

MINUTES

TOWN OF KURE BEACH TOWN COUNCIL

117 Settlers Lane ■ Kure Beach, NC 28449



Dean Lambeth, Mayor
Chuck Keener, Mayor Pro Tem
Jim Dugan, Commissioner
Barry Nelder, Commissioner
Tim Fuller, Commissioner
Kaysie Pralle, Town Clerk

WORK SESSION

MAY 13, 2010 at 10:00 AM

PURPOSE

The purpose of the meeting is for Council to discuss the 2010-11FY budget.

COUNCIL MEMBERS PRESENT:

Mayor	Dean Lambeth
Commissioner	Jim Dugan
Commissioner	Tim Fuller

COUNCIL MEMBERS ABSENT:

Mayor Pro Tem	Chuck Keener
Commissioner	Barry Nelder

STAFF PRESENT:

Police Chief	Dennis Cooper
Fire Chief	Harold Heglar
Public Works Director	Sonny Beeker
Building Inspector	John Batson
Finance Officer	Jennifer Watson
Town Clerk	Kaysie Pralle

Town Attorney A. A. Canoutas was in attendance. There was a quorum of the Town Council present.

CALL TO ORDER AND WELCOME

Mayor Lambeth called the meeting to order at 10:00 am. Mayor Lambeth led in the Pledge of Allegiance.

Commissioner Fuller - The Citizens Finance and Budget Advisory Committee will provide an independent estimate of town revenues will be and help determine what is an acceptable level of debt for the Town?

This year the town will individually list the GASB 45 items.

This morning we have handouts that include the expense worksheet for the 2009-10FY. I took last year's budget ordinance and made a spreadsheet with current request estimates. If you look at page three of the current budget, the total of all funds last year totaled \$5,652,048, compared to \$4,614,651 that we have realized this year.

There is a considerable gap to close. There is a handout from the NCLM for the 2008/09FY. We need to use the previous year's budget as the basis for projection. Our local option sales tax revenue is \$547,113. The difference between what we projected and

what the League state on this document is roughly \$50,000. How do we want to approach budgeting revenues with the information provided by the League?

Commissioner Dugan - I am assuming that we will take a look at our funds and what is an acceptable amount we want to have in our reserves. We may not be able to move funds, but we will need to look further into this.

Commissioner Fuller - We currently have roughly \$1,259,000 in reserves

Public Works Director Beeker - On water and sewer charges we will be better than the 1.25 million which is what is estimated here.

Commissioner Fuller - What number do you have?

Public Works Director Beeker - I estimate \$1,308,416.67. Once Fort Fisher is online, that number will be added to it.

Commissioner Fuller - We also have not collected all of the TDA monies.

Finance Officer Watson - The request is in, but we have not heard back as of yet.

Commissioner Fuller - The number should come down, unless we have a reason to think we will get more. The lifeguards have gone up. We requested some of that money for single projects. Once we add in the part time help in the fire department that number will be roughly \$268,088.

Commissioner Fuller - The request for admin was \$136,072. We will get a copy of the worksheet report to department heads to look for discrepancies.

Commissioner Fuller - Last year there were \$11,000 in contributions requests. This year it is approximately \$16,000.

Commissioner Fuller - Everyone needs to go through their budgets and get back to Council. Interest revenues from last year were way off and are projected to be the same this next year. Interests earned this year are \$294,000. We missed the budget mark by \$40,000. The bulk of our money is not in CD's they are in the cash management trust fund. This is an investment fund, but we are subject to the fluctuations. As the CD's have matured, the rates have gone down.

We will make the changes that we have talked about here today. This is on the agenda for Tuesday night, but we would still like some guidance on how to approach the revenues. After Tuesday night we will come up with a draft. By June 1, we have to present to Council a draft budget.

In terms of closing the gap, even with the adjustments presented there will be a gap. Do we want to look at raising taxes and fees, cutting the budget or a combination of the two? Adding one cent on the tax rate is approximately \$150,000 in revenue.

Karen Vattr, resident - I have an issue with yard waste not being able to go into the trash cans.

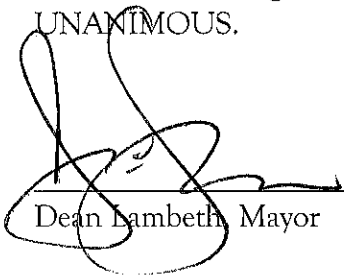
Public Works Director Beeker - I suggest starting a compost pile; otherwise, we can pick it up for a fee.

Commissioner Fuller - Do you think the community would be interested in a yard waste pickup? In the last place I lived, they provided paper bags to haul it away with. I think this is worth pursuing. It is expensive to take this into the landfills. We have two other looming challenges. The county is getting ready to do something to the county landfill. This could possibly affect us. Carolina Beach is looking to make changes to the sewage treatment plant. Once we adopt the budget, we are stuck with those fees until the next budget.


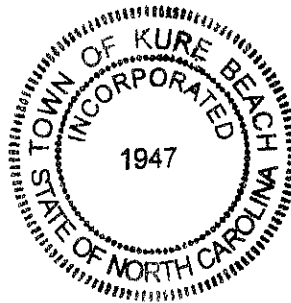
ACTION - Mayor Lambeth MADE THE MOTION to go into closed session at 10:34 am to consult with the attorney. THE VOTE OF APPROVAL WAS UNANIMOUS.

ADJOURNMENT

ACTION - Mayor Lambeth MADE THE MOTION to adjourn the meeting at 12:18 pm. Commissioner Dugan seconded the motion. THE VOTE OF APPROVAL WAS UNANIMOUS.



Dean Lambeth, Mayor



Nancy Hewitt, Interim Town Clerk

Minutes were taken by Kaysie Pralle, former Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. Persons wishing to hear the recording of this meeting may request to do so by contacting the Town Clerk.