

**ROCKY MOUNT TOWN COUNCIL
PROPOSED FISCAL YEAR 2012
BUDGET & CAPITAL PROJECTS
PUBLIC HEARING
JUNE 6, 2011**

The proposed Fiscal Year 2012 Budget & Capital Projects public hearing for the Rocky Mount Town Council has held on June 6, 2011 at the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia at 7:00 p.m. with Mayor Steven C. Angle presiding.

The meeting was called to order by Mayor Angle, with the following members of Council being present:

Vice Mayor Gregory B. Walker and Council Members Jerry W. Greer, Sr., Bobby M. Cundiff, P. Ann Love, Robert L. Moyer and Robert W. Strickler

For the record, the following were 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, Town Attorney John T. Boitnott, Chief of Police David Cundiff, Superintendent of Wastewater Treatment Plant Timothy Burton, Superintendent of Water Department Bob Deitrich, Public Works Director Cecil Mason 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 Mayor mentioned that the agenda needed to show a correction that the proposed budget is scheduled to be adopted on June 13, 2011, and not July 13, 2011. The Town Clerk so noted correction.

- Motion was made by Council Member Strickler to approve the agenda with noted correction, seconded by Council Member Cundiff and carried unanimously by those present.

PUBLIC HEARING ON PROPOSED FISCAL YEAR 2012 BUDGET AND CAPITAL PROJECTS

The Mayor explained that no action would be taken by Council during the meeting, with any consideration of action being taken during the Council regular meeting scheduled for June

13, 2011 at 7:00 p.m.

The Mayor recessed the meeting to hold the public hearing, and read the following into the record:

1. Setting a tax levy of \$0.12/\$100 of assessed value on real estate, public service corporation property, and mobile homes, pursuant to the authority of 58.1-3200, 58.1-3201, 58.1-3202, 58.1-3203, 58.1-3204, 58.1-3205 of the Code of Virginia, as amended.
2. Setting a tax levy of \$0.51/\$100 of the assessed value of personal property, pursuant to the authority of 58.1-3500, 58.1-3501, 58.1-3502, 58.1-3503, 58.1-3506 of the Code of Virginia, as amended.
3. Setting a tax levy of \$0.17/\$100 of the assessed value on machinery and tools based on original cost and declining depreciation over a seven-year period. By the seventh year of depreciation, the effective rate is \$0.07/\$100 of assessed value. This rate is levied pursuant to the authority of 58.1-3507(B) of the Code of Virginia, as amended.
4. Interest at an annual rate of ten percent (10%) per annum shall be charged on any unpaid taxes commencing the first day of the first month following the due date of the unpaid taxes.
5. Setting the Personal Property Tax Relief percentage at 71.94% (deals car tax and State reimburse localities paying part of that amount #2 3:19) .
6. Setting a 20 cents per pack tax on the sale of cigarettes.

The Mayor opened the floor to anyone wishing to come before Council to speak regarding the proposed budget and capital projects at this time.

- James Thomas Angell of 1305 Foothills Road, Callaway, Virginia stated that he represents Jones' Produce, which is located within the Town corporate limits, as his son could not come before Council at this time.
 - Opposed to the proposed cigarette tax and believes it is actually a negative revenue.
 - They will still continue to operate Jones Produce, but the cigarette tax will make it a little harder.
- Johnny Singleton of 314 Angle Plantation Road, Rocky Mount, Virginia and owner of Riverside Minute Market located within the Town corporate limits.
 - Opposed to proposed cigarette tax.
 - Had this same discussion last year when cigarette tax was proposed at ten cents per carton.
 - He doesn't smoke, but understands why those that do feels like it is an unfair tax.
 - His customers may go elsewhere to buy cigarettes.
 - Has estimated he can absorb the cost, but it will be at a loss to him.
 - Town provides water, sewer and police service to the Town; therefore, everyone should be held accountable to pay a share, with costs being spread out amongst everyone, and not just cigarette tax.

