

TOWN COUNCIL BUDGET WORK SESSION  
APRIL 20, 2009  
7:00 P.M.

TOWN COUNCIL MEMBERS PRESENT:

Maphis Oswald  
Travis Bradley  
Kathyanne Runniger

Fletcher Fosque  
Kris LaMontagne  
George Miles

OTHERS PRESENT:

Bruce Paone, Mayor  
Sandy Manter, Town Mgr.  
Dan Lawrence

Karen Simpson, Admin. Asst.  
Shirley Zamora

- I. Dan Lawrence appeared before Town Council to request \$500.00 for the Eastern Shore Orchestra. He informed Council that the orchestra was currently broken down into chamber groups, rather than playing as a full body. He reminded Council that the Virginia Commission for the Arts matches the \$500.00 from the Town. The Town Manager advised that she has completed the grant application.
- II. Town Council members were presented with a “revised” version of the Budget due to compensation adjustments. Health insurance premiums increased slightly (single increased from \$390.00 to \$419.00 a month), and the FICA, VRS and life insurance figures were corrected.

Starting with the Fire Department, the proposed budget was gone through line by line. The Fire Department is pushing for a fire tax. They have not made up their mind yet regarding the issue of the Town taking over their building. The \$8,434.72 under “Repair Main.” was used for the heating system instead of the new driveway they needed. Councilwoman Oswald and Councilman Fosque will attend the Fire Department’s budget session next Thursday. The “Electric Services” figure is much less because they converted from electric heat to propane heat.

General Fund Revenue - Real Property: The total taxable amount of Onancock's real property is \$130,687,200. At our tax rate of \$.20/\$100, tax revenue is \$261,374.40. We have a 95.69% collection rate, therefore, \$250,109 is expected revenue. Public Service real property rate is based on the County's assessment ratio, which was 100% last year. This year it is 89%. Personnel property collection rate is 91.34%. The County projects a 12% reduction because new car sales have dropped. The total taxable amount of our personal property is \$105,024, with a collection figure of \$95,929. The Personal Property Tax Relief Act rebate to us will be \$68,135, thereby a total of \$164,064 coming to us. The Town Manager subtracted 10%, thereby \$147,658 in personal property tax. She is looking into accepting VISA charges at the Town Office, like at the wharf. Accomack County will not sell County decals next year, so we will probably follow suit. At that time, as collection enforcement will be done by DMV, they will not register vehicles until the personal property taxes are paid. The Town Manager will look into further details. She put in a 5% reduction in the budget for a one year lag in collection due to system change. Currently, Onancock personal property tax must be paid before a decal can be obtained. The Town Manager suggested that any overage be dumped into a contingency fund with its own line item, which should have at least 1% in it. Currently we have a \$12,000 surplus.

Local Sales Tax - Councilman LaMontagne thinks the projected sales tax revenue should be higher - 5% reduction rather than 10% reduction was suggested. After discussion, the Town Manager will change the budget figure back to \$54,500.

Comments were made regarding selling the lot(s) owned by the Town adjacent to the large Town parking lot expediently.

Expenditures - *Executive*: Mayor-Council Compensation had been lowered 10% at a Council member's suggestion. The Town Manager suggested restoring the figure to the original one for the time being - to be revisited if the budget does not balance.

*Town Beautification Committee-Tree Board*: Councilman Fosque remarked that we spend next to nothing to beautify the Town. A line item needs to be created to address this, look to someone hired to beautify the Town and give the Tree Board more to do.

*Town Billboard*: Council consensus was to continue renting the billboard, but have it redesigned and renegotiate. Also, check out the cost of several blank billboards along Route 13.

*Insurance*: The Town car will be sold. Mileage will be paid for any trips. The Town Manager will request a better rate for Public Officials Liability insurance.

*Police*: A discussion followed regarding the \$1,000.00 given last year to the officers for traveling to and from the office because of the high fuel rate.

*Solid Waste*: The trash collection contract with Davis Disposal comes up for renewal in August. We will go out to bid for a new contract. The current contract is \$83,000. The County sends rebate checks totaling \$35,000. As we are within \$200,000 of maxing out

our legal debt limit, we are not in a good position to consider buying equipment to collect trash ourselves.

Councilman LaMontagne proposed the Town Manager get an analysis of trash collecting options so Council can make an informed decision regarding this next year, whether we do it or contract it out.

*Litter Control:* “Trash Can Liners” will be changed to “Litter Control Items” to include doggie bags, cigarette butt receptacles, trash can liners, etc.

*Building Inspections:* Ben Askew’s health is failing. When he can no longer serve as Building Inspector, the County could take it over. We would do the zoning permits prior to the County doing the building permits. Currently we are losing money. We would certainly lose money if had to hire someone for more than \$3,000 annually, even if building permits picked up. Eric Williams is close to his certification as a Building Inspector. The Town Manager will talk to Mr. Williams about this.

A Town Council work session for the water/sewer budget was set for May 11<sup>th</sup> at 7:00 p.m. The next regular Town Council meeting is May 18<sup>th</sup> at 7:00 p.m. and the public hearing regarding the budget is June 22<sup>nd</sup>.

Mayor Paone adjourned the budget work session at 8:45 p.m.

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Sandy Manter  
Town Manager

Bruce Paone  
Mayor