

TOWN COUNCIL  
MEETING  
July 26, 2013  
7:00 PM

Mayor Greer-Present  
Councilman Ward-Present  
Councilman Massey-Present  
Councilman Doughty-Present  
Councilman Duer-Present  
Councilman Metz-Present  
Councilman Lewis-Present

STAFF PRESENT: Zeke Jackson, Ethel Parks, Chief DiMartino, Investigator Leckel, Taylor Dukes, Buster Spady.

**CALL TO ORDER:**

The meeting was called to order at 7:00 pm by Mayor Greer. Mayor Greer established a quorum.

**PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by all present.

**INVOCATION:**

The Invocation was given by Mayor Greer.

Mayor Greer addressed the public stating that this is a work session and is for business matters only. He said there is a comment session at the end of the meeting for public comment on tonight's business.

**OLD BUSINESS:**

Mr. Jackson noted that Ordinance No. 178 was given to them in error at previous meeting and it should have been Ordinance No. 188 for Water Conservation.

**NEW BUSINESS:**

**BUDGET WORK SESSION: PRESENTATION OF EXPENDITURES:**

Mr. Jackson explained that they will be talking about expenditure side of the budget tonight and touch on revenues if there is anything they would like to add from the previous meeting. He said that the budget summary worksheet shows the total funds as they flow through the Town and the requested budget for 2013-2014. Mr. Jackson noted that since we do not have completed audited financial statements the auditor recommended to use June 1<sup>st</sup> numbers as a starting point. Mr. Jackson said that the restricted balance is to be used for specific purposes and the unrestricted balance can be used for whatever they choose to use it for. He cautioned them to be careful of how they use the reserve. Mr. Jackson stated that the total expenditures for the year are \$1,734,712 with a slight additional reserve of \$8,433. He said that at this point we have a balanced budget if we move forward with what we have with an ending balance of \$531,102.

Mr. Jackson explained the departmental totals. He said that it is a year-to-date figure as of June 1<sup>st</sup>. He noted that they should keep in mind that some of the items captured in the revenue and expenditures for the 2011-2012 and 2012-2013 fiscal years have been misposted. The totality of the revenues and expenditures have been captured but may not be where they belong. Mr. Jackson noted that we may be looking at a mid-year rate adjustment in group health insurance due to the Obamacare regulations. He said that the police department would like to move forward with three new vehicles and there is grant/loan money available making the total requested expenditures for the police department \$383,555.

Mr. Jackson noted that the high points of administration this year will be approximately \$45,000 in auditing fees to get caught up with the audits and legal fees due to legal issues. We will be cutting software licenses significantly by using Quickbooks for everything. We will be purchasing new computers for the office and the Town Hall needs a new roof. The total requested expenditures for administration is \$403,709.

Mr. Jackson stated that \$26,000 has been budgeted for a new roof for the newly purchased building for public works and \$12,000 for a new truck. There is \$30,000 budgeted to do something positive at the park, such as maybe demolishing the old Center Chevrolet building and maybe a hockey rink. He emphasized that these are not promises, they are merely suggestions. He noted that a grant has been budgeted for the roof on the Railroad Museum. The total requested expenditures for public works is \$315,013.

Mr. Jackson said that \$59,000 in engineering fees is the most significant amount budgeted in the water department for the new wells. A new truck is budgeted for \$12,000 as well. The total requested expenditures for the water department is \$251,864.

Mr. Jackson explained that \$50,000 has been budgeted in wastewater for a Preliminary Engineering Report (PER). The total requested for wastewater is \$289,170.

Mr. Jackson said that tipping fees have increased for the landfill and with the trash cans and tipper attachment the total requested expenditures for sanitation services is \$81,985.

The miscellaneous income of \$9,416 is the Fireman's Fund which is a pass through bringing the total requested budgeted amount to \$1,734,712 with a small additional reserve left in the amount of \$8,433.

Mr. Jackson asked the Mayor and Council for direction with the Christmas bonuses. After brief discussion they agreed to give full time employees \$500 and part time employees \$250. The employee is to pay the employee share of the withholding taxes and the Town will pay the employer share of the taxes. Mr. Jackson recommended that they classify the bonus as a Seasonal Bonus or a Holiday Bonus.

Councilman Massey asked Mr. Jackson if anything has been done on Lloyd's building yet. Mr. Jackson told him that an asbestos study will be done on it next week. Councilman Massey said that winter is coming and public works deserve a decent building to work in. Mr. Jackson said that there is \$26,000 in the budget to work with for a roof for the building. He said that he would rather discuss this in closed session.

