

**MINUTES
EMPORIA CITY COUNCIL
CITY OF EMPORIA MUNICIPAL BUILDING
BUDGET WORK SESSION
May 20, 2008**

Note to Reader: Although the printed Agenda document for this City Council meeting is not part of these Minutes, the Agenda document provides background information on the items discussed by City Council during the meeting. A copy of the Agenda document for this meeting may be obtained by contacting the Office of the City Clerk.

ROLL CALL

Upon roll call, the following Council members indicated their presence:

Councilwoman Nancy B. Squire
Councilman F. Woodrow Harris
Councilman Jim Saunders
Councilwoman Carolyn S. Carey
Councilman Ned V. Lankford

Others present: Mayor Samuel W. Adams, III
Brian S. Thrower, City Manager
Steven B. Hall, Assistant City Manager
Sheila J. Cutrell, Finance Director

Absent: Councilman John R. White
Councilwoman Doris T. White
Jean V. Whiting, City Clerk

NEW BUSINESS

Mr. Thrower opened the session by stated that in preparing the working draft General Fund budget previously distributed to City Council on May 5, 2008, he estimated a deficit of \$655,993. He also stated that since that time, staff had studied ways to reduce that deficit.

He provided Council with an updated General and Utility Fund budgets showing recommended budget deficit reductions.

He further stated that changes to the FY09 budget include the following:

General Fund

Revenues

Page 1.....Increase Current Personal Property	+\$15,000
Page 1.....Increase Local Sales Tax	+\$80,000
Page 2.....Increase Gifts & Donations (GMF grant)	+\$125,000
Page 2.....Decrease Miscellaneous (GMF grant)	-\$250,000
Page 2.....Increase Miscellaneous (jail refund for FY 07 – 61% of \$350,000)	+\$213,500
Page 2.....Decrease Recovered Cost – County (heavy rescue vehicle).....	-\$52,600
Page 2.....Removed Recovered Cost – Rescue Squad (request withdrawn).....	-\$103,164
Page 3.....Decrease Juvenile Justice – State Aid Reduction	-\$4,721
Page 3.....Increase Police Equipment Grants (JAG grant award).....	+\$9,999
Page 3.....Increase Emergency Services – VDEM grant award carryover	+\$5,000
Page 3.....Decrease Family Violence Prevention – discontinue FACT grant.....	-\$8,000
Page 3.....Increase Proceeds from Capital Leases (Police & P.W. vehicles).....	+\$145,000

Expenditures

Page 13.....Treasurer – Decrease EDP Equipment	-\$1,300
Page 15.....Commissioner of Revenue – Decrease EDP Equipment	-\$400
Page 18.....Registrar – Decrease Maintenance Service Contracts	-\$2,000
Page 18.....Registrar – Increase Postage	+\$200
Page 21.....Police – Freeze 2 vacant police officer positions	-\$71,933
Page 21.....Police – Increase Salary – Police Officers to compensate Certified officer..	+\$1,564
Page 21.....Police – Decrease FICA for 2 police officer positions	-\$5,504
Page 21.....Police – Increase FICA for additional salary – certified officer.....	+\$120
Page 21.....Police – Decrease VRS for 2 police officer positions	-\$11,416
Page 21.....Police – Increase VRS for additional salary – certified officer	+\$248
Page 21.....Police – Decrease Medical Insurance for 2 police officer positions	-\$10,646
Page 21.....Police – Increase Overtime – Selective	+\$37,000
Page 21.....Police – Increase FICA for Overtime – Selective.....	+\$2,831
Page 21.....Police – Increase Maintenance Service Contracts	+\$2,346
Page 22.....Police – Decrease Convention & Education.....	-\$3,000
Page 22.....Police – Decrease Other Police Supplies	-\$700
Page 22.....Police – Decrease Canine Supplies.....	-\$500
Page 22.....Police – Decrease Community Youth Program	-\$500
Page 22.....Police – Increase Motor Vehicles (Finance over 3 years)	+\$104,000
Page 22.....Police – Motor Vehicles – move financing costs to page 49	-\$36,844
Page 25.....Fire – Increase Electricity (Fuel Cost increase eff. 7/1)	+\$1,100
Page 26.....Fire – Remove Motor Vehicles (Heavy Rescue Vehicle).....	-\$368,517
Page 27.....Emergency Services – Increase Prof. Services (VDEM grant)	+\$5,000

