

MAY 1, 1995

6:30 P.M.

BUDGET WORK SESSION
CITY COUNCIL CHAMBERS
226 SOUTH WALL STREET


PRESENT: JOHN D. MEADOWS, III, MAYOR
THOMAS BOND, MAYOR PRO-TEM
JOHN D. SHELTON, COUNCILMAN
PAUL MCENTIRE, COUNCILMAN
JIMMY PALMER, COUNCILMAN

ALSO: KELLY CORNWELL, DIRECTOR UTILITIES/PUBLIC WORKS
WILLIAM P. BAILEY, CITY ATTORNEY
CATHY HARRISON, CITY ADMINISTRATOR


1. Mayor Meadows called the meeting to order and opened the work session with a brief outline of the proposed structure for the meeting.
2. Harrison reviewed the projections following an initial cut made by she and Kelly Cornwell, which had reduced the proposed budget from a deficit position of \$1,800,000.00 to a deficit position of almost \$500,000.00. Harrison reviewed the proposed budget by department, and reviewed revenues for the General Fund and Water/Power/Sewer Fund. She then recommended that the City implement a portion of the rate increase that would be needed for the Sewer Treatment Facility expansion which will be started in the 1995-96 Budget Year. She stated that if \$.30 was added to the sewer rate for the current budget year that would produce \$908,859.00, and would allow the City to fund \$466,871.00 of engineering expense which is not included in the budget, and would leave a balance of \$441,988.00 to go toward the sludge handling charges which are doubled for this fiscal year and for the sewer capital expense. The remaining deficit at that point would be \$36,675.00. The Council then reviewed other possible rate increases as was highlighted, however, no commitment was made for any other rate increases. The proposed budget contained several additional employees being added to the work force because of the fiber optics system, because of training for management in some areas, because of included additional personnel at the Fire Department, one person at the Police Department, a Main Street Director, additional employees at the Electrical Department and a sewer infiltration crew to be included in the Sewer Construction Department. Harrison asked that these be reviewed in Executive Session. Following further discussion, Councilman Palmer made a motion to move to Executive Session for discussion of personnel, 2nd by Mayor Pro-Tem Bond with Councilman Palmer, Mayor Pro-Tem Bond, Councilman Shelton and Councilman McEntire voting affirmatively, motion carried.
3. Mayor Pro-Tem Bond made a motion to move to regular work session, 2nd by Councilman Palmer with Mayor Pro-Tem Bond, Councilman Palmer Councilman Shelton and Councilman McEntire voting affirmatively, motion carried.
4. Mayor Meadows asked that the meeting be adjourned at 9:40 P.M. with a second work session to be scheduled for May 15, 1995 at the City Council Chambers at 6:30 P.M.
5. Mayor Pro-Tem Bond made a motion to adjourn, 2nd by Councilman Palmer with Mayor Pro-Tem Bond, Councilman Palmer, Councilman Shelton and Councilman McEntire voting affirmatively, motion carried.

Approved:

Submitted:



John D. Meadows, III
Mayor



Cathy Harrison
City Administrator