Councilman Doughty asked Mr. Jackson if the office is still closed an hour in the morning and afternoon. Mr. Jackson told him that it is and that it is very productive to remain closed those two hours. He said that Ms. Weeks has just come on full time and is working to get caught up on the business licenses and we are still dealing with clean up on the water system. Mr. Jackson recommended to keep the hours as they are for the time being and look at adjusting them at a later date.

Mr. Jackson explained that there are three outstanding bonds. One of them is through the Virginia Resource Authority at 5.6% interest, the other two are through the USDA; one at 4.5% interest and the other at 4.25% interest. He said that they are all at high rates for a municipality and we could possibly refinance them in a single bond at a lower rate.

Mr. Jackson told the Mayor and Council that that the Capital Acquisition Replacement Plan is not a binding document. It is a plan to give them an idea of how they need to look at things going towards the future and it will be incorporated into the budget.

Councilman Massey asked if we were getting a grant for the police cars. Mr. Jackson told him that we are. Chief DiMartino noted that he is looking at Impala's. He said that the Sheriff's Office has had some problems with the Chargers.

Mr. Jackson said that he plans to bring back a completed budget document to them at a Public Hearing on August 19<sup>th</sup> and then we have to wait seven days to adopt it so they can meet on August 27<sup>th</sup>.

Councilman Metz asked Mr. Jackson if the VRA bond could be refinanced before he leaves. Mr. Jackson told him that the pay-off on it is approximately \$165,000 and there is enough money in the reserve to pay it off which is a \$24,000 savings over a five year time span.

Mr. Jackson asked the Council how they felt about increasing the sewer rate by \$1.50 and \$1.50 on the base rate of water. He said it would be an increase of \$7,000 per year in sewer fees and \$13,000 per year in water sales. The rates need to be raised to meet the guidelines to be able to obtain grants. The Council agreed to allow Mr. Jackson to make the rate adjustment in the budget.

Mayor Greer addressed the issue of the tipping fee increase. He said that he is in favor of the cans but they need to come up with a way to offset that cost. Mr. Jackson recommended that they increase the trash fee to \$13.50 for the first can and \$8.00 if they use a second can.

CITIZEN COMMENTS (3 MINUTE LIMIT PER SPEAKER)

Bob Mishefski asked the Council why they would purchase a 1996 Street Sweeper for \$60,000. Mr. Jackson said that is the cost of a new one and we currently have a 1996 sweeper. Mr. Mishefski asked why the water/sewer spiked from \$88,000 to \$116,000. Mr. Jackson explained that the radio read meters have been added and the first years' installment is \$40,000. He told him that as the Town's needs changes the totals will change. Mr. Mishefski asked why the Town would need to replace two 2010 police vehicles in 2013-2014. Mr. Jackson told him that police cars do not last long. Mr. Mishefski asked how much we are paying in interest on the bonds per year. Councilman Duer told him \$30,000. Mr. Mishefski suggested a volleyball net in the Park where the train was situated at one time and also a basketball goal back in the corner. Mayor Greer told Mr. Mishefski that he had very good questions and comments but he went well into six minutes. Mayor Greer asked him to hold any further questions and comments until a further time. Mr. Jackson told Mr. Mishefski to stop by his office and he will talk with him.

David Scanlan said that it is refreshing to have a young man interested enough to ask questions. He asked the Mayor and Council to consider a Recycling Center for the Town. Mr. Scanlan noted that he uses the County's but he has to go outside the Town limits to do it. Mr. Jackson said that Towns in other places have different colored trash cans for recyclables. Councilman Massey said that he takes his plastics to a recycling center in Pocomoke and his newspapers to the Retarded Citizen's Association in town. Mr. Scanlan said that he appreciates the brush and limb pickup and the furniture and appliance pickup that the Town does.

Donald E. Kellam, Jr. asked the Mayor and Council how they planned on handling the deficit spending in the water and sewer. Mayor Greer said that we are working to get our books in order so we can get loans to revamp the systems. He noted that we have had to make necessary cuts to do what we can to move forward. Councilman Ward remarked that we need more people to sign up for sewer hook-ups.

Dawn Hart asked about the seventh police officer. Mayor Greer told her the seventh officer is on hold for now. He said that Chief DiMartino has assured him that he can run the department with six officers but he will talk with him further and help him work out a schedule for the department.

PROPOSED NEXT MEETING: AUGUST 12, 2013 REGULAR MEETING:  
AUGUST 19, 2013 PUBLIC HEARING ON BUDGET FOR  
2013-2014.

ADJOURNMENT:

Councilman Massey made the Motion to adjourn. The Motion was seconded by Councilman Lewis. The Motion was passed unanimously.

---

Douglas Greer, Mayor

---

Ethel Parks, Town Clerk