

ADJOURNED MEETING CITY COUNCIL
May 6, 2015

The City Council of the City of Albemarle met in an adjourned session on Wednesday, May 6, 2015, at 6:00 p.m. in the City Hall Conference Room. Mayor G. R. Michael presided and the following Councilmembers were present, to wit: Troy E. Alexander, Benton Dry, Martha Sue Hall, Martha E. Hughes, Dexter Townsend and Chris Whitley. Absent, Councilmember Bill Aldridge

The City Council held a Fiscal Year 2015/2016 Budget Work Session.

Mayor Michael called the meeting to order.

The City Manager thanked Mayor and Council for the faith and trust placed in him to develop a budget to meet the needs of City residents, taxpayers, and the business community. Also, he thanked Finance Director Colleen Conroy for her assistance in the development of the budget who was present this evening to help answer any questions that Council had.

The City Manager distributed a list of the items he would like to highlight in the proposed Fiscal Year 2015-2016 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 a reduction in the City's total property valuation from 998,000,000 last year to 992,000,000 this year. The ad valorem tax rate will remain at \$.59 per \$100 of valuation. He also noted that the City's

second largest source of revenue is the sales tax with a 7.24% increase in current budget year.

Mr. Ferris stated the budget proposes an increase in the household solid waste collection fee of \$2.06, an increase of \$.29/month in household solid waste disposal fee, no increase in planning and zoning fees, fire inspection plans review fees, or business license fees.

Mr. Ferris explained that throughout the entire budget the salary and wages line items reflects the 1% across the board salary increase for employees to begin July, 2015.

Next, the Administration Department items and the \$52,800 budgeted for the election expense in FY 2015-16 and appropriations to other government units totaling \$ 3,250. The budget also includes funding of a Streetscape Master Plan for the downtown.

In the Human Resource Department, the proposed budget includes funding for a post-employment benefits study, pre-employment drug testing, pre-tax medical and child care plan, employee assistance program, and performance evaluation with a recommended proposal cost of \$20,650.

In the Finance Department, recommended \$15,500 professional services, fees for collecting taxes and \$2,600 fee estimate to collect motor vehicle registration fees with a total amount of \$101,600, and service maintenance and contracts recommended at \$24,550. The City Manager explained provisions are also made for the engaging of a financial advisory to review and help guide and plan the City's long-terms financial needs and goals.

In the Information Systems Department, costs between departments for items such as professional services (\$24,400), software (\$18,200), equipment (10,370), data processing equipment (\$30,650) and maintenance contracts (12,800), lease purchase principle and interest (\$2,400) for a total of \$ 98,820.

Mr. Ferris stated that this budget proposes to continue freezing the Director of Engineering position for FY 15-16.

In the Police Department total salaries and benefits of \$2,354,550, overtime wages of \$35,500, separation allowance \$141,500, electricity \$19,000, and special investigations \$ 8,000 and budget for three new police vehicles. The budget includes paying the full cost of the SAGE Gang Coordinator position as the grant has expired. A new Evidence Custodian position is also budgeted and includes funds from the Water Sewer and Electric Funds to pay the cost of keeping the APD Headquarters open in the evening.

In the Fire Department total salaries of \$1,800,000, equipment \$15,000, radios \$15,000, other grants and subsidies \$36,000, lease purchase and interest \$7,500, and principle \$ 108,100 and interest \$ 2,500 for interfund loan. The City Manager noted that provisions are in the budget to pay the grant match for the acquisition of new radios, as well as the ability to make the first payment of the radios if the grant is not received and an outright purchase must be made.

In the Department of Public Works, Solid Waste Disposal payment to the landfill for residential solid waste collection \$ 327,000. Interfund and transfer payment to street lighting \$25,000.

For Albemarle downtown services, \$ 7,000 for purchase of a zero turn mower for the downtown and on right of ways and to update the downtown streetscape plan.

In Planning and Community Development, Profession Services \$8,000, and Electricity \$68,000 share of the City Hall cost, cost of old Fire Station building and estimated 6-month City Hall Annex. Funds are included to continue the City's minimum housing code enforcement and condemnation program.

In the Parks and Recreation Department, for electricity moved from Program Division budget to Parks and Facilities Division, other Professional/Consultant for Site Solutions to develop an estimate to construct the Wiscasset site in phases \$7,500, and Niven Center project \$13,300.

In the Powell Bill Fund, an estimated revenue of \$ 525,000 is proposed to be appropriated. Asphalt Expense 110,000, \$40,000 in General Fund for a total of \$150,000 for resurfacing in 2015-16 versus \$213,000 budgeted in 2014-15. There is \$35,000 in General Fund for Street Condition Analysis.

The City Manager stated that he will cover the Public Utilities water, sewer, and electric, Public Housing and the Landfill on Thursday, May 7, 2015.

The City Manager stated that the next Stanly County COG meeting will be held on Tuesday, May 26 in Locust at the First Baptist Church of Locust at 320 S. Central Avenue beginning at 6:30 pm with the meeting to follow. All Councilmembers present confirmed attendance and the City Manager will contact Councilmember Aldridge who is not present this evening. The van will be provided for those that would like to ride together to Locust, leaving the City Hall parking lot at 6 pm.

The City Council discussed the possibility of changing the Mayor's term from every two years to every four years as part of the local Bill in the NC House that Representative Burr is introducing moving municipal elections in Stanly County from odd years to even years.

Councilmember Townsend and Hall gave their pros and cons for a two or four year term for the Mayor. The Mayor and City Manager answered any questions that Council had.

Councilmember Hall moved that the Mayor's term be changed to a 4 year term from a 2 year term. Councilmember Dry seconded the motion.

Upon further discussion the Mayor tabled this issue until Thursday, May 7 at the next Budget Work Session beginning at 6 pm in the Executive Conference Room.

Upon a motion by Councilmember Alexander, seconded by Councilmember Hughes, the City Council adjourned to Thursday, May 7 at 6:00 p.m. in the City Hall for a budget work session.