

**ROCKY MOUNT TOWN COUNCIL
FISCAL YEAR 2008-2009
BUDGET WORK SESSION NO. 1
APRIL 21, 2008**

On April 21, 2008 Budget Work Session No. 1 for Fiscal Year 2008-2009 of the Rocky Mount Town Council was held in the Council Chambers of the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia at 4:00 p.m. with Mayor Steven C. Angle presiding. The following members of Council were present:

Vice Mayor Roger M. Seale and Council Members Stephen F. Agee, Posey W. Dillon, Jerry W. Greer, Sr., John H. Lester, and Sadie W. Tuning

The meeting was called to order by Mayor Angle.

The Town Clerk read for the record the following being present: All members of Town Council as noted: Town Manager C. James Ervin, Assistant Town Manager/Community Development Director Matthew C. Hankins, Finance Director Linda Woody, Public Works Director Cecil Mason, Planning & Zoning Administrator Paul Stockwell, Superintendent of the Wastewater Treatment Plant Jessie Jones, Superintendent of the Water Plant T. W. Wade, Chief of Police Erik Mollin, Town Attorney John T. Boitnott, and Town Clerk Patricia H. Keatts.

APPROVAL OF AGENDA

Prior to the meeting, Council had received the agenda for review and consideration of approval.

The Town Manager requested that the agenda be amended to include under *Closed Meeting* Section 2.2-3711(A).7 - Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

- Motion was made by Council Member Greer to approve the agenda as presented, seconded by Council Member Tuning and carried unanimously.

AGENCY REQUESTS

The Finance Department informed Council that she had received several requests from organizations to appear before Council during the "Agency Requests" portion of the agenda, with those wishing to speak signing up beforehand.

The Mayor opened up the floor to those agencies that had signed up to speak:

- Dr. Jody Brown with Blue Ridge Theatre/Jack Tale Players:
 - Added this year a youth drama program, with their agency picking up the funding. The Franklin County Historical Society and Franklin County Library will be a part of the program. Expect to have 50-60 young people in the area attend. This is exactly the kind of project, if funded by the Town, can be matched 50%, with the money having to come from the government. The grant will more than likely be a \$5,000 grant match.
 - Council Member Lester stated that he would like to suggest support from Ferrum College in developing some type of music venue class in conjunction with The Crooked Road, 'Round the Mountain, and gospel signing. He further stated that the Town has approached the college about this in the past. Ms. Brown explained that this is not her field, although she helped with starting up the "Young Artists/Old Tunes" event several years ago, but she will take Council Member Lester's request back to the college and explain to those individuals whose field this is in and tell them what the Town wants.
- Linda Stanley with Franklin County Historical Society:
 - Brought with her Billy Kingery, President of the Society.
 - Thanked Council for past support.
 - It is her understanding Town is proposing to giving them \$4,000. Need more than that and asking for \$25,000. Reason for asking for more is that they will have to make renovations to their new place for the agency. Cannot ask for grant funding as they are still seeking their historical certification.
 - They do quite a few tours during the year that helps promote the Town.
 - Believe they are a very viable part of the Town and contribute to the economy, and hope the Town will add the additional funding to their request.
 - Hope at some time that they will be able to come to the Town and not ask for funding.
- Dr. Sam Campbell with Helping Hands:
 - Thanked Council for past support.
 - In 2006, they gave out approximately \$56,000 to over 500 people.
 - In 2007, they gave just under \$205,000, with 432 people living in Rocky Mount alone receiving those benefits.
 - Will not be funded this year by Smith Mountain Lake charitable event, resulting in them losing \$20,000 that would have helped carry them over into the winter months.
 - Understand level funding by the Town has been done over the years, with them receiving \$1,500; but asking this year for an additional \$1,500.
- Michael Patterson with Franklin County Youth Center:
 - Let the record show that no one from this agency appeared before Council.

- Darlene Swain with Warren Street Society:
 - Let the record show that no one from this agency appeared before Council.
- Todd Norman with Franklin County Rescue Squad:
 - Let the record show that no one from this agency appeared before Council.
- John Lindsey with Roanoke River Basin:
 - Had not sent in his required information by the due date to the Finance Director, but asked to be heard at this time.
 - Handed out an introductory letter to Council.
 - Mentioned that they award college scholarships to deserving students in Roanoke County, Roanoke City, or Bedford County.
- Al Flora with Rocky Mount Rotary Club:
 - Thanked Council for their past support.
 - The Rocky Mount Rotary Club is on the map nationally.
 - Appreciate any continued support.
- Amy Pendleton with Franklin County Perinatal:
 - Appreciates all the assistance from Council in the past.
 - Since 1999, has helped close to 27,000 individuals towards the end of 2007.
 - The location of future home for agency will put them in the center of things, increasing the awareness of the programs they offer.
 - Asking for more funding since they have taken over a tremendous project in housing not only their agency, but other non-profit groups as well.
 - Working on a new class that will be offered in 2009 and a new support group of parents with autistic children.
 - Will be offering babysitting classes very similar to the ones offered by the American Red Cross since American Red Cross will not be offering the classes any longer in the Franklin County area.

The Mayor thanked everyone for coming to speak before Council, and stated that the budget would be limited and Council has their work cut out for them.

FISCAL YEAR 2008 – 2008 BUDGET WORK SESSION NO. 1

The Town Manager stated that the budget process was very much like the one that was done last year, then turned this portion of the work session over to the Finance Director.

The Finance Director presented the budget as follows:

Utility Fund

- 10% reduction in utility plan

- Not proposing any utility rate increase this year.

Water Treatment

- Water System Operations (pages 67-68)
 - New Needs/Requests:
 - Windsor Drive water line replacement – Estimated cost is \$26,000
 - Uptown area water line replacement – Estimated cost is \$19,200

Finance Director stated that Council should see a lot of reduction in water projection.

- Meter Reading (pages 69-70)
 - New Needs/Requests:
 - No significant special requests

Finance Director confirmed to Council that the only charge for meter readers is actual time spent for reading meters, which has been 5%, or around a total of 200 man hours a year, and that it is a two man operation. It was further explained by the Finance Director that when the meter readers are not reading meters, the Public Works Director has them doing other things.

- Water Treatment Plant (pages 71-72)
 - New Needs/Requests:
 - Rebuild raw water valve – Estimated cost is \$6,000
 - Replace boiler fuel tank – Estimated cost is \$7,500
 - Replace C/2 gas detector – Estimated cost is \$3,000

The Superintendent of the Water Plant confirmed to Council that is cheaper to rebuild a raw water valve, versus buying a new one.

The Town Manager informed Council that when Council and staff had an engineering study done at the Water Department on big ticket items that needed to be worked on, the rebuilding of the water valve was one of them.

- Sewer System Operations (pages 73-74)
 - New Needs/Requests:
 - Scuffling Hill sewer line at Knollwood – Estimated cost is \$75,000
 - Uptown sewer line replacement – Estimated cost is \$53,350

The Public Works Director confirmed the following:

- Sewer lines would be new ones.
- If VDOT grants fall through for these projects, Town may have to re-evaluate.

- Wastewater Treatment Plant (pages 75-76)
 - New Needs/Requests:
 - UV lamps and sleeves replacement – Estimated cost is \$9,650

The Superintendent of the Wastewater Treatment Plant confirmed to Council that they usually have repair costs that come up during the year, but they do them in-house.

Non-Departmental (UB)

- Utility Billing (pages 77-78)
 - New Needs/Requests:
 - Water loss accountability study – Estimated cost is \$30,000

The Town Manager explained what the accountability would entail, and staff will be looking for good folks to come and help staff to recapture loss, further stating that staff hopes to drop the loss by 5%, which will help repay itself.

- Utility Fund Non-Departmental (pages 79-80)
 - New Needs/Requests:
 - Employee Wellness Program for Utility Fund employees – Estimated cost is \$2,250

Finance Director stated the cost for this program is about \$500 per employee.

