

**Staunton City Council
WORK SESSION
Caucus Room
April 20, 2011
5:30 PM**

Call to Order

- 5:30 PM**
- 1. Question and answer summary**
 - 2. SPCA/Augusta County animal shelter discussion**
 - 3. Health Department requested increase, \$12,941**
 - 4. Summary of budget cuts**
 - 5. Line of Duty Act**
 - 6. Refuse rate increases**
 - 7. Other questions**

Adjournment

CITY OF STAUNTON

PROPOSED FY 2012 BUDGET QUESTIONS AND ANSWERS

1. What would it cost to add a 3% salary increase to the constitutional officers?

\$41,600. Constitutional Officers that wish to be on the team for salary increases should play by the same rules as the rest of the team. That means following the City's personnel policies (holidays, time- keeping, overtime pay, leave accruals, etc.) and grievance procedure. Also, if they accept a City raise, any salary increases or bonuses from the state should be turned over to the City's general fund to help offset existing salary supplements from the City.

2. Where do we stand with respect to police and fire manpower with respect to a couple of years ago?

The Fire Department is down four positions, from 31 to 27. The Police Department is down two positions, from 58 to 56. This does not include any unfrozen vacancies that we are currently trying to fill, but rather is a count of authorized positions then and now. Because our three Fire shifts should be equally manned, we would need to hire at least three to keep the shifts balanced. Balanced shifts are not as important with Police.

1. What is the revenue neutral tax rate?

A penny on the real estate now equates to \$167,176. It was \$180,541 before the 2011 reassessment. The revenue neutral tax rate would have been \$. 97. Seven additional cents would provide a total of \$ 1,170,232 additional dollars.

2. Provide some history of City funding for Woodrow Wilson Presidential Library:

FY 1995	\$ 5,000	FY 2004	\$ 8,000
FY 1996	\$ 5,000	FY 2005	\$ 8,000
FY 1997	\$ 5,000	FY 2006	\$ 8,000
FY 1998	\$ 5,000	FY 2007	\$45,000
FY 1999	\$ 5,000	FY 2008	\$25,000
FY 2000	\$ 5,000	FY 2009	\$22,500
FY 2001	\$10,000	FY 2010	\$10,000
FY 2002	\$ 8,000	FY 2011	\$10,000
FY 2003	\$ 8,000	FY 2012	\$10,000 (Proposed)

3. What is PILOT on page 23?

Payment in Lieu of Tax. Each year we prepare a cost allocation plan for all of the City's funds that provides a basis for charging the Enterprise Funds for services performed by the General Fund employees in support of the Enterprise Fund operations. The charges can change significantly each year based on the level of work performed for the Enterprise Funds. For example, more engineering costs were charged to the Sewer Fund in the past year because of the capital project for the replacement of the Central Avenue sewer line.

4. What is the Filterra Project on page 63?

The Filterra Project is the retro-fitting of two or three storm inlets in the downtown area with a filter media for pollutants. Each one includes a new tree to "eat" the pollutants and maybe some sidewalk widening to accommodate it all. The City's use of this technology will show the community how it works before we urge (or try to require) its use in private development projects.

5. Shouldn't the recycling rate be shown on page 72?

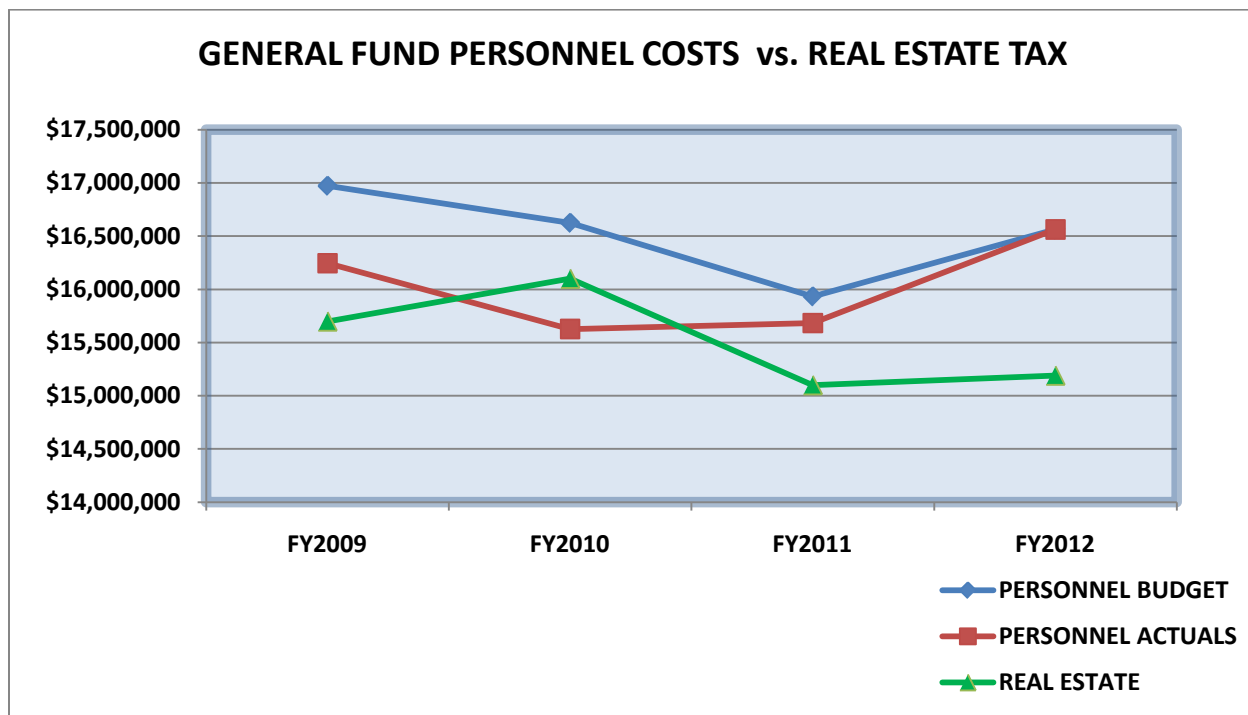
Yes. It has been added.

8. What would be the cost of providing the proposed 3% raise for all employees on July 1 rather than September 1?

\$66,470, not counting constitutional officers. The three reasons behind proposing a delay: 1. the delay saves money, 2. it is more in line with school system's timetable for an employee bonus, and 3. covering the estimated 25% health insurance increase is also proposed - at a substantial cost.

9. How is it possible to suffer a million dollars loss in tax revenue as a result from the reassessment, not increase the tax rate to neutralize the impact, and still provide an operating budget for the City?

The FY2012 Budget is the result of the past three years' recognition of the City's overall financial status due to the economic downturn and decisions to control expenditures for personnel (wages and benefits costs) and other expenditures for the City. The City has lost 26 full-time positions and numerous part-time positions since FY2009, due to a hiring freeze implemented in August 2008, retirements, and other terminations. From FY2009 to FY2011, the City has cut personnel expenditures by \$1 million dollars. The FY2011 Budget was developed projecting an 8% decline in real estate values equal to \$1.1 million less in real estate tax revenues. The actual decline from the reassessment was 7.1% for the total taxable value. The decline in real estate tax revenue has mainly been offset by the decrease in personnel expenditures during this time period. Although the FY2012 Budget has increased expenditures for personnel and anticipates flat real estate tax revenue compared to the FY2011 Budget, the budget shows the City is becoming less reliant on the real estate tax revenue, using other revenues such as meals tax, lodging tax, personal property taxes, etc., to fund government services. The chart below gives data on the budgeted personnel costs versus the actual personnel costs, and the real tax revenue budget for FY2009-FY2012.



Jim Halasz

From: John Rorrer [john.rrorer@eandeplumbing.com]
Sent: Tuesday, April 19, 2011 3:17 PM
To: Jim Halasz
Subject: spca

Jim and Mike,

the spca reached an oral agreement with Augusta county on a 300k contract for 10 years-the county will contact you and wboro on figuring each locality's share. I made it clear the spca would not be involved in that. Once that is determined and the proper council's,board's ,etc approve then we will write 3 contracts and execute with each locality before July1 ,2011.

contract is 300k for first 3 years and will fluctuate with the CPI years 4 thru 10 - it cannot go below 300k.
we asked to rework the liason thing as only Staunton shows up ,maybe quarterly meetings with a designee.

I hope this will put this puppy to bed.

i am sure Pat or someone will be in touch .

thanks,

john rorrer

**SPCA
Proposal**

- A) Augusta County, Waynesboro and Staunton \$300,000
- B) Three years Fixed
- C) Additional seven years with CPI escalation clause (overall CPI)
- D) Base \$300,000 (not to go lower)
- E) An elected official can be an SPCA Board member (if locality so desires)

H:\Word\SPCA Proposal

Animal Shelter Proposals

	<u>Regional Shelter</u>	<u>SPCA</u>	<u>Compromise</u>
Augusta County	\$187,330	248,946 (62%)	186,000 (62%)
Waynesboro	49,437	72,144 (18%)	54,000 (18%)
Staunton	<u>58,922</u>	<u>80,166</u> (20%)	<u>60,000</u> (20%)
	\$295,689	\$401,256 (100%)	\$300,000 (100%)

- A) Three years Fixed
- B) Additional seven years CPI escalation clause



**Central Shenandoah Health District
Augusta-Staunton Health Department**

P. O. Box 2126
Staunton, VA 24402-2126

IN COOPERATION WITH THE
STATE DEPARTMENT OF HEALTH

TELEPHONE NO.
540-332-7830 ext. 341
FAX 540-885-0149
Douglas.Larsen@vdh.virginia.go

City of Staunton
Jeanne Colvin
Director of Finance
P. O. Box 58
Staunton, VA 24402-0058

Re: 2012 Budget Change

The following information has just come to us regarding the 2012 budget, and necessary changes that require action for Health Department funding. If there are issues due to these changes, please contact me to discuss them or gain clarification.

Starting in 2008 and increased over a two-year period, permit fees for food establishments were raised from \$40 to \$285 by the General Assembly. This allowed a reduction of state funding to local health departments, and reduced the local match as well. For 2012, the General Assembly has made the decision to return to those original rates, and will provide the state financial support for this legislation. In turn, the localities will be required to support this through local match, in addition to the budgeted figures already presented to each respective locality. I have attached the spreadsheet, which offers details of the additional funds needed for 2012, from each of the localities in the Central Shenandoah Health District. This will be based on the number of food establishments in each of the jurisdictions, and the specific match percentage for each locality.

We appreciate the commitment and support of all the localities in our district, and hope that this legislation will enable food establishments to operate with fewer encumbrances under the new fee structure, and continue to maintain local jobs and tax revenue.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Douglas Larsen".

G. Douglas Larsen, Health Director
Central Shenandoah Health District

Environmental Health-Permitted Facilities (3-1-2011)
Estimate of Local Share Needed to Match GF Allocation per 2011 General Assembly

District	Locality	GF %	Local Match %	Camp-grounds Permit	Food Establish-ments Permits	Hotels Permit	Summer Camps Permit	Total Facilities	% of Total Facilities Statewide	Distribution of GF Share	Local Share Needed	Total
										\$ 4,288,487		
Central Shenandoah	Augusta	57.224%	42.776%	6	172	22	2	202	0.69%	29,460	22,022	51,482
Central Shenandoah	Bath	61.725%	38.275%	4	30	15	5	54	0.18%	7,875	4,883	12,758
Central Shenandoah	Buena Vista	79.401%	20.599%	0	14	2	0	16	0.05%	2,333	605	2,938
Central Shenandoah	Harrisonburg	62.174%	37.826%	0	227	25	0	252	0.86%	36,752	22,360	59,112
Central Shenandoah	Highland	73.367%	26.633%	0	10	6	3	19	0.06%	2,771	1,006	3,777
Central Shenandoah	Lexington	77.433%	22.567%	0	26	6	0	32	0.11%	4,667	1,360	6,027
Central Shenandoah	Rockbridge	59.464%	40.536%	7	128	44	5	184	0.63%	26,835	18,293	45,128
Central Shenandoah	Rockingham	58.503%	41.497%	3	138	17	4	162	0.55%	23,626	16,758	40,384
Central Shenandoah	Staunton	60.864%	39.136%	0	120	18	0	138	0.47%	20,126	12,941	33,067
Central Shenandoah	Waynesboro	59.393%	40.607%	0	95	13	0	108	0.37%	15,751	10,769	26,520
Central Shenandoah Total				20	960	168	19	1,167	3.97%	170,196	110,997	281,193
Grand Total for All Health Departments				294	26,913	2,073	125	29,405	100.00%	4,288,483	3,114,583	7,270,787

