

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING STREET
CALHOUN, GA
JUNE 13, 2005, 7:00 P.M.**

MINUTES

**PRESENT: James F. Palmer, Mayor
Lorene Potts, Mayor Pro Tem
Ray M. Denmon, Councilman
George R. Crowley, Councilman
David Hammond, Councilman**

**ALSO: William P. Bailey, City Attorney
Kelly Cornwell, Director of Utilities
Eddie Peterson, Director of Public Works/Public Safety
Cathy Harrison, City Administrator**

1. Mayor James F. Palmer called the meeting to order and welcomed everyone in attendance. Mayor Pro Tem Potts gave the invocation.
2. Mayor James F. Palmer led the group in the Pledge of Allegiance to the United States Flag.
3. Following review of the May 23, 2005 minutes of the regular City Council meeting, Councilman Hammond made a motion to approve as written, second by Councilman Denmon with Councilman Hammond, Councilman Denmon, Councilman Crowley and Mayor Pro Tem Potts voting affirmatively, motion carried.
4. Mayor's comments:
 - a. Mayor Palmer congratulated the Calhoun Yellow Jacket baseball team and coaches for their very successful season.
 - b. Mayor Palmer reminded the Council and public of the change for the second Council Meeting in June, normally scheduled for June 27, 2005 changed to June 20, 2005.
 - c. Mayor Palmer reminded the Council of the annual GMA Conference on June 25th, 26th, 27th, and the 28th, 2005. He stated there would be several interesting sessions: One being a Quality Growth and Development meeting, and the second one would be a Board Meeting and Election of Officers for Municipal Electoral Authority of Georgia meeting. He stated that Kelly Cornwell currently serves as a Board Member and is running for re-election.
 - d. Mayor Palmer announced on June 20, 2005 a revolving loan public hearing with an assumption request of Frank and Mitzi Hutchinson for the restaurant known as Thurston's.
 - e. Mayor Palmer reminded the Council and Department Heads of the DOT improvement meeting in Cartersville on July 19, 2005.

- f. Mayor Palmer reminded the Council of the final SPLOST meeting with County Officials and other City Officials on June 21, 2005 at 5:30 p.m. at the County offices on North Wall Street.
 - g. Mayor Palmer stated there were several zoning issues for June 20, 2005. Those are as follows:
 - 1) Mayor Pro Tem Potts stated there will be a hearing on the request of Elizabeth Box for two applications for zoning of A-1 and annexation for a total of 48 acres at 650 Nelson Lake Rd.
 - 2) Mayor Pro Tem Potts stated the request of Brent and Cheryl Box in the same area had requested their application be held until they could re-evaluate the proposed zoning.
 - 3) A request had been filed by Barnes Quality Signs for Ruby Tuesday's, for a sign that will be located on Highway 53 East. The request would be for a variance to allow the sign to be at a height of 125 feet as apposed to the current ordinance that allows 70 feet. Mayor Pro Tem Potts stated these three items will have a final hearing on June 20, 2005.
5. Public Officials Comments:
- a. Mayor Pro Tem Potts stated that for the month of May the street department, placed 14 new street signs, completed 37 workshop orders, ran the storm water maintenance program on May 5, 2005, checked all grates and storm sewers. They dug out and patched on Maple Street, East Line Street, Willard Street, Fain Street and Wall Street using 36 tons of asphalt. They back filled and grassed new sidewalks on Pisgah Way. They worked the concert at BB&T Park. The sanitation department in addition to their regular commercial route, gained two four yard dumpsters, two six yard dumpsters, and one eight yard dumpster accounts. The cemetery department sold eight grave spaces and installed eleven new monuments. The parks department provided clean up, mowing and weed eating at all city locations. They picked up liter and maintained fountains at City Hall and at the Park. Animal control did not have a report since the primary animal control officer has been absent due to surgery. Mayor Pro Tem Potts stated on June 24, 2005 the Main Street program will sponsor another concert in the park. She recommended everyone attend. The weather will be beautiful and it would be an excellent concert. The safety committee held a hearing protection meeting on May 10, 2005. The department inspected water construction on May 16, 2005 and reported two vehicle accidents during the month of May.
 - b. Councilman Denmon stated the water treatment plant pumped a daily average of 12.189 million gallons per day of raw water. He also reported that 39.3% of the City's potable water came from the new well. The waste treatment plant treated a daily average of 6.75 million gallons per day with average BOD effluent being 11, average suspended effluent 27, and average COD effluent 107. The water construction department made 52 connections during the month, changed 6 meters, repaired 42 leaks, installed 300 feet of 12 inch ductile pipe, and 2,680 of 8 inch PVC pipe. They set 57 meters, received 102 calls for service, provided 380 locates.

The sewer construction department made 18 connections during the month, repaired 4 services, 3 manholes, inspected 1,750 feet of sewer main, and 1,400 feet of sewer services. They provided 204 locates, repaired 4 lift stations and cleaned 10,850 feet of sewer lines, and they also opened and inspected 15 manholes.

The Sludge disposal unit applied 1,456 cubic yards of 213 dry tons of sludge.

Councilman Denmon stated the building inspections department in May sold 60 permits for anticipated cost of construction \$7,522,000.00, with \$3,076,000 related to new residences.

