

**ROCKY MOUNT TOWN COUNCIL
FISCAL YEAR 2018
BUDGET WORK SESSION NO. 1
APRIL 11, 2017**

The April 11, 2017 Fiscal Year (FY) 2018 Budget Work Session No. 1 meeting of the Rocky Mount Town Council (here after referred to as "Council") was held in the Council Chambers of the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia at 5:00 p.m. with Mayor Steven C. Angle presiding. The following members of Council were present:

- Mayor Steven C. Angle
- Vice Mayor Gregory B. Walker
- Bobby M. Cundiff
- Mark H. Newbill
- Robert L. Moyer
- Jon W. Snead
- Billie W. Stockton

The following staff members were also present:

- Tim Burton, Wastewater Treatment Plant Superintendent
- Bob Deitrich, Water Treatment Plant Superintendent
- Rebecca Dillon, Executive Administrative Assistant
- C. James Ervin, Town Manager
- Josh Gibson, Town Planner
- Matthew Hankins, Assistant Town Manager
- Amy Gordon, Assistant Finance Director
- Brian Schofield, Public Works Superintendent
- Linda Woody, Finance Director
- Jeff Rakes, Fire Chief
- Ken Criner, Police Chief

The meeting was called to order by Mayor Steven C. Angle.

APPROVAL OF AGENDA

Motion: To approve an amended agenda to include a closed session under the sited code 2.2-3711(A)(1) for the Town Manager's Office.

Motion By: Council Member Cundiff

Second: Vice Mayor Walker

Motion Discussion: None

Ayes: Cundiff, Newbill, Moyer, Snead, Stockton, Walker

Nays: None

Action: Approved an amended agenda by a unanimous vote

Council Member Cundiff stated that he would like an explanation regarding where the \$514,270 went in the budget. Council Member Cundiff also stated that the town is generating the funds but they are not showing in the general fund. Mr. Ervin stated that since the payoff of the waste water treatment plant, Town Council has appropriated all funds as they have seen fit. Ms. Woody stated that on page 6 of the proposed budget the Surplus/Deficit of FY15 of \$603,233 FY16 of \$590,978 and the estimated FY17 of \$347,277 helped to make up the \$514,270 that was in the General Fund.

In the FY18 Proposed Budget book to Council Ms. Woody stated that at some point Council would want to discuss what projects the Town would like to substitute for the \$345,154.30 that was available from the bond for other projects as well as where it came from. Ms. Woody provided each Council Member with a handout regarding capital items and the \$1,500,000 bond issue with the one requirement of whatever project(s) that Council might choose, that project(s) would have to have a 10 year bond life. The Town has \$345,154.30 for Council to consider using as they go through the budget process. The handout can be found in the minute book.

Vice Mayor Walker asked if there was a deal made on the impound lot yet. Mr. Ervin stated that Council had given permission to Chief Criner to look for another property to house items currently being held at the impound lot. This was a barter agreement and Mr. Ervin stated that he had given Franklin County first refusal at the location. If the County did not take the property, the Town planned to put the property on the market at a higher price. Whatever the property would be sold for, if it was a barter offer or through the market, the property being sold would give a way to offset the construction purchase of another location.

GENERAL FUND

Ms. Woody began the FY18 proposed budget book with the General Fund on page 3 with General Property taxes such as Real Estate and Personal Property taxes that were proposed for FY18 at \$1,006,841.

- Other Local Taxes include Meals Tax at \$1,489,112.
- Transient Occupancy Tax (5% tourism) FY18 proposed at \$109,318 and Transient Occupancy Tax (2.5% branding) FY18 proposed at \$54,659.
- Business Licenses may be down this year as revenue was down due to web sales.
- Permits, Licenses and Fees which includes the Farmer's Market Fees, Welcome Center Fees and Planning and Zoning Fees for a total of \$15,400.
- Fines and Forfeitures for \$52,700
- Proceeds From the Use of Assets for a total of \$78,355.
- Categorical Aid such as VDOT Grant money for Floyd and Franklin Intersection and State Street maintenance.
- Use of Fund Balance which the Town does not propose to use any of in FY18.

GENERAL GOVERNMENT

Mayor and Council: No significant changes here.

