

**KURE BEACH TOWN COUNCIL**

**WORK SESSION**

**MAY 17, 2005**

**6:30 P.M.**

Mayor Medlin opened the work session noting that the purposed of the work session is to discuss the budget and the audit report.

Present were: Mayor Pro Tem Dugan, Comm. Fuller, Comm. Ufferman and Attorney Canoutas.

Mayor Medlin requested Comm. Fuller address these items.

Comm. Fuller submitted to Council and residents copies of the Summary of Staff Meeting with Mr. B. A. Pope, Auditor, May 5, 2005, (copy attached). He noted that the purpose of the meeting was to discuss the recently completed audit and recommendations Mr. Pope might have for improving next year's audit. Comm. Fuller reviewed the summary and commented on each portion thereof. He also mentioned that as this was the last year of the Auditor's 3 year contract, Mr. Pope would not be requesting renewal. Therefore, the Town will be requesting proposal for an auditor.

Comm. Fuller requested Comm. Ufferman work on the "Request for Proposal" for a new auditor for F/Y 05-06.

Comm. Fuller in continuing review of his summary mentioned the use of purchase orders is recommended as it can be an important internal control. He noted that some of staff already uses purchase orders and he would like to get a system set up for using purchase orders once the budget is adopted.

In continuing comments he mentioned that in the budget process, we are in the process of meeting with Department Heads and going over their draft requests and discussing some of the priorities for the up coming year. Also noted was Council will be talking about projected revenues available for next year. Approximately 10% additional revenue based on property tax—also money may be available from surplus based on the 03--04 audit--\$180,000/\$190,000.....money could be used for capital projects. Work continues on our fixed obligations, increase in payroll, cola, merit pay increase. Also Council will be doing Department Head evaluations.

Comm. Fuller mentioned that he hoped to have the draft budget possibly the first week in June, also the need for Council to meet with Department Heads to do evaluation and to discuss where we're at, do we need to give more guidance, expectations, etc.

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In discussion, Mayor Pro Tem Dugan suggested using the instrument submitted (Evaluation form for Supervisors) and then modify it at a later time if needed.

**Consensus of Council to schedule meeting with the Department Heads for approximately one-half hour each starting Monday, May 23 at 2 p.m.**

Comm. Fuller advised Council that a couple of people are present to present their budget request.

Mr. Ron Griffin, member of the Community Center Committee gave a brief summary of their present budget noted that as they do not anticipate any capital projects next year and their rentals have increased, they do not anticipate any additional input from the general fund—they will request only specific items as in the past—building maintenance, operations, supplies.....

Mr. Gary Owen, Beach Renourishment Coordinator, presented his request noting that it is about \$2,500.00 higher than the present budget. He reviewed his request noting that \$2,000.00 was added for Port, Waterway and Beach Commission visits to Washington for meeting with the Legislators.

Mr. Owen mentioned that relative to the emergency vehicle access, he and Chairman of the Shoreline Access and Parking Committee have discussed this and he will be bringing this item up late during the meeting. Relative to sand fences, he noted that he is asking the homeowners to do the simple repairs to sand fences—if the repairs are more difficult, i.e., replace a section, he has talked with the Public Works Director and the property owner can call Public Works for assistance.

Mayor Pro Tem Dugan mentioned that he was not overly comfortable in continuing to secure funding from Washington for the beach renourishment and felt Council should look into other alternatives.

Mr. Owen noted that since this concerns all of New Hanover County and not just Kure Beach, this should be looked into by the Port, Waterway and Beach Commission to assist in locating funding. He referred Council to his budget request for \$2,000.00 to assist in paying for the trip to Washington.

Comm. Fuller mentioned that he would like for Council to adopt the budget at the June 21 Council Meeting and working back from that date he would like to schedule additional sessions and a public hearing.

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Council discussed several dates for work sessions and the public hearing and tentatively scheduled as follows:

May 23, 2 p.m. Council will do the Department Heads' evaluations.  
June 6, 2 p.m. Council, Department Heads and public review draft budget.  
June 17, 10:00 a.m.—Council, Department Heads, to make any final correction to the budget if needed, that session may not be needed if all details are worked out.

Saturday, June 18, 10:00 a.m. Public Hearing on the Proposed Budget.

Adopt the budget at the June 21, 2005 Regular Council Meeting.  
Work Session closed.

Minutes by \_\_\_\_\_  
F. Jones