



GATE CITY TOWN COUNCIL MEETING MINUTES
JUNE 15, 2011
PUBLIC HEARING – 2011-2012 BUDGET
156 E. JACKSON ST.
6:00 PM

• **PUBLIC HEARING: TOWN BUDGET FOR 2011-2012**

I. Mayor, Mark Jenkins called Public Hearing to order at 6:19 P.M.

II. **ROLL CALL** Town Clerk, Kathy Riley

Present: Mayor, Mark Jenkins
Council Member, Roger Cassell
Council Member, Randy Lane
Council Member, Frances Perry
Council Member, Wallace W. Ross, Jr.

Absent: Vice Mayor, Tommy Herron

Others present: None

III. **NEW BUSINESS**

- **Public Hearing on the 2011-2012 Budget**

IV. **PUBLIC COMMENT**

None

Close Public Comment at 6:20 P.M.

COUNCIL COMMENT

Mayor Jenkins – Asks if there are any comments from Council?

Council Member, W. W. Ross, Jr. – Questions budget's reduction of \$100,000.00 with Street budget cut from \$30,000 to \$25,000, was it necessary? Couldn't find where that \$5,000.00 went.

Mayor Jenkins - Explains it was a reduction to help balance the budget.

Town Treasurer, C. Edwards – States, that wasn't the only capital line item that was cut, with the Finance Committee going through the budget line by line.

Council Member, R. Cassell – Explains Street was cut to \$20,000.00 but additional funds were found from the banks and he requested an increase of \$5,000.00 to be placed back into the Street fund.

Council Member, W. W. Ross, Jr. – Asks of possibility of it being increased to \$30,000.00

Council Member, R. Cassell – States, yes it's possible if revenues are up and further explains the cuts to the Police Department.

Council Member, W. W. Ross, Jr. – Asks how much was cut

Town Treasurer, C. Edwards – Explains the synopsis that he provided him explained where the cuts were done. Further stating if the 2.7 million wasn't added in it would have reduced 7% to the Water Fund with 13% to the General Fund.

Council Member, W. W. Ross, Jr. – Questions audit costs up to \$34,000.

Town Treasurer, C. Edwards – States it covers for the 09 audit and will have two audits within one year.

Council Member, W. W. Ross, Jr. – Questions the May 31, 2011 revenue/expenses with the Fire Department and his (Treasurer) travel amount.

Town Treasurer, C. Edwards – Asks him what he is talking about and he does not have the report that he is looking at.

Council Member, W. W. Ross, Jr. – Questions Treasurer salary, travel expense and FICA line items.

Town Treasurer, C. Edwards – Explains salaries for himself, Town Manager, Clerk, Office Manager, are spread out through different departments of the budget doing work for administration side, but also for the sewer, the water, public works, police department

Council Member, W. W. Ross, Jr. – Questions amounts for travel between Town Manager and Treasurer, why Treasurer is higher, more travel?

Town Treasurer, C. Edwards – Explains it varies, usually not. With not having a Town Manager for so long was a reason for putting it down. But upon return or hiring of a Town Manager, if they travel more we can take it out of another category over into administration travel. We can reallocate some of the travel from one category to another.

Council Member, W. W. Ross, Jr. – Questions line items for special programs.

Town Treasurer, C. Edwards – Asks, you talking about contributions? Explains was able to keep the contributions and provides the names of the organizations.

Council Member, W. W. Ross, Jr. – Questions the Fire Fund grant. 95 grant. What is that?

Council Member, R. Cassell – Explains it is a grant that the state of Virginia started in 1995 and it is based on what is taken in through insurance premiums and it just flows through. The Town applies for it, it comes to the Town and the Town writes a check to the Fire Department. We have to show it to make the budget balance.

Town Treasurer, C. Edwards – Explains it is strictly for them where they are a financial agent, we are simply a pass through facility for that. But we have to show it as revenue and expense, it zeroes out.

Council Member, W. W. Ross, Jr. – So, the fire department doesn't have to do an audit?

Mayor Jenkins – Explains they give a full disclosure on what they spend. They have to, it is required by the grant itself.

Council Member, W. W. Ross, Jr. – Questions monthly payment of \$94.60 to the fire department.

Town Treasurer, C. Edwards – Asks if he is going back to the May Treasurer's report which plays into effect in there, but should have been discussed last night. Explains the \$94.00 is probably where we pay their water bill.

Council Member, W. W. Ross, Jr. – Questions their water bill is \$2,100.00.

Town Treasurer, C. Edwards – Explains their monthly contribution is \$2,100.00 and rest is the donation towards their water bill to offset it.

Council Member, W. W. Ross, Jr. – Questions the increases for Moccasin Hills, Cardinal Lane and Hunters Crossing.

Town Treasurer, C. Edwards – Explains their expenses are up this year. They're using more water. We have to increase it to match the anticipated expenses for next year. It's not a set fee. It's a set fee on what they pay and explains the balances for each subdivision.

Council Member, W. W. Ross, Jr. – Questions if there will be any tax or water increase for next year.

Town Treasurer, C. Edwards – Explains if we receive the grants, they will have to be paid back over a 30 year period, so an increase to water and/or garbage may occur to help pay back those loans.

Council Member, W. W. Ross, Jr. – Questions status on receipt of taxes.

Town Treasurer, C. Edwards – Explains there are still some delinquent, but trying to collect.

Town Attorney, M. Brooks – Explains she is working with Chris to get our delinquent taxes taken care of.

Town Treasurer, C. Edwards – Discusses the Finance Committee going through each line item, looking at revenue and expenses to see status whether over or under. Explains different areas where the Finance Committee was able to adjust category line items, i.e. salary, police department, fuel, capital items and water department. States a budget is just an itemized summary of an estimate or intended expenditures for a given period of time. This is not set in stone. This is just a guideline for us to follow of our best guess estimate and we can go back and change if we have to. We can re-appropriate from one line item to another.

Council Member, W. W. Ross, Jr. – Questions that our budget for 08, 09 and 10 are just guideline that we go by to follow?

Town Treasurer, C. Edwards – Responds any budget is a guideline to follow. Even your home budget is a guideline for you to follow. Sometimes you go over, sometimes you go under.

Council Member, R. Lane – States, I guess it's a proposed budget for the future where as the 08/09 would be historical. That's the way it was.

Town Treasurer, C. Edwards – Responds, exactly.

Council Member, R. Cassell – Discusses Finance Committee's determination for auxiliary officers, vehicles, and teasers for the police department.

Council Member, R. Lane – Discusses his involvement, their reviewing each line item and was well pleased with the way it turned out.

Mayor Jenkins – Asks if there are any further comments or questions.

V. Public Hearing closes at 6:45 P.M.

Mayor Mark Jenkins

Town Clerk, Kathy Riley