

ADJOURNED MEETING CITY COUNCIL
May 4, 2017

The City Council of the City of Albemarle met in an adjourned session on Thursday May 4, 2017, at 6:00 p.m. in the City Hall Conference Room. Mayor G. R. Michael presided and the following Councilmembers were present, to wit: Chris Bramlett, Benton Dry, Martha Sue Hall, Martha E. Hughes, Dexter Townsend and Chris Whitley. Absent, Councilmember Bill Aldridge.

The City Council held a Fiscal Year 2017/2018 Budget Work Session.

Mayor Michael called the meeting to order.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hughes, and unanimously carried, the City Council approved a 15 year term at 3.73% interest rate with BB&T for the financing of a land purchase for the Albemarle Corporate Center

The City Manager distributed a list of the items he would like to highlight in the proposed Fiscal Year 2017-2018 City of Albemarle Budget. He indicated that he would review these line items, but could address any questions the Mayor and City Council may have concerning the overall budget proposal.

The City Manager reviewed the proposed general fund revenues. He did state there is no proposed increase in property taxes. Mr. Ferris said we have seen an increase in the City's total property valuation from 1,011,000,000 last year to 1,024,000,000 this year. The ad valorem

tax rate will remain at \$.59 per \$100 of valuation. County tax collection is up from 96.8% to 97.2%. Growth from 2016-17 to 2017-18 up 1.29%

Councilmember Hall came into the meeting at this time.

Mr. Ferris stated the budget proposes no increase in the motor vehicle registration fee, fire inspection fees, plan review fees, no increase in planning and zoning fees, no electric fee increase or business license fees. Household Solid Waste Collection fee and the Household Solid Waste Disposal fee up \$2.16 for adding recycling.

Mr. Ferris explained that throughout the entire budget the salary and wage line items reflects the 1.5% cost of living adjustment for all employees to begin July, 2017. It is also proposed to provide a 1% increase in lieu of any merit pay in July 2017 while staff evaluates methods for compensation.

Councilmember Dry came into the meeting at this time.

In the Governing Body salaries \$23,980 which includes a 2.5% increase.

Next, the Administration Department items include Salaries \$81,650, \$16,000 for Bond Counsel, \$36,400 budgeted for professional services, aid to other governmental units \$3,250, subsidies general \$10,500, Principle \$125,000 and Interest \$58,550 Corporate Center and Principle \$140,000 and Interest \$21,300 City Hall and Contingency of \$10,000.

In the Economic Development Department, the proposed budget includes engineering \$20,000, professional services of \$77,000, software of \$900, and industry incentives of \$1,500, transfer in for Economic Development \$152,350 from other City Funds to support these activities.

In the Human Resource Department, the proposed budget includes the General Fund portion of salaries at \$57,750, funding for a post-employment benefits study, pre-employment drug and alcohol testing, pre-tax medical and child care plan, employee assistance program, and performance evaluation with a recommended proposal cost of \$11,600.

The request for an on-boarding program has been cut in the amount of \$1,000.

In the Finance Department, recommended \$24,650 for other Professional Services, other services for a total amount of \$107,650, service maintenance and contracts recommended at \$23,675, and service changes at \$12,900. Software for a Munis bid module was cut in the amount of \$16,000...

In the Information Systems Department, the cost of the IS activities are shared among the City's various funds, professional services (\$108,100), software (\$10,900), Small Tools and Equipment (25,250), equipment repair and maintenance (\$17,500), data processing equipment (\$66,000) and maintenance contracts (9,250), other services (\$43,600), and lease purchase principle (\$23,600) and interest (\$4,650)

In the Police Department \$176,500 separation allowance, Health Insurance \$598,200, Small Tools and Equipment \$30,000 and Firearms \$30,000, special activity expense (\$4,500), service maintenance and contracts (\$65,500). Cut items were Patrol Vehicle (\$30,000) and Crime Scene Unit (\$40,000). Staff will try to purchase crime scene unit late in the year with drug seizure money.

School Resource Officer (SRO) Program – Salaries (\$93,550) and Vehicle (\$30,000)

In the Fire Department total salaries of \$1,882,500 temporary and Part-Time salaries \$41,500, health insurance (\$474,000), lease purchase (\$188,500) and interest (\$4,58,000), other communication (\$24,500), service maintenance contracts (\$8,500), and principal \$113,000 and interest \$6,000 for Interfund Loan. Fire Station share of interfund loan for Station #1 renovations - \$121,000.

In the Department of Public Works - Warehouse building repairs and maintenance (\$15,000), Central Garage building structure – office at maintenance shop cut (\$30,000), motor vehicles cut (\$23,000).

Public Works - Streets and Highways total salaries of \$378,350, Professional Services \$11,500, Asphalt \$50,000, and Other

Equipment – skid steer cut (\$60,000), streets and signs (\$3,000), contract labor and services (\$9,000), building and structure improvements (\$22,500)

Public Works Administration engineering (\$10,000), solid waste disposal (\$282,000), interfund transfer (\$25,000). Motor Vehicles was cut (\$15,000) from General Fund and (\$10,000) from the Landfill.

Solid Waste annual contract \$1,097,000 for curbside solid waste, yard waste, recycling and leaf collection services.

In Planning and Development Services, Salaries \$269,250, Profession Services \$5,000, Software \$17,500, and Electricity \$66,000, advertising \$1,500, demolition expense 48,000 share of the City Hall cost, and Demolition Expenses of \$46,000.

In the Parks and Recreation Department, for Salaries of temporary and part-time (\$117,100), Rent of Facilities \$12,000, Other Equipment \$12,500, Building Repairs and Maintenance \$22,800, Other Communications \$4,500, Other Supplies and Materials \$19,500, Special Activities \$25,500, Contract Labor and Services \$27,870, Other Interest for Niven Center project \$9,200, and Interfund Transfer of \$93,350.

In the Powell Bill Fund, an estimated Revenue of \$517,000, Fund Balance Appropriated Revenue \$172,100, Engineering \$3,400, Asphalt \$211,925 in current year plus \$50,000 General Fund = \$262,925, Contract Labor and Service \$60,000 Lease Principal (\$43,200) & Interest (\$2,300).

Upon a motion by Councilmember Bramlett, seconded by Councilmember Whitley, and unanimously carried, the Mayor and City Council adjourned to a Closed Pursuant to NCGS 160A-318.11(a) (1) - To prevent the disclosure of information that is privileged or confidential pursuant to the laws of the State.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hughes, and unanimously carried, the Mayor and City Council reconvened to open session. Mayor Michael announced that a closed session was held Pursuant to NCGS 160A-318.11(a) (1) - To

prevent the disclosure of information that is privileged or confidential pursuant to the laws of the State and there was nothing to report at this time.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hughes, the City Council adjourned to Monday, May 8 at 6:00 p.m. in the City Hall for the final budget work session.