

BUDGET WORKSHOP MEETING – CAIRO MAYOR & COUNCIL - MAY 27, 2014

The May 27, 2014 Budget Workshop Meeting was held immediately following the Regular Meeting in the Council Room at 101-B North Broad Street with Mayor Robert B. Burns, Sr., Mayor Pro Tem Lannis Thornton, Council Members Ernest W. Cloud, Jr., James H. Douglas, Kermit V. Gilliard, Jr., and Robert L. Gwaltney present. 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 presented a revised copy of the FY 2014-15 budget and explained the revisions. The following items had been adjusted: Amount budgeted for the General Fund had increased from \$7,021,105 to \$7,044,030; Water & Sewer – decreased from \$8,006,657 to \$7,775,127; Electric Fund – increased from \$17,485,319 to \$17,564,353; Gas Fund – increased from \$1,292,121 to \$1,294,068; CNS Cable Fund – increased from \$3,671,428 to \$3,776,422; CNS Telecom Fund – decreased from \$680,410 to \$632,761; Landfill Fund – decreased from \$698,891 to \$681,885; and Garbage & Trash – increased from \$1,248,734 to \$1,401,385. Other funds remained the same. The total budget revisions resulted in an overall increase from \$41,915,222 to \$41,980,588.

He presented a year-over-year comparison of amounts for 2013-14 and proposed 2014-15 figures which showed a total increase of \$1,118,007 in FY 2014-15. Also presented was a comparison of revenues to expenses. The Water & Sewer fund balance totaled \$628,640 more expense than revenue, with the 2004 Utility Bond Debt Service of \$830k; a loss in the Gas Dept of \$40,735; \$207,417 more expense in the CNS Cable Fund due to Truck Capital/Digital Conversion; a gain in the CNS Telecom Fund of \$148,839 for Phone/E-Rate; a small gain of \$115 in the Landfill Fund; and a loss of \$4,539 in Garbage and Trash. Other funds' revenues and expenses were equal, with a total of \$553,876 more in anticipated revenue than expense. The fund balances included transfers to the General Fund and Debt Service.

Under Capital Outlay, the bunk beds were removed from the Fire Dept. description, the Residential Side-Arm Garbage Truck, with financing for five years, increased from \$50,000 to \$225,000; Landfill Gas Mitigation was decreased from \$200,000 to \$185,000; Water Pumping & Treatment – Airport Well decreased from \$3,500,000 to \$3,300,000; all changes resulted in the total Capital Outlay being reduced from \$6,627,584 to \$6,412,584.

The proposed amount for the Boys and Girls Club had been increased upon the request of Council Members Cloud and Thornton at the last workshop, from \$4,000 to \$25,000. Council Members discussed this item, with Councilman Douglas expressing his view that the Club, like the Zebulon, should be funded by private donations, adding that he would not vote for approval of the budget unless there was a majority of the Council in favor of giving the \$25,000. Mayor Burns advised that he was not in favor of taking taxes, which were not paid voluntarily, to be given to private entities regardless of the wonderful job they were doing. Councilman Gilliard concurred, noting that nothing had been given to the Zebulon; and the City was already furnishing the building and utilities for the Club. Councilman Gwaltney asked if some private funding to the club had been stopped, with Councilman Gilliard responding that their budget looked OK. City Manager Addleton noted that it was not a clear picture, as the baseball grant had been \$47,280. Councilman Douglas added that the budget was for four months and taking out the grant, there were small local business donations; and next year over 50% of their revenue would be from the City and the \$20,000 from the County Drug Education Fund. He asked what local citizens would want. He believed the Club was worthwhile but more of a school organization, and City funding would take away the incentive for private funding and for fund-raising. Atty. Lehman asked if there was a cost available for the Club's proposed summer activities. Mayor Burns called for a consensus of the Council to determine the level of funding to be provided. Councilman Thornton was in favor of donating \$25,000, as he considered the organization a non-profit rather than a private entity. Councilman Gwaltney stated that there was no question that the Club was for the betterment of the kids, but he had voted against

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giving to the Zebulon, and would have to vote against this, too. Councilman Gilliard was not in favor of giving the \$25,000. Councilman Cloud stated that he had brought up increasing the funding to \$25,000 for the kids in the community, and the City gave to other entities such as the Library and other things. He added that he realized it was a tax burden on the citizens who paid a lot of taxes; but that was part of the system, and he would vote for it. Councilman Douglas was not in favor. Mayor Burns announced that a vote would have been three to two against increasing the funding to \$25,000, so it would remain at \$4,000. Councilman Gwaltney noted that when the Club first organized, there were lots of donations from all over the community, and they may have to go back to fund-raising again. Councilman Cloud stated that if the Club had been independent rather than a part of the Thomasville Club, it might have taken longer but would have been easier to get more done. He added that they might have to cut back, but he was going to provide some names of business owners that might be able help the Club with donations.

ADJOURN: There being no further business, the meeting was adjourned.

APPROVED:

ATTEST:

ROBERT B. BURNS, SR., MAYOR

CAROLYN B. LEE, CITY CLERK