STAUNTON AUGUSTA WAYNESBORO HEALTH DEPARTMENT

FY 2012	\$ 256,648	PROPOSED BUDGET
FY 2011	\$ 236,494	ACTUALS
FY 2010	\$ 228,361	ACTUALS
FY 2009	\$ 255,760	ACTUALS
FY 2008	\$ 253,439	ACTUALS
FY 2007	\$ 248,859	ACTUALS
FY 2006	\$ 230,385	ACTUALS
FY 2005	\$ 211,697	ACTUALS
FY 2004	\$ 216,326	ACTUALS

REQUESTING ADDITIONAL \$12,941 -FY 2012

FY 2012 GENERAL FUND BUDGET CUTS

INFORMATION TECHNOLOGY

COMPUTER EQUIPMENT	\$	20,000
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POLICE DEPARTMENT

2 FULL TIME POLICE OFFICERS	\$	91,631
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1 POLICE VEHICLE	\$	25,000
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FIRE DEPARTMENT

3 FULL TIME FIREFIGHTERS	\$	133,703
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1 FULL-TIME DEPUTY CHIEF	\$	69,103
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LIBRARY

1 FULL-TIME CHILDREN'S LIBRARIAN	\$	50,045
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1 PART-TIME PUBLIC INFO OFFICER	\$	16,105
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PARK MAINTENANCE

FACILITY IMPROVEMENTS-		
LIGHTS AT VOLLEYBALL COURT	\$	14,000
IRRIGATION LINE FOR FOOTBALL FIELD	\$	6,000
GREENS MOWER	\$	30,000

PUBLIC WORKS

PAVING	\$	300,000
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HEALTH DEPARTMENT

PERMIT FEES FOR RESTUARANTS	\$	12,941
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ECONOMIC DEVELOPMENT

PROFESSIONAL SERVICES	\$	11,000
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OUTSIDE AGENCIES

BOYS AND GIRLS CLUB	\$	20,000
STAUNTON PERFORMING ARTS	\$	6,000
STAUNTON CREATIVE COMM FUND	\$	40,000

EDUCATION

APPROPRIATION OF PRIOR YEAR BALANCE FOR OPERATIONS INSTEAD OF TRANSFERRING TO THE CAPITAL FUND	\$	950,485
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FY 2012 GENERAL FUND BUDGET CUTS	\$	1,796,013
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Virginia
Retirement
System

Virginia Retirement System Line of Duty Program

December 16, 2010

Eric H. Gary, FSA, FCA, MAAA
Senior Actuary



Program Overview



- Defined by §9.1-400 of the Virginia Code
- Provides benefits to first responders who die or become disabled in the line of duty
- Benefits
 - Death benefit
 - \$100,000 for death occurring as a direct or proximate result of duties
 - \$25,000 for death by presumptive clause or within five years of retirement
 - Continued health insurance coverage
 - Disabled employee
 - (Surviving) Spouse
 - Dependent children

Eligibility – Covered Employees

- Law-enforcement officers of the Commonwealth or any of its political subdivisions
- Correctional officers
- Jail officers
- Regional jail or jail farm superintendents
- Sheriff, deputy sheriff, or city sergeant or deputy city sergeant of the City of Richmond
- Police chaplains
- Members of fire companies or departments or rescue squads recognized by any county, city, or town of the Commonwealth as an integral part of an official safety program
- Virginia National Guard or the Virginia State Defense Force members
- Special agents of the Virginia Alcoholic Beverage Control Board
- Regular or special conservation police officers
- Commissioned forest wardens
- Members or employees of the Virginia Marine Resources Commission granted the power of arrest
- Department of Emergency Management hazardous materials officers
- Other employees of the Department of Emergency Management if performing duties related to a major disaster or emergency
- Employees of any county, city, or town performing official emergency management or emergency services duties in cooperation with the Department of Emergency Management
- Non-firefighter regional hazardous materials emergency response team members
- Conservation officers of the Department of Conservation and Recreation.

Initial Estimates – Contributions



Costs/Contributions Per Active Full-time Employee (\$) *75,000 Covered Full-time Employees*

	Fiscal Year				
	2011	2012	2013	2014	2015
Prefunding Contribution	n/a	n/a	97.19	198.05	297.61
Expected Benefit Payments	150.95	182.88	216.76	252.78	291.63
Loan Repayment	n/a	38.39	38.39	38.39	38.39
Administrative Expenses	6.67	6.87	7.07	7.28	7.50
IBNR/Margin	5.20	5.75	6.29	6.83	7.34
Total	162.82	233.89	365.70	503.33	642.47


Volunteers will be 25% of the contribution rate.

