



TOWN COUNCIL

Work Session

Town Hall
April 7, 2011
6:00 p.m.

At approximately 6:00 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 and Councilmen Bennett, Sullivan and Veber. Councilwoman Natali arrived at 6:02 pm and Councilman Evans arrived at 6:58 p.m. Also present were Town Manager Heather Arcos, Treasurer JoAnna Leatherwood and Town Clerk Libby Hume. Other department heads in attendance were Police Chief Charles Brown, Harbor Master Smitty Dize, Public Works/Public Utilities Director Dave Fauber, Community Events / Recreational Coordinator Jen Lewis, Library Manager Ann Rutledge and Consultant Bob Panek. There was one member of the public in attendance.

Mayor Sullivan announced the business for the evening would be to review the proposed operating and capital budgets for FY 2011-2012.

Town Manager Heather Arcos began by reviewing the budget assumptions and highlights and explained that: i) There were no cost of living increases factored into the personnel costs. The Town had not given cost of living increases to its employees since FY2008; ii) There was an increase in the number of hours for the part time clerk in the Town Clerk's budget; and iii) Two days per week have been allocated for a part time assistant town manager position. Several departments have requested step increases for employees.

Heather Arcos went on to review the assumptions and highlights for professional services, other operating expenses and capital projects. There was an overall increase of \$8K for Public Officials Liability Insurance included in the Town Manager and Police Department budgets. The new policy would increase the amount of coverage to \$2M and provide access to various services such as human resources, training, etc. The insurance amount for the new wastewater treatment plant was \$12K for six months. This figure would be reduced after the old plant had been decommissioned. A new line item in the Town Manager and Police Department budgets was the Line of Duty Act (LODA) Insurance Coverage which was mandated by the State effective July 1, 2011. The LODA provided state-funded death and disability benefits for state and local public safety officers or their beneficiaries due to death or disability resulting from the performance of duties. The expense for the 21 active volunteer fire fighters had been added to the Town Manager budget and the expense for the 5 police officers was included in the Police Department budget. Heather Arcos went on to explain that a new line item for Broadband Service had been included in several budgets for the cost of broadband service to the Municipal Building, the Library and computer lab, and the Harbor. The estimated monthly cost for broadband was significant but would provide high speed connections, improved capabilities for networking and phone system options. There was a program in place where libraries would receive a 90% reimbursement of broadband costs. The Town would apply for this reimbursement.

Heather Arcos asked the Council to make note of any areas, during this evening's review, where items can be cut or reduced.

The operating and capital budgets for the following departments were reviewed: i) Library; ii) Recreation; iii) Police Department; and iv) Harbor.

There was some discussion regarding the increases across the board for State Unemployment. Treasurer Jo Anna Leatherwood explained that the State had changed the process used to determine rates. Councilman Veber added that the increase in unemployment benefits to 99 weeks also played a role in the rate increases.

The Library budget included a \$5K increase for books and subscriptions to purchase additional CDs and audio books.

The Recreation budget included a request to lease a handicap-accessible port-a-potty to be located at South Peach Street.

The Police Department budget included the following: i) a request to lease a 2011 Ford Explorer to replace the 2004 Dodge Intrepid driven by the Chief. The Police Department was in need of a 4WD vehicle which became evident during the heavy snows this past winter. The roads were impassable and several officers were forced to use their personal vehicles to patrol the Town; and ii) \$2K for emergency radio system changes which was a result of Federal mandated changes to the 911 and police system.

The Harbor budget included the following: i) an increase in part-time wages due to the hiring of one (1) part-time employee and three (3) seasonal part-time positions. This increase was due to the additional slips and anticipated increase in boater traffic; ii) Legal expenses were added to the budget to cover the cost of collection of accounts receivables. Last year, the Town paid \$1,999 in legal costs to collect a \$38K debt; iii) \$1,200 was added for a maintenance contract for the cameras and software for the docks; iv) with the addition of the seasonal part-time staff, an additional time clock would be installed at the Harbor; v) janitorial supplies were increased due to the purchase of additional supplies for the proposed bath houses; vi) \$3,500 in educational expense was added to allow Harbor Master Smitty Dize to attend a marina operators course. This cost was for the first of three parts; vi) increases were included for operating supplies, fuel purchases, lube & oil purchases, ice purchases, and miscellaneous resale items due to the expected increase resulting from the additional boat slips; and vii) \$35K was included for the construction of a walkway by the new docks. A quote of \$75K was received from the Somerset Paving but the Town opted to purchase the materials and construct the walkway in-house.

There was much discussion regarding the debt service for the offshore breakwater and various scenarios were reviewed.

At 8:10 p.m., Mayor Sullivan suggested adjournment of this meeting stating that everyone has had a long day and after two hours, Council and staff were not able to think clearly. An additional budget work session was scheduled for Tuesday, April 12th, beginning at 6:00 PM to continue the review of the operating and capital budgets. The Executive Session was also rescheduled to April 12th immediately following the work session.

Motion made by Councilman Bennett, seconded by Councilman Evans to adjourn the Town Council Work Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk