

April 16, 2018 Budget Work Session

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 16, 2018, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget work session with Mayor Gene Teague presiding. Council Members present included: Mayor Teague, Vice Mayor Chad Martin, Council Member Kathy Lawson, Council Member Jennifer Bowles and Council Member Sharon Brooks Hodge. Staff present included: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Finance Director Linda Conover, Public Works Director Chris Morris, Sheriff Steve Draper, Chief Sheriff Deputy Laura Hopkins, Human Resources Director Kathy Vernon, Water Resources Director Andy Lash, Treasurer Cindy Dickerson, Police Chief Eddie Cassidy, Deputy Police Chief Rob Fincher, Police Captain Chad Rhodes, Police Lieutenant Jim Minter, Fire Chief Ted Anderson, Deputy Fire Chief Kris Schrader, Safety Coordinator John Turner, Commissioner of Revenue Ruth Easley, Circuit Court Clerk Ashby Pritchett, Registrar Cindy Barbour, Fleet Manager Lane Shively, Utilities Director Durwin Joyce, Building Inspector Kris Bridges and Telecommunications Director Mike Scaffidi.

Mayor Teague opened the Council meeting. City Manager Towarnicki thanked everyone for attending and detailed the schedule starting with constitutionals, city departments and capital. Mayor Teague asked departments to detail the challenges to keeping the budget “flat”, detailing any hardships they are experiencing.

Commissioner of Revenue Ruth Easley explained the increase in the equipment budget line is attributed to aging equipment that can no longer be repaired. The department is in need of an off-site data record file with more secure firewalls. There is an increase in the assessor’s budget since 2019 is an assessment year.

Treasurer Cindy Dickerson explained the most difficult part of her budget is the lack of staff. She is working with IT on sending bills electronically in the future, saving on postage costs. Dickerson explained that only 5-10% of the residents pay their bills online.

Clerk of Court Ashby Pritchett said his challenge is to get enough money from the state to cover operations so that the City pays as little as possible. Pritchett says yearly he makes more money than his department costs and he continues to look for additional funding. Pritchett uses a local firm for audits which saves money and time.

Registrar Cindy Barbour explained the biggest challenge for the Electoral Board would be work space and supplies. They were able to rent equipment needed for the June election but new equipment will be needed going forward. City Manager Towarnicki explained there is \$79,000 plugged into the capital for new voting equipment.

Sheriff Steve Draper explains that his department tries to get funding from the state whenever possible to save the City money. Draper thanked Council for their support towards the jail security upgrade and looks forward to additional upgrades to the building in the future. City Manager Towarnicki shared information on the Sheriff Department’s capital

April 16, 2018 Budget Work Session

requirements including the security cameras, aging vehicles and the jail security project. So far this year, inmates have attributed more than 45,000 work hours to the City.

Council went through the Commonwealth Attorney's budget with Finance Director Linda Conover answering questions. City Manager Towarnicki explained that other questions would be passed along to that department. City Manager Towarnicki began to go over City department budgets, inviting any questions from Council as needed. Council Member Bowles shared with residents that Council Members did not receive raises, nor was it requested. Finance Director Linda Conover said the last Council raise was in the early 2000s. City Manager Towarnicki assured residents that with travel costs and commitment of time, Council Members are not involved in City Council for the money.

Council Member Hodge asked about the 5% increase in Human Resources. Towarnicki said that is attributed by the realignment of some positions. Kathy Vernon explained that part of that increase is for the department consultants. Mayor Teague asked if the City has seen a decrease since offering the Wellness Program. Vernon said this year the City received a decrease in insurance but the Wellness Program also supports health screenings, exercise equipment, physicals, etc.

Finance Director Linda Conover explained the only major increase in the finance budget involves a succession plan for when she retires. Mayor Teague and Council Member Hodge discussed the opportunity to share staff between departments.

Council members have questions for the IT department manager regarding firewall funding, software costs and equipment costs. City Manager explained that one concern is the equipment in Council Chambers which is original to the room and will be costly to repair or replace.

Council Member Hodge asked Fleet Manager Lane Shively how he figured the fuel increase. Shively detailed how the costs are averaged over a 3 to 5 year period. Towarnicki explained the fuel cost increase is based on the specific department. Shively explained there are 340 vehicles in the city fleet and approximately 70 in the schools which include equipment, not just cars. Shively acknowledged that selling equipment through GovDeals brings a better sell price rather than selling at auction locally.

Police Chief Eddie Cassidy explained the biggest challenges they face with the budget is attributed to software programs and the price increase in the radar units. Every officer has a cell phone for residents to be able to contact them directly. Cassidy says they have one position unfilled and one active duty employee who is currently deployed.

Fire Chief Ted Anderson explains the biggest challenge they face in the fire department budget is being understaffed so that is the reason they are requesting a slight increase in part-time employee funding. Anderson explained the increase in radio maintenance is due to years of repairing and replacing out of date equipment, stating that the equipment needs updating.

April 16, 2018 Budget Work Session

Kris Schrader explained the increase in EMS budget is attributed to years of “wittling” the budget and eventually overusing particular budget lines when necessary. The last few years the budget on some items has been over budget but they’ve been able to absorb the costs, unfortunately it’s caught up to them this year and the budget needed to be increased on those budget items. Schrader detailed his plan if they are awarded the extra money by hiring two fulltime paramedics and using the reserve ambulance, thus reducing the occurrence of having to refer residents to other agencies. John Turner, Safety Coordinator said the biggest challenge is the telecommunication costs. There are 6 iPads which are used throughout the departments and radio maintenance on 10-year old equipment is expensive. Anderson explained an increase in Inspections which is attributed to helping with tree maintenance or removable. Money was added to the demolition line which would probably only cover one house while there are 10-20 homes in the city that could qualify. Leon Towarnicki said a market review was done, providing salary increases to some staff members to bring their salary to average. Council Member Hodge expressed concern about the 20% increase in Inspections while all other departments are flat funded or reduced. Mayor Teague asked Inspections to provide a list of properties with scaling that would qualify for demolition immediately. Council Member Bowles asked for a list of locations where properties were demolished the past 5-10 years to ensure residents on the West End that most houses weren’t solely in that location.

Mayor Teague asked Durwin Joyce to detail the reason for the proposed rate increase. Joyce provided a comparison state wide of rates as of July 17, 2018 as well as a graph of costs to the city to provide service. Council Member Hodge questioned whether the increase should be higher to plan for the potential of a “bad month” or additional increases in the near future. City Manager Towarnicki confirmed that a solar project could still be considered. Joyce described the current call center that is capable of handling calls but needs to be upgraded for emergency situations, causing an increase in that budget line. Mike Scaffidi and Ronco are looking at options; the goal is that callers not get dead air or silence. Callers should reach a person, get a message, have the opportunity to leave a message or at least get a busy signal. Joyce explained that substation checks are done monthly but every 3 years outside contractors with special equipment are hired to do the checks. About 35% of outages are caused by trees that are not on the City right of way so not associated with faulty City equipment. Underground lines would be very expensive. Power outages related to faulty City equipment are few.

There being no further business, the meeting adjourned at 9:30 pm.