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**Minutes of the Roanoke Rapids City Council**

A special meeting (Retreat) of the City Council of the City of Roanoke Rapids was held on Wednesday, March 9, 2016 at 9:00 a.m. in Building 400, Room 401A on the campus of Halifax Community College in Weldon, North Carolina.

**Present:** Emery G. Doughtie, Mayor

Carl Ferebee, Mayor Pro Tem

 Ernest C. Bobbitt)

**Council Members**

 Suetta S. Scarbrough)

 Wayne Smith)

Joseph Scherer, MPA, MS, City Manager

 Lisa B. Vincent, MMC, NCCMC, City Clerk

 Leigh Etheridge, Finance Director

**Absent:** Carol H. Cowen, Council Member

City Manager Scherer explained the purpose of this Council Retreat is to get guidance from Council members about their budget priorities for the next fiscal year. He stated this guidance and direction will help Department Heads to know what to focus on in the development of their budgets. He pointed out that the first drafts of those departmental budgets are due to him by March 18th. He stated copies of the February Finance Report; a Detail Account Inquiry from 7/1/2015 to 6/30/2016 and the following list of Unfunded Capital Requirements as of December 1, 2015 have been distributed to Council:

**CITY OF ROANOKE RAPIDS**

**Unfunded Capital Requirements**

**As of December 1, 2015**

**Fire Department**

Radios $ 70,000.00

Air Packs $ 120,000.00

New Fire Truck $ 550,000.00

Generators/Station 1 $ 50,000.00

Pickup Truck $ 30,000.00

Resurface Parking Lot $ 10,000.00

Extrication Tools $ 20,000.00

Replace Dated Equipment $ 50,000.00

 **Subtotal – Fire Department $ 900,000.00**

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**Police Department**

7 Equipped Patrol Vehicles $ 280,000.00\*\*

4 Equipped Patrol Vehicles $ 160,000.00\*\* \*\*Most vehicles are over seven years old

45 Handguns $ 21,375.00 and have very high mileage. Loss of

45 Shotguns $ 27,000.00 capital outlay funding over the past many

In-Car Camera Update $ 112,500.00 years has attributed to extremely high

Storage for Videos $ 30,000.00 maintenance costs.

Laptop Replacement for Vehicles $ 160,000.00

Additional Radars $ 15,000.00

City Wide Camera System $ 350,000.00

Additional Cameras $ 20,000.00

 **Subtotal – Police Department $1,175,875.00**

**Public Works Department**

1 Rear Loader Trash Truck $ 190,000.00

1 Knuckleboom $ 160,000.00

Rubber Tire Loader (Used) $ 70,000.00

Traffic Signal – Park & 7th $ 42,000.00

1 Truck Load – Roll Out Carts $ 39,500.00

Vacuum Trailer $ 50,000.00

City Hall Roof $ 90,000.00

Theater Stage Roof $ 50,000.00

Leaf Vacuum Truck $ 185,000.00

Backhoe w/Attachments $ 90,000.00

Pothole/Asphalt Patcher Recycler $ 140,000.00

Track Loader $ 60,000.00

Recycling/Rear Loader for Curbside Maintenance $ 130,000.00

Cemetery and Fleet Maintenance Software $ 150,000.00

 **Subtotal – Public Works Department $1,446,500.00**

**Planning Department**

**Vehicle Needs (Total Cost Opinion 2015 Values = $84,000.00)**

Vehicle for Building Inspector: similar to Ford F250 4WD, 4Door = $30,000.00

Vehicle for Minimum Housing Code Officer: similar to midsize SUV 4WD = $27,000.00

Vehicle for Land Use Administrator/Zoning Director: similar to midsize SUV 4WD = $27,000.00

**\*\*Demolition of Unsafe Commercial/Industrial (non-residential) Buildings Adjacent to Public Right-of-Way**

**Current Court Orders with City Authority to Demolish – Values = $1,430,000.00**

501 Jackson Street, Building B = $800,000.00

206-208 Roanoke Avenue (People’s Theater) = $600,000.00

222 Hamilton Street (Back Building) = $30,000.00

\*\*Does not include buildings that are currently in process for owner-compliance; demolition of residential dwellings is covered in department budget.

