



TOWN COUNCIL
Budget Work Session
Cape Charles Civic Center
March 31, 2016
3:00 p.m.

At approximately 3:00 p.m., Mayor George Proto called to order the Work Session of Town Council. In addition to Mayor Proto, present were Vice Mayor Bannon, Councilman Bennett, Brown and Godwin, and Councilwoman Natali. Councilman Wendell was not in attendance. Also present were Town Manager Brent Manuel, Treasurer Deborah Pocock, Recreation/Community Events Coordinator Jen Lewis, Librarian Ann Rutledge, Planner Larry DiRe, Code Official Jeb Brady, and Town Clerk Libby Hume. There were no members of the public in attendance.

Mayor Proto announced the business for the evening would be to review the proposed Fiscal Year (FY) 2016/2017 General Fund Revenue and Department Budgets for Code Enforcement, Recreation, Library, Planning, Finance, Clerk and Legislative.

General Fund Revenue:

Treasurer Deborah Pocock reviewed the projected General Fund revenue including estimated real property taxes, personal property taxes, prior year real estate and personal property tax collections, license tax, golf cart decals, machinery & tools tax, penalties – all property taxes, consumer utility taxes, electric, gas & telephone taxes, BPOL, admission taxes, transient occupancy taxes, meals taxes, short term rental taxes, land use application fees, zoning advertising fees, historic review fees, building permits, planning & review fees, various permits and fees, code enforcement charges, rental inspections, court fines and forfeitures, parking fines, interest & dividend income, use of facility fees, lease revenue, various service fees, sale of salvage & surplus property, storm damages recovery from FEMA, payments from Northampton County for the library, Assistance to Local Police HB 599 funding, personal property tax reimbursements, local sales & use taxes, various grants, loan proceeds, and miscellaneous revenue.

Deborah Pocock continued to review the following:

Recreation: i) \$5K was included under Contract Labor to rehire the seasonal part-time special events assistant to help with summer programming. This would be moved to a new line item for Part-Time Wages vs. Contract Labor and included estimated payroll taxes which would be shown in the appropriate line items; ii) Information System Service included \$200 for installation of a new computer. The department computer was purchased in 2010 and was on rotation for replacement. \$1,200 for the cost of the computer was included in the Computer Purchase line item; iii) \$400 was included in Advertising for Halloween and the Dropping of the Crab Pot. The events previously included in the Harbor Fund budget were moved to Recreation; and iv) Special Event Supplies/Awards was increased to \$20,550 due to the Dropping of the Crab Pot and Blessing of the Fleet being moved to the Recreation budget.

Library: i) \$1,700 was included in Information System Services due to increased historical costs and IT support; ii) \$2K was included in Repair & Maintenance to cover the cost of deep cleaning the floors, carpets, windows, etc.; iii) Electric included \$6,500; iv) \$2,500 was included for Heating; v) Mileage was increased to \$650 for the Eastern Shore Public Library Trustee meeting attendance and attendance at an annual conference; vi) Office Supplies was decreased to \$1K. A separate line item was added for Library Programs-Supplies which included \$1,500. In previous years, the Office Supplies line was used for program supplies; vii) \$3K was included to replace four outdated computers in the lab; viii) \$3K was included

for Library Programs-Performers. In previous years, the Friends of the Cape Charles Memorial Library (FOL) had funded a number of performers, but the FOL was currently focusing on other programs; ix) \$3K was included for Repair & Maintenance Supplies to cover the boiler inspection and other miscellaneous repairs; and x) Books & Subscriptions was increased to \$18K for cost increases and to add more books on CD and DVDs.

Planning: i) Management Consulting included \$1K for the A-NPDC for assistance with the Comprehensive Plan. If the Comprehensive Plan was adopted by the Town Council in FY 2016, this line item would not be necessary; ii) Advertising was increased to \$1K for the increased number of public hearings; iii) Although no money was requested under Computer Purchases, there was some discussion regarding the possibility of a new computer purchase since the Planner's current computer was purchase in 2010; iv) Books & Subscriptions included \$165; and v) \$3,600 was included in Computer/Electronics to purchase six iPads for the Planning Commission.

