

**SECOND BUDGET HEARING
MINUTES**

JULY 13, 2015

The Public Hearing to review and possibly adopt the proposed combined Budget for General Fund and Water Department, for Fiscal Year July 1, 2015 – June 30, 2016 was opened by President Joanne Bacon at 7:01 PM on Monday, July 13, 2015.

Council members Present: Joanne Bacon, President
 Pamela Davis, Vice-President
 Velicia Melson, Sec./ Treasurer
 Charles Shelton

Others Present: Terry Truitt, Town Administrator

Guest: Greg Welch
 Marty Presley
 Maria Counts. Coastal Point

Pres. Joanne Bacon read aloud the posted agenda. She called on those in attendance for comments.

Marty Presley questioned the rationale to splitting the work to percentages? (referring to salaries and insurance prorated between operating funds). Pres. Joanne Bacon replied the work duties performed vary between the two funds.

Greg Welch questioned the operating transfer shown between both accounts as both being positive figures when he felt one should offset the other by being a negative. Velicia Melson defined the questioned as being a purpose to balance the budget between the two funds. Greg Welch said if you add the two figures you are looking at \$58,200. Terry Truitt re-read the email issued by JUDS for an explanation of the operating transfer accounts. She added this was the first time in working between splitting the two budgets entirely and added there are sure to be improvements made. Greg Welch called it “voodoo economics”. He added the discharge of expenses was based on the revenue then questioned the figure of \$65,000 from the prior fiscal year budget. Pres. Joanne Bacon replied that money was never allocated to a expense of spent.

Marty Presley questioned the line item entry toward pensions as not being shown as encumbered and wanted to know where the money is now? Pres. Joanne Bacon replied the unspent expenses such as the pension set in the fund they were allocated from.

Greg Welch questioned the fee being charged for the use of the park pavilion and when that was approved? Pres. Joanne Bacon replied she did not have the answer with her tonight but would gather the information for another time setting aside tonight was for the discussion of the budget only.

Marty Presley questioned the figure budgeted for the pension amount in the Public Safety as needing to be reflective to an more accurate figure based on payroll. Pres. Joanne Bacon replied she too felt the figure should be more accurately reflected. Terry Truitt replied that this was Chief Mike Warchol's first year working with the budget and felt that while the line item may be higher than projected it would not be spent toward pensions. She added the budget must be passed and adopted by July 31st.

Velicia Melson noted the budget was and is not 100% and it may not be the way she would prepare a budget but it was being developed and improved.

Pres. Joanne Bacon noted she had some questions herself that she would like clarification on. The first question posed was the transfer tax revenue figure was higher than it was last year and questioned why? Terry Truitt noted the Town would receive a \$15,000 one-time grant from the County based on the fact that the Town had not received in transfer fees collected throughout the entire prior fiscal year the amount of \$15,000. She added the County offers this grant in a way of keeping it fair/ balanced in comparison to larger towns especially around the beach area which sell at higher values.

Pres. Joanne Bacon questioned the trash revenue and whether or not it was worthwhile to place it out to bid. Terry Truitt noted the figure shown accrued the last billing going out for June 30th and added the trash service contract is placed out to bid. She added it is usually for three years but can go longer as long as there are no increases to the services being offered. She noted it is a huge undertaking transitioning between one trash contractor to another noting the odd number of containers between each residence.

Pres. Joanne Bacon called on the other Council members for remarks.

Greg Welch questioned if the council members were comfortable with the operating transfer account/ amount? Pres. Joanne Bacon replied no but did not pretend to be an accountant. Noted she would obtain further information on the subject matter. Pamela Davis suggested tha the definition of the operating transfer account be obtained.

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Pres. Joanne Bacon called for a motion on the budget.

There being no further discussion upon review of the Proposed General Fund and Water Department Budgets, the following motion was made:

A motion to adopt the proposed advertised General Fund Budget and Water Department Budget for Fiscal Year 2015-2016 with the Public Safety pension amount reviewed and possible amendments was made by Velicia Melson with a 2nd by Pamela Davis. Motion was unanimous.

HERETO: A copy of the Adopted Budget for the General Fund and Water Fund will be made a part of these minutes

There being no further business, the Public Hearing was adjourned by motion of Pamea Davis with a 2nd by Velicia Melson at 8:15 PM. Motion was unanimous.

Respectfully submitted,

Terry H. Truitt
Town Administrator