarked that the Town cannot raise taxes dedicated to tourism. The funds from such increase can be given to tourism. 1% of the 2% increase in transient occupancy tax is going to tourism. Councilman Fosque explained that Council would rather raise taxes on tourists rather than raise real estate taxes, as the 2% increase would not affect tourism. Councilwoman Oswald suggested dedicating the 2% increase to maintenance of the Town billboard.

Kris LaMontagne reaffirmed that the OBCA recommended a 1% increase in transient occupancy tax to go to the Tourism Commission to show the Town's support. The increase would come from the consumers and would go back to getting consumers to come here. We need tourism to come to the entire Shore, not just Onancock. Councilwoman Oswald felt that the nearly \$6,000 that would be raised by a 2% increase should go directly to OBCA for tourism.

Shirley Zamora disagreed with Roland Stahl's statement that no one asked for a tax decrease last Monday. The oncoming \$12,000,000 debt to be incurred by the Town for the sewer project scares her. When economies are difficult, we don't need to be continually dunned. Cut the frills and get back to basics. Mayor Paone asked Ms. Zamora how she could criticize Council for only a 1 cent real estate tax increase when under her Mayor tenure Council increased the real estate tax 10 cents.

Anne Nock would like to see politeness and courteousness back at Town Council meetings.

Patty McCulloch commented that the Town's fiscal budget needs to undergo the same tightening everyone else is suffering. Salaries should be reigned in.

Councilwoman Oswald added that no salaries need to be cut – we just need to hold the line.

Cheryl Cashman disagreed with Mr. Stahl's comment. She thinks it is a big deal.

Linda Nicola asked if there was some way to reduce the debt on the parking lot. Selling off the real estate was her answer.

C. William Guy opined that the 17% sewer rate increase is going to affect many more people than the 1% real estate tax increase. He suggested sending the Mayor and Town Manager to Chincoteague to see how they do without a sewer system.

Vincent Erato wondered if we have enough estimates from different contractors for the sewer plant improvement? The Town Manager advised that the Town has advertised for bids extensively. At least 14 people attended the pre-bid conference, which should generate competitive bids. Bid opening is June 17th.

Jean DiDanielle doesn't see where there is any zoning to control growth in Onancock. There needs to be more planning that goes into what is happening with the growth in the Town and the empty buildings – making it more viable with what we have and controlling it so we don't have to spend \$1 million on a parking lot. Councilwoman Oswald countered by reminding the gathering that parking has to be provided for downtown businesses; that the parking lot was owned by BB&T; if the lot became private, public parking would not be allowed; the purchase was well-planned and well-thought-out; it was a plan to insure for the future, as well as reducing the debt by selling surrounding real estate.

Linda Nicola asked what economic development grants the Town has applied for. She was advised that we do not qualify for a lot of grants because we don't have enough blight. We were in the Main Street Program until we were disqualified because of lack of blight.

Cheryl Cashman wants to be able to flush a toilet and to know that she has clean drinking water, but does not want Town employees to receive raises.

Councilwoman Oswald invited those Town employees who would not like a salary cap to look elsewhere for a job. Councilman Fosque supported Police

Department raises in the past due to losing officers to higher paying positions after paying the cost of training them. Discussion followed regarding employee salaries.

Susan Scott spoke as a Town resident: Town Council required the Town Manager to take college courses toward a degree, thereby affording the cost of same. Time requirements to attend the local community college were impossible, so taking courses via the internet was expedient.

The public hearing was adjourned by Mayor Paone at 7:20 p.m.

Susan D. Scott
Town Manager

Bruce Paone
Mayor