

**ROCKY MOUNT TOWN COUNCIL
FISCAL YEAR 2013
BUDGET WORK SESSION NO. 1
APRIL 16, 2012**

The April 16, 2012 Fiscal Year 2013 Budget Work Session No. 1 meeting 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 Gregory B. Walker, Council Members Bobby M. Cundiff, Jerry W. Greer, Sr., P. Ann Love, Robert L. Moyer, and Robert W. Strickler

The meeting was called to order by Mayor Angle.

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, Chief of Police David Cundiff, Public Works Director Cecil Mason, Wastewater Treatment Plant Superintendent Timothy Burton, Water Plant Superintendent Bob Deitrich, Fire Chief Charlie Robertson, Accounting Technician Amy Gordon, and Town Clerk Patricia H. Keatts.

APPROVAL OF AGENDA

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

- Motion was made by Vice Mayor Walker to approve the agenda as presented, seconded by Council Member Love and carried unanimously.

FISCAL YEAR 2012 BUDGET WORK SESSION NO. 1

Prior to the meeting, Council had received a copy of the draft Fiscal Year 2013 Budget and Capital Improvement Plan for review.

The proposed budget was presented to Council by the Town Manager and Finance Director for the following categories:

- General Fund
- Public Safety
- Public Works
- Buildings & Grounds

- Community Development
- Non-Department (GF)
- Utility Fund
- Water Treatment
- Sewage Treatment
- Non-Departmental (UB)
- Capital Improvement Plan

Under each category, the Finance Director pointed out any proposed changes (9.1%), which consisted of the following:

- General Fund
 - o A proposed 14 cents real estate tax in order for the 9.5% drop in tax assessments by Franklin County to equal out. This will net the Town approximately \$38,000 more in real estate taxes.
 - o The Franklin County YMCA is requesting the Town and County to reimburse their real estate due to the agreement they have with the bank that purchased their property having them to have to pay their real estate. In the past, the YMCA did not have to pay.
 - o The music venue is a new category, with renovations being proposed to be funded by tax credits, grants, and the Town.
 - o No changes in garbage fees. Still supplementing each year. To breakeven, need approximately \$80,000 to \$90,000; and even if increase utility bill by \$2.00 a month, it would still would not pay for itself.
 - o Town will have to start paying for the school resource officers since the schools are not going to help pay any longer, but schools have budgeted \$29,632 (line item 01.2400.0422 revenue).
- Mayor & Council
 - o Explained that the two big contractual services are for Virginia Municipal League to negotiate with Appalachian Power Company to regulate the Town's rates; and also for network solutions (Town's e-mail accounts and the server).
- Town Attorney
 - o Did increase hourly fee to \$155 per hour (\$10 per hour increase).
- Finance Department
 - o Under contractual services: new processing fees for acceptance of debit cards for method of payment, but at this point, kind of guessing about this. These are fees separate for payment of water accounts as that will be listed in the utility account. Although some localities pass the fee on to their customers, the Town will absorb these fees 100%. This will be for in-house use as of right now, and not available for on-line payment.

- Police Department
 - o Regarding the Virginia Retirement System reallocation, the Town will actually need to pay 5.73% in order for the 5% the employee has to pay into their VRS to be neutral for the employee. The Governor of Virginia is allowing for the 5% requirement payment from the employee to be phased in, with it being a 1% mandatory this year, but the Town is proposing this year to do the 5% as the figures were already built into the proposed budget. The net cost to the Town will be \$33,000 total for all employees. What is shown on the line items is gross, not the net.

- Sidewalks, Curb & Gutter
 - o Carried forward the match for the two Virginia Department of Transportation projects (Grassy Hill and Weaver Street guardrails; and 40 East sidewalks and crosswalks).

- Refuse Collection
 - o Discussed what it would take to breakeven on refuse collection; and probably needing to charge \$9 to \$10 per month for it to breakeven.

- Cemetery Maintenance
 - o Confirmed new fees were being charged for opening/closing graves.

- Parks & Playgrounds
 - o Town has carried forward \$30,000 for the removal of the Pigg River dam. The project will be dropped if the Virginia Department of Game & Inland Fisheries does not move faster on the proposed project. Discussed plans for Virginia Department of Transportation to help with the erosion at the Veterans' Memorial Park when the Pigg River bridge is put in place.
 - o Discussed that the old benches in downtown will be replaced with ones similar to uptown, and that the old benches could be moved to one of the Town parks.
 - o Discussed Virginia Department of Transportation replacing traffic lights at the intersection of Scuffling Hill Road and South Main Street when doing the Pigg River bridge. The Assistant Town Manager confirmed he will check with Virginia Department of Transportation regarding if there could be a dedicated left-hand turn from South Main Street onto Scuffling Hill Road.