- c. Councilman Crowley stated for the month of May 2005, the electric department completed the Hunter Hills development on Jones Road. The Village Bristol Place, Phase II is under construction. The electric department also continues to work on the water plant expansion. The first phase of the System Protection and Reliability Project is near completion and the re-closure project on Hillcrest Drive was completed in March. The new Union Grove pumping station equipment has been installed and is in testing. The electrical service for Dr. Johave's office is under construction at this time. There is a joint construction project on Barrett Road related to joint construction with Georgia Power. In terms of engineering and design the Red Bud Road, Newtown Road and Barrett Road intersection is being engineered at this time. The department completed 32 street and security light work orders, 25 new business and maintenance orders, and responded to 12 after hour call outs. They also issued 14 permits, provided 42 inspections, and set 9 new meters. They purchased 30,968,000 kilowatt hours of wholesale electricity.

The telecommunications division finished construction of internet connections for Chem-Tech and Calhoun Counseling Center. They signed a new T-1 connection with Dalton Utilities for Shaw Plants in Dalton and Calhoun. They also signed and completed a new T-1 connection for Mohawk. They started construction for an internet connection for Ed Weldon on College Street, and started construction on a new internet connection for American Imaging and Design. They opened 21 work orders and closed 14 during the month.

Councilman Hammond stated the police department made 721 arrests during the month of May and 153 of those cases were for speeding, 6 DUI's, and 472 others. They collected \$86,083.75 in fines, issued 382 warnings, and responded to 76 highway accidents. They provided 73 escorts, responded to 226 alarms, and patrolled 50,844 miles. They responded to 4,367 calls from 911. They issued 111 parking citations during the month and \$435.00 was collected in fines.

The Calhoun fire department responded to 64 calls for service during the month of May and 10 of those were fire incidents with estimated damages of \$44,000.00. There were 18 emergency medical service calls, 14 hazardous condition instance, 3 good intent calls, 15 false alarms, and several special incidents calls. During the month of May they completed in-house training for all fire fighting on state required course school. They sent 15 members to fire safety officer training at Coosa Valley Tech and CFD personnel were re-certified in first respond to first aid and CPR. They also continued flow testing of city fire hydrants. They provided a tour of station one for the First Methodist Preschool and conducted fire extinguisher class for Cintas Uniforms. They provided fire inspection for a total of 19 during the month, 5 general inspections, 2 re-inspections, 9 consultations, 1 state inspection and 2 public safety classes were taught.

Councilman Hammond stated the Coosa Valley Regional Development Center provided excellent information to the Board regarding population and water table studies. They reviewed statistical information for Gordon County as it relates to new industry and the number of jobs that were created. He stated the County had nine new industries or expansions with 150 jobs created. He also stated that Coosa Valley Regional Development Center will be providing assistance to Calhoun and Gordon County as it starts its new Comprehensive Plan.

6. Public Hearing and Comments:

- a. Mayor Palmer stated at this time public hearings on zoning matters would be held. The public would have the opportunity to make pro and con comments with a ten minute maximum time limit for each side of the matter and with each person speaking, having filed a financial disclosure statement five days prior to the hearing if required, and with each person giving their name and address. An inquiry was made to determine if any of the elected officials has filed or needed to file a disclosure statement regarding ownership or special interest. The response was negative.
 - 1) Mayor Palmer stated there was a request by the Calhoun Civil Air Patrol for location of three mobile units at the Tom B. David Airport on the former Tallatoona site.
 - a. A public hearing was opened.
 - b. Harrison reported that notices to the adjoining property owners, signs on the property, and notices to the local legal organ had been completed.
 - c. Mayor Pro Tem Potts stated that the Zoning Advisory Board had heard this matter on June 9, 2005 and following review of the Zoning Committee's report and following review of the application the Zoning Advisory Board had recommended that a permit for three years be issued, similar to those for the commercial area. The mobile units that will be utilized by the Civil Air Patrol have DCA certification.
 - d. Mayor Palmer asked if there were any comments by the applicant.
 - e. Mr. Alan Cunningham stated that at the present time they have over 40 members and they have out grown their current facility. He stated that due to lack of space they have been utilizing additional space at Bartow and Floyd County to provide their current services. He stated it is his desire to have their service area re-located to Gordon County and approval of use of these units will allow the move.
 - f. Mayor Palmer asked if there were any comments by the public. There were none.
 - g. He asked if there were any questions by the Council. There were none.
 - h. Mayor Palmer closed the public hearing. Mayor Pro Tem Potts made a motion to authorize the location of the three mobile units for a three year period with an option for renewal. The motion was second by both Councilman Crowley and Councilman Denmon with Mayor Pro Tem Potts, Councilman Crowley, Councilman Denmon and Councilman Hammond voting affirmatively, motion carried.

