

Work Session
City Hall
Fayette, Alabama
September 8, 2015

The City Council of the City of Fayette held a work session at 6:00 o'clock, p.m. on September 8, 2015, in the Council Chambers of the City Hall.

Upon roll call the following were found to be present: Mayor Ray Nelson, Council members Linda McCraw, Mike Hardin, Jason Cowart, Cedric Wilson and David Brand. Also present were City Clerk Dawn Clapp, City Engineer Dewayne Roby and City Attorney Dale Lawrence.

Mayor Ray Nelson announced a quorum was present and the meeting was open for the transaction of business.

DISCUSSION OF PROPOSED 2015-2016 BUDGET

Councilmember Wilson, Chairman of the Budget Committee, led a discussion on the Budget Committee's proposed budget for 2015-2016.

- Councilmember Wilson stated the Budget Committee recommended continuing to budget \$180,000 per month in projected sales tax revenue. He stated the average collections to date were \$210,328. The budget includes an additional line item for the sales tax increase dedicated to the Fayette Medical Center of \$400,000 with an appropriation line item of \$400,000.

- Councilmember Wilson stated the Budget Committee recommended continuing to budget \$8,000 per month in projected alcohol tax revenue. The revenue received from alcohol taxes would continue to be restricted for the paving note payment.

- Councilmember Wilson stated the budgeted expenditures included a \$0.50 per hour raise for all employees. There are no changes in the Blue Cross premiums.

Councilmember Cowart questioned why a \$.50 hour raise was recommended instead of a cost of living adjustment (COLA) percentage raise. Councilmember Wilson said everyone would receive the same amount instead of some receiving a large raise and some a smaller raise which is the result when a COLA is used to give raises. He said this will cost approximately \$1,000.00 per full time employee for a total of \$64,000.00. Councilmember Wilson said the amount expended for the 50¢ raise would be in close proximity to the amount that would be expended if a 3% raise was given.

Councilmember Hardin said the purpose was to close the gap between the lower wage and higher wage employees. Budget Committee members Hardin and McCraw said they supported this because it