- Economic & Community Development
 - o Under Special Events, took out the Rotary Club because they did not return requests for funding. Discussed if Debra Weir with Franklin County Parks & Recreation has asked for contribution for their "Chug for the Jug"; and also discussed that Franklin County Parks & Recreation will now be doing the annual Pigg River Ramble. Discussed that "Other

Events” would cover any event that would come before Council that had not been requested prior to the budget being approved. Mentioned that the “Uptown Challenge” was a new event, which is hosted by Community Partnership for Revitalization..

- A new vehicle is being requested that would replace the former Town Manager’s vehicle that has been sold, and also to replace the Cavalier, which has been in a wreck and is deemed to be unsafe to drive. The replacement vehicle would probably be one that would have room for at least five to six people to ride in the vehicle comfortably.

- Citizens’ Square
 - Discussed not putting in the budget the sound barriers for the last couple of years due to the economy and expense.

- Community & Hospitality Center (Depot)
 - Biggest change is the part-time staffing.

- Passport Services
 - Expenses more than covered in the fees being charged.

- Performance Venue
 - New account. Explained the renovation costs and what is expected to come in with Town share being about \$275,000. This is just a beginning for the budget for this line item.

- Remediation of Blighted Structures
 - Budget cut to \$20,000 for FY 2013. This includes all services. Confirmed that liens will be put on the properties through the Town Attorney’s Office.

- General Fund – Non Departmental
 - Agencies are similar to last year. Two agencies were eliminated due to the fact that they did not turn in any paperwork (Stepping Stone and the Rotary Club); thus, more money given to Helping Hands and two new agencies (Brain Injury Services for Southwest Virginia and Rocky Mount Center for the Arts).

- Utility Fund
 - Basically, the only thing that was changed is the fire suppression fee, which will generate approximately \$26,000 annually.
 - Discussed that for water and sewer to pay for itself, minimum bill would have to be in the \$55 a month range. Minimum right now is \$22 range. If fee increases are made, need to take small steps. All utility departments have massive capital needs. In November, staff will come back and request Council for small increment price increase as other taxes are now making up the shortfall in this account.

- Discussed what is being done for the Franklin County High School with the Public Works Director putting in a sewer line and that all that expense will be reimbursed 100% by the school, which is approximately \$18,000 (project is the renovation of the Ramsey Hall Cafeteria).
- Confirmed increase in meter reading is for a truck that Public Works Director indicated was needed.
- Water Systems Operation
 - Confirmed new category of “meter reading”. This is the account money comes out for line repairs, should leaks be detected.
 - Pickup truck is requested.
- Water Treatment Plant
 - Decrease of over \$3,000 in lab testing.
 - Discussed overtime: the way it is paid is due to Town having to comply with the Federal Fair Labor Act for overtime over 40 hours per week and not per pay period.
 - Water Plant Superintendent has come up with ways to save the plant money, causing the payout for utility bills to drop (energy efficiencies).
 - Two capital items: replacement of two each dry chemical feeders, and rehab of flash mixer and motor.
- Sewage System
 - Includes the capital outlay for Franklin County High School cafeteria.
 - Confirmed that the college student does not have the benefits of retirement/life insurance from the Town. Fringe benefits are based on salaries.
- Wastewater Treatment Plant
 - Proposed new pickup truck that will replace the 1994 GMC. Discussed that the old GMC may be used for erosion and sediment inspections, and that the old Ford could be sent to auction.
- Capital Improvement Projects
 - Discussed funds allocated in second column under FY 13 proposed.
 - Finance Director went over each department.

The Mayor confirmed that the next budget work session is scheduled for May 7, 2012 at 4:00 p.m., with meeting to be held at the Rocky Mount Municipal Building. He further mentioned that the proposed budget is just a plan to consider the budget.

The Mayor thanked the Town Manager and Finance Director for their input in preparing the proposed budget.

ADJOURNMENT

There being no further discussion, the Mayor entertained a motion to adjourn.

At 5:15 p.m., motion was made by Council Member Strickler to adjourn, seconded by Council Member Moyer and carried unanimously.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts/Town Clerk

/phk