Town Manager: On page 11, a change for FY18 was the increase from a part time to full time receptionist for \$22,003 grade 12 with benefits, with family insurance + 11 hours a week more than the part time position is currently getting. The difference would be from 29 hours a week to

40 hours a week and the fringe benefits. Council Member Cundiff stated he did not see the need to add another employee.

Finance Department: A 2.5% salary increase was proposed with Ms. Woody's employees being re-classed. That would be an additional \$4,078 for the employees in the finance department.

Electoral Board: The Town will have an election in May of 2018 at \$2,900. Mr. Ervin stated that it had been Council's preference to stay with May elections but the General Assembly has now allowed the election to go until November instead so if Council saw to change, it would be by ordinance and does not take a charter change. If Council were to ever decide to change this practice, it can be done with out assistance from Richmond.

PUBLIC SAFETY

Police Department: On page 19, for Motor Vehicles and Equipment, there is money for 1 vehicle but not the 4 that was requested. Vice Mayor Walker asked if the surveillance equipment that was needed was in the budget. Lt. Arrington spoke and indicated that the equipment in question was ordered and due to arrive any time for use from FY17 budget. Vice Mayor Walker asked if additional equipment was needed and Lt. Arrington Stated that once the equipment the police department was receiving was implemented, likely there may be use for more. Also, a second item needed at the police department was the audio and video equipment (phone system) as a new phone system was needed for FY18. Allotted for it was \$13,000.

Fire Department: On page 21, there were stipends that were not addressed in FY18 budget. \$12.50 per call was covered but Chief Rakes would like to see an increase in his officer stipends. The budget for FY18 does not fund those stipends. Of the positions in the Fire Department, Chief, Assistant Chief, Captain, 1st Lieutenant and 2nd Lieutenant, for those people annually the stipends would be \$900.00 a month or \$10,800 per year. The first plan proposed would be an additional \$8,400 and the second plan would be an additional \$4,800.

Currently the Fire Department Monthly Stipends are:

- Chief \$400.00
- Assistant Chief \$200.00
- Captain \$150.00
- First Lieutenant \$75.00
- Second Lieutenant \$75.00

For a total of..... \$10,800 per year

Chief Rakes would like to see Monthly Stipends increased to:

- Chief \$600.00
- Assistant Chief \$300.00
- Captain \$200.00
- 1st Lieutenant \$100.00
- 2nd Lieutenant \$100.00

For a total of..... \$4,800 per year

Mr. Ervin stated that he had spoken with Chief Rakes and one possible solution might be to

adjust the stipend annually as the stipend per call was adjusted. Calls have increased 5% from FY17 to FY18 which is about 200 more calls. There are 5 officer positions with the Fire Department.

Council Member Moyer asked how much assistance does the Town get from the county. Ms. Woody replied \$30,000 a year with expenses of \$175,000. Council Member Moyer suggested the Town ask the County for more money as the percentage of calls are approximately 70% - 30% with the number of calls answered in the county being the higher number. Vice-Mayor Walker and Council Member Cundiff agreed.

Fire Chief Rakes stated that the Fire Department needed a new fire truck and further explained that the trucks were on a 20 year rotation that after 20 years, the trucks should be retired but in FY17, the department did not get a new truck. Council Member Newbill suggested to move the election of the Town from May to November and that would save the Town \$2,900 easily that could be applied to the fire department. The consensus of Council was to fund the fire department and for Ms. Woody to locate the remaining dollars.

PUBLIC WORKS

Public Works: The Public Facilities Director's personnel costs would be split 34% Public Works Administration, 33% Water Distribution and 33% Sewer Collection.

The Public Works Superintendent's personnel costs were split 70% Administration, 15% Water distribution and 15% Sewer Collection.

Council Member Cundiff spoke regarding the percentages and suggested making the personnel costs annual or possibly another alternative by way of not taking them through the water plant. Ms. Woody clarified that the Public Works Superintendent salary was split 70% Public Works, 15% Water and 15% Sewer for FY18. For FY17, it was 90% Public Works Administration, 5% Water and 5% Sewer.

Vice Mayor Walker asked if Council wanted to change the percentages on the Public Facilities Director and Council Member Cundiff further stated that the Water Plant Superintendent, Bob Deitrich and Waste Water Plant Superintendent, Tim Burton were doing a fine job and no one was needed for them to report to.

Council Member Newbill stated that he would like to see some information on how the director position would be offset by numbers and how helpful the position would be to the Town. The information would also be helpful in determining what kind of an engineer does the Town need to look for.