The Town Manager stated that the wellness program proposed is simply a variety of action to help employees maintain fitness and reduce the employees having to go to doctors and help medically, further mentioning that there were several employees currently signed up for the annual 4-mile “Chug for the Jug”, and were practicing walking the event after work and during lunch hours for the upcoming walk. Also explained that in doing the wellness program, a history of the employee’s participation will be kept, and in doing so, the Town will have something on hand to show the insurance carriers that the Town is doing what needs to be done to keep insurance rates down.

Supporting Information

- The Finance Director handed out replacement pages for pages 87 – 89.
- Page 90: summary of debt service.
- Page 91: legal debt margin
- Page 92: roster of positions
- Page 93: proposed pay plan from beginning to ending as roster sits
 - The Town Manager stated that this ultimately adds up to a potential .5%

- cost of living (COLA) and a 2.5% merit increase.
- Mayor commented that the Town had just did an exhaustive study of the pay plan to keep up with the economy.

Graphs

- Page 94 – 97: general graph information showing General Fund revenues; General Fund expenditures; Utility Fund revenues; and Utility Fund expenses.

General Fund

Public Works

- Public Works Administration (pages 25-26)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 4.2%
- Street Lighting (pages 27-28)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 19.85%
- Parking & Traffic Control (pages 29-30)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 39.36%
- Street Maintenance (pages 31-32)
 - New Needs/Requests:
 - Town match in conjunction with Tobacco Commission grant funds for the Cox property access road – Estimated cost is \$100,000

The Town Manager explained that the Town and County will give \$100,000 each, with the Town finding out soon if the grant request has been funded.

- Sidewalks, Curb & Gutters (pages 33-34)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 16.85%
- Street Cleaning (pages 35-36)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 19.11%

- Refuse Collection (pages 37-38)
 - New Needs/Requests:
 - No specific special requests
 - Only a slight increase to accommodate large items pickup once a month
- Snow Removal (pages 39-40)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 23.01% (due to mild winter)

The Town Manger stated that the Town did not enter into contract for removal of snow this upcoming year due to a mild winter per his and the Public Works Director's determination, and if winter weather increases, staff will look at implementing and earmarking funds for that when appropriate.

Building & Grounds

- Municipal Building Maintenance (pages 41-42)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 11.23%
- Emergency Services Building Maintenance (pages 43-44)
 - New Needs/Requests:
 - Engineering study and proposed solution to the Emergency Services Building roof leak – Estimated cost is \$19,580

Discussed the leak that has been continuing to happen at the Emergency Services Building, with the conclusion being to have McNeil Roofing look at fixing it.

- Public Works Shop Maintenance (pages 45-46)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 30.14%
- Cemetery Maintenance (pages 47-48)
 - New Needs/Requests:
 - No specific special requests
 - Reduction of 21.04%
- Parks & Playgrounds (pages 49-50)
 - New Needs/Requests:
 - Celeste Park construction funds are provided for a parking lot and trails
 - Estimated cost is \$35,000

- Pigg River Heritage Trail matching funds for the anticipated grant approval are provided to construct the first phase from Veterans' Park to Lynch Landing
 - Estimated cost is \$33,000

The Town Manager explained what the first phase of Celeste Park will be (taking funds and leveraging it).

Community Development

- Planning & Zoning (pages 51-52)
 - New Needs/Requests:
 - No special specific requests
 - Modest 2.03 increase
- Economic & Community Development (pages 53-54)
 - New Needs/Requests:
 - Main Street Director salary and fringes to be shared with Franklin County –
 - Estimated cost is \$40,000
 - Increase of 28.88%

Town Manager went over what led up to having a Main Street Director, making them a Municipal employee, which gives them health and retirement benefits that would attract a long-term employee, and gives the Town and County a say in what they want out of the position. He further confirmed to Council that the employee would be on the Town's payroll and be in lieu of what the Town gives towards the Main Street program. Also confirmed to Council that the County would not be contributing to the health/retirement benefits of the employee, but the Town will be asking more out of the position, with the Town being the entity and asking for additional duties, and that the position would be answering to the Community Partnership for Revitalization Board (CPR), but also the government entity, giving the Town more control and input. He also stated that the Town would be helping CPR succeed.

