

TOWN COUNCIL BUDGET WORK SESSION
MAY 11, 2009
7:00 P.M.

TOWN COUNCIL MEMBERS PRESENT:

Kris LaMontagne
Maphis Oswald
Travis Bradley

Kathyanne Runniger
George Miles
Fletcher Fosque

OTHERS PRESENT:

Bruce Paone, Mayor
Sandy Manter, Town Mgr.
Patrick McGuire
Roland Stahl

Karen Simpson, Admin. Asst.
~~David Rowan, Town Atty.~~
Shirley Zamora

This work session was called to discuss and review the draft FY 2009-2010 Town Budget.

The Town Manager announced the following corrections: Under “General Fund Revenue”, the *Local Sales Tax* figure was changed back to \$54,500, as last year. *Law Enforcement Funds* was upped to \$48,250, according to new information on stimulus money the Town will be receiving. Under “Executive”, *Mayor-Council Compensation* will be changed back to \$14,200, as Council decided not to take a 10% cut. Under “Police”, *Police Supplies* was increased to \$3,000 and *Grants* was decreased to \$200. These corrections end up with a \$397 budget surplus, which will shift to *Contingencies*.

The Town Manager advised that Accomack County reduced the tipping fee rebate to the Town by approximately \$7,000, which needs to be compensated for under revenue or cuts. Bumping up the sales tax revenue figure was discussed.

“Water & Sewer Revenue - Water charges are on track.

“Water Department Expenditures” - *Electric Services* is markedly higher than predicted. This problem will be investigated. It was suggested that the pumps can be run off-peak hours. ANEC will be requested to check the meters. It was noted that *Telephone* is quite a bit higher than expected. The Town Manager stated that a 10% increase in the water rate will get us what we need with \$292,000. *Printing Water Bills* was raised from \$500 to \$1000, as new bills will have to be printed when new water/sewer billing software is installed.

“Sewer Department Expenditures: - As the WWTP project was delayed and the Town will not start making debt service payments until next year, our projected revenue will cover our projected operating expenses for this coming fiscal year. In order to pay the approximate \$300,000 payment next year, unless another way is figured to close the gap, a significant rate increase (between 17-32%) next year will be necessary. We have an extra \$500,000 in STAG funds to construct the septic receiving facility and the sewage pump out will bring in \$100-125,000 a year. We can also use the extra Certificate of Deposit money in reserve. After a lengthy discussion, it was decided to raise the water rate 10% and lower the planned 17% increase of the sewer rate to 7%.

“Legal” - *Town Attorney* should be less this coming year than last year.

“Insurance” - *Unemployment* - as we overpaid because the Town Manager’s position should not have been included, this figure should be able to be lowered by approximately \$1,000.

“Fire Department” - After discussion, *Contributions Fire Co.* will be raised from \$22,000 to \$25,000.

“Building Inspections” - *Part-Time Comp.* may be deleted next year, due to building inspections not being done by the Town. We are currently operating at an \$800 loss.

“Police” - *Over-Time Comp.* - Some grant funding is included in this \$9,500 figure. *Mileage Reimb.* Should either be paid as salary or removed from the budget. Councilwoman Runniger indicated that the Personnel Committee gave the police officers a raise of \$75 per officer per month added to their paycheck. Discussion ensued, after which the Town Manager was directed to delete the \$3000 from *Mileage Reimb.* and add it to *Salaries.*

“Solid Waste” - *Trash Collection Ser.* - Councilman Fosque suggested we look into sharing trash collection with another municipality – get a truck and hire one employee.

This budget needs to be adopted before July 1, 2009. The public hearing for the budget will have to be at the June 22nd meeting, as there is not enough time for advertising to do it sooner.

The budget work session was adjourned at 8:15 p.m.

Sandy Manter
Town Manager

Bruce Paone
Mayor

