

ADJOURNED MEETING CITY COUNCIL  
February 20, 2014

The City Council of the City of Albemarle met in an adjourned session on Thursday, February 20, 2014, at 5:00 p.m. in the Executive Conference Room of City Hall. Mayor Ronnie Michael presided and the following Councilmembers were present, to wit: Troy E. Alexander, Bill Aldridge, Benton Dry, Martha Sue Hall, Martha E. Hughes, Dexter Townsend and Chris Whitley. Absent, none.

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The Mayor and the City Council held a Fiscal Year 2014/2015 Planning and Budget Retreat in the Executive Conference Room of City Hall with the City Manager, Assistant City Manager, and City Clerk.

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Mayor Michael brought the meeting to order and then he turned the meeting over to the City Manager to present the annual budget information for Council to review.

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City Manager Raymond Allen handed out schedules and chart/graph information of what Council would review this evening. Mr. Allen stated that Finance Director Colleen Conroy and her staff prepared all of the financial information for the meeting this evening.

The first schedule the City Manager covered was the 2014-15 Budget Preparation Schedule. Mr. Allen stated that the public hearing/first reading on the budget will be Monday, May 19, 2019 and the final budget approval is scheduled for Monday, June 2, 2014 meeting.

The next budget information reviewed was concerning the annual budget, the General Fund revenues and expenditures by department, the Powell Bill revenues and expenditures, the water and sewer revenues and expenditures, the electric revenues and expenditures, the landfill revenues and expenditures, and Public Housing revenues and expenditures, all for fiscal year 2013-14.

Mr. Allen reviewed the cash and investment and current liabilities as of June 30, 2013. The next item was the sales tax growth comparison from 1996 to date and the sales tax revenue information from 2008 to date with projections

for January through June of 2013-14. This is the second highest revenue the City of Albemarle has with the property tax revenue being the highest revenue of the City.

Mr. Allen covered the Electric Fund transfer to the General Fund, the Water/Sewer Fund transfer to the General Fund, and the Landfill Fund transfer to the General Fund. The next item covered was the property tax values comparison from 1994 through 2013 and he stated we will know the exact 2014 tax values in March. Also reviewed was the Fund Balance for the General Fund and Powell Bill Fund and also showing the expenditures and % of expenditures from 1995 to date.

Assistant City Manager came forward and talked with Council about the tax rate comparisons of Albemarle to other North Carolina cities based on their population and when their next revaluation will be. Mr. Ferris stated that not all cities have the same services provided to their residents which affect them being able to offer a lower tax rate. Also, a list compared Albemarle with other cities that offer electric utility services and their tax rate comparison for 2013-14.

Mr. Allen then continued to talk about the Enterprise Funds and cash available for retained earnings appropriation. The table and graph was a snapshot of June 30, 2013 and the Electric, Water and Sewer, Landfill and Public Housing Funds from 2008 to 2013 comparison.

Mr. Allen continued with the debt service schedule for June 30, 2013, June 30, 2014 including estimated values, and June 30, 2015 with estimated values.

The City Manager stated that he does foresee an electric rate increase due to a City wholesale rate increase for residents as well as a water/sewer rate increase for the next fiscal year. The issue of a tax rate increase will be according to City Council.

Mr. Allen talked briefly about the payroll analysis sheet that Council received showing a table and chart of payroll from 2008 through 2013. He stated that employees had several years where there was no salary increase and certain positions were frozen and/or are still frozen due to the economy. Some positions have been filled as needed and City employees have received salary increases the last two years.

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Mayor Michael stated that there will be tough decisions to make as the budget is completed. The Mayor asked for any Council comments or budget priorities that Council may have. If they would like to see anything removed, added, or continued, now would be the time to speak about it.

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Upon questioning by Councilmember Townsend concerning the hiring process, salary, and location, and support staff for the new Economic Development Director for the City, the City Manager stated that the new Economic Development Director when hired will work out of Administration under him. We will consider purchasing a second car for all four people in the Administration department to share.

The City Economic Development Director will support Paul Stratos, the County EDC Director. He will be the contact person for business coming into the City.

Councilmember Hughes stated that the City Information Systems department is heavily burdened with work and we may want to consider adding an employee in that department. The Assistant City Manager Michael Ferris will talk with the IS Director Owen Squires about hiring an extra person or a contract person to help out with the workload.

Councilmember Alexander stated that Planning Director Keith Wolf requested an extra person last year due to only three people currently handling a heavy workload.

Councilmember Hall stated that the City may want to look into hiring a Public Information Officer to update the system and help with the City website, Facebook, etc. for the IS Department.

Mr. Ferris stated that we are hoping that each department will soon be able to maintain their department updates for the City website.

Upon questioning by Councilmember Dry of the City appraisal system, the City Manager stated that the Police Department uses it for accreditation purposes. Human Resource Director Robert Whitley is looking whether to improve or replace this system.

Mayor Michael stated that the City may need to bring someone into the IS Department with Owen Squires' level of expertise to help out.

The City Manager stated that Council decides if there is a need for an item and if monies need to be allocated, then staff makes the decisions. Upon questioning by the City Manager, Council considered if there were any services they would like to discontinue or do less of to save money.

Mayor Michael stated that the City Manager can find items to cut in the budget but would like to hear from Council tonight about their wishes for the budget.

Councilmember Alexander asked that the City Manager ask each department head what services they feel are most important and to remove the least important from their budget.

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Councilmember Dry stated that his top priority would be as in the IS Department, where if one person leaves the department does not fall completely out of commission.

Councilmember Hall asked for an update on the gaming agreements and what have not been received at this point. Mr. Ferris provided an update on this matter.

Ms. Hall also stated that we are not receiving a report each month from the City Attorney. We need to look at our legal services, what our expectations are, and make sure there is no lost time or any legal issues before us.

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Councilmember Hall stated that the next CONNECT in Stanly County is on March 12 at the Agri-Civic Center with three time choices to attend: 10:15 am, 12:15 am, or 2:15 pm. She encouraged all of Council to register for one of those sessions.

Councilmember Hall stated that next Thursday, February 27 when Council meets for the budget work session, if we can all order dinner from the Habitat for Humanity BBQ. We can decide and place our order after the Wednesday, February 26 meeting.

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Mayor Michael thanked the new Councilmembers and stated we will adjourn until Wednesday, February 26 for a budget work session.

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Upon a motion by Councilmember Dry, seconded by Councilmember Hughes and unanimously carried, the meeting was adjourned until Wednesday, February 26, 2014 at 6:00 pm.