

April 12, 2017 Budget Work Session

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 12, 2017, 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 (6:30pm-7:45pm), Council Member Kathy Lawson, and Council Member Sharon Brooks Hodge. Council Member Jennifer Bowles was not present. 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, Fire Chief Ted Anderson, Human Resources Director Kathy Vernon, MiNET Director Mike Scaffidi, Emergency Management Bobby Scott, MIS Esther Artis, Public Works Chris Morris, Senior Center Betsy Pace, Police Chief Sean Dunn, Police Captain Rob Fincher, Assistant Police Chief Eddie Cassidy, and Utilities Director Durwin Joyce.

Mayor Teague opened the meeting.

City Manager Towarnicki explained that department heads were not prepared to make formal presentations but they are present if Council has questions or if there are important aspects that the department head needs to share regarding budget.

Teague stated that the City is in a tough financial position and no one wants to cut funds or increase taxes. Although he feels that everyone does an amazing job throughout the City, he does have some tough questions across the board to make the best decisions. Council Member Hodge explained that her questions are based on the strategic plan and she hopes Council will make strategic decisions relating to the budget. Council Member Lawson said it's not an easy budget and everyone will make sacrifices but they hope to make the best decisions.

Fire Chief Ted Anderson presented a summary of how the budget cuts will affect the Fire Department, specifically the part-time personnel. Mayor Teague asked for an honest assessment of what cost savings could be generated by closing the Southside department. Anderson said an analysis would cost money and basically Southside doesn't cost anything to operate, explaining that the building is paid for, maintenance is free and if the station is closed then the Fire Department will lose ISO points. In addition, the response time for both Fire and EMS calls will be affected. Kris Schrader explained the software used by the department.

Why we employ Part-Time Personnel:

The Department's part-time program was created in 2004 to increase our daily staffing to seven to help ensure compliance with OSHA's 2 In/2 Out rule. Earlier that year (2004) we began operating two advanced life support ambulances. The department took on this additional responsibility without any additional staffing. In addition, there has been a decrease in the number of City volunteer firefighters; therefore, leaving career full time staff answering all emergency calls.

Our annual call volume went from 400 calls a year to 2,448 calls in 2005. Our annual call volume has steadily increased to 3,018 in 2016. This additional demand on staff made it increasingly more difficult to adhere to OSHA's 2 In/2 Out rule and caused delays in fireground operations.

With the addition of one part-time person we were able to increase our minimum daily staffing to seven. We have designed our operations around having seven personnel on duty 24/7. However, due to cuts endured FY17 we have begun operating with a minimum staffing of six during non-peak times.

Peak times are 09:00 to 21:00. During FY17 we have only utilized part-time staff to cover peak time shifts. Overtime for full time staff is used to cover any unfilled shifts. In the event neither part-time nor full time staff are available, the shift goes unfilled and minimum staffing remains at six for the day.

Effects of Eliminating Part-Time Staffing:

Minimum daily staffing would be decreased to six, 24/7, therefore decreasing our ability to:

- Perform interior firefighting operations (OSHA's 2 In/2 Out rule, firefighter safety, fireground efficiency – only completing one fire ground task at a time verses multiple tasks simultaneously)
- To staff various apparatus /answer multiple calls at the same time (six personnel to staff: two ambulances, two engines and one ladder truck; specifically, only staffing one unit [an engine or an ambulance] out of our Southside Station).
- To perform necessary auxiliary services (such as, car seat installations, smoke detector installations and fire prevention and life safety educational programs).
- Decrease in ISO Public Protection Classification (our ISO rating is currently '3').
- Full-Time staff to take annual leave and/or compensatory time (currently some staff are or have lost vacation and holiday hours).
- Cost effectiveness
- Losing pool of trained/certified potential fulltime firefighter candidates (succession planning)

Police Chief Sean Dunn detailed the previous year's significant budget reduction and the affects that it has had on the department. The FY18 additional reduction would cost the department three additional police officer positions. The Police Department has made significant headway in crime prevention by 59% but it's taken an excess of overtime because of the previous reduction. If not for JAG funding, the Police Department would be in a very tight spot. Mayor Teague asked that the number of vehicles tagged and insured by the City be looked at.

Kathy Vernon, Human Resources Director said they were able to cut several line items including advertising which is reduced by 50% since most marketing is done online, retirement, unemployment, and wellness.

Mayor Teague asked about the possibility of school purchasing being handled by the City Purchasing Department certified employees.

Esther Artis explained that the Information Service department maintains approximately 250 computers throughout the City with replacement turnover every 5-7 years.

Chris Morris explained the increase in staffing for Public Works is related to a new part-time custodian at the shop. The Garage maintains all City vehicles including Fire, Police and schools. Up until recently, some vehicle repairs were outsourced because there was not enough staff to keep up. All employees in the garage are ASE Certified. Finance Director Linda Conover explained that the Public Works Administrative position was divided between Public Works, Water and Telecom. Morris explained that the Engineering vacancy will not be filled and those responsibilities will fall on the Public Works director. Morris and Towarnicki summarized and answered questions regarding budget plans for Street Maintenance, Street Construction, and VDOT. Council asked City Attorney Monday to research the lease agreement on City leased parking lots and if that lease is required to continue. Morris explained that the electric service increased for the Incubator building because they are near full capacity. Council Member Hodge asked to look at the telecom budget line item for each department. Morris explained they are in negotiations with a competitive cell phone company offering better rates. Mayor Teague said it may be time to look at the policy of which employees get cell phones and could long distance calls be made on cell phones instead of office phones. Morris detailed departments recognizing the requested 5% budget decrease and explained the upgrade needed for the garage to cushion excessive electric charges.

Betsy Pace of the Senior Center explained that their full-time office associate retired and was replaced by a part-time employee. Pace said additional reductions resulted in a decrease of \$25,000. Postage was reduced as newsletters are no longer mailed but distributed to outside agencies and on the bus. City Manager Towarnicki has had discussions with the local YMCA about taking on some of the Senior Center activities but the transportation by the Senior Center is a big task. Council Member Hodge suggested using the PART bus to pick up some of the transportation needs.

Public Work Director Chris Morris proposes to add one full-time person in Refuse to replace a part-time employee who will be retiring soon. Morris explained that the landfill budget increased due to mandated solvent pit work.

Mike Scaffidi requesting one additional MiNET employee to adjust for the increase in service and customers and will provide for increased business and better customer service. Additional increases requested for equipment maintenance and warranty. Scaffidi confirmed that the increase in expenses would be compatible with

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the increase in revenue. His department is also looking at technology to provide a near zero long distance charge.

Andy Lash of Water Resources explained the increase in full-time salary would be attributed to adding one new employee, creation of the construction crew and the reallocation of staff.

Durwin Joyce of the Electric Department explained there was an increase in purchase power however he has not asked for a rate increase. Joyce explained money has been added for a customer portal to keep customers updated on outages and power bill history. Full-time staff budget increased since multiple employees are receiving certification and receiving pay scale raises. Council Member Hodge asked about the change in utilities bills since the new meters have been installed. Joyce explained they projected a 1% increase with the new meters however the meters have not been in place long enough to compare. Old meters may have moved a little slower than actual usage resulting in a lower bill previously.

There being no further business, Council Member Hodge made a motion to adjourn the meeting, Council Member Lawson seconded the motion with all Council Members in favor. The meeting adjourned at 9:35pm.

Karen Roberts, Clerk of Council

Gene Teague, Mayor