Expenditures – Continued

Page 29.....Southside Regional Jail – Decrease to reflect reduction in local cost by \$150,000 (61% of \$150,000)	-\$91,500
Page 29.....Victim of Crimes Acts (Family Viol.) – discontinue FACT grant	-\$8,000
Page 29.....Sexual Assault – Decrease local funding	-\$2,000
Page 29.....Juvenile Justice (VJCCCA) – State Aid reduction	-\$4,721
Page 32.....Public Works Administration – Decrease Furniture & Fixtures.....	-\$700
Page 33.....Street Maint. – Decrease FICA for reduction in Overtime.....	-\$153
Page 33.....Street Maint. – Decrease VRS to correct amount.....	-\$1
Page 33.....Street Maint. – Decrease Street Paving	-\$25,000
Page 33.....Street Maint. – Increase Electricity (Fuel cost increase eff. 7/1).....	+12,000
Page 33.....Street Maint. – Decrease Telecommunications	-\$200
Page 34.....Street Maint. – Increase Motor Vehicles (Finance over 3 years)	+\$41,000
Page 34.....Street Maint. – Motor Vehicles – move financing costs to page 49.....	-\$14,528
Page 35.....Sanitation – Freeze 1 vacant equipment operator II position	-\$25,870
Page 35.....Sanitation – Decrease FICA for 1 equipment operator II position.....	-\$2,132
Page 35.....Sanitation – Decrease VRS for 1 equipment operator II position	-\$4,106
Page 35.....Sanitation – Decrease Medical Insurance for 1 equip. oper. II	-\$5,323
Page 35.....Sanitation – Decrease Telecommunications	-\$500
Page 36.....Sanitation – Decrease Dumpsters	-\$5,000
Page 37.....Facilities – Increase Electricity (Fuel cost increase eff. 7/1).....	+\$6,500
Page 38.....Facilities – Increase Total to include Lease of Land	+\$4,800
Page 39.....Parks – Decrease Telecommunications	-\$100
Page 41.....Motor Pool – Decrease Telecommunications	-\$1,000
Page 45.....Library – Decrease contribution to level fund.....	-\$4,627
Page 46.....Planning & Zoning – Delete GIS/Access Website	-\$20,000
Page 47.....Airport – Operational – Reduce to level fund.....	-\$3,500
Page 47.....Extension Service – Increase Professional Services (Engineering)	+\$10,000
Page 48.....Removed Rescue Squad Personnel (request withdrawn)	-\$103,164
Page 48.....Emporia-Greenville IDC – Reduce to level fund.....	-\$4,828
Page 48.....Crater Small Business Dev. Ctr. – Reduce to level fund.....	-\$1,229
Page 49.....2008 Lease Purchase Agreement – Finance vehicles	+\$51,372
Page 49.....COLA – Increase to 3% (2% for Constitutional Officers on State portion of salary & 3% on City portion of salary).....	+19,195
Page 49.....Increase Designated Fund Balance (GMF grant in FY 09)	+\$125,000

Utility Fund

Revenues

Increase water revenues	+\$5,000
Increase sewer revenues.....	+\$5,000
Increase water & sewer rates by 10%	+\$202,500
Increase water tap fees to \$1,500 & Facility fee to \$500	+ \$7,500
Increase sewer tap fees to \$2,000 & Facility fee to \$1,000	+ \$15,000

Expenditures

Reduce Professional Services – WTP	- \$15,000
Increase Electricity – WWTP	+\$245
Reduce Repair & Maintenance Supplies – WWTP	-\$8,000
Increase COLA to 3%	+\$5,136

Mr. Thrower stated that the cost estimate to overlay Wiggins Road is approximately \$50,000. He also stated that the cost estimate to overlay E. Atlantic Street (58 bypass to Georgia Pacific) is over \$700,000. He further stated that he stated the City would look at overlaying Wiggins Road and possibly Clay Street in the upcoming fiscal year.

Mayor Adams requested that the City start doing small patch improvements on E. Atlantic Street.

Councilman Harris asked that the City Manager inquire as to whether IDC staff would be able to get a salary increase under the current budget proposal. Mr. Thrower stated he would review this request and provide an answer to Council at the next Budget Work Session.

Mayor Adams inquired as to the status of the library budget. Mr. Thrower advised that the library budget is currently proposed at \$92,535.

Councilman Harris requested that the library budget not be cut below last year’s budget, due to potential loss of state funding.

Councilman Harris stated that the City needed to begin discussing and researching the process for separating from the Meherrin Regional Library System. He also stated that the City and County needed to look into a possible merger with Southampton County in the future. He further stated that the City and County may want to form their own separate library system.

Mayor Adams questioned the increase in the Library Director’s salary. Councilman Harris stated the Library Board voted in favor to bring the salary up to the state average. He further pointed out the state average includes northern Virginia communities, which skews the results.

Councilman Harris was not in favor of the increase.

Council Member Harris stated that a recent library employee satisfaction survey showed that Emporia’s library to have the lowest scores. Mayor Adams stated that this was attributed to the fact that Library Administration is hard to work with. He further stated that this is terrible to see, given the fact that the Emporia library employees do a great job but are under bad leadership.

Councilman Saunders stated that the City should look into breaking away from the Meherrin Regional Library system.

Councilwoman Carey stated she had a couple suggestions of who individual that may be willing to sit on the Library Board.

Councilman Saunders inquired as to what the \$45,000 is in the budget for the Comprehensive Service Act. Mr. Thrower stated that money is there for the CSA to create a separate account from Social Services. He further stated that Greenville County will be contributing to the account as well.

Mayor Adams inquired as to the funding of shared services with Greenville County. He further stated that since the City is required to fund the County Sheriff's Office under state code, the City should be given a percentage of the ticket revenue generated. He advised that the City contributed towards county sheriff's raises, which is hurting the retention of the City's own police force.

Councilman Harris inquired as to the possibility of lowering the property tax rate to offset the increase in assessments. He recommended lowering the tax rate down 6 cents. Ms. Cutrell stated that each 1 cent deduction equals \$34,968 in revenue. Council Member Harris also stated that we may need to look at increasing the collection rate up from 96% to 97.5%.

Mr. Thrower stated that the next budget work session was scheduled for Thursday, May 29, 2008, at 6:00 p.m.

ADJOURNMENT

With no further business to come before City Council, Mayor Adams adjourned the meeting.

Samuel W. Adams, III, Mayor

Lori R. Jarratt, Executive Secretary