Public Works item #2011 on page 23, Council Member Cundiff asked why there were no figures for the first 3 years. Ms. Woody stated that was because there were no salaries budgeted for those years.

Parking and Traffic Control for the Floyd/Franklin Intersection (VDOT grant) has allotted \$600,000 if the Town gets the money from VDOT to spend on page 27.

Under Street Maintenance for Contractual Services (VDOT repayment) there was \$18,004 for Weaver Street on page 29.

Sidewalks, Curbs and Gutters had one change for sidewalk maintenance of \$40,000 for the second year of maintenance.

Refuse Collection was on page 35 for Medical/Dental Insurance of \$25,883. Council Member Cundiff asked why so much increase. Ms. Woody stated it was based on salary and their fringe benefits and on a historical trend of 17%.

Snow Removal was on page 37, for Chemicals and Materials of \$17,000. Materials and Supplies were listed for \$1,000 while Machinery and Equipment (calcium chloride) was listed for \$14,260 and machinery and Equipment (salt spreader) \$16,000.

BUILDING AND GROUNDS

Municipal Building Maintenance: On page 39, Land and Building (asphalt rejuvenation) \$8,242 for the parking lot. The rejuvenation will blacken the parking lot and will come with a 4 year warranty.

The Mayor asked why there was a \$9,000 increase on contractual services. Ms. Woody stated that the Town was hoping to get a maintenance contract for the HVAC but the Town did not receive one in FY17.

Emergency Services Building Maintenance: On page 41, Land & Buildings for Asphalt Rejuvenation \$5,778 for North Main Street lot not Floyd Avenue.

Public Works Building Maintenance: On page 43, Asphalt Rejuvenation \$5,778.

Parks and Playgrounds: On page 47, Gilley's Park \$35,000 for restroom facilities and parking lot to allow cars a place to park off of the street.

COMMUNITY DEVELOPMENT

Economic and Community Development: There was a list of various contributions and sponsorships for special events on page 51. These were in line with last year except the Ferrum Express Bus Service for \$4,600 (based on ridership) and the Bud Commission of \$2,000.

Community and Economic Development: Branding will be funded with a lodging tax increase on page 52. Date Processing Equipment for \$3,000 because Community Development has a printer that needs replacing.

Economic Development Authority: On page 60, \$10,000 was allocated for purchase of land for development as it would be used as an anchor if future property became available.

Remediation of Blighted Structures: On page 62, proposed for FY18 was \$15,000.

Hospitality Center/Depot: On page 56, there was discussion about the Chamber of Commerce continuing to staff the Depot. Part-time Staff provided by the Town may decrease.

NON-DEPARTMENTAL (GF)

Contributions to the Towns outside agencies for FY18 would be \$16,500. This followed FY17 budget. Transfer to Performance Venue Fund-Operations for \$316,406 and a Contingency of \$50,000. Reserve for Council supplemental pay adjustments \$28,796 which would be for Christmas Bonuses. Also, a reserve for reimbursement to Fund Balance of \$11,536 to use with fire stipends.

CLOSED MEETING AND ACTION

Enter Closed Meeting

Motion: To go into closed session under the Virginia Code Section cited below

Time: 6:20 p.m.

Virginia Code Section:

Section 2.2-3711(A)(1) Discussion, consideration or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body.

Motion By: Council Member Stockton

Second: Council Member Moyer

Motion Discussion: None

Ayes: Cundiff, Moyer, Snead, Stockton, Walker, Newbill

Nays: None

Action: To go into a closed meeting

Certificate of Closed Meeting Discussion:

Council certified unanimously that nothing was discussed in the closed meeting other than what was stated in the motion to enter the closed meeting. No action was taken during the closed meeting.

Whereas, the Rocky Mount Town Council has convened a closed meeting on Monday, March 14, 2016 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 (1950), as amended, 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

ADJOURNMENT

Motion: To adjourn meeting

Time: 6:50 p.m.

Motion By: Council Member Moyer

Second: Vice-Mayor Walker

Motion Discussion: None

Ayes: Cundiff, Moyer, Newbill, Snead, Stockton, Walker

Nays: None

Action: Adjourned by a unanimous vote.

Steven C, Angle, Mayor

ATTEST:

Rebecca H. Dillon, Acting Town Clerk