- 2) Mayor Palmer stated at this time, he would open the public hearing and turn it over to Al Edwards, Chairman of the City School System. Chairman Edwards stated their total expenses for the year will be slightly over \$20 million dollars. They expect to receive approximately \$11 million dollars from the state. They will anticipate \$7.8 million dollars to come from the City taxes and they expect to provide \$1.4 million dollars from their reserves to fund their budget for the current year. He stated the City School System has made great strides. The current student population is over 3,000 and of the current graduating class 75% of the students are seeking higher education. He also stated that there were numerous awards to students. Over 95% of the student body participates in extracurricular activities. Mayor Palmer asked if there were any questions regarding the information provided by Mr. Edwards and members of the School Board. There were no questions. Mayor Palmer asked Chairman Edwards to introduce the members from the school system. He introduced Vice Chairman, Ed Moyer, Tony Swink, Amy Atkinson, and Becky Mathews. He also introduced Mike Davis, School Superintendent, and Don Hood, Finance Director. Councilman Crowley, who recently resigned as Chairman of the City School Board stated he can appreciate the efforts by the school board members and staff. He stated it is extremely difficult to manage when there are continual cuts from the state, and those cuts over the past four years have exceeded \$1.9 million dollars. Councilman Denmon, Mayor Pro Tem Potts, and Councilman Hammond each expressed their appreciation to those members that serve with few benefits. They stated it was a desire to provide an excellent school system and they have certainly made great strides in their efforts. Mayor Palmer also expressed appreciation to the group for their dedicated service. He stated that 75% of the seniors seeking higher education is a great testament to the efforts of the School Board and Staff for the City School System.
 - 3) A public hearing was open on the City's operating budget for 2005 through 2006. Administrator Harrison provided the following information for the public and for the Council, as per the attached. Exhibit "A"
 - a. Mayor Palmer asked if there were any comments. There were none. The public hearing was closed. He stated the City's operating budget will be available for adoption on June 20, 2005.
 - 4) A public hearing was opened on the Larry E. Knight pawn license request for 408 Court Street.
 - a. Mayor Palmer stated the application was in order and the police report clear. Mayor Palmer asked if there were any comments. There were none.
 - b. The hearing was closed.
 - c. Councilman Crowley made a motion to approve the Pawn license request. The motion was second by Councilman Hammond, with Councilman Crowley, Councilman Hammond, Councilman Denmon, and Mayor Pro Tem Potts voting affirmatively, motion carried.
7. Old Business: none.
8. New business:
 - a. Mayor Palmer gave a first reading of the Historic Preservation ordinance. He stated the Mayor and Council had been reviewing proposals that have been

submitted by the Coosa Valley RDC for the last six months and the present proposal will allow appointment of a committee to do preliminary investigation of the site, with the initial proposed site being the downtown area. It will allow the City to move towards a system of protecting Historic areas in the community. He asked Mayor Pro Tem Potts to address the matter regarding Main Street. Mayor Pro Tem Potts stated in the last annual review by Department of Community Affairs (DCA), there were ten standards that the local Main Street Program must meet. The City failed to meet one of those standards as it related to Historic Ad Preservation. She stated the Main Street Program will have this year to come in to compliance with that requirement. Mayor Palmer stated the Council will review the matter on June 20, 2005 and will hold a second public hearing on the matter on July 11, 2005. He asked if there were any questions by the Council or from the public. There were none.

- b. Mayor Palmer stated the Georgia Power Company has presented a franchise agreement for the City of Calhoun for it to consider since it is an amendment to the current franchise agreement. He stated in order for the City to properly review this agreement with the recently negotiated agreement between Georgia Power and GMA, he would ask that the matter be held until June 20, 2005.
- c. Mayor Palmer stated the City had received a request from Alzheimer's Forget Me Not Group for a parade request for October 15, 2005 at 11:00 on City streets since the traditional route on state route has been assigned to the six traditional parades. Following review Mayor Pro Tem Potts made a motion to approve the request. Second by Councilman Denmon, with Mayor Pro Tem Potts, Councilman Denmon, Councilman Crowley and Councilman Hammond voting affirmatively, motion carried.
- d. Mayor Palmer stated the City had received a request from Romualdo Martinez to purchase the current Taxi operation of Taxi Latino. He stated that Mr. Martinez currently serves as a driver for the business, and wishes to purchase and operate. He stated a second reading would be held on the matter on June 20, 2005.
- e. Mayor Palmer gave a first reading of a request of Howard L. and Brenda Brock for zoning of A-1 and annexation of approximately 13 acres at 1403 McDaniel Station Road SW. Councilman Denmon made a motion to set the public hearing for August 8, 2005 at 7:00 p.m., the motion was second by Councilman Crowley, with Councilman Denmon, Councilman Crowley, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.
- f. Mayor Palmer gave a first reading of a zoning variance of Hopeton and Donna T. Foster for property at 208 Crest Drive. The request would allow construction of an apartment building with four units. There is currently a single family house in poor condition on the property and the property is currently zoned R-2. Councilman Crowley made a motion to set the public hearing on the matter for August 8, 2005 at 7:00 p.m. The motion was second by Councilman Denmon with Councilman Crowley, Councilman Denmon, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.
- g. Mayor Palmer gave a first reading of a request by Brenda Brock, agent for Rickey and Lisa Holden for zoning of R-1 and annexation of approximately 2 ½ acres at 1363 McDaniel Station Road SW. Following review Mayor Pro Tem Potts made a motion to set the public hearing for August 8, 2005 at 7:00 p.m. The motion was second by Councilman Hammond with Mayor Pro Tem Potts, Councilman

Hammond, Councilman Denmon and Councilman Crowley voting affirmatively, motion carried.

