

MINUTES

Minutes from the March 16th, 2009 Budget Meeting

The Mount Holly City Council held their first budget meeting of the year on Monday March 16th, 2009.

Mayor Whitt called the meeting to order at 6:05 p.m. It was noted that all Council members were present.

The following items were discussed in detail:

Finance Officer Joann Scruggs reviewed the status of the current year budget. She reviewed revenues and departmental expenditures for the City. City council asked questions about specific line items within each department. Mayor Whitt asked to get updates on a more frequent basis.

Assistant City Manager Jamie Guffey reviewed revenue projections for the upcoming year. He also reviewed 10 year projections with the forecasting model. Mayor Whitt stated that he wanted to see a budget that showed 5% less revenues than the current fiscal year. City Council also stated that they would like to see each department cut costs by 5%.

The City Council then reviewed the current fee structure with City Manager Eric Davis. The City Council focused primarily on the addition of a fourth tier for utility rates that would address primarily non residential users. After much discussion, Frank MacLean made a motion to add a fourth tier to the utility rate structure. The sewer rate for non-residential users would be set at \$3.00 per 1,000 gallons. The fourth tier would begin at ten million (10,000,000) gallons of usage per month. Bennie Brookshire seconded the motion. The motion passed 5-1. Councilman Jerry Bishop voted against the motion stating that he was not in favor of the ten million gallon threshold, that it should be higher.

The City Council then heard staffing requests for the upcoming year. City Manager Davis reviewed the requests from department heads, stating that these requests have not been reviewed by Administration. The City Council then gave the Fire Chief; Dale Oplinger an opportunity to speak about the SAFER fire grant application. Chief Oplinger asked for about five minutes of the Council's time. Chief Oplinger then distributed a spreadsheet outlining costs of the grant for the upcoming year. Due to the time, the City Council wanted to wait before making a decision on the grant.

Mayor Whitt recessed the meeting until Thursday, March 19th, 2009 at 12:00. The meeting was recessed at 9:10 p.m.

MINUTES (Continued)

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recessed to March 19th, 12:00 p.m.

Mayor Whitt reconvened the meeting at 12:02 p.m. It was noted that all Council members were present except for councilman Brookshire who would be a few minutes late.

Council heard an update on the proposed curbside recycling program. Council directed staff to continue working on the proposal and that the issue would be taken up at the second budget meeting.

Next, the City Council heard a presentation from City Manager Davis concerning proposed changes to the budget ordinance and the structure of the budget. City manager Davis reviewed how the decisions would affect the budget and the appearance of the budget ordinance and budget document. After a few questions, the City Council reached a consensus that the proposed changes were acceptable.

Jamie Guffey then presented the debt schedule for the upcoming year, and projected numbers for future years. Mr. Guffey, stated that the debt was set, and that the Council could not change the structure of the debt for the coming year.

The City Council then resumed the discussion of the SAFER fire grant. After statements and questions by each councilmember, Perry Toomey made a motion to decline the SAFER fire grant. Frank MacLean seconded the motion. The motion passed 4-2. Voting in favor of the motion was Perry Toomey, Frank MacLean, Carolyn Breyare, and Jerry Bishop. Voting against the motion was David Moore, and Bennie Brookshire.

The final issue that was discussed was the pay and benefits study. City Manager Davis stated that the study conducted by Centralina COG would be complete by the following week. Mayor Whitt stated that he wanted to look at employee benefits, especially dependent health care coverage and see if the City could save money. The City Council agreed.

Being no other business, Jerry Bishop made a motion to adjourn. Bennie Brookshire seconded the motion. Motion passed unanimously. The meeting was adjourned at 1:07 p.m.

Eric Davis; City Manager

Robert Whitt; Mayor