

WORKSHOP MEETING – CAIRO MAYOR & COUNCIL – MAY 9, 2011

The May 9, 2011 Budget Workshop Meeting was called to order immediately following the Regular Meeting in the Council Room at 101-B North Broad Street, with Mayor Richard VanLandingham presiding. Present were Mayor Pro Tem Kermit V. Gilliard, Jr., Council Members Ernest W. Cloud, Jr., James H. Douglas, Robert L. Gwaltney, and Lannis Thornton. Staff Members in attendance were City Manager Chris Addleton, City Attorney Thomas L. Lehman, and City Clerk Carolyn B. Lee. Cairo Messenger Editor, Randy Wind, was also in attendance.

City Manager Addleton presented the proposed FY 2011-2012 budget in the amount of \$38,222,724, an increase of \$2,246,520 over 2010-2011. (Budget presentation to become a part of these minutes). Budget assumptions reflected no revenue growth in the General Fund, no ad valorem tax or utility rate increases, a 2.5% decrease in employee retirement contributions, a 1% increase in GIRMA insurance (liability and risk management), 11% decrease in worker’s compensation premiums, healthcare insurance costs were not yet available; a 3% proposed wage improvement, library funding through LOST beginning January 1, 2012, fuel prices assumed at the current rates, continued review of CNS Cable TV rates with any necessary rate increases to take effect in January; and depreciation reflected as part of the budget. City Manager Addleton added that there was a projected 10% decrease in ad valorem tax assessments, and it might be necessary to raise the millage rate to generate the same tax revenue. He also noted that he hoped to have information on the healthcare premiums soon, but he did have \$80,000 in surplus to cover the anticipated increase. With regard to the library funding through Local Option Sales Tax (LOST), Council discussed providing additional funding for the shortfall that would occur with the plan that was currently being considered. He anticipated Electric revenue to continue to increase but had reduced the projected sales of natural gas due to previous decreased sales volume.

Proposed FY 2012 capital outlay costs of \$6,229,500 included two patrol vehicles and vehicle cameras for the Police Department; a replacement compressor, breathing apparatus bottle replacement, modification of upstairs training facility, and carpet replacement for the Fire Department; new building and paving for the Community Services Department; improvements for Davis and Azalea Parks; full site Soil Vapor Extraction (SVE) Gas System for the Landfill as required by EPA; infrastructure improvement (circuits) and digger derrick truck for Electric Distribution; 2 replacement trucks for the Gas Department; Airport Road water extension and one replacement truck for PW-Water Distribution; new water well and plant and rehab of water plant #1 for PW-Pumping & Treatment; I&I improvement projects and replacement of 7th Ave., SE lift station for PW-Sewer Collection; and WWTP clarifier sweeper and one replacement truck for PW-Wastewater Plant. SPLOST 2008 projects included Davis Park Stormwater Detention; 20th St., NE Phase 2 curb, gutter, and paving; Street Resurfacing Master Plan Phase 1; 11th Ave., NW Phase 2 curb, gutter, and paving to Highway 84; 4th St., NW Phase 1; Grant Ave., SW Phase 2 Stormwater; Engineering Stormwater; CDBG Teresa Edwards Street; and purchase of flood zone properties.

He presented a Strategic Plan Capital Budget with focus on short- and long-term infrastructure improvements, along with a summary of funding sources. Projects listed included those completed in FY 2010 and FY 2011, as well as those planned for FY 2012. Not included in the 2012 Capital Budget was the Downtown Master Plan, residential garbage truck, new Police Station, nor the Public Works EJD building replacement.

Total personnel positions decreased by one over last year after some changes that included personnel reductions in the Landfill by one position and two positions in the Gas Department, with the addition of a captain/training officer position in the Fire Department. He also proposed the addition of a combination Mainstreet/DDA/CNS Marketing/KAB Director position and asked for feedback on this new position from the Council.

Other agency funding remained primarily the same with the exception of the library funding that was being proposed to come from LOST funds received by the City and County. The funding plan was currently being discussed between the two entities. There was also a small increase and reallocation of funding between the Holder Park Pool and the Youth Center.

City Manager Addleton presented a new Utility Deposit Proposal that included different deposit amounts for residential “owners” versus residential “renters”, since more losses in collections came from renters. Non-residential deposit rates would be based on two times the average monthly utility bill of the previous tenant.

In conclusion, City Manager Addleton welcomed any questions or feedback on the proposed budget. He reminded the Council of the following Budget Calendar dates: **1.)** the Public Hearing scheduled for May 16th; **2.)** final approval and introduction of the ordinance scheduled for May 23rd; and **3.)** adoption of the budget ordinance on June 13th.

APPROVED:

ATTEST:

RICHARD VANLANDINGHAM, MAYOR

CAROLYN B. LEE, CITY CLERK