



## **TOWN COUNCIL**

### **Work Session**

Town Hall

January 28, 2010

6:00 p.m.

At approximately 6:00 p.m. at the Town Hall, Mayor Dora Sullivan called to order the Work Session of the Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Bennett, Burdiss and Veber. Councilman Evans arrived at 6:04 p.m. Councilman Elliott was not in attendance. Also present were Town Manager Heather Arcos, Town Treasurer Jo Anna Leatherwood, Town Consultant Bob Panek, Public Works/Utilities Director Dave Fauber, Harbor Master Smitty Dize and Town Clerk Libby Hume. There were two (2) members of the public in attendance.

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

Heather Arcos explained the revenues and expenses by fund. The majority of funds were on target and within budget. Heather Arcos stated that the Town Manager budget also includes the other items including legal fees, which are over budget. The Harbor income appears low but the wharfage income typically increases from March through June. It was noted that the capital project of Water Production Expansion was no longer necessary and engineering work had been stopped. The capital project of the Bay Creek Water Tower Design will not be pursued in this fiscal year.

Heather Arcos informed the Council that the Town will be closing on the \$10M amended loan on February 1<sup>st</sup> and the long-term loan should be closing the end of February. Vice Mayor Chris Bannon and several staff members will be meeting with the Virginia Port Authority on February 11<sup>th</sup> to request funding for the Harbor.

Heather Arcos explained that the Town met again with FEMA representatives on January 27<sup>th</sup> and the Town staff provided a layout of the beach and the amount of sand lost in the nor'easters. The Town is hopeful to get some funding for sand replenishment. FEMA requires a municipality to annually budget funds for maintenance but did not specify a dollar amount. The Town will need to replenish the sand prior to Memorial Day and are looking at larger grains of sand. This issue will be reviewed further. There was some discussion regarding the percentage of general property taxes that have been collected to date and that approximately \$38K of the budgeted amount was left unpaid. With real estate sales and foreclosures, the Town has been collecting back taxes on several properties and there is a possibility that the entire budgeted amount could be collected and maybe more. It was suggested that any excess monies collected could be used for sand replenishment. There was some discussion on the tax collection process for real estate, personal property and business license taxes as well as any recourse that the Town may have for the collection of delinquent amounts.

Councilman Veber stated that the alleys are getting bad again. Dave Fauber explained that the Public Works crew has been performing ongoing maintenance on the alleys. The bushes and shrubs have been cut back and the crew will be working on filling the pot holes, etc.

Jo Anna Leatherwood reviewed the Group Hospitalization Comparison explaining the various health insurance plans available to the employees of the Town. In previous years, the Town has paid the full premiums for all full-time employees at a mid-level plan which costs \$524.42 per month in 2009. If an employee opted for a lesser plan, the difference in premium amounts was deposited in a flexible spending account for that employee. If an employee opted for a higher plan, that employee would pay the difference in premium. This same plan will increase by \$80.95 per employee per month for 2010. There was much discussion regarding the various plans and rate increases. Councilman Bennett asked Jo Anna Leatherwood to provide the amount of rate increases for this mid-level plan over the last five (5) years. The Council asked Jo Anna Leatherwood to contact VML to see if they have health insurance plans available. Councilman Veber suggested a call to Riverside Health Systems to see if the hospital offers any type of health insurance. The Council agreed that health insurance coverage was a valuable benefit that lures quality employees to the Town.

Councilman Veber asked Bob Panek regarding the possibility of the Town receiving any additional stimulus monies for the wastewater treatment plant. Bob Panek stated that there are states that have not allotted all of their ARRA monies and they have until February 17<sup>th</sup> to do so or the monies have to be returned to the EPA. Once the funds have been returned, the EPA will review the amount and redistribute any available funds towards other projects.

Heather asked the Council to review the meeting date options which were distributed at the beginning of the meeting and to get back with Libby Hume with their availability so work sessions for the FY 2010/2011 Budget could be scheduled.

**Motion made by Councilman Evans, seconded by Councilman Veber and unanimously approved to adjourn the Town Council Work Session.**

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Mayor Sullivan

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Town Clerk