



TOWN COUNCIL

Work Session / Executive Session

Town Hall
May 26, 2011
6:00 p.m.

At 6:02 p.m., Mayor Dora Sullivan, having established a quorum, called to order the Work Session of Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Sullivan and Veber and Councilwoman Natali. Councilman Evans arrived at 6:05 p.m. Councilman Bennett was not in attendance. Also present were Town Manager Heather Arcos and Town Clerk Libby Hume. There were no members of the public in attendance.

Mayor Sullivan announced the business for the evening would be to discuss the financial assistance request from Cape Charles Volunteer Fire Company (CCVFC).

Town Manager Heather Arcos explained that the CCVFC had requested financial assistance in the amount of \$30K and a joint work session was held with members of the CCVFC Board of Directors on April 20th. Council briefly discussed the request at their May 5th Budget Work Session, a \$30K contingency was included in the proposed FY 2011/2012 budget and it was agreed that another work session be held to further discuss the request. Heather Arcos went on the state that, at this meeting, she hoped to determine the payment structure and responsibilities of the CCVFC to the Town and its citizens and added that at a minimum, the Town should pay the insurance premium and equipment loan payments as invoiced vs. giving the fire company a lump sum payment.

Councilman Sullivan stated that he did not think that there was anyone on the Council that did not think we should help the fire company but we need full accountability of where the funds go. The insurance premium invoices should be presented to the Town Treasurer and the Town should pay the insurance premiums for the fire company for the next fiscal year.

Heather Arcos stated that the equipment loan payment was \$14K and the insurance premiums were \$18,500 annually which totaled \$32,500.

Vice Mayor Bannon added that if the Town gave the CCVFC \$30K, something needed to be in place to protect the Town in case things fail. Councilman Evans added that the lack of effort to do anything in the community frightened him and noted that the Cheriton Volunteer Fire Department held regular dinners and bake sales, etc. to raise money.

Heather Arcos stated that she had spoken to Hollye Carpenter, the new treasurer of the CCVFC, and she had tightened down on the spending and asked whether Mayor Sullivan's offer was still open to head the auxiliary to help funds.

Councilwoman Natali stated that if the auxiliary raised funds, the money should be kept by the auxiliary. Mayor Sullivan added that the auxiliary had a spreadsheet to keep account of all funds raised.

Heather Arcos stated that the Mayor's boot idea was tremendous and had helped with donations. Mayor Sullivan stated that she was the person who emptied the boots and had been keeping track of the funds raised.

Vice Mayor Bannon stated that he was having difficulty discussing this issue in open session and felt that in order to fully discuss the possible investment of Town funds, further discussion should be conducted in closed session.

At 6:12 p.m. Council opted to go into Executive Session.

Motion made by Councilwoman Natali, seconded by Councilman Veber and unanimously approved to go into Closed Session in accordance with Section 2.2-3711-A of the Code of Virginia of 1950, as amended for the purpose of:

Paragraph 6: Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

Paragraph 3: Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

Specifically: Assistance to Cape Charles Volunteer Fire Company

Motion made by Vice Mayor Bannon, seconded by Councilman Sullivan and unanimously approved to return to Open Session.

Motion to certify to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Roll call vote: Bannon, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

Motion made by Councilman Sullivan, seconded by Councilwoman Natali, to pay the first quarter payment of the fire company's insurance which was due in July with an additional request for quarterly financial statements, a membership list, performance of an annual audit per the By-Laws of the CCVFC, and the scheduling of a work session in July with the CCVFC Board. The motion was approved by unanimous consent.

Motion made by Councilman Evans, seconded by Vice Mayor Bannon to adjourn the Town Council Work Session and Executive Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk