Public Hearing
FY 05-06 Budget
June 14, 2005

A public hearing was held at 6:00 P.M., on Tuesday, June 14, 2005 at the Elkton Fire Department Activity Center to receive comments on the Town of Elkton FY 05-06 Budget. Mayor Wayne E. Printz presided. The following Council members were present:

PRESENT
J. Dean
C. McDaniel
T. Pence
S. Sigafoose
R. Snow
P. Workman

Attorney Nathan Miller, Town Manager Dennis R. Donachy, Chief of Police Richard Pullen, and Clerk of Council Richard Carey were also present. Treasurer Sipe was attending a conference in Richmond and arrived later.

Lee Dearing, 124 North Street, was present and commented that some Council members projected a feeling of not caring about public comments. Mr. Dearing stated when he addressed issues, he spoke for many citizens. The budget and the budget process concerned him because he believed little time was spent reviewing it, with minimal Council input. He spoke of the $33,813.00 increase in employee health coverage, which he termed the "deluxe plan." Considering the financial position of the Town, he believed that should be reconsidered and asked if Council had approved the change. In the Public Safety budget, he questioned $7,000.00 budgeted for Conventions, Meetings, and Training, as well as $7,000.00 to replace the K-9. Under Recreation, what was $10,000.00 for Contact Labor? The Community Center had a line item of $20,000.00 for Contract Labor. Mr. Dearing could not determine repayment of the 1.4 million dollar loan for the Pentecostal Hill project. Council passed a 3% electric increase to cover the increase imposed by our supplier. Mr. Dearing wanted to know who "dropped the ball" and cost the Town 15 to 20 thousand dollars because the increase was not implemented. Tonight there will be a Second Reading to purchase a tractor and a mower. There is not money in Capital Equipment. Where is the money to pay that $42,000.00? Mr. Dearing stated, "The tractor has already been ordered. The tractor is on its way." How can employees be authorized to spend $42,000.00 before a second reading? Mr. Dearing stated Council has committed to an additional 1,222 housing units for a treatment plant that can accommodate 616. How will the treatment plant upgrade be financed?

Cathy Murphy, 110 North Stuart Avenue, was present and noted the budget had been revised from the first public hearing. The public was at a disadvantage for this public hearing because a revised budget had not been published. The revised budget reflected increased revenues to $207,550.00, and she questioned what created the increase. A $5.00 increase in Recreation for shelter rentals and activities was not equal to a $200.00 increase for a grave site in the Cemetery. With the strong and valid arguments presented at last month's Council meeting regarding the telephone tax, she was displeased to see it on the agenda for tonight's meeting. How much revenue would such a tax generate?

Mary Hutton, 515 Chestnut, collected the budgets from Bridgewater, Broadway, Dayton, Timberville, and Elkton and divided the published budgets by the respective population to arrive at a per capita share of the budget. Elkton, with an approximate population of 2,800 and a proposed budget of $5,244,490.00, equaled $1,873.00 per person share. She warned the children of Elkton and their grandchildren will pay for what is being done today.

Attorney Nathan Miller arrived at 6:22 P.M.

Mayor Printz questioned Mr. Donachy on the following:

1. Increased Employee Health Coverage

Mr. Donachy explained there was a large increase in premiums overall. Once calculated, there was only a $30.00 increase difference per employee between the policy the Town currently carries and an expanded benefits policy. Furthermore, we will have additional staff positions in 05-06.

2. $10,000.00 Contact Labor in Recreation

Historically, that line item has remained somewhat constant.

3. Community Center

$200,000.00 remains.

4. Tractor Purchase

The tractor has not been purchased, but it will be bought from the Street Maintenance budget.

5. Shelter Fees

Will increase at the same rate as Rockingham County. Council member Workman stated that due to increases in janitorial services, referees, and other costs, recreation league ball fees were raised. Council member Pence opposed increases in shelter charges.

6. Phone Tax

Projected revenue is 35 to 40 thousand dollars per year. This projection is not included in the FY 05-06 Budget.

7. Printing of Amended Budget

Mr. Miller advised it is not required, but we could publish it.

Bobby Shifflett, 301 West Summit Avenue, asked why the water and sewer rates were increasing at the same time. He stated he was on a set income and "if we don't need it I don't think we ought to have it." He was also opposed to a phone tax.

8. Cemetery Income

Twenty five thousand dollar increase was due to the inclusion of the Cemetery draining project.

Lee Dearing stated electric, water, and sewer rate increases were not reflected in the proposed budget. If Council passed all increases tonight, a revised budget would be required. He ascertained from Mr. Donachy that employees will be covered by the "deluxe" health care package and there was money remaining in Street Maintenance to purchase the tractor and flail mower this year.

As there were no additional comments, Mayor Printz adjourned the meeting at 6:38 P.M.

Mayor:_____
Wayne E. Printz

Recorder:_____
Richard D. Carey, Clerk