



GATE CITY TOWN COUNCIL MEETING MINUTES

June 23, 2010

156 E. JACKSON ST.

6:00 PM

I. COUNCIL MEETING CALL TO ORDER

Mayor Jenkins called the meeting to order at 6:00 PM.

II. ROLL CALL – Deputy Town Clerk Judy Guinn

PRESENT: Mayor, Mark Jenkins ABSENT: Council Member, Tommy Herron
Vice-Mayor, Rita Tipton
Council Member, Cindy Coates
Council Member, Ashley Jenkins
Council Member, Frances Perry

Others Present: Town Attorney, Mike Carrico; Town Manager, Steve Templeton; Town Treasurer Chris Edwards; Benny Reed; Lisa McCarty; Jim Addington

III. NEW BUSINESS

A. Public Hearing on 2010-2011 Budget

Public Comment

Benny Reed – It looks like I am the only one that cares. My name is Benny Reed and I want to thank you for this opportunity to comment on the proposed budget of the Town for the coming fiscal year. I truly believe that each of you want what is best for Gate City. My comments are in no way intended to question the honesty or commitment of anyone on this Council. Traditionally, when Scott County has a property tax assessment the Gate City Town Council just stays quiet and reaps the benefit of a tax increase without calling it that and without adjusting the tax levy. It was that way when I was on the Council. It was not right then and it is not right now. Thankfully, the State Legislature recognized this and requires you to call it a tax increase in a separate public hearing before you can adopt your budget. I do not see how you can justify adopting a budget that puts at least a 20% property tax increase on each property owner in this town and even more on others such as myself. As yourself what you have done as a governing body to increase the value of the properties when you turn off of Jackson Street. The streets leading to our property are dotted with properties that are not maintained, thus making our property worth less but our property taxes increase. I commend you for the property maintenance ordinance you have adopted, but you need to enforce them. Our economy has suffered through the worst 10 years since the 1930's and has still not recovered. To raise the property tax of Gate City as this time

when actual property values have declined no matter what the assessment says, will only punish the ones who have always tried to play by the rules and have paid into the system. Additionally, your budget process is flawed because your audit process is flawed. Until you can tell the tax payers of Gate City through an independent audit where the \$17,000.00 is that the budget was out of balance in 2006-2007 and make public the audits for the fiscal years ending in 2008 and 2009, you should not propose any kind of tax increase. To do so is irresponsible. How can we know if the Town books for those years (2008/2009) were balanced or not? The most important thing you do is the management of the public's money and sharing with us how it is used. You should exceed the Freedom of Information Act where the Public's money is concerned. I can speak only for myself and I assure you I am adamantly opposed to your budget that includes approximately \$66,000.00 of new property tax dollars. It is pathetic that there is only one more person here tonight to talk about the budget of this town for next year. I believe you should remove that \$6,000 from budget.

Mayor Mark Jenkins thanked Mr. Reed and asked if there were any other comments?

Town Attorney Carrico stated he has a couple questions, not as a Town Attorney, but as a tax paying citizen. His question was there is \$66,000 increase as Mr.Reed was saying. How much money are you setting aside, putting in reserve for our next garbage truck or significant purchase? He said he did see that and was wondering if there is any money being set aside for expenses that may come about or are we using money to increase salaries, but asked what are you using that extra money for?

Town Manager Templeton stated there are capital items in case we do have to buy a new truck and we will have one vehicle paid for this year. The last truck purchased was only financed for two years. It will be paid for in December. That will leave a surplus there and if needed we do have some capital items in there.

Town Attorney Carrico stated his next question, as a citizen. It is his understanding that there is a proposed 6% salary increase across the board for employees?

Town Manager Templeton stated that is figured in as a gross, if the Personnel Committee and Council votes that much in. We had to show it, otherwise we wouldn't have had any in there available. That is subject to Council on the advice of the Personnel Committee.

Town Attorney Carrico asked some people can get 10% and some 3%? Is that an average? What is that 6%?

Town Manager Templeton stated no, 6% is what the Personnel policy says we give 0 to 6%. That is in the Personnel policy.

Town Attorney Carrico asks you have budgeted for 6%.

Town Manager Templeton stated we have budgeted for 6 % and it will be subjected, again, to Council on the basis of the performance reviews.

Town Attorney Carrico asked with an additional 5% that's proposed

Town Manager Templeton – We are proposing Council pay the 5% which is retirement that is deducted from employee's paychecks right now for a couple reasons. One the adjacent localities, including, Scott County, Weber City already pay that. A large percentage of the localities in

Virginia do that. The retirement law is changing effective July 1, 2010. That basically will be a core retirement. It will be your five high years rather than your three high years and will be removing the option for municipalities to automatically pay that 5% that has to be passed by a resolution either in this meeting or the next meeting. That's the main reason why we are putting it in there. We have lost employees, in the past, to other jurisdictions which pay that 5%. Some jurisdictions pay that 5% and the insurance. We didn't put anything in about the insurance.

Town Attorney Carrico asked so, what the town is really proposing is an 11% increase? States he is all for employees getting pay raises.

Town Manager Templeton replied potentially, yes. That 5% is pre-tax dollars. It will result in the employee having a little more put in their pocket without their income actually going up. We will be more competitive in the area of retaining our employees.

Town Attorney Carrico asked as the Personnel Committee or Town Manager, if you propose this 6% plus the 5% and you're not sure what people are getting with this budget adopted July 1, when were you planning to determine this?

Town Manager Templeton stated not sure he understood his question.

Town Attorney Carrico replied doesn't understand the when and how, if you propose a 6% increase in salary, plus an additional 5%, if you don't know what your employees will be getting because they haven't been evaluated yet, asks when?

Town Manager Templeton replied they are in process of being evaluated now. They will be evaluated before the end of this fiscal year and give it to the Personnel Committee.

Town Attorney Carrico stated that answered his question and further stated was all he had as a citizen.

Mayor Jenkins asked if there were any other questions or comments. He asked if the Treasurer had any comments.

Town Treasurer Edwards stated he did not.

Mayor Jenkins closed the public hearing at 6:10 PM.

Mayor Jenkins announced that there was another meeting scheduled to adopt budget on July 7, 2010 at 7:00 P.M. He thanked everyone that came out.

***Mayor Jenkins adjourned the meeting at 6:12 PM**

Mayor Mark Jenkins

Town Clerk Kathleen Riley

