



TOWN COUNCIL

Budget Work Session

Town Hall

March 27, 2014

3:00 p.m.

At approximately 3:00 p.m., Vice Mayor Chris Bannon, having established a quorum, called to order the Work Session of Town Council. In addition to Vice Mayor Bannon, present were Councilmen Bennett and Sullivan, and Councilwoman Natali. Councilman Wendell arrived at 5:55 p.m. Mayor Sullivan and Councilman Godwin were not in attendance. Also present were Town Manager Heather Arcos, Police Chief Jim Pruitt, Town Planner Rob Testerman, Community Events/Recreation Coordinator Jen Lewis, Librarian Ann Rutledge, Code Official Jeb Brady, Public Works/Public Utilities Director Dave Fauber, Town Clerk Libby Hume and Mr. Paul Skolnick who was assisting in the Treasurer's office. There were three members of the public in attendance.

Vice Mayor Bannon announced the business for the evening would be i) to review the proposed Fiscal Year (FY) 2014/2015 General Fund Departmental budgets for the Police Department, Planning, Recreation, Library, Code Enforcement, Finance, Legislative and Clerk; and ii) to finalize the Enterprise Funds Expenses and Revenue.

A. FY 2014/2015 General Fund Departmental Budget:

Town Manager Heather Arcos reviewed the following departmental budget summaries as follows:

Police Department: i) Included 5 full time staff – the Chief and 4 officers. The newest officer would be going to the Police Academy in Newport News from April 28 through September 22. Officers having to go through the Police Academy signed contracts with the Town agreeing to repay all expenses related to sending them to the academy if they left within three years after graduation; ii) Contracted Services included the Daprosystems Software and IT Support; iii) Maintenance Services included advertising, funding for a contracted interpreter, if needed, and employee testing. There was some discussion regarding random drug testing for staff, Council, and appointed boards. Town Clerk Libby Hume stated that drug testing could be mandated for staff, but not for elected officials. Elected officials could voluntarily submit to drug testing. She was unsure whether it could be mandated for appointed officials. Heather Arcos stated that all employees were tested at time of hire. The Town's Personnel Policy stated that the Town would perform random drug testing but typically this was done if there was any suspicion of drug or alcohol use or if there was an accident. The cost for a regular random drug testing program was included in the proposed budget for FY 2013/2014 but ended up being cut; iv) Communications included postage, phones and fax lines for the Police Department, and cell phones; v) Insurance included public officials liability and Line of Duty Act coverage; vi) Leases & Rentals included the 2011 Charger, 2013 Explorer and 2013 Charger. 1 vehicle was paid off and one was purchased outright; vii) Travel included mileage, lodging, meals, etc. for the Police Academy, other training and misc. travel; viii) Miscellaneous included dues for the Virginia Chief's Association; and ix) Materials & Supplies included maintenance supplies for the police vehicles. Overall, there was a decrease of \$28,303 compared to FY 2014.

Planning: i) Included 1 full time staff person and the Planning Commissioners; ii) Contracted Services included Shore Scan which was a scanning solution for the Town which would create virtual filing cabinets for storage of important documents. Two "file cabinets" were being requested – one for the Town administrative files which included financial documents,

minutes, etc. and one to be shared by Planning and Code Enforcement. The system would save staff time in locating documents, free up storage space in the offices, expedite FOIA responses, assist with document retention, and assist the Town with disaster planning. If the Town Hall were to burn, currently, the Town would have difficulty in resuming business due to the loss of important documents, etc. Shore Scan enables staff to access the important documents at any location with an internet connection. Some localities state that their audit costs had decreased drastically due to the fact that the audit staff could access the required documents online vs. travelling to the locality. The costs for the Shore Scan system would be split between Planning Department, Code Enforcement and Town Clerk budgets; iii) Maintenance Services included printing & binding, and advertising; iv) Communications included postage for required notices for the Planning Commission and Boards; v) Travel included costs for travelling for training; vi) Miscellaneous included association dues; and vii) Materials & Supplies included office supplies, books and subscriptions. Overall, there was an increase of \$1,828 compared to FY 2014 which was mostly for the Shore Scan system.

Recreation: i) Included 1 full time staff person; ii) Contracted Services included IT Support; iii) Communications included postage and cell phone reimbursement; iv) Travel included miscellaneous mileage reimbursements; and v) Materials & Supplies included office supplies, uniforms, education and special events. Overall, there was an increase of \$176 compared to FY 2014.

Jen Lewis distributed a listing of planned recreation events and programming and event calendars for June through August.

Library: i) Included 1 full time staff person and 2 part time assistants; ii) Contracted Services included IT support for the staff's computers and the computer lab; iii) Maintenance Services included advertising, employee testing and annual maintenance on the HVAC system; iv) Utilities included heating and electricity; v) Communications included postage and the phones and fax lines for the Library; vi) Travel included training-related expenses; vii) Miscellaneous included dues and association fees; and viii) Materials & Supplies included office supplies, books and subscriptions. Overall, there was a decrease of \$32,102 compared to FY 2014 which reflected the Library Equipment Grant which was completed in FY 2014.

