

BUDGET WORKSHOP – CAIRO MAYOR & COUNCIL – MAY 9, 2016

The May 9, 2016 Workshop Meeting was called to order immediately following the regular meeting in the Council Room at 101-B North Broad Street by Mayor Robert B. Burns, Sr. Present were Mayor Pro Tem James H. Douglas, Council Members Ernest W. Cloud, Jr., Jerry L. Cox, Robert L. Gwaltney, and Lannis Thornton. Staff Members in attendance were City Manager Chris Addleton, City Attorney Thomas L. Lehman, and City Clerk Carolyn Lee. Cairo Messenger Editor, Randy Wind, was also in attendance.

City Manager Addleton provided a handout (attached) and power point presentation on the proposed budget.

Budget Assumptions included no increase in Ad Valorem Tax, a Retirement Contribution decrease of 4% (\$26,806), GIRMA Property and Liability increase of 13% (\$33,303), a decrease of 13% in Worker's Comp Insurance (\$19,565), and a General Wage Improvement of 2.5%. CNS Cable TV rates would be reviewed at year end.

A year over year comparison of Revenue predicted a decrease of \$2,295,576 over 2015-16. The comparison of Revenues to Expenses showed a positive overall fund balance of \$1,565,863. Regarding the debt service payment in January, 2017, Councilman Douglas noted that there should be some money in trust to make part of that payment.

Capital Outlay Expenditures totaled \$7,813,645. Councilman Douglas asked how the AMI Meters (\$500,000) could reduce the loss in the Gas Department. City Manager Addleton responded that he would be coming back with a program presentation for the metering system. Councilman Cloud asked if there would be funds to do the MacIvor Water Plant while the contractor was here for the Airport well.

The number of employees remained the same as the previous year at 168.

Funding for other agencies increased by \$1,000 for utilities at the Boys and Girls Club, with all other agency funding remaining the same, totaling \$402,500.

There was a proposed monthly base facilities charge increase for water and sewer, both from \$12 to \$14 per month for residences. Water rates per thousand gallons for residential consumption that were currently \$1.40 would increase to \$1.50, \$2.10 to \$2.25, and \$2.80 to \$3.00. The commercial rate would increase from \$1.65 to \$1.75 and large industrial from \$1.55 to \$1.65.

Council Members asked questions and discussed various items of the proposed budget. Councilman Cloud asked that the ditch on 4th Ave., SW behind Washington School be closed in from 11th St. to 13th St., adding that it was a narrow street, and there was a safety issue for the School. He also requested that something be done to prevent erosion by storm water on 6th Ave., NE near the housing project and behind Jeff Brown's house.

Councilman Cox asked questions about the AMI meters and what the payback would be other than eliminating the meter reader personnel. He also asked if there was property currently owned by the City on which to build a Police Dept, rather than having to purchase property. He asked what the long-range plan was for Azalea Park, learning that the Archway Group was working on it for passive recreation. He also expressed his dislike for rate increases.

Councilman Douglas suggested looking at the Gas service to see if marketing, promotions, or rebates would help increase gas sales and reduce losses.

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After the budget presentation and comments, the meeting was adjourned.

APPROVED:

ATTEST:

ROBERT B. BURNS, SR., MAYOR

CAROLYN B. LEE, CITY CLERK