



Town of Southern Shores

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Recessed Budget Meeting

May 12, 2010

9:50 a.m.-Pitts Center

The following Council Members were present: Mayor Hal Denny, Mayor pro tem Jodi Hess, Council Members Kevin Stroud and Jim Pfizenmayer. Council Member George Kowalski absent.

Also present were: Interim Town Manager Chief David Kole, Consultant Webb Fuller, Town Clerk Carrie Gordin, Capital Improvement Plan Chairman Bill Gleason and Finance Officer Bonnie Swain.

Mayor Denny called the recessed budget meeting from May 10, 2010 to order at 9:50 a.m. He proposed the Capital Improvement Plan (CIP) be addressed first with input from Council and then review the operating budget and discuss what level of services are needed for FY2010-2011.

Mayor Denny proposes a two-tier tax rate for operating expenses and the CIP.

Bill Gleason stated the CIP will require a steady stream of revenue for the on-going projects including the canal dredging project, road improvements to Chicahawk Trail, Poteskeet Trail, Poteskeet Loop, Gray Squirrel Lane and Old Passage Lane, stormwater projects, funding for the mandated 800MHz radios, repairs to the bridges, and other special projects.

Discussion was held on the Fire Department's request for the number and costs for the radios. Webb Fuller has been in discussion with the Fire Department and he recommends the 2500 series radio at a cost of \$2,700 each with a cap of 38 radios for the Fire Department. The Police Department will need radios also.

Council Member Pfizenmayer supports funding the CIP. He feels Chicahawk Trail should be the number one priority road improvement even knowing the high cost of a million dollars is due to stormwater issues. This road is used the most by residents. Money should be set aside for Phase 2 of the canal dredging. The costs of the emergency radios for the Fire Department should not be included in the CIP.

Discussion was held on whether the Town or the Fire Department is to own and be responsible for the radios.

Webb Fuller stated that in looking at the Town's contract with the Fire Department, he doesn't know how the department was operating. Mr. Fuller feels the department was being underfunded. Mr. Fuller recommended that the tax revenues from 2.75 cents of rate be appropriated for Fire Department operating costs.

Council Member Stroud stated the Fire Department keeps asking for more funding, and now they are asking for \$500,000. He does not support this. He does not support an over-all tax increase of 4-5 cents.

Council Members Stroud and Pfizenmayer agree that the Fire Department should get no more than \$350,000 per the contract and, \$200,000 for the radios. They each stated the Fire Department should get what the contract reads and a specific amount for the radios.

Council Member Pfizenmayer stated he would like to talk at the July meeting about the Fire Department becoming a department of the town. He stated he is not voting for the budget if the Fire Department proposed appropriation stays in.

Council Member Pfizenmayer prefers the Public Works Supervisor position and the year-round recycle pickup be delayed. He isn't sure the expanded life guard service for shoulder season is needed either.

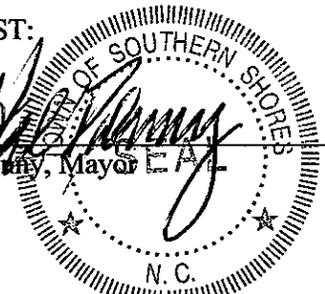
Council Member Hess supports the year-round recycling pickup. But she is in favor of delaying the Public Works Supervisor position to allow the new Manager to review, cut back on legal fees, and cut Public Works uniforms.

Mayor Denny supports keeping the additional Police Officer position but not the Public Works Supervisor. He prefers that the new Manager decide. He prefers keeping the COLA, and Public Works should possibly be considered called the Buildings and Grounds Department.

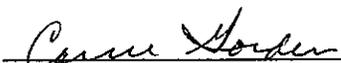
The Finance Officer stated in order to prepare the budget it appears from the discussion the budget should include an employee COLA, a Police Officer, ocean rescue expansion, some CIP amount, and some amount for the Fire Department. But it appears to not include the Public Works Supervisor position, cut legal fees, cut merit raises, and cut Public Works uniforms.

Hearing no other business Mayor Denny moved to adjourn the meeting at 11:00 a.m. Council Member Hess seconded. The motion passed with Mayor Denny and Council Members Hess, Stroud, Pfizenmayer voting aye. Council Member Kowalski absent.

ATTEST:


Hal Denny, Mayor

Respectfully submitted:


Carrie Gordin, Town Clerk