**Planning Documents (Total Cost Opinion 2015 Values = $195,000.00)**

Streetscape Plan for Roanoke Avenue = $50,000.00 (does not include construction documents)

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Streetscape Plan for Roanoke Avenue with Construction Documents (engineering drawings, specs) = $100,000.00

Unified Development Land Use Ordinance = $30,000.00

 **Subtotal – Planning Department $1,709,000.00**

**Parks Department**

2 Replacement Trucks $ 50,000.00

Administrative Vehicle Replacement $ 25,000.00

Mower Replacement $ 25,000.00

Tractor Replacement $ 15,000.00

Pool Pumps for 3 Pools $ 15,000.00

HVAC Repairs for 3 Facilities $ 75,000.00

Restroom Repairs at Parks $ 50,000.00

Parks Outdoor Child Equipment $ 80,000.00

Kirkwood Adams 1975 Chair Replacement $ 140,000.00

Tables/Kirkwood Adams $ 15,000.00

T. J. Davis Roof Replacement $ 80,000.00

Senior Center Bus Replacement $ 60,000.00

 **Subtotal – Parks Department $ 630,000.00**

**GRAND TOTAL – ALL DEPARTMENTS $5,861,375.00**

City Manager Scherer pointed out that we have not received the League’s forecast on the revenue streams yet but feel that most will remain constant. He stated we should hear something from the League in early April.

City Manager Scherer stated there had been some discussions in the past about a tax increase. He stated that is one option for additional revenue. He stated in regards to City services, he would like to know if Council would like to maintain, increase or decrease services. He stated we also need to discuss the Roanoke Rapids Theater as well as having a discussion about how much of Undesignated Fund Balance to use.

City Manager Scherer indicated that the State Legislature has given cities options to increase the license plate fees up to as much as $5.00. He pointed out that the revenues from this increase must go to street maintenance.

Councilman Smith asked the current fee for license plates.

Finance Director Etheridge stated $6.00.

City Manager Scherer stated based on current figures, this would give us an additional $80,000.00 to go toward street maintenance. He stated another item we need to consider is increasing our fees such as tipping and refuse fees.

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Councilman Bobbitt asked how we would get all of the transient people that never change their registration to pay the license plate fee.

City Manager Scherer stated those transient individuals are not paying all of the other fees our citizens are paying. He stated the only way to know would be to pull them over and do a license check.

Mayor Doughtie asked how much we get from Powell Bill funding.

City Manager Scherer stated about $420,000.00 each year.

Mayor Doughtie stated most people would agree that our streets are in dire need of replacement and/or repair. He stated he feels an increase in this fee would be much easier to stomach than a tax increase.

Mayor Pro Tem Ferebee stated he thinks the citizens would definitely want to see some results and want potholes fixed in front of their homes. He stated there is $140,000.00 listed for potholes/asphalt in the CIP. He stated hopefully this $80,000.00 would help take care of those items.

City Manager Scherer pointed out that the Sanitary District is digging up streets that are not our streets. He stated there is a perception problem that all of the streets belong to the City.

Mayor Pro Tem Ferebee stated they need to fix the streets.

Councilman Bobbitt stated because of the number of complaints he has received about this, he called Rightmyer Machine Rentals and was told that their asphalt drum was broken.

City Manager Scherer also pointed out that asphalt cannot be poured until the weather breaks.

Councilman Smith asked if we are inspecting the repairs to the street cuts.

City Manager Scherer stated we are trying to. He stated we found out that the gas company made cuts without telling us and we had a meeting to discuss this with company representatives.

Councilman Smith stated the asphalt on Marshall Street is bad.

Councilman Bobbitt brought up the issue of the referendum for the increase in sales tax. He stated we need to get the County to go along with it.

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City Manager Scherer stated it is time to go back to Raleigh and ask if they would allow us to put this to a vote.

Mayor Doughtie stated he cannot help but feel that they know we do not have any real leverage on them. He asked if we need some legal support to go with us. He stated people do not go into court without a lawyer.

City Manager Scherer suggested that we take people with us such as Gene Minton. He stated we need to get in front of Senate President Pro Tem Phil Berger and Speaker of the House Tim Moore.

Mayor Doughtie stated the only way we can have success on this is to get the County Commissioners on board.

Councilman Bobbitt stated we have been waiting for three months for the Local Government Commission (LGC) to meet with Bank of America about refinancing the Theater debt.

