

ADJOURNED MEETING CITY COUNCIL
May 8, 2014

The City Council of the City of Albemarle met in an adjourned session on Thursday, May 8, 2014, at 6:00 p.m. in the City Hall Executive Conference Room. Mayor Ronnie Michael presided and the following Councilmembers were present, to wit: Troy E. Alexander, Bill Aldridge, Benton Dry II, Martha Sue Hall, Martha E. Hughes, Dexter Townsend and Chris Whitley. Absent, none. Also present: City Manager Raymond I. Allen, Assistant City Manager Michael Ferris, and City Clerk E. Paulette Bowers.

The City Council held a Fiscal Year 2014/2015 Budget Work Session.

Mayor Michael called the meeting to order.

The City Manager distributed a list of the items he would like to highlight in the proposed Fiscal Year 2014-2015 City of Albemarle Budget. He indicated that he would like to review the General Fund and the Powell Bill this evening and review the Utilities, Landfill and Public Housing at the next budget work session on Thursday, May 15.

The City Manager reviewed his Press Release, his letter to the Mayor and Governing Body, and the budget ordinance first. He stated that the assessed valuation is \$998,000,000 which is up from this year's valuation of \$983,000,000. Also, he said there is a proposed increase in property taxes from \$.56 to \$.59 per \$100 of assessed property value. Mr. Allen said this is the first property tax increase in ten years. This increase will help fund three new positions in economic development, planning, information systems, and three firefighter positions currently funded by a federal grant which expires later in the fiscal year.

Mr. Allen stated the budget proposes no increases in the planning and zoning fees; fire inspection and plans review fees, or business license fees. Also, no increase in residential solid waste collection fees and will remain at \$9.75 per month and no increase in household monthly disposal fee and will remain at \$3.90 per month.

Mr. Allen stated the budget proposes an 8% adjustment in water and sewer rates which we are still significantly below the state average for these costs. Also, a 2.5% electric rate increase effective July 1, 2014 to offset the City's wholesale rate increase.

Mr. Allen stated the budget proposes a \$1 per ton increase for municipal solid waste and construction and demolition waste to help pay for capital improvements at the landfill and to comply with regulatory costs.

The budget includes 3% of payroll budgeted for a market rate adjustment and partial implementation of the City's recent salary study. There will be a draft report of the payroll survey sent to the management team and then it will be presented to Council, possibly in June.

The City Manager answered any questions that Council had.

Mr. Allen reviewed the General Fund revenues and all the expenses. He then covered the Governing Body expenses which includes a 1.5% market adjustment, and an increase on travel and training upon Council request. Mayor Michael proposed that the City Council do away with the called meeting pay for elected officials and increase the base pay by \$100 per month. The net effect will save the City money and decisions concerning additional meetings can be made based on need and not cost. It was the consensus of the City Council to draft a Resolution to make this change effective July 1, 2014.

In Administration, an increase for the salary of the Economic Development Director which is split between four Funds, monies budgeted for economic development, funding for outside agencies, and City Hall debt.

In the Human Resource Department funding for drug testing for CDL and the flexible benefit plan.

In the Finance Department, \$14,000 for the General Fund share of the annual audit, payment to Stanly County for tax collections in the amount of \$96,000, upgrade for Kronos payroll software, and maintenance contracts including Kronos, Munis, Pitney Bowes and Microsoft.

In the Information Systems Department, a proposal to split costs between departments for items such as a new IS Business Analyst position and the typical costs of engineering support for desktops, servers, licenses for desktops, Citris and Microsoft Office, replacement of server room batteries, cable, computer switches, and maintenance contracts on computer equipment, firewall replacement, and HVAC unit for server room.

Mr. Allen stated that this budget proposes to continue freezing the Director of Engineering position for FY 13-14.

In the Police Department proposing to purchase three new police vehicles and repayment of loan for FS1/East Community Police project.

In the Fire Department, the budget includes funds to retain the 3 firefighter positions due to the SAFER grant expiring, grant match for 800 MHz radios and \$2,000 grant match for extrication equipment, installment purchase of two fire engines purchased in 2012 and repayment of loan for FS1/East Community Police project.

In Department of Public Works Central Garage, budget \$50,000 to hire architect for study/plans for renovation or replacement of garage building.

In the Department of Public Works, Streets and Highways Division, a proposal to increase asphalt by \$10,000 plus a proposal to spend \$50,000 out of GF previously budgeted in the Powell Bill Fund and replacement of flusher truck with used vehicle.

In the Department of Public Works, Landfill Division, payment to landfill for tipping fees and state taxes for residential garbage and trash pick up under contract with Waste Management.

In Downtown Services, \$5,000 to update downtown streetscape plan project and to be initiated in current fiscal year.

In Solid Waste, payment to Waste Management for services in the amount of \$943,500 residential garbage and trash pick up and leaf pick up.

In Planning and Community Development, includes an increase for the cost of adding a new Senior Planner, minimum housing code inspections, housing condemnation administration, asbestos testing and abatement, housing demolition, nuisance enforcement, and backflow preventer for City Hall. Funds to continue two quarterly dinner meetings with the Planning Board and Zoning Board of Adjustment were also proposed.

In the Parks and Recreation Department, engineering fees to develop a plan for redevelopment of the Wiscasset site into a multi-field ball facility. Also, the budget proposes funds to replace a zero-turn mower, construct additional picnic shelter, and install backflow prevention at the parks facilities and principal and interest payments for the Niven Center renovation loan.

In the Powell Bill Fund, a subsection of the General Fund, appropriation of \$133,000 in the Powell Bill fund balance. Overall appropriation for asphalt resurfacing has increased by \$10,000 to \$225,000 from \$215,000 in the current year. Replacement of flusher truck with used vehicle.

The City Manager stated that the last budget work session is scheduled for Thursday, May 15 at 6 pm in the Executive Conference Room at City Hall.

Mayor Michael handed out a map depicting what the Board of Adjustment had approved tonight concerning a variance for a new retail center/strip mall across from Wal-Mart on Leonard Avenue. No stores have been confirmed at this point. It will contain 4 larger stores with several small stores.

Upon a motion by Councilmember Dry, seconded by Councilmember Hughes, the City Council adjourned to Thursday, May 15 at 6:00 p.m. in the City Hall Executive Conference Room of the City Hall for a budget work session.