Code Enforcement: i) Included 1 full time staff person; ii) Contracted Services included Shore Scan, BS&A which was the permitting system, IT Support, advertising, emergency demolitions, lot/lawn care and code violations; iii) Communications included postage and cell phone reimbursement; iv) Travel included training-related expenses; v) Miscellaneous included dues and association fees; and vi) Materials & Supplies included office supplies, fuel, books and subscriptions, and education. Overall, there was an increase of \$2,504 compared to FY 2014, which was mostly for the Shore Scan system.

Code Official Jeb Brady distributed a comparison analysis of the number of employees in the Code Enforcement Department, number of permits issued, inspections performed and plan reviews for FYs 2006 through 2013. The number of employees decreased from 3 to 1. The number of permits issued per employee went from 185 in FY 2006 to 257 in FY 2013. The number of inspections per employee went from 1,019 in FY 2006 to 1,248 in FY 2013.

Finance: i) Included 3 full time staff. The new treasurer would be starting April 7. The auditors were scheduled to be in the office on April 3 and 4; ii) Contracted Services included Edmunds Accounting software, IT Support, Payroll processing fees, and Auditors; iii) Maintenance Services included advertising, employee testing; iv) Communications included postage for real estate and personal property tax billing; v) Leases & Rentals included ADP equipment and time clock; vi) Travel included expenses for training and conference attendance; vii) Miscellaneous included dues and association fees; and viii) Materials &

Supplies included office supplies, bank service charges/credit card processing fees, and books and subscriptions. Overall, there was an increase of \$12,770 compared to FY 2014.

Legislative: i) Included the Mayor and Council; ii) Communications included the Mayor's cell phone; iii) Insurance included Public Liability for Officials; iv) Travel/Election Support included travel and expenses for VML Legislative Day, VML Annual Conference, Newly-Elected Officials Conference, Retreat expenses and election expenses; v) Furniture & Equipment included tables, chairs, dais, lectern and miscellaneous equipment to outfit the former library building for meetings for Council, Planning Commission and all boards. Overall, there was an increase of \$17,531 for furniture, equipment, election expense and the cost of the Newly-Elected Officials Conference.

Clerk: i) Included 2 full time staff; ii) Contracted Services included Shore Scan, shredding services, copier maintenance, advertising, annual fee for website, and IT Support; iii) Communications included postage; iv) Leases & Rentals included the copier lease and scanner rental for Shore Scan; v) Travel included training-related expenses for the International Institute of Municipal Clerks (IIMC), Virginia Municipal Clerks Association (VMCA), and VML; vi) Miscellaneous included IIMC and VMCA dues for the Clerk and Assistant Clerk; and vii) Materials & Supplies included office supplies, minute books, annual fee and updates for Municode, Eastern Shore news subscription and tuition for the VMCA Clerk's Academy. Overall, there was an increase of \$10,895, most of which was for the Shore Scan system.

Councilwoman Natali commented that she liked the format for this year's budget review vs. having to review each individual line item. Other Council members were in agreement.

Councilman Bennett stated that even with the several departments with increased budgets proposed, there was still an overall decrease of \$14,700 for FY 2014/2015 with the budgets for the Town Manager and Public Works still needing to be reviewed.

B. Finalize Enterprise Funds Expenses & Revenue:

Heather Arcos reviewed the modifications from the budget work session held on March 6, 2014 as follows:

Sanitation: No changes were made.

Harbor: i) The water and wastewater usage was updated based on year-to-date (YTD) usage and would be budgeted at \$5,982; ii) No other changes were made.

Meter and Utility Billing: No changes were made.

Public Utilities Administration: No changes were made.

Wastewater: i) Increase of \$10K for electric based on YTD usage; ii) The control panel upgrade at the Mason Avenue Pump Station would be transferred to the Capital Projects list; and iii) The truck purchase was deferred to FY 2016.

Public Works/Public Utilities Director Dave Fauber stated that he would prefer to purchase the truck and defer the new staff person until FY 2016 because the Town was short on vehicles with the existing number of staff. Dave Fauber went on to state that trucks could not be shared since staff usually had separate tasks and rarely worked in the same location so could not ride together. Currently, Dan Dabinett drove his personal truck if he had to carry tools and equipment. There was some discussion regarding whether a Gator could accommodate the needs. Dave Fauber explained that a Gator would not be able to handle the equipment load so a truck was needed. Dave Fauber added that, with possible cost savings

from the manhole cover project, he would also like to move forward with the Mason Avenue Pump Station control panel upgrade.

Waterworks: i) 1 Automatic Flush was included and the other 4 would be transferred to the Capital Projects list. This would be revisited due to Dave Fauber's preference for a truck vs. a staff person and could be funded with the cost difference.

Public Utility Rate Review: i) The water rate would be decreased by \$2.44 for a rate of \$32.06; ii) The wastewater rate would be increased by \$1.50 for a rate of \$62.35; iii) The sanitation rate would be increased by \$.93 for a rate of \$13.50; and iv) There would be no change to the overall cost to the consumer.

A closed session would be held on April 3 at 6:00 PM to discuss personnel and the next Budget Work Session was scheduled for April 10 beginning at 4:00 PM and the final two departments would be reviewed along with the General Fund revenue. Heather Arcos stated that her goal was to bring forward a balanced budget with a number of options for Council to review.

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

Vice Mayor Bannon

Town Clerk