



TOWN COUNCIL
Public Hearing
Civic Center
June 4, 2015
6:00 p.m.

At 6:00 p.m. Mayor George Proto, having established a quorum, called to order the Public Hearing of the Town Council. In addition to Mayor Proto, present were Vice Mayor Bannon, Councilmen Bennett, Brown, Godwin and Wendell, and Councilwoman Natali. Also in attendance were Town Manager Brent Manuel, Treasurer Deborah Pocock and Town Clerk Libby Hume. There were a number of department heads, police officers and seven (7) members of the public in attendance.

Treasurer Deborah Pocock read the public hearing advertisement announcing that the evening's Public Hearing was to hear public comment regarding the Fiscal Year (FY) 2015-2016 Proposed Budget and Utility Rates. The budget would be discussed and brought to a vote at the regular meeting on June 18, 2015 at 6:00 p.m. at the Civic Center located at 500 Tazewell Avenue.

Mayor Proto opened the floor to public comments.

PUBLIC COMMENTS:

Heinz Sommer, 7 Kings Court

Mr. Sommer began by thanking Deborah Pocock for her time in talking to him earlier in the week and continued to express his disappointment that the audited financials were not available yet for FY 2014. Mr. Sommer continued to ask a number of questions regarding the town's financial situation and projected revenue and expenditures. Mr. Sommer was informed that the answers to his questions could not be provided tonight but that Deborah Pocock would contact him with a response. (Please see attached for Mr. Sommer's questions.)

There were no other comments from the public nor any written comments submitted prior to the meeting.

Motion made by Vice Mayor Bannon, seconded by Councilman Brown, to adjourn the Town Council Public Hearing. The motion was approved by unanimous vote.

Mayor Proto

Town Clerk

Questions to Budget

General Questions:

Are there any discretionary Spending positions included in the different expense categories, except the general Fund Contingency of 115,438 \$

The auditors recognized in the 2013 statements, that there were inadequate internal controls over financial statement reporting. Where these deficiencies corrected during fiscal 2014

Are there any plans to increase the current debt load of approx.. 12 Mill. \$

Are there any plans to increase the marketing activities of Cape Charles in order to promote tourism. If yes, where and what amount.

What is the amount of non performing assets on our balance sheet (Like the 100,000 \$ Property acquired from Foster.
Nonperforming in the sense that they do not provide any reasonable income, or they do not serve any needs for the community and or are not essential for future town developments.

Revenue Projections

1. Prior Year Tax Collection went up by 18 %. Are there any deficiencies in receivable monitoring. Did we have policy changes.
2. Machine and Tools Tax went down by 18 %. Reasons? We all can see and hear more machinery and equipment being used, this year.
3. What does the BPOL Tax mean? What is the reason for an increase of 31 %
4. Building Permits & Code Enforcement went down by 4 %. Reason. It seems we have more building activity going on this year over last year.
5. Recovered Costs & Miscellaneous Income went down by 21 %. Reason
6. Financing Proceeds went up by 48 % . Please explain reasons.
7. Grants and Local/State/Fed Add went up by 25 %. What are the Grants for, and what are the conditions. Are there any repayment provisions involved if they are not used timely.
8. Financing Proceeds for Harbor went up 238 %. Please explain reasons.
9. Grant Revenue went up by 640,000 \$, what is this grant used for

10. Operating Revenue went down by 3 %, even after raising the fee this year, what is the reason.
11. Connection fee totals 27,065 \$, this seems to be extremely low, since the hook up of one dwelling is already about 10,000 \$
12. Financing proceeds went down 13 % . Please explain reasons
13. Facility fees went up by 260 % . Please explain reasons.

Expenditures

1. Legislative went up by 40 % please explain reasons
2. Town Clerk went up by 11 % please explain reasons
3. Town Manager went up by 9 % please explain reasons
4. Code Enforcement went up by 36 %, despite the fact that Revenue decreased by 4 %. please explain reasons
5. Parks and Recreation went up by 12 % Reasons
6. Capital Expenditures went up by 15 %. what are these expenditures and what is the justification.
7. Harbor Debt Service went up by 60 %. Please explain reasons
8. Capital expenditures are 870,000 \$, what are these expenditures.