- Being in-town should be business atmosphere and should come with advantages and not disadvantages of creating loss revenue to selected few businesses.
- Johnny Smith of 15 Holly Knoll, Rocky Mount, Virginia.
 - Two items to discuss: cigarette tax and health insurance.
 - His opinion, Town does not have a money problem, but a management problem, referencing why staff would request a vehicle at \$31,000.
 - Regarding proposed 2% raise for employees, agrees with Town Council to not give as he believes the rich are just getting richer. Agrees with the \$600 proposed stipend.
 - Need year-round budget process.
 - Has talked with three businesses and they state that no one from the Town has come to visit them.
 - Regarding health insurance for Council members, he was here in 2004 when it was passed and the \$31,000 was not mentioned for it. He understood spouses and siblings were included, but did not know that in 2004. Disagrees with Town Council as he believes all health insurance for Council members should stop July 1, 2011. Thanked those Council members who did not participate in the insurance plan. If he can pay for his and wife's insurance, so could other Council members pay for their own.
- Arnold Dillon, Sr. of 185 Sycamore Street, Rocky Mount, Virginia.
 - One problem with the Town is management, as he believes it is not business or citizen friendly.
 - Referenced the proposed \$31,000 for new staff vehicle.
 - Very rarely does he see management come by and visit businesses.
 - Believes sometimes people have trouble getting telephone calls or letters returned from Town.
 - Referenced vacant buildings and if they were filled, there would be thriving businesses.
 - Regarding health insurance for Council members, he mirrors basically Mr. Johnny Smith's comments. He believes it should be terminated and believes Council needs to revisit this matter.
 - Mentioned the meals tax and went into the history of what he believes took place when it was first put in place.
 - Mentioned he believes the Water Plant has two too many people working there. At least 50% of Water Plant staff reside out of Franklin County. He knows of at least three people that had applied for a job at the Water Plant that lived in Franklin County that were not hired. Regarding education needed to operate the Water Plant, the Water Plant is only a Class II and the Town does not need anyone other than a Class II operator.
 - Any raises given to Town staff needs to be approved by Council.
 - Mentioned meals tax public hearing in 2007, with Deborah Russell with Dairy Queen bringing in a substantial number of signatures against it, but Council ignored the petition and still raised the meals tax.
 - Went into history of the "sinking fund" Council had set up when the meals tax was

first put into place, and if the fund was left in place as first set up, it is his estimation that the Town would have close to one million dollars in that fund. Council should do what they tell the citizens they are going to do.

- Town government should be transparent to citizens, and he sees one problem as being that government operates in committees as they are mostly not covered by press and the citizens do not know about the meetings.
- Recommends cutting the Council health insurance and YMCA dues; management be more business friendly; and urges Council to vote the wishes of the citizens.

- John Lester of 325 Cromwell Drive, Rocky Mount, Virginia.
 - Went into the history of what he believes the “sinking fund” was set up for and how it was used when he was a member of Council, asking Council to look into what the new terminology for “sinking fund” is with the State, as it is different now.
 - Asked Council to vote no on the proposed cigarette tax.
 - Asked Council to look at where the meals tax is being set to and used to offset the utility fund, referencing renters or property owners who are benefiting from this.
 - On real estate taxes, asked Council to please take into consideration the appraisal for property being done through Franklin County, with the value of homes going down now.
 - Council needs to take another look at what it being charged for out-of-town water and sewer rates.
 - Council needs to look again at the property values for the Fralin project, as the price now may be of lesser value due to the economy, which may devalue other surrounding properties.
- William Q. Overton of 270 Cornell Road, Rocky Mount, Virginia.
 - Believes Council should leave Council’s health insurance intact. He has talked with other people and they are not against it.
 - The Town is a good government and good body of people that represent the Town and he appreciates it, and is not going to criticize Council.

There being no further discussion, the Mayor reconvened the meeting back into regular session.

The Mayor stated that Council will take all the comments made during the meeting into consideration.

REVIEW AND CONSIDERATION OF APPROVAL OF AUDIT CONTRACT WITH ROBINSON, FARMER & COX FOR THE FISCAL YEARS OF 2011, 2012, 2013

The Town Manager informed Council that as they may know, it is time for the Town to consider hiring auditors. He stated that he and the Finance Director interviewed three firms and were submitting before Council one proposal for Council approval, being Robinson, Farmer & Cox. He confirmed to Council that the firm selected was neither the lowest or highest, but was the lowest with the most experience to get the job done for the Town, as

he and the Finance Director were looking for a firm that had ample experience with local government, with both of them feeling that Robinson, Farmer & Cox would come in and do a good job for the Town.

There being no further comments, the Mayor entertained a motion.

- Motion was made by Council Member Strickler for the Town to go with Robinson, Farmer & Cox, with motion on the floor being seconded by Vice Mayor Walker. There being no discussion, let the record show that the motion on the floor passed unanimously.

LOCAL LICENSES

The Town Manager stated that pursuant to § 4.1-205 – Local licenses, the Town of Rocky Mount is authorized to issue a local alcoholic beverage license and charge an annual fee for such a license to establishments that sell alcoholic beverages. He pointed out that a Council member has asked that Council consider directing staff to prepare an ordinance to establish such a local license and fee for the sale of alcoholic beverages. Discussion ensued between Council members on whether or not to authorize the Town Manager to research this matter for a proposed ordinance. The Town Manager did state that the Finance Department staff indicated that the revenue would be small. The Town Attorney confirmed to Council that he is not sure what the legal ground on this would be for the Town to enforce since the ABC Board is already handling licensing for the sale of alcoholic beverages. He also stated that it does allow police entry, but he does not know the extent of it.

Regarding a consensus for the Town Manager to pursue, Vice Mayor Walker and Council Members Greer and Moyer did not want the matter pursued, with Mayor Angle, Vice Mayor Walker and Council Members Cundiff Love wanting the matter pursued. Thus being, the Town Manager will pursue and draft an ordinance.

ADJOURNMENT

At 7:55 p.m., motion was made by Vice Mayor Walker to adjourn, seconded by Council Member Moyer and carried unanimously.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts, Town Clerk

(this page left blank)