



**ROCKY MOUNT TOWN COUNCIL
FISCAL YEAR 2023
BUDGET WORK SESSION NO. 1
APRIL 12, 2022
5:00 p.m.**

The following members
of Council were
present:

Mayor Steven C. Angle

Vice Mayor Jon W. Snead
Council Member Billie W. Stockton
Council Member A. Ralph Casey
Council Member Mark H. Newbill
Council Member J. Tyler Lee (in at 5:08 pm)
Council Member Robert L. Moyer (in at 5:02 pm)

The following staff
members were also
present:

Robert Wood, Town Manager
Rebecca H. Dillon, Town Clerk/Executive Admin. Assistant
Mark Moore, Assistant Town Manager
Daniel Pinard, Cultural Economic Development Director
Brian Schofield, Public Works Superintendent
Tim Burton, Wastewater Treatment Plant Superintendent
Dennis (Moe) Potter, Wastewater Treatment Plant
Amy D. Gordon, Assistant Finance Director
Vincent Copenhaver, Finance Specialist, CPA
Mark Lovern, Interim Chief of Police

The FY2023 Budget Work Session No.1 of the Rocky Mount Town Council (hereafter referred to as "Council") was held in the Council Chambers of the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia, with Mayor Steven C. Angle presiding.

1. Roll Call

The Town Clerk called the names of the members, and all members were present except Council Member Moyer and Council Member Lee as both men arrived a few minutes late.

2. **Approval of Agenda**

Prior to the meeting, Council received the agenda for review and consideration of approval.

Motion: To approve the agenda as presented

Motion By: Council Member Stockton

Seconded: Council Member Newbill

Motion Discussion: None

Ayes: (6): Vice Mayor Snead, Council Member Casey, Council Member Lee, Council Member Moyer, Council Member Newbill, and Council Member Stockton

Approved (6 to 0)

3. **Fiscal Year 2023 Budget Work Session No.1**

Town Manager Wood began the work session by resending to Council a preliminary review of the budget. Items impacting the budget included the inflation increase of 8.5% from March 2021 to March 2022—the highest increase in 40 years. The Municipal Cost Index was at 11.99% which was almost 50% higher than the general inflation number. There was \$2.45 million in ARPS funds for FY2023, that helped the Town cover the majority of the capital projects proposed for FY2023 were \$3.2 million.

Utility Rates

There was a proposed rate increase of 8% for utility rates. The revenue for water in the proposed budget was \$1.3 million and wastewater was approximately \$803,000 for a total of approximately \$2.1 million. The rates the Town currently charges are below where the rates should be to cover current and future expenses. The amount that would be gained by the 8% rate increase would be a total of \$170,000. As Council discussed the 8% proposed increase in the utility rates, Vice Mayor Snead suggested only increasing the utility rates 4% and the Town could also hire an analysis group to perform a rate study on the Town's utility rates that could be reviewed in January 2023. The current average customer pays \$42.69 per month for a combined water and wastewater bill. With the 8% proposed increase, this average would increase approximately \$3.42 per month.

Capital Improvements

The Town has a \$49 million debt ceiling. Outstanding debt for the Town was approximately \$6 million. Proposed to Council was to take \$700,000 from the Town's fund balance, which was \$7.7 million, to perform capital improvements included in the budget. Council Member Newbill asked if any of the proposed projects could be financed instead of using fund

balance. After discussion, Council agreed on a 4% increase for utility rates, to review the rates again in January 2023, and review debt. Mayor Angle and members of Council discussed what the rate might be if the Town borrowed the money to fund capital improvements that were needed, what that timeline might look like, and what services might be involved with borrowing the money. Mayor Angle asked if an estimated rate could be presented to Council during Budget Work Session #2.

Labor Issues

The current labor shortage has challenged all employers and the Town to not only find new staff where there were openings but also to retain current staff. A cost-of-living adjustment was proposed to even out the pay scale in place and to keep the Town competitive with the current job market. Staffing changes include converting one contract position at the Farmers Market to a part-time position and adding one more person to the staff of the water plant.

Town Manager Wood began the process of taking Council through the FY2023 Proposed Budget.

The largest change in the Government Administration section was in personal expenses. Some performance measures were also added to a few of the department's narratives.

Council Member Lee asked if a TSA PreCheck could be provided by the Town as an additional service with our passport program. Council Member Lee asked if the Town could look into the service.

A new change for FY2023 involves the allocation of Public Works labor to be budgeted in Public Works Administration. The budget will then be moved throughout the year to offset the actual labor charged in each area.

The Harvester Performance Center will now be included as a department under Community Development. Page 68 of the FY2023 Proposed Budget, shows the grand total of the Harvester Performance Center as \$483,300.

Town Manager Wood shared with Council that the debt limit set by the State was \$49,000,000 in an effort to show that the Town was under the debt ceiling set by the State which was considered to be 10% of assessed value.

Council Member Lee asked if the Town could look into doing grants for local restaurants to bring in artists to perform as doing so might reduce the amount of funds that the Town invests into the Harvester. Members of Council discussed asking Cultural Economic Development Director Pinard to pursue a preliminary search for possible grants to help with the Harvester funding.

FY2023 Proposed Budget provides a list of special events and outside agency contributions on page 61 and 73. The schedules show the FY2022 adopted budget

amount as well as the FY2023 requested amount regarding the Ferrum Express Bus Service. Council Member Lee shared that perhaps the funding from the Town for the bus service could be better used. There was no number available for the ridership of the bus at the time of the meeting, but Town Manager Wood would obtain those numbers. Council notes the Muse Ball Field Music Festival request for \$2,000 was new this year due to the community beginning to lose some of the Ball Fields. Muse Ball Field (rich in history) requested funding to help the ballfield stay open for the community. Other events discussed were Come Home to a Franklin County Christmas (the Town provided \$1,100 for porta-potties in FY2022 which will be included in the amount requested for FY2023) and Cruisin' Rocky Mount VA Inc. (the Town provided porta-potties for each event held in FY2022. This amount was included in the amount requested. The Rotary Club Fourth of July Festival requested an additional \$1,000 for FY2023. Mayor Angle asked for any updates to be provided to Council so they might revisit the contributions at the second work session.

Town Manager Wood reviewed the proposed agency contributions. Council Member Lee shared that the amount of \$16,500 for contributions was more than sufficient. Mayor Angle stated that Council should review the contributions again during the Work Session No.2 and finalize the list at that time.

4. Adjournment

Motion: To adjourn

Time: 6:06 p.m.

Motion By: Council Member Stockton

Seconded By: Vice Mayor Snead

Motion Discussion: None

Ayes: (6): Vice Mayor Snead, Council Member Casey, Council Member Lee, Council Member Moyer, Council Member Newbill and Council Member

Approved (6 to 0)

Action: Meeting was adjourned

Steven C. Angle, Mayor

ATTEST:

Rebecca H. Dillon, Town Clerk