City Manager Scherer stated he sends them friendly reminders but does not want to be too pushy and discourage them from helping us.

Mayor Pro Tem Ferebee stated it was a timing issue with Angela (Senator Angela Bryant) and Michael (Representative Michael Wray) before.

Councilwoman Scarbrough pointed out that every time she sees them, they always ask if there is anything they can do to help the City.

City Manager Scherer pointed out that the LGC sent us a letter that indicated they have serious concerns about our sales tax money that is pledged against the debt payment. He stated they did this so we would have further evidence to take to Bank of America.

Mayor Doughtie stated if the sales tax increase came up for a vote, there would still be people that would ask why we do not just raise rates for electricity and water. He stated some do not realize that we are unique in that we do not have those resources. He stated we do not have a way to generate revenues. Mayor Doughtie stated we do have Exit 173, a major exit off I-95, and we could garner some dollars from the people that travel up and down the interstate without continuing to tax the lower income people in our City.

City Manager Scherer stated should the Council recommend a property tax increase, it should be tied to something specific that would benefit the City such as police vehicles.

City Manager Scherer listed the following budget priorities to consider for the upcoming budget:

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* **Maintain Status Quo:** *do the same as this year*
* **City Services:** *maintain, increase or decrease services*
* **Public Safety (Fire/Police):**  *personnel/equipment*

City Manager Scherer pointed out that Police Chief Hasty wants to hire more officers/detectives.

* **CIP:** *defer capital items, use undesignated fund balance or take out loans*

City Manager Scherer stated some Council members have concerns about borrowing more money.

* **Workforce:** *raises, impact health insurance*

City Manager Scherer indicated that Phil Hux is still saying that we are looking at a 2 to 4% increase in our health insurance rates. He stated these days, that is good.

Mayor Doughtie asked how much a 1% raise would cost.

Finance Director Etheridge stated about $120,000.00.

City Manager Scherer stated he would like to see a 4% increase.

* **Layoffs/Reduction in Force**
* **Infrastructure Needs**
* **Cuts for Certain Departments**
* **Quality of Life:** *things that make people want to live here*

City Manager Scherer stated the skate park that just opened this past weekend is an example of things that draw people here.

* **Fiscal Management**

City Manager Scherer stated he needs for Council to tell him what staff needs to focus on.

Mayor Doughtie stated we are elected to represent our constituents. He asked if it would be possible to reach out maybe through the newspaper or rrspin.com and ask the citizens what they want.

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Councilman Bobbitt stated one thing that affects everyone is streets. He stated everyone uses the streets whether they live here or not. He stated also, drugs are a major problem throughout the entire country. He stated we need to crack down as hard as we can.

Mayor Doughtie stated there is a community watch group in his neighborhood and some people have reported things they see but nothing is done. He stated quality of life is not just affected by having a skate park but also by having drug dealers in neighborhoods.

Councilman Bobbitt stated we do not have the drug buys like we did when he was in the Police Department.

City Manager Scherer pointed out that the Police Department is going after people that are above the street dealer and trying to get enough evidence to turn over to the feds. He pointed out one positive step Police Chief Hasty has taken is the community forum which provides assistance for drug addicts to get clean.

Councilman Bobbitt stated it is very hard to get addicted people clean and a lot of times they are repeat offenders. He stated if we bust enough dealers maybe they will leave town. He stated that happened years ago.

City Manager Scherer stated some have moved out to other areas such as Scotland Neck and Enfield. He stated if Council wants more money dedicated to drug enforcement, they need to let him know.

Councilwoman Scarbrough stated it is difficult today to prioritize when we do not know what the Department Heads need.

City Manager Scherer stated that does not matter. He stated they need to know the Council’s priorities.

Councilman Bobbitt asked how many drug dogs we have.

City Manager Scherer stated we have two dogs—one is a drug dog, the other is an explosives/tracking dog. He stated the Police Chief has indicated that he would like to have another drug dog.

Councilman Bobbitt asked if the explosives dog has done anything.

City Manager Scherer stated we have never had an occasion to use him but he was free.

City Manager Scherer explained that we will have two meetings with Department Heads. He stated at the first meeting the Department Heads will be able to tell Council what they want. He stated the second meeting will be to review the budgets again with Department Heads after cuts and adjustments are made based on feedback from Council.