Code Enforcement: i) Salaries & Wages – Regular – Code Enforcement requested the permit assistant be made a full-time position vs. part-time. The permit assistant currently worked 30 hours per week but with the increase in building throughout the town, there was more than enough work to increase the position to full-time; ii) Information System Services included \$2,600 for the Permit system, IT support and Shore Scan; iii) \$5K was included each year under Repair & Maintenance in case a building in the town needed to be demolished; iv) Office Supplies was increased to \$800 based on previous years' spending; v) Vehicle & Powered Equipment fuel was increased to \$700 based on previous years' spending; vi) Vehicle & Powered Equipment Supplies was increased to \$200; and vii) Code Enforcement Debt Service included \$5,700 for the first of five annual payments for the Code Enforcement vehicle.

Finance: i) A request was made for a part-time employee with a strong accounting background to assist with account reconciliations and budget analysis. The employee would work 20 hours per week on average; ii) Payroll Processing Fees was reduced to \$6,322 since the town changed payroll companies in 2015; iii) \$26K was included under Independent Auditor. The town would be looking for a new auditing firm this year. The current firm was not accessible during the year; iv) IT Consulting & Website Assistance was reduced to \$400; v) Collections Fees & Services was reduced to \$250 based on previous years' spending; vi) Advertising was increased to \$300 based on previous spending; vii) Equipment was increased to \$1,169 for the cost of two credit card machines; viii) Mileage and Lodging & Meals were for additional training opportunities; ix) Office Supplies was increased to \$5K for office equipment and lateral file cabinet; x) Bank Service Charges was increased to \$3,500 since some debt service payments required wire transfers; xi) Computer Purchases included \$2,250 to upgrade the accountant's computer which was purchased in 2010 and purchase a new computer for the potential new part-time employee; xii) Books & Subscriptions was reduced to \$150 based on previous spending; and xiii) \$1,200 was included in Education for various training classes for the department staff. Deborah Pocock added that the town received a USDA RD Grant (25%)/Loan (75%) for the financial management software.

Clerk: i) IT Consulting & Website Assistance included \$3,700 for the Shore Scan annual agreement, website annual agreement and IT Support; ii) Maintenance Service Contracts was decreased to \$5,400 for copier/printer service charges and Shore Scan; iii) Advertising included \$3,800 for Town Council public hearing notices and other miscellaneous advertising; iv) \$4,216 was included in Equipment for the copier/printer lease and one-month rental of a wide format scanner; iv) Mileage and Lodging & Meals were increased for additional training opportunities; v) \$595 was included for Dues & Associations for memberships for both the clerk and assistant clerk; vi) Computer Purchases included \$1,800 for a department laptop and iPad for the assistant clerk to use for board meetings; vii) \$3,350

was included in Books & Subscriptions for Municode fees and Town Code updates; and viii) Education included \$1,850 for the Clerks' Institute and Academy classes for the clerk and assistant clerk. Some of this was previously included under Convention & Education.

Legislative: i) \$516 was included in Telecommunication for the Mayor's cell phone; ii) Public Officials Liability included \$8,400 which assumed a 4% increase. Deborah Pocock stated that she would double check the numbers and this item could possibly be reduced; iii) Mileage, Gas, Tolls; Lodging & Meals; and Conventions & Education were increased to include the Newly Elected Officials training for three possible new Council members. These line items also included attendance for the Mayor at the Virginia Municipal League Annual Conference and Mayor's Conference; iv) 2017 was not an election year, so no funding was included in Community Election Support; v) \$300 was included Office Supplies for miscellaneous supplies; and vi) \$3,500 was included in Equipment for a custom-made audio cabinet and exterior notice kiosk for the Civic Center. Funding was included in the FY 2016 budget for the audio cabinet but the contractor who made the dais had not been available to construct the cabinet due to other renovation and building contracts. If the contractor was able to complete the cabinet in this FY, the funding request for FY 2017 would be removed.

There was some discussion regarding the discussion of personnel and what could and could not be done in closed session. Town Manager Brent Manuel stated that he would like Council to revisit the Springsted compensation study which was performed in 2015. Last year, after the study was received, Council reduced the entire wage scale by 5% and some positions were adjusted to lower rate categories. The town had a high turnover rate and recently lost two valued employees due to pay. Review of the compensation study would be done in open session and discussion of individuals and their pay rates and positions would be done in closed session.

Several of the Council members agreed that the study needed to be reviewed. The study could possibly be reviewed at the next budget work session scheduled for April 7th.

The Executive Session scheduled for this evening after the work session was cancelled.

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

Mayor Proto

Town Clerk