

ADJOURNED MEETING CITY COUNCIL
May 5, 2011

The City Council of the City of Albemarle met in an adjourned session on Thursday, May 5, 2011, at 5:00 p.m. in the City Hall Management Conference Room. Mayor Elbert L. "Whit" Whitley presided and the following Councilmembers were present, to wit: Troy E. Alexander, Martha Sue Hall, Judy Holcomb, Jeanette M. Napier, Jack F. Neel, Dexter Townsend and T. Ed Underwood. Absent, none.

The City Council held a Fiscal Year 2011/2012 Budget Work Session.

The City Manager distributed a list of the highlights in the proposed Fiscal Year 2011/2012 City of Albemarle Budget. He indicated that he would review these items, but could address any questions the Mayor or the 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 for the eighth consecutive year. The City Manager noted the City's second largest source of revenue in the General Fund is sales tax and it is proposed to be up slightly after several consecutive years of decline. He is not proposing to increase the Electric Fund's payment in lieu of taxes, no business license increase, no increase in development fees and once again no proposed appropriation from General Fund Fund Balance. The budget does include an increase of \$1.00 per month for solid waste collection fee and does estimate revenues of \$96,000 in ABC revenues. The budget also has decreased transfers from the Electric Fund, Water and Sewer Fund and Solid Waste Fund.

Proposed expenditures were reviewed. The City Manager said the proposed budget does include out of state travel this year for elected officials. \$12,500 has been budgeted for economic development activities with \$12,500 also budgeted in the Water and Sewer fund and \$25,000 in the Electric Fund. The City has relied on its tax dollars to the County to fund the Economic Development Commission and activities, but the results have not been there, so he felt it appropriate for the City to budget for such activities. The City Manager also noted that 40% of the debt payments for the City Hall are budgeted in Administration in the General Fund.

Appropriations for outside agencies were reviewed. There were questions regarding the term of economic development grants the City has approved. Councilmember Hall felt that everyone should personally support non-profit agencies to address needs within our community.

It was noted that funds for an electronic documents system in Finance was budgeted.

Money was appropriated in the Information Systems Department to fund various capital needs. The needs have to do with the storage and backup needs of the City's information and data networks. Money is also budgeted to address HVAC issues in two server rooms in the City Hall.

The City Manager did not have any comments about Human Resource.

The City Manager said the Director of Engineering Service position will remain frozen to help address budget issues. It will be re-evaluated at a later date.

The Police Department portion of the budget does include three frozen positions. It was noted that the Department has been authorized to seek federal grants for the hiring of new officers. There is an increase of \$26,850 in the budget to cover the special separation allowance for law enforcement officers. It was noted the City is mandated to pay this for retired officers until they become eligible for Social Security benefits. The Police budget does include funding for three new vehicles and \$18,000 for services the City will use at the Butterfly House. The Police Department also continues to budget for its share of the debt on the renovations at the East and North Community Policing Offices.

The City Council asked that a letter be drafted for their signature to the Governor and Representative Kissell to request assistance for the cleanup with meth labs.

The City's Fire Department also has three frozen positions, but will be investigating the possibility of finding federal funds to assist with employee hiring.

Mayor Whitley said the City should not be using a large piece of equipment, such as the ladder truck to run EMS calls. He felt one person and a pick up or service truck would be more cost efficient. Chief Oke addressed this issue. He said that any personnel on a separate unit would lower the staffing

levels on fire suppression units. To avoid this, additional personnel would be needed. He also said that to sufficiently serve residents with EMS services in the manner the Mayor mentioned, that two personnel per unit would be more appropriate and it would most likely require more than one unit. Chief Oke said he would research this issue further and report his findings and any ways of providing the service in a more efficient manner.

In the Department of Public Works, the City Manager noted he has allocated out the salaries of the employees of the Warehouse and Maintenance Shop to the various City funds because the services they provide are a benefit to all, not just the General Fund. The Streets Division will continue to have 2-3 frozen positions. The Public Works Administrative Division will continue to have a frozen position. The City Manager did report that he is recommending a \$1.00 per ton solid waste collection fee increase to offset the CPI increase due Waste Management. There is also the one-time cost of the City's share of the sidewalk installation on US Highway 52 South.

Mayor Whitley said the street sweeper machine creates a great deal of dust when in service. The City Manager said it has features designed to keep dust down and said he would pass along this concern.

Assistant City Manager Michael Ferris said Director of Planning and Community Development Keith Wolf had a conflict and could not attend the meeting to discuss the Board of Adjustment and a recent fence variance. This issue was raised by Councilmember Neel at the most recent regular meeting of the City Council. At that time, information about the matter was requested. Mr. Ferris distributed and reviewed a map of the property with the setback, right of way, and variance lines, the draft minutes from the Board of Adjustment meeting, and the application for a variance.

Councilmember Neel said the decision to approve the variance was subjective. It was noted that there is typically going to be a degree of subjectivity in all Board of adjustment decisions. Councilmember Neel said he was concerned the Board was not sticking to the letter of the law in granting a variance. The possibility of making training mandatory for Board of Adjustment members was discussed and it was requested this item be placed on the May 16 City Council agenda.

Upon a motion by Councilmember Hall, seconded by Councilmember Underwood, the City Council adjourned to Tuesday, May 10 at 5:00 p.m. in the City Hall for a budget work session.