



TOWN COUNCIL

Work Session

Town Hall
May 6, 2010
6:00 PM

At approximately 6:00 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 and Veber. Councilwoman-elect Joan Natali and Councilman-elect Mike Sullivan were also in attendance. Councilman Evans arrived at 6:24 p.m. Councilman Elliott was not in attendance. Also present were Town Manager Heather Arcos, Treasurer JoAnna Leatherwood and Town Clerk Libby Hume.

Mayor Sullivan announced the business for the evening would be to continue the review of FY 2010-2011 General Fund Budget.

Town Manager Heather Arcos informed the Council that the real estate tax revenue was increased, per suggestions made at the April 22nd meeting, from \$1,026,000 to \$1,034,603 as a result of adjusting the assessment values. Heather Arcos added that the Town is working with several banks and VML/VACo regarding a line of credit as discussed and that \$159K was needed to complete the repair and maintenance items in Public Works.

Treasurer JoAnna Leatherwood reviewed the responses received from Bank of America, BB&T, PNC Bank, VML/VACo, Shore Bank and SunTrust Bank regarding credit lines. There was much discussion regarding the options and the varying programs available at the different financial institutions. The Council reached a consensus to pursue short term financing through VML/VACo since the \$159K would fall under the uses outlined in the \$10M borrowing for short-term needs. Any amounts added to this loan would have to be repaid by May 1, 2012 which is the due date of the loan. The Council also agreed that establishing a line of credit with a local bank would be beneficial. With the decision to pursue financing for the capital projects as discussed, the budget could be balanced without an increase in the tax rate.

Motion made by Councilman Bennett, seconded by Councilman Burdiss and unanimously approved to adjourn the Town Council Work Session.

Mayor Sullivan

Town Clerk