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Mayor Pro Tem Ferebee stated he wants to know what the Department Heads feel are their major priorities. He stated he wants to know their number one problem and how we can fix it.

City Manager Scherer stated the Department Heads want to know the Council’s priorities. He stated Public Works Director Chalker will probably tell you that his number one priority over everything else on his list is a garbage truck. He stated the Department Heads will still be able to tell Council what they need at the first meeting.

Mayor Pro Tem Ferebee stated they are the experts on what they need.

Councilman Smith stated the Department Heads can tell us what they need, we can allocate a certain amount of money and they will have to figure out how to spend it.

City Manager Scherer pointed out that the pot of money is only so big.

Councilman Smith cited the following example: Public Works Director Chalker knows that streets are a priority and he needs an asphalt machine. He stated the Council allocates $10,000.00 and he would have to find one for $10,000.00 or go without.

City Manager Scherer stated the Department Heads do not have any idea about what to focus on.

Councilman Bobbitt stated a few years back, our savior was going to be the fitness equipment in the upstairs room at T. J. Davis Recreation Center. He stated there was supposed to be a membership fee which would bring in around $60,000.00 a year. He stated this was a bunch of hot air. He stated instead of a membership fee, $5.00 was tacked on to the fee for a Recreation card and people that never use the fitness room are having to pay the extra charge. He asked about charging a membership fee of $10.00 a year for the new skate park.

Councilman Smith stated that a majority of the Parks & Recreation Department’s buildings are in need of repair, especially the swimming pool building and the porch at the Senior Center. He stated the Parks & Recreation Director is having a hard time. He stated Public Works Director Chalker is probably out of money in his budget having to pay for repairs and maintenance at the Theater.

City Manager Scherer pointed out that Public Works Department labor is used but there is a separate Public Works Department account for Theatre maintenance.

Councilman Smith stated he feels we need an opportunity to talk with the Department Heads before we tell them what to do.

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City Manager Scherer stated he will have the Department Heads continue to draft their budgets and at the first meeting, the Council can tell them what they can get.

Mayor Doughtie pointed out that we may have buildings that do not cost us anything because of donations, grants, etc. but are or will be costly in the long run due to maintenance and upkeep. He stated we try to serve our citizens and give them what they want but we need to look at what we can afford. He stated we need to find out what this community feels is extremely important to them. Mayor Doughtie stated he can see that at some point we will have to reduce services, cut people or continue to take money out of Fund Balance.

Councilman Smith asked how much we currently have in Fund Balance.

Finance Director Etheridge stated when you deduct the $500,000.00 appropriated to balance the FY 2015-2016 Budget, the amount is $3,867,805.00. She stated this is at 25%. She pointed out that we hope to not have to use the $500,000.00.

Councilman Smith asked what $3.8 million will do for us if we have a major disaster.

City Manager Scherer stated it depends on the severity of the disaster.

Councilman Smith stated he hates to cut someone’s budget and then have a surplus at the end of the year. He stated accounts were frozen and we still had a surplus.

City Manager Scherer stated that is something we typically do near the end of the fiscal year to keep from purchasing items not really needed simply because there is money in the accounts.

Councilman Smith stated he would like to see us give the employees a 2% raise.

City Manager Scherer stated he would like to see a 4% raise.

Councilman Smith stated most are working for the benefits instead of the salary. He stated we do not need to take any benefits away from the employees.

City Manager Scherer pointed out that some cities have chosen not to offer health insurance for the dependents of employees.

Each Council Member commented on the list of budget priorities as shown in the table on the next page:

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Budget****Priorities** | **Mayor Pro Tem Ferebee** | **Councilwoman Scarbrough** | **Councilman** **Smith** | **Councilman** **Bobbitt** |
| **Maintain Status Quo** | Maintain status quo. | Maintain status quo. | Maintain status quo. Planning & Development Department is way low on the number of employees. | Maintain status quo. |
| **City Services: maintain, increase or decrease** | Maintain services. | Maintain services. | Maintain the services we have now. | Public Works cannot continue to maintain streets, back alleys, pick up trash and build things for other departments.**\*\*\*** |
| **Public Safety (Fire/Police)** | No changes. | Maintain Public Safety. | Maintain Fire/Police. | Probably need more officers to fight the drug problem. |
| **CIP: defer capital items, use undesignated fund balance or take out loans** | Take out loans as long as they do not exceed what has already been paid off ($75,000.00). | Do not have a problem with taking a little money out of Fund Balance if it is at a comfortable amount and there is a true need to do it. | May have to take out a loan. | Defer capital items until after January. Have a better maintenance program on things.**\*\*\*\*** |
| **Workforce: raises, impact health insurance** | Agrees with 2% increase for employees. Evaluate health insurance to see if there are any potential savings by negotiation. | Maintain workforce. | Maintain same workforce with a 2% raise. Do not take away insurance benefits. | Provide a 4% raise if money is available—if not, at least 2%. Negotiate insurance. |
| **Layoffs/Reduction in Force** | No layoffs/reduction in force. | No layoffs/reduction in force. | No layoffs/reduction in force. | No layoffs/reduction in force. |
| **Infrastructure Needs** | Get streets in order. | Big on street maintenance. | Streets are a priority. | Streets are priority. Everyone uses the streets. |
| **Cuts for Certain Departments** | Keep departments the way they are now. | No department cuts. | Evaluate getting out of the First Responder Program.**\*\*** | No cuts. |
| **Quality of Life** | Maintain quality of life.**\*** | Quality of life depends on a person’s perspective and what is important to them.  | Need to enforce ordinances and clean up the City. | Streets are probably the most notable quality of life issue. |
| **Fiscal Management** | Good job. | Good job. | Doing great on fiscal management. | Good job on fiscal management. |

***\*****Mayor Pro Tem Ferebee also commented that there are some items that may be considered “fringe” items that also need to be taken care of. He stated he is referring to the Library. He stated the Friends of the Library have made requests for several years that have gone unfunded. He stated at some point, you will have holes in your shoes and the shoes will come off. He pointed out that most of the users of the Library pay a lot of taxes.*

***\*\*****Councilman Smith stated he would like to know the cost for the first responder program now versus when it was first started. He stated he knows it is more wear and tear on the vehicles and gas has gone up. He asked if it is worth it when we have Roanoke Valley right there on 2nd Street. He stated we need to get the Fire Department out of the first responder business. Councilman Smith stated he got into EMS when it first started and served at one time as Chairman of the Board. He stated at that time, they spent $600,000.00 a year and that figure is now at $6 million a year. Mayor Doughtie stated that goes back to what he said earlier about when things are good, we keep adding on.*

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***\*\*\*****Councilman Bobbitt stated the Public Works Department is 15 men short and if they get three more, it will be a blessing. He stated they make a minimum salary between $32,000.00 and $34,000.00 a year.*

***\*\*\*\*****Councilman Bobbitt stated when he worked at the Raleigh Police Department, they would notify you when your vehicle needed an oil change. He stated you did not wait, you went and had the oil changed. Councilman Smith stated the Public Works Department keeps up the equipment very well.*

There was some discussion among Council about cities versus counties operating libraries.

City Manager Scherer pointed out that our 911 allocation will go up $90,000.00 and the County’s will go down $40,000.00.

Councilman Bobbitt asked how much we would be paying with the $90,000.00 increase.

Finance Director Etheridge stated $322,000.00 a year.

Mayor Doughtie stated he knows the Fire Department employees go out and do different tasks. He stated they also drive the fire truck to Food Lion if they need something so they can leave if a call comes in. He asked if this would be any different from them marking a ballfield. He stated he realizes that they do not need to do anything like mow grass when they are also first responders.

City Manager Scherer stated in general, it appears that we need to focus on: (1) street/alley repairs; (2) drug enforcement; and (3) enforcement of ordinances, traffic code.

Mayor Doughtie asked if we still collect $40.00 for municipal ordinance violations of the traffic code. He asked if that could be increased.

City Manager Scherer stated he can look at that.

Mayor Doughtie asked the Finance Director several questions about the following cash and investment positions included in her February Finance Report:

 **CASH & INVESTMENT POSITIONS**



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Finance Director Etheridge reviewed the information from the report and indicated that she would begin breaking the information down by line items as requested by Council.

There being no further discussion, the meeting adjourned.



 **Lisa B. Vincent, MMC, NCCMC City Clerk**

 4/5/2016

**Approved by Council Action on:**