

MINUTES
CITY COUNCIL
BUDGET WORK SESSION
APRIL 19, 2010
6:30P.M.

The Mount Holly City Council met on Monday, April 19, 2010 at 6:30P.M. The purpose of the meeting was to discuss the budget for fiscal year 2010-2011. Those in attendance were Mayor Bryan Hough, Mayor Pro-Tem Carolyn Breyare, Council members Perry Toomey, Jerry Bishop, Jim Hope, David Moore and Bennie Brookshire. Also present were Danny Jackson, City Manager, Jamie Guffey, Assistant City Manager, Africa Otis, Finance Officer, Mike Santmire, Streets & Solid Waste Director and Dale Oplinger, Fire Chief.

The Mayor called the meeting to order. Councilman Jim Hope conducted the invocation. The agenda was set with a motion and second by Council members Breyare and Moore, respectively. The vote was unanimously in favor of the motion.

Mr. Santmire was called upon to make a presentation regarding a proposal for recycling services to be handled by the City of Mount Holly as opposed to the current contracted service for recycling. Mr. Santmire provided the City Council with a handout of materials outlining his proposal for the city to take over the service of recycling.

The discussion involved such things as weekly collection, bi-weekly collection, elimination of curbing services and the ultimate cost to provide the service. Mr. Santmire also talked the need for a recycling truck, the cost associated with the truck and the number of people needed to conduct the service. Mr. Santmire stated that according to his calculations the city could provide the recycling service at a lesser cost than what is currently provided. He said that there could be a reduction in the current recycling fee charge to the citizens of Mount Holly.

Mr. Santmire stated that new employees are not needed if the curbing service is eliminated. He said in addition to curbing being eliminated two trucks are needed for the service. Mr. Guffey reminded the City Council that at this year's Council Retreat it was discussed that in the near future the Solid Waste Department would become an Enterprise Fund System. He said that much like the Utility Department the Solid Waste Department would make its own money for expenditures.

The next budget item for discussion was Revenues. Mr. Guffey provided the Council with a handout of materials regarding the General Fund section of the proposed budget. The discussion involved sales use tax, the reduction of the current tipping fee by \$1.00, no property tax increase, 2% sale tax increase, etc.

Mr. Guffey discussed the Utility Fund with the City Council. The discussion involved a proposed 5% utility rate increase and the average amount to a customer's bill based upon the increase in rates. The Council discussed the waste water treatment contract with A&E Mills, as it related to the proposed utility rates in the budget. The Council discussed extending the current contract with A&E and looking at other options for waste water treatment costs.

Mr. Guffey reminded the City Council that last Friday they were given a copy of the proposed Fee Schedule for the next budget year. The Council discussed the fees, privilege licenses and the process to collect more fees from contractors.

The next item for discussion was Personnel Costs. Mr. Guffey discussed the proposed 2% Cost of Living Adjustment (COLA) and 3% Merit Adjustment. The Council discussed the issues involving both of the proposed adjustments. The Council discussed the status of the newly implemented salary adjustments based upon the recent Salary Study. Mr. Guffey stated that we are in year two of the three year plan.

The Council discussed the health care benefits aspect of the budget. Mr. Guffey stated that he hoped to have the final numbers by mid May.

The Council discussed possible new personnel positions for next year's budget. Mr. Guffey gave the Council a handout of personnel recommendations by each city department. The Council discussed the proposed positions, which included a recommendation for a new engineer's position with the city. They discussed the costs associated with the city's consulting engineer, Bob Cooke.

The Council discussed the three proposed firefighters. They talked about the level of service in the fire department and liability issues. Fire Chief Oplinger was in attendance to answer questions by the City Council and to explain why he has requested additional personnel in his department.

The Council discussed the Capital Improvement Plan (CIP) for next year's budget. Mr. Guffey submitted a copy of the CIP to the Council. He indicated that the CIP was only a plan and could be changed at any point by the Council. The Council discussed the proposed Public Works Building, improvements to the Catawba Heights Fire Station and other items on the CIP list.

The next item for discussion was the Operations & Maintenance Costs proposed in the budget. Mr. Guffey submitted a handout to the Council. The Council discussed the percent of increases, which did not include new personnel. They discussed expenditures and revenues.

Mr. Guffey submitted to the Council a handout that depicted graphs from each department, outlining the budgetary percentages in both the General Fund and the Utility Fund. Mr. Guffey stated that the Administration budget would change because the city's debt payments would no longer be housed in Administration. He said that each department's debt payments would be house in its respective department.

The meeting was adjourned at 10:11pm, based upon a motion and second by Councilmen Moore and Bishop, respectively. The vote was unanimously in favor of the motion.