CITY COUNCIL



AGENDA BRIEFING

Staunton, VA

Meeting Date:	April 28, 2011	Staff Members: Steve Owen Jeanne Colvin
Item #		
Ordinance #		
Department:	Finance	
Subject:	Public Hearing of an Ordinance to increase the refuse and recycling rates Attachment pdf : Refuse Ordinance  Ordinance - Refuse-Fee-Proposec	

Background:

The FY2012 Budget proposes to increase the refuse rates twenty percent to provide sufficient revenue for operating expenses for the Environmental Fund. The refuse rates do not cover the current cost of these City services. The refuse rate and the tipping fee rate generate \$1.7 million in revenues per year. The total expenditures for FY2012 equal \$3.165 million. The 20% rate increase will generate an additional \$230,000 for FY2012. The last residential rate increase was in 1994.

The City has used \$5 million in cash reserves in the Environmental Fund for the past six budgets to fund operations, instead of increasing the rates. The FY2012 Budget proposes to use \$1,220,000 in cash reserves to balance the Environmental Fund Budget. By June 30, 2012, only \$806,965 of the cash reserves will be available.

Due to economic factors, tipping fee revenue has decreased from \$857,097 in FY2006 to \$500,242 in FY2010. With no growth in population and no development, the revenue stream continues to decline.

The City issued \$1.7 million in general obligation bonds in 2008 to pay for capital equipment and cell development expenses at the Landfill. Based on landfill cost projections at the time, the City

needed to borrow money to spread the costs over seven years through debt payments to avoid increasing the rate.

Based on five year expenditure projections, the refuse rate is scheduled to increase at least 20% for three of the next five years.

The rate increase is effective July 1, 2011 and will be reflected on the utility bills beginning September 1, 2011 since we bill for services in arrears.

The FY2012 Environmental Fund budget includes the City functions for;

Environmental Office	\$67,184	Handling citizen complaints due to sanitary conditions & health hazards; enforcement of City Code regulations
Street Cleaning	\$186,390	Cleaning of all City streets
Refuse Collection	\$898,869	Residential & commercial trash collection
Recycling Collection	\$342,222	Collection of recyclables
Landfill	\$790,000	23.46% City Share of Landfill Operations & Capital
Debt Payments	\$320,822	2008 Bond Issue for Cell Development and Equipment
Billing & Collections	\$11,500	Bad debt expense and annual software fees
Risk Management	\$71,600	Property & Liability Insurance; Workers Comp Insurance
Transfers to Other Funds	\$471,413	Payment to the General Fund and the Water Fund for administrative support functions
Litter Control Grant	\$5,900	Commonwealth of VA grant for litter control programs
Total FY2012 Budget	\$3,165,900	Increase of \$65,900 over FY2011

Quite often, citizens will request their refuse rate be adjusted or lowered because they only put out one bag per week as compared to their neighbor placing four bags at the curb for collection. We also get numerous requests in the winter season to adjust the rate because the resident has moved to Florida during the winter months and therefore not using the service. The City's residential rates are not based on usage per household nor are the rates established solely for collection operations/expenses. The rates provide the revenue to cover the costs for labor costs, purchase the trucks necessary for collection, and pay the landfill development costs. All these costs must be paid on an annual basis whether or not the citizen uses the collection service, or uses the service equal to his neighbor's usage.

The rates established for commercial usage are higher than residential rates due to the increased number of collections per week and/or the volume of garbage collected from these businesses. The heavy commercial rate inside the central business district (CBD) does include garbage collection five days per week, including Saturday. The public works and finance departments do conduct audits on businesses and will change the rate, either light commercial or heavy commercial, based on the amount of garbage left at the curb for collection.

The public hearing was advertised in the Staunton News Leader on April 19th and 26th.

Refuse and Recycling Proposed Rate Increases:

	Current Rate	Proposed Rate	Schedule
Residential Refuse/Recycling Fee	\$10.00	\$12.00	Once /week
Recycling Fee	\$10.00	\$12.00	Once/week
Light Commercial Fee	\$22.70	\$27.25	Once /week
Heavy Commercial – Outside CBD	\$48.05	\$57.65	Once/week
Heavy Commercial – Inside CBD	\$61.05	\$73.25	5 Days/Week

City Manager's Recommendation: I recommend Council conduct the public hearing.

Suggested Motion(s):

Conduct the Public Hearing

No Motion required.

City Manager: _____

Ordinance No. 2011- __

Formatted: Numbering: Continuous

**AN ORDINANCE AMENDING, RESTATING AND REORDAINING
SECTION 8.30.110, FEES – PRESCRIBED,
OF ARTICLE II, COLLECTION OF REFUSE BY CITY
OF CHAPTER 8.30, SOLID WASTE,
OF TITLE 8, HEALTH AND SAFETY
OF THE STAUNTON CITY CODE**

WHEREAS, the City provides refuse services to individuals and commercial customers in the City of Staunton;

WHEREAS, the City charges user fees for such services;

WHEREAS, the cost of refuse services, including the cost of fuel and the investment required to maintain landfill facilities continue to increase;

WHEREAS, the Council finds that it is necessary to adjust the user fees associated with collection and disposal of refuse; and

WHEREAS, this matter has been properly advertised, heard and considered.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 8.30.220, Fees – Prescribed, of Article II, Collection of Refuse by City, of Chapter 8.30, Solid Waste, of Title 8, Health and Safety of the Staunton City Code be amended as follows:

8.30.110 Fees – Prescribed.

(1) Residential. For a mandatory fee of ~~\$12.00~~ ~~\$10.00~~ per month for each single-family unit (to include each unit in a multifamily structure), the city shall provide one weekly pickup of refuse from each residential unit in the city, whether inside or outside the central business district, the basis of computation of the fee being a single-family unit. The fee for refuse collection service for all other than single-family units shall be in an amount adequate to cover all costs to the city for such service, such amount to be

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established by the director of public works as part of the city's solid waste policy, with the approval of the city manager, but such fee shall not be less than ~~\$12.00~~~~\$10.00~~ per month per unit.

(2) Light Commercial. The mandatory fee for refuse collection service to light commercial customers, whether inside or outside the central business district, shall be ~~\$27.25~~~~\$22.70~~ per month. The light commercial designation shall apply to those customers which place the equivalent of four or fewer bags/containers of refuse at the curb for collection.

(3) Heavy Commercial. The mandatory fee for refuse collection service to heavy commercial customers within the central business district shall be ~~\$73.25~~~~\$61.05~~ and ~~\$57.65~~~~\$48.05~~ for those outside the central business district. The heavy commercial designation shall apply to those customers which place the equivalent of five or more bags/containers at the curb for collection. All full-time restaurants shall be deemed heavy commercial customers.

(4) Special Unscheduled Pickup. When refuse is stored or placed curbside in a manner not otherwise in accordance with the city's solid waste policy, it shall be deemed a request for a special unscheduled pickup and a crew may be dispatched to collect the refuse. The fee for pickup shall be in an amount adequate to cover all costs to the city for such service, such amount to be established by the director of public works as part of the city's solid waste policy, with approval of the city manager, but such fee shall not be less than ~~\$60.00~~~~\$50.00~~ and shall be charged to the property owner or tenant.

(5) Recyclables. The mandatory fee for the collection of recyclable materials from customers not otherwise charged a refuse collection service fee shall be ~~\$12.00~~~~\$10.00~~ per month.

(6) Collection Outside City Limits. The fee for refuse collection service rendered outside of the city limits shall be in an amount equal to 200 percent of the fee charged for such service in the city limits.

(7) Exemption, Deferral, Modification or Waiver of Fee.

(a) By ordinance, persons may be exempted, deferred, or charged a lesser amount from paying any charges and fees authorized for the collection and disposal of garbage

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and refuse only if based on the income criteria, as provided by Virginia Code § 58.1-3211.

(b) The director of public works may waive all or part of the fees for any multifamily structure or commercial customer if contractual arrangements are made and maintained by that customer for adequate containerized service as determined satisfactory by the director of public works.

In all other respects, the provisions of Section 8.30.110 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: April 14, 2011
Adopted:
Effective Date: July 1, 2011

Lacy B. King, Jr., Mayor

ATTEST: _____
Deborah A. Lane, MMC
Clerk of Council