- Citizens' Square (pages 57-58)
 - New Needs/Requests:
 - No specific special requests
 - Increase for advertising

The Assistant Town Manager commented that the increase in advertising will allow staff to be more aggressive of events to outside folks in surrounding areas.

The Town Manager confirmed that staff will issue a request for proposal for a sign for the Farmers' Market and give to Council in the upcoming fiscal year.

- Community & Hospitality Center (pages 59-60)

- New Needs/Requests:
 - No specific special requests
 - Increase management \$25,000

Discussed the need to replace the broken door that is currently being kept locked to keep people from ingress/egress of the building. The Assistant Town Manager informed Council that the Public Works Director has ordered a new door and it will be replaced as soon as possible.

Let the record show that the Mayor recessed the meeting at 5:45 p.m. for those present to break for dinner.

Let the record further show that the Mayor reconvened the meeting back into regular work session #1 at 6:20 p.m.

The Mayor commented to the Town Manager and Finance Director that the rest of the proposed budget can be discussed during the planned Fiscal Year 2008-2009 Budget work session scheduled for Wednesday, April 23, 2008, at 4:00 p.m. to be held in the Council Chambers located at the Rocky Mount Municipal Building.

Request of Council Member Posey Dillon

Council Member Dillon stated that he has received several phone calls from citizens regarding the recent cable rate increase and no notification of such increase to them before the actual increase occurred.

The Mayor stated that the cable company had included in the invoice mailings to citizens “stuffers” that outlined what they were planning on doing.

The Town Manager informed Council that he had notified Mr. John Brinker, Vice President of Operations for JetBroadband Virginia, LLC, that the Town had not even been notified by the cable company of such a rate increase, which was in violation of their franchise with the Town.

The Mayor indicated that the cable company had assured Council when they came with their service that it would be good, but he has noticed that they have dropped the ball.

Vice Mayor Seale stated that the cable company has disguised the rate increase with realignment of channels and dropping some channels.

Council Member Dillon stated that Mr. Brinker needs to be aware of the Council and citizens’ concerns, with the citizens being able to have all the channels they should be able to have.

The Town Manger stated he will follow-up with Mr. Brinker why the Town was not notified when they should have been.

The Mayor asked the Town Manager to ask Mr. Brinker to attend the next regular scheduled Council meeting, which will take place on May 12. The Town Manager so noted.

CLOSED MEETING

At 6:26 p.m., motion was made by Council Member Agee to go into *Closed Meeting*, and seconded by Council Member Tuning and carried unanimously to discuss the following:

- Section 2.2-3711(A).7 - Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

At 6:38 p.m., motion was made by Council Member Lester to come out of *Closed Meeting* and to reconvene the meeting back into open session, with motion on the floor being seconded by Vice Mayor Seale and carried unanimously.

CERTIFICATE OF CLOSED MEETING

Whereas, the Town of Rocky Mount Council has convened a *Closed Meeting* on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires certification by this council that such *Closed Meeting* was conducted in conformity with Virginia Law;

Now, Therefore, Be It Resolved that the Rocky Mount Town Council hereby certifies that, to the best of each members' knowledge: (1) only public business matters lawfully exempted from open meeting requirements under this chapter and (2) only such public business matters as were identified in the motion by which the *Closed Meeting* was convened were heard, discussed, or considered in the meeting by the public body.

Steven C. Angle, Mayor

- Motion was made by Council Member Agee certifying that: (1) only public business matters lawfully exempted from open meeting requirements under this chapter was

discussed; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or consider in the meeting by the public body was discussed. Motion was seconded by Council Member Tuning. The Mayor swore to adopt the motion on the floor by Council Member Agee that this was all that was discussed as defined in Section 2.2-3412 Code of Virginia. Voting yes were Vice Mayor Roger M. Seale and Council Members Stephen F. Agee, Posey W. Dillon, Jerry W. Greer, Sr., John H. Lester, and Sadie W. Tuning.

The Mayor reported that no action was taken.

ADJOURNMENT

At 6:40 p.m., motion was made by Vice Mayor Seale to adjourn, seconded by Council Member Greer and carried unanimously.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts/Town Clerk

/phk

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