

ADJOURNED MEETING CITY COUNCIL
May 6, 2008

The City Council of the City of Albemarle met in an adjourned session on Wednesday, May 6, 2008, at 5:00 p.m. in the City Hall Annex 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, T. Ed Underwood and T.E. White. Absent, none.

The City Council held a Fiscal Year 2008/2009 Budget Work Session.

The City Manager distributed a list of the highlights in the proposed Fiscal Year 2008/2009 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 Budget proposal.

City Manager Allen discussed projected revenues. He reported that for the first time, the assessed property value in the City of Albemarle totals over \$1,000,000,000. He has proposed an increase in the solid waste collection fee to \$5.54. This increase would recover approximately 40% of the actual cost of this service. He also said he had to appropriate a higher than expected amount of General Fund Fund Balance to balance the budget, noting that \$605,000 is being proposed in the current fiscal year.

Councilmember White moved to eliminate the Mayor and City Council proposed 5% pay increase. The motion was seconded by Councilmember Neel. Voting in favor of the motion were Councilmembers Hall, Neel and White. Voting in opposition to the motion were Councilmembers Alexander, Holcomb, Napier and Underwood. The motion failed.

Also in the budget of the Governing Body were funds for home internet service as part of the Council's paperless agenda project.

The City Manager discussed that in the Administration portion of the budget, funds are provided for a site study and plan for the property the City Council purchased on Salisbury Avenue. There are also funds for the completion of the tree inventory, as requested by the Albemarle Tree Commission.

The Mayor and City Council discussed the proposed funding of outside agencies. The City Manager distributed a summary sheet of the proposed funding levels and the level at which they were funded in the current fiscal year. He said that unless the City has a contractual agreement with these agencies, he is proposing to fund each at \$2,500. He did note that the Albemarle Stanly County Airport has not requested funding in several years and he has proposed to eliminate their funding.

Councilmember Hall voted to approve the outside funding as proposed by the City Manager. The motion was seconded by Councilmember White. Voting in favor of the motion were Councilmembers Hall and White. Voting in opposition to the motion were Councilmembers Alexander, Holcomb, Napier, Neel and Underwood. The motion failed

Councilmember Holcomb moved to eliminate the funding for Homes of Hope, Crisis Council and the Stanly County Senior in Home Program. Voting in favor of the motion were Councilmembers Alexander, Holcomb, Napier, Neel, Underwood and White. Voting in opposition to the motion was Councilmember Hall. The motion carried.

The City Manager noted the debt payment for the City Hall project, with the General Fund paying 40% of the annual cost.

A 2.5% cost of living increase for employees was proposed for July and a 2.5% increase in lieu of merit was proposed for January. The City Manager said City employees are dedicated and work hard. There have been no recent increases in staffing level as workloads have increased. Councilmember Neel noted the cost of good and services employees must pay for is dramatically increasing.

Councilmember Neel moved to leave in the budget a 2.5% cost of living increase for employees proposed for July and a 2.5% increase in lieu of merit proposed for January as proposed by the City Manager. Councilmember White seconded the motion. Voting in favor of the motion were Councilmembers Hall (not present), Neel and White. Voting in opposition to the motion were Councilmembers Alexander, Holcomb, Napier and Underwood. The motion failed.

Councilmember Holcomb moved to decrease the recommended pay adjustment for City employees to provide a 2.5% increase in July and a 1% increase in January. The motion was seconded by Councilmember Napier. Voting in favor of the motion were Councilmembers Hall (not present), Holcomb,

Neel, Napier and Underwood. Voting in opposition to the motion were Councilmembers Alexander and White. The motion carried.

The City Manager reported that due to the utilization of the City's health insurance program by employees and covered family members, the City's premium is proposed to increase 60%. He said the City will once again be seeking bids to help reduce these costs. Also, he said there would more than likely be a reduction of medical benefits and coverages to help offset this proposed increase.

The City Manager and Assistant City Manager were asked to leave the room.

The City Manager and Assistant City Manager rejoined the meeting.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier, the City Manager was provided a \$5,000 salary increase effective in July, since the City Manager is not a part of the salary adjustments provided for all other employees.

The City Manager noted the proposed position in the Finance Department IT Division was eliminated from the budget. He did state that almost all of the capital requests were funded, as he hoped this would increase the reliability of the network infrastructure and reduce the amount of time spent on repairs by the current staff.

The City Manager said the Police Department requested four new positions, all of which were cut from the proposed Budget. Councilmember Holcomb thought one of the positions could be funded with the 1.5% eliminated from the proposed employee salary increase.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Alexander and unanimously carried, the City Council approved a new drug officer position in the Police Department.

The City Manager said he reduced the vehicle request in the Police Department from 7 to 5. Upon questioning, he noted that 50% of the cost of the School Resource Officer Program is paid for by the Stanly County Board of Education.

The City Manager said the temporary employee in the Fire Marshal's Office will moved back to suppression. There is also funding for the replacement of the Departmental Suburban. Councilmember Holcomb asked if the City has ever looked further into the possibility of a Public Safety Department

as a way to save money. The City Manager said this was once the trend, but the current trend is to move back toward individual departments for police and fire services.

Upon a motion by Councilmember Underwood, seconded by Councilmember Napier, the City Council adjourned to Wednesday, May 7 at 6:30 p.m. at the Rosebriar Restaurant for a meeting with the members of the Planning and Zoning Board and the Zoning Board of Adjustment.