



TOWN COUNCIL

Work Session

Town Hall

April 14, 2009

6:30 p.m.

At approximately 6:30 p.m. at the Town Hall, Mayor Dora Sullivan called to order the Work Session of Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Bennett, Burdiss, Elliott, Evans and Veber. Also present were Interim Town Manager Heather Arcos and Interim Treasurer Jo Anna Leatherwood. Several of the department heads were also in attendance.

Mayor Sullivan announced the business for the evening would be to continue the review of FY 2009-2010 budget.

The Council reviewed the budgets for the following departments: i) Town Manager; ii) Finance; iii) Parks & Recreation; and iv) Sanitation. The Council also reviewed the revenue summary for the following: i) Miscellaneous Revenue; ii) Grant Revenue; iii) BPOL Taxes; and iv) Tax Revenues. The Council went on to review the Potential Financing of Capital Projects regarding the following: i) Water & Wastewater Fund; ii) Harbor Fund and iii) General Fund.

There was some discussion regarding the pre-payment plan regarding the water and wastewater connection fees and the fact that the property owners may be confused regarding the issues especially with the presentation by Malcolm Hayward which discussed a payment plan, which the Council had not discussed to date. A work session will be scheduled for the Council to discuss this program. An agenda item will be added to the May 14, 2009 Regular Meeting to extend the deadline for the connection fee increase from the original date of July 1, 2009 to enable the Council to discuss this issue further.

There was much discussion regarding the need to cut the proposed budget by approximately \$300K so the tax rate would not have to be raised. The Capital Projects were reviewed and the discussion centered on whether certain projects were necessary at this time. Personnel salaries and benefits were discussed at length and whether the Town should reduce the amount of money paid toward health and retirement benefits for the staff. There was some discussion regarding the possibility of reducing staff and combining some positions. It was noted that the Town could save \$55K by having staff pay 5% of the contribution towards their retirement. Heather Arcos and JoAnna Leatherwood will look at all the staff benefits to determine what areas could be reduced. Councilman Burdiss also suggested that the Council review the Community Events and Support spreadsheet to see if any items could be reduced or deleted. There was also some discussion on the lack of a contingency fund for any unexpected issues that may arise. Mayor Sullivan asked the Council members to come prepared to the next meeting with a list of recommended reductions stating that she would prefer to cut projects vs. personnel.

Hearing no objections, Mayor Sullivan adjourned the Town Council Work Session by unanimous consent.

Mayor Sullivan

Town Clerk