

**BUDGET WORKSHOP MEETING – CAIRO MAYOR & COUNCIL – MAY 23, 2016**

The May 23, 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 Council Members Ernest W. Cloud, Jr., Jerry L. Cox, Robert L. Gwaltney, and Lannis Thornton. Mayor Pro Tem James H. Douglas was out of town for continuing education classes. 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 went over revisions that had been made since the last workshop. Some of those changes included the first increase in many years in the gas base facility charge from \$6.65 for all customers to \$10.00 per month for residential and \$12.50 for commercial. He added that the projected increase in revenue was \$69,138 which would help to better cover 50% of fixed costs which included many regulatory requirements; however, more customers, especially large gas users, were needed. Councilman Gwaltney added that an incentive plan to attract customers would be helpful, as he had been the recipient of an incentive in the past.

In the CNS Cable Fund, an adjustment was made to reflect the \$813,000 held in trust at the Bank of New York to apply to the bond payment.

With regard to Capital Outlay purchases, Councilman Cox asked what the advantages were of having the AMI meters, with City Manager Addleton responding that 2.5 meter reader positions could be eliminated which would save around \$100,000 annually. Also, the meters would allow the Utility Department to operate more efficiently by reading meters remotely, and the technology could improve customer service issues. He added that the water meters would be paid for with a \$713,787 GEFA loan and a \$475,858 grant. Councilman Cox asked if the investment in meters was not made, could that revenue be used to cover the water plant debt without having to increase water rates. City Manager Addleton stated that he had been gradually increasing the water rates over the last three years in order to generate \$300,000 in new revenue to service the debt on the new plant, adding that even with the proposed increases, the City's rates were comparable to other cities of the same size. Councilman Cox also asked what the payback was on the meters and when they would require updating, with City Manager Addleton responding that all that information would be presented at a later date.

After questions and comments were finished, the meeting was adjourned.

**ATTEST:**

---

**CAROLYN B. LEE  
CITY CLERK**

**APPROVED:**

---

**ROBERT B. BURNS, SR.,  
MAYOR**

**BUDGET WORKSHOP MEETING – CAIRO MAYOR & COUNCIL – MAY 23, 2016**