- h. Mayor Palmer gave a first reading of a rezoning request of Ridge Row LLC, filed by Joe Stepp Member for rezoning property at 711 South Wall Street from R-2 to C-2. Councilman Denmon made a motion to set the public hearing for August 8, 2005 at 7:00 p.m. The motion was second by Councilman Crowley with Councilman Denmon, Councilman Crowley, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.
 - i. Mayor Palmer gave a first reading of an amendment of the utilities fee resolution regarding the water and sewer rate increases that have been reviewed in the public hearing. He stated the earliest the City could hold a public hearing on the matter would be June 20, 2005 at 7:00 p.m. Councilman Denmon made a motion to set the public hearing for that date and time. The motion was second by Councilman Hammond with Councilman Denmon, Councilman Hammond, Councilman Crowley and Mayor Pro Tem Potts voting affirmatively, motion carried.
 - j. A first reading of a fee resolution regarding amendments to garbage pick up rates for the next fiscal year was reviewed, as well as additional increases in the electrical inspection rates. Councilman Hammond made a motion to set the public hearing for the fee resolution amendment for June 20, 2005 at 7:00 p.m. The motion was second by Councilman Denmon, with Councilman Hammond, Councilman Denmon, Councilman Crowley and Mayor Pro Tem Potts voting affirmatively, motion carried.
 - k. Mayor Palmer stated that on April 21, 2005 the Mayor and Council had received a letter from the County Commission requesting the City to consider excepting the 53 sewer line extension and transferring the debt since the County is not set up to handle extensions or maintain the lines. Mayor Palmer stated the Council had discussed this matter. He stated the County was correct, at this time they do not have staff or expertise for maintaining the line, providing extensions, handling their billing or any other matters associated with operation of a sewer system. He stated based upon the request he would ask the Council for consideration. Following discussion Councilman Crowley made a motion to authorize the director of utilities and the city attorney to provide a memorandum of understanding between the County Commission and the City of Calhoun and to further authorize an application to be filed from the Georgia Environmental Facilities Authority for the City of Calhoun to purchase the line. The motion was second by Councilman Hammond with Councilman Crowley, Councilman Hammond, Councilman Denmon, and Mayor Pro Tem Potts voting affirmatively, motion carried.
9. Other written items not on the agenda:
- a. Mayor Palmer stated the City had received a zoning of R-1A and annexation request by Paul Lusk for annexation of approximately 41 acres adjoining the current Park Place development. The purpose of the annexation and development would be for Phase II of Park Place. Councilman Crowley made a motion to set the public hearing for August 8, 2005 at 7:00 p.m. The motion was second by Councilman Denmon with Councilman Crowley, Councilman Denmon, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.

- b. Mayor Palmer stated the Coosa Valley Regional Development Center had filed a request for renewal of the Nutrition Van Agreement in which the RDC provides the Van and insurance and the City provides a driver, gasoline and maintenance of the van. Councilman Hammond stated the outreach to the senior citizens to this program has been tremendous and it is certainly a program that the City wishes to continue. Councilman Hammond made a motion to approve the extension and to authorize the Mayor to sign the agreement. The motion was second by Councilman Denmon with Councilman Hammond, Councilman Denmon, Councilman Crowley and Mayor Pro Tem Potts voting affirmatively, motion carried.
10. Work Reports:
 - a. Director of Utilities Kelly Cornwell stated the Sonoraville lift stations are currently being finalized. Tunneling that had been necessary because of rock is continuing and while the set backs have delayed the project, it should be ready before school starts in order for proper testing.
 - b. Director of Public Safety and Public Works Eddie Peterson stated the grating for the Mohawk Road is 65% complete.
 11. Mayor Palmer inquired if there were any matters that required Executive Session. There were none.
 12. Mayor Pro Tem Potts made a motion to adjourn, second by Councilman Hammond, with Mayor Pro Tem Potts, Councilman Hammond, Councilman Denmon, and Councilman Crowley voting affirmatively, motion carried.

Approved:

Submitted:



James F. Palmer, Mayor



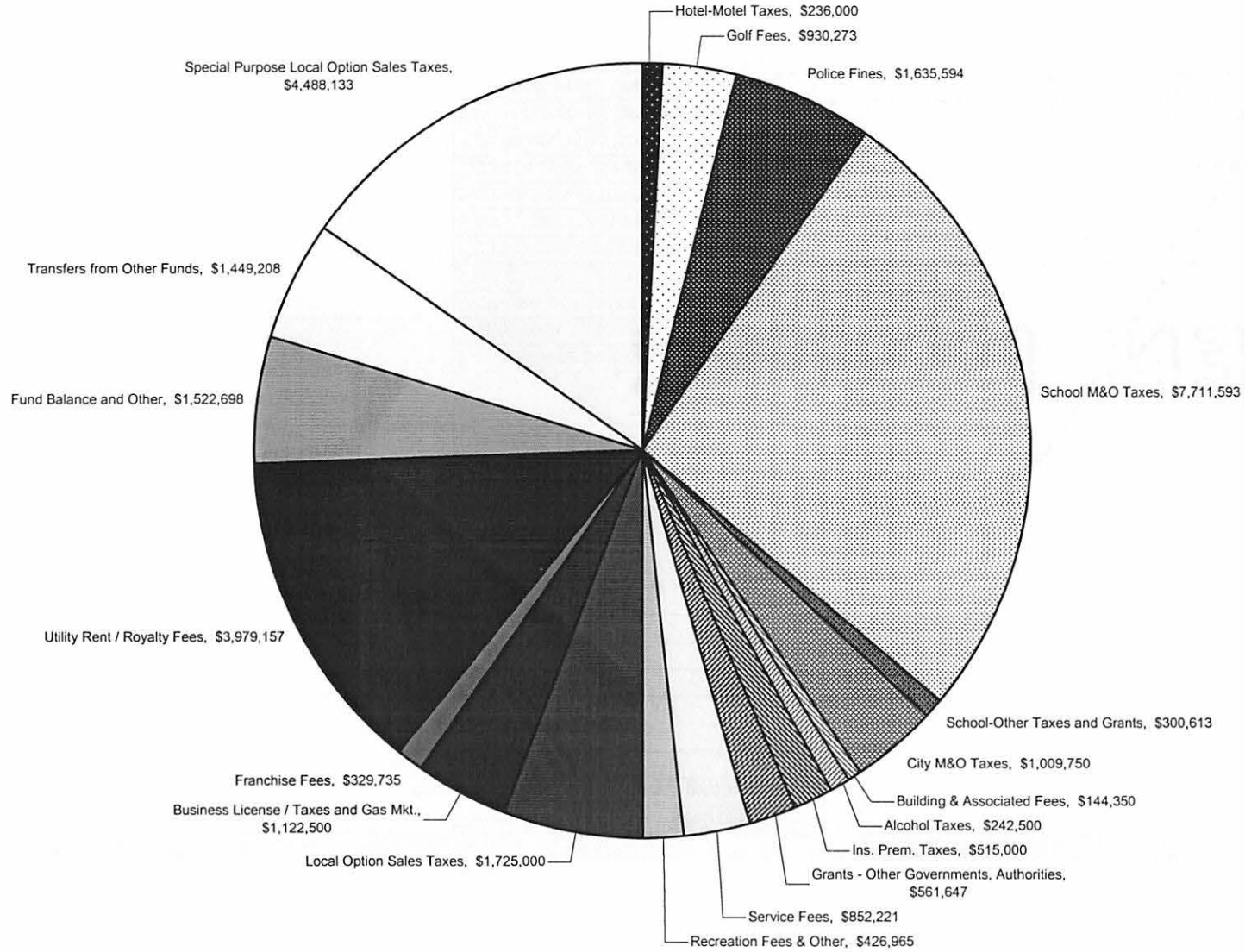
Cathy Harrison, City Administrator

**City of Calhoun
Preliminary Budget Summary
2005-2006
EXHIBIT "A"**

Page #:	Fund:	Division:	Department:	(Revenue) Expense:	Div Total:
10-12	General fund	Gen Admin	Revenue: taxes, licenses, fees, etc...	\$ (11,927,468.00)	\$ (11,927,468.00) *
15-35			Executive Administration (Mayor-Council)	3,496,687.00	
36-38			Economic Development (Library and Airport)	402,334.00	
42-51		Public Safety	Police	3,215,099.00	
52-59			Fire	2,622,825.00	
61-62		Public Works	Animal Control	65,246.00	
63-70			Street & Highways	1,686,665.00	
71-72			Parks & Maintenance	259,339.00	
73-74			Cemetary	163,473.00	
75			Beautification	15,800.00	
82			Revenue: fees, grants, county transfer, gen fund transfer	(727,465.00)	(727,465.00) **
83-88	Recreation Fund:		Personal services: wages, benefits	330,452.00	727,465.00
			Contracted services	140,425.00	
			Supplies	216,189.00	
			Capital & other	40,399.00	
77	School-Local Funds		Revenues: taxes and other	(8,012,206.00)	(8,012,206.00)
78	School		Expenses- Allotment, Insurance and other	8,012,206.00	8,012,206.00
108			Revenues: service fees, loan (loan balance)	(2,846,221.00)	(2,846,221.00)
109-117	Utilities Inter-service fund		Utility administration	1,701,486.00	2,846,221.00
			Utility tellers	69,916.00	
			Engineering	396,517.00	
			Customer service	118,171.00	
			Meter reading	352,936.00	
			Utility billing	207,195.00	
118			Revenue: billed services, other fees, tran from water fund	(6,922,304.00)	(6,922,304.00)
120	Waste treatment fund (sewer)	Waste Treatment	Plant administration	154,480.00	6,922,304.00
121-123			Plant	4,987,867.00	
124-125			Plant Maintenance	200,441.00	
126-127			Sludge disposal	169,052.00	
129-131		Sewer construction	Maintenance	1,249,220.00	
132			Lift stations	85,700.00	
133			Administration	75,544.00	

Page #:	Fund:	Division:	Department:	(Revenue) Expense:	Div Total:
134	Waste treatment- new connections	Cost recovery	Revenue	(300,000.00)	(300,000.00)
135			New services	300,000.00	300,000.00
137	Water treatment fund	Water plant	Revenue: billed services, fees, permits	(8,438,620.00)	(8,438,620.00)
139			Administration	150,779.00	8,438,620.00
140			Raw water intake & wells	385,500.00	
141-143			Treatment plant	5,376,397.00	
144			Treatment plant maintenance	203,109.00	
145		Pump stations	348,760.00		
147-149		Water construction	Maintenance	1,892,014.00	
150			Administration	82,061.00	
152	Water connection fees	Cost recovery	Revenues	(750,000.00)	(750,000.00)
153-154			New services	750,000.00	750,000.00
155-156	Electric distribution fund	Electric	Revenues: billed services, fees, penalties	(25,537,240.00)	(25,537,240.00)
158			Administration	273,596.00	25,537,240.00
159-162			Distribution	25,038,705.00	
163-164			Generator	162,216.00	
165			Inspection	62,723.00	
167	Revenues: fees, charges, lease space	(751,312.00)	(751,312.00)		
168-170	Telecommunications fund		Telecommunications	572,692.00	751,312.00
171		Administration	98,620.00		
172		New services	80,000.00		
173	Solid waste fund		Revenues: fees, charges, tran from gen fund	(972,220.00)	(972,220.00)
175-176		Collection	537,737.00	972,220.00	
177		Disposal	332,025.00		
178		Recycling	25,783.00		
179		Landfill post closing	51,675.00		
180	Yard trimmings	25,000.00			
181			Revenues: green, cart, range fees, rent, other	(930,273.00)	(930,273.00)
183-184	Municipal golf recreation fund	Maintenance	Maintenance	422,946.00	930,273.00
185			Administration	154,492.00	
186-187		Golf Pro	Pro Shop	279,684.00	
188			Administration	73,151.00	

Funding Sources \$29,182,937



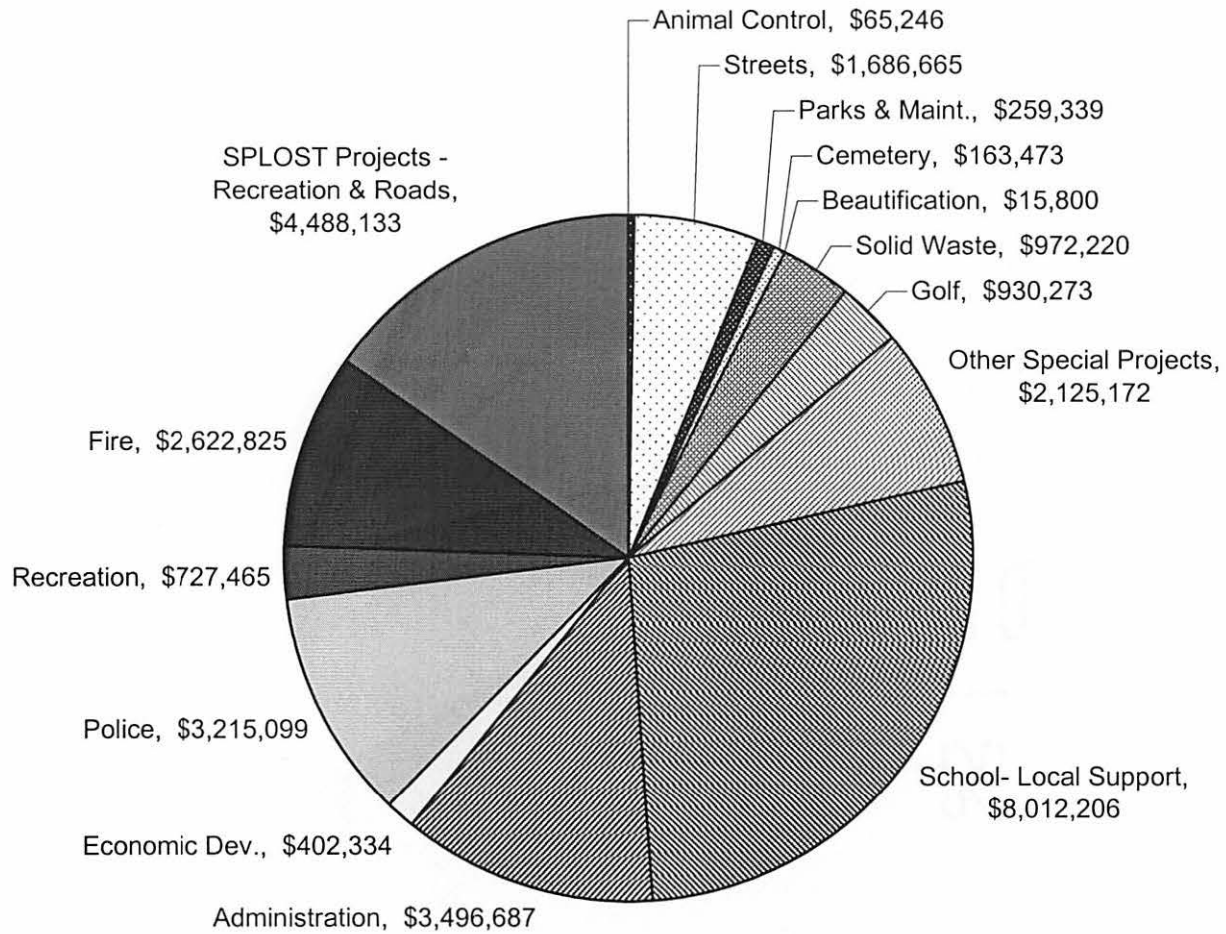
Page #:	Fund:	Division:	Department:	(Revenue) Expense:	Div Total:
89			Revenues: fines, motel tax, loans, SPLOST, Interest	11,280,139.00	11,280,139.00
79-80			Municipal court agency fund (police fine direct expense/tran)	1,635,594.00	
81			Pension Trust fund	25.00	
90			Fine Admin-tech fees	147,203.00	
91			Revolving loan fund	67,800.00	
92			Confiscated asset	35,200.00	
93			Federal grant-Dept of Justice	3,350.00	
96	Special funds		Sewer plant renovations	2,027,000.00	11,280,139.00
99			Water system improvements	1,700,000.00	
101			Hotel-motel tax fund	236,000.00	
97			Sonoraville Sewer Project	474,405.00	
98			South 41 Sewer Project	39,000.00	
100			Big Springs	426,429.00	
105		SPLOST	Recreation	2,379,537.00	
103-104			Streets & Highways	2,108,596.00	
106			Golf-gen obligation bonds (trans from gen fund)	(367,657.00)	
107		Revenues:	School-gen obligation bonds (education SPLOST funds)	(2,304,000.00)	(3,677,432.00)
128			Sewer-revenue bonds (sinking fund transfer)	(80,462.00)	
146			Water-revenue bonds (sinking fund transfer)	(925,313.00)	
106	Bond debt funds		Golf-gen obligation bonds-principal	218,200.00	
			Golf-gen obligation bonds-interest	149,457.00	
107		Expenses:	School-gen obligation bonds-principal	1,600,000.00	3,677,432.00
			School-gen obligation bonds-interest	682,844.00	
			School tran to fund balance	21,156.00	
128			Sewer-revenue bonds-principal	52,800.00	
			Sewer-revenue bonds-interest	27,662.00	
146			Water-revenue bonds-principal	607,200.00	
			Water-revenue bonds-interest	318,113.00	
Total expense budget (excluding tax agency fund)					\$ 83,072,900.00

cluded in Individual Funds Total:

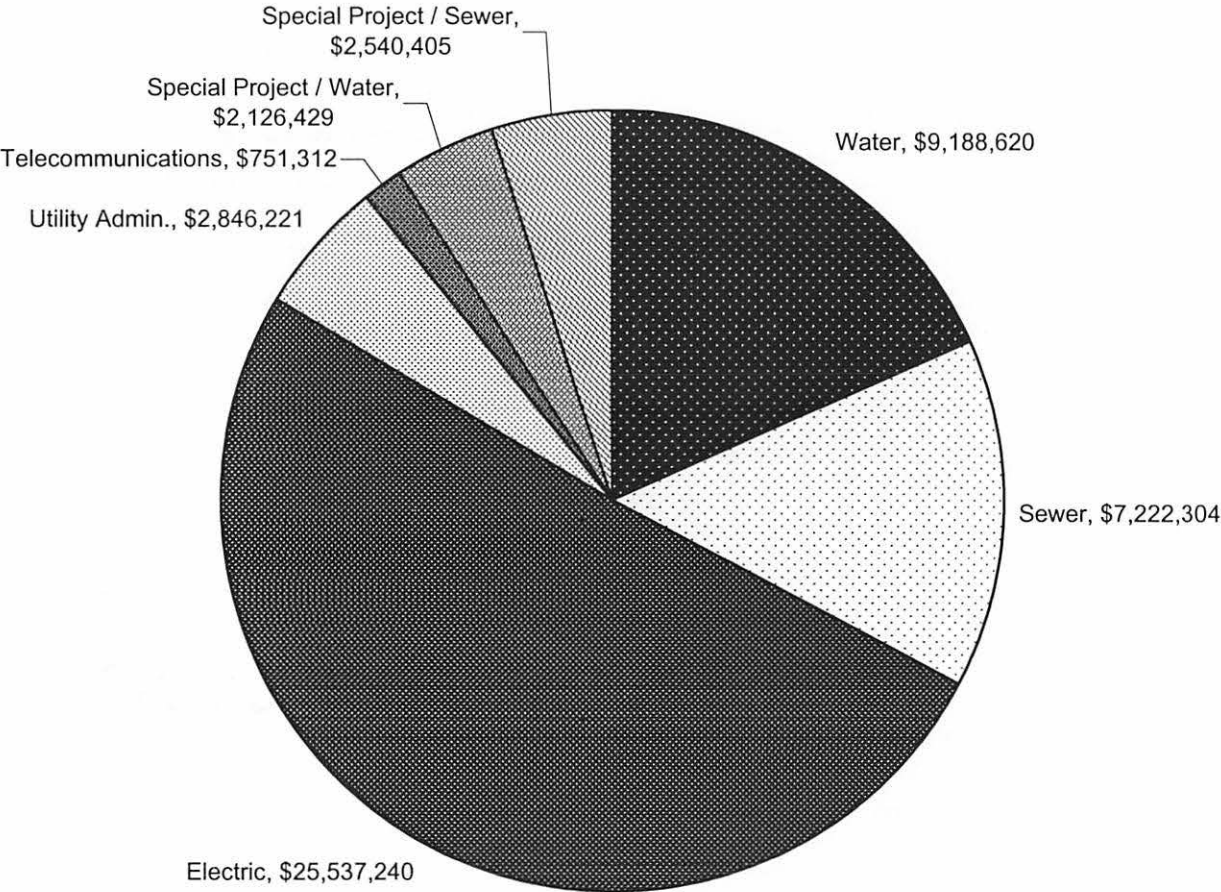
59	Fire Department	\$ 52,792.00	
76	Street Department	15,752.00	
123	Waste Treatment Plant	2,194,831.00	GEFA & SRF
143	Water Treatment Plant	192,014.00	GEFA & SRF
161	Electric Department	659,610.00	Generator
170	Telecommunications	123,522.00	System - Vehicle
TOTAL		\$ 3,238,521.00	

Total Current Debt Expense	\$ 6,915,953.00
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General Fund and Associated General Government Services \$29,182,937



Utility Funds and Associated Special Fund Revenues and Services \$50,212,531



Notes:

Major Management Structure changes projected to occur during the fiscal year.

1.) Separation of functions to include two areas:

Utilities and General Government

New Utility Administration office under renovation at 700 West Line Street (Estimated date of completion June 2006)

2.) Proposed Budget addresses growth and escalating fuel cost:

a. Adoption of Rent / Royalty Funding Policy from Utility Funds to General Fund.

b. Utility Funds (water & sewer) include step two rate increases as projected in the prior year's cost study.

Water increase - 13¢ per 1,000 gallons – Industrial

19¢ per 1,000 gallons – Commercial & Residential

Sewer increase - 12¢ per 1,000 gallons - Industrial

32¢ per 1,000 gallons – Commercial & Residential

c. Electric wholesale rates increased – no retail increase projected

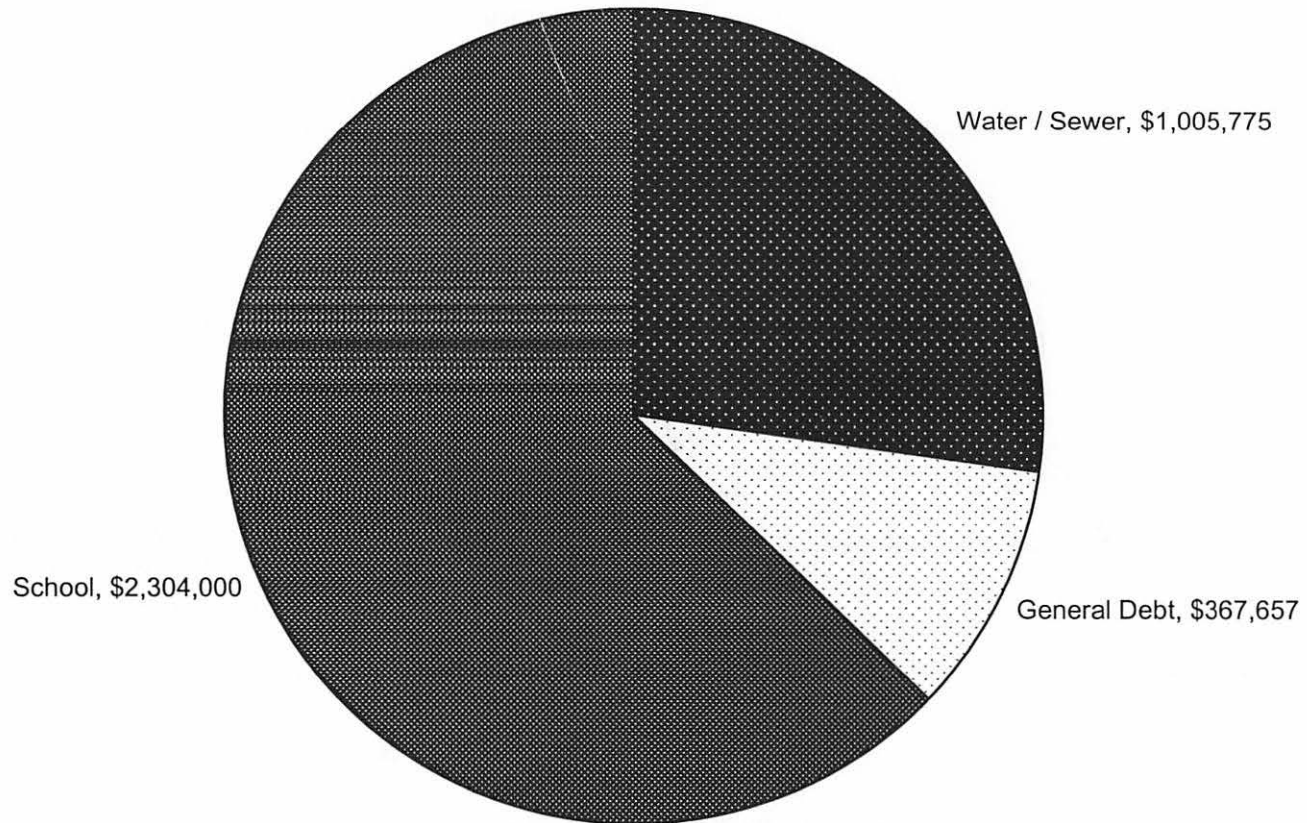
d. Increase garbage pick up – disposal fees from \$3.00 monthly for residential to \$8.00 per month (new bid taken on residential service this fiscal year)

e. Increase city M&O taxes by approximately ½ mill

f. Electrical inspection rates \$50.00 up to 100 amp service \$40.00 for each additional 100 amp service

g. Projected population to increase by 5%

Bond Debt \$3,677,432



TOTAL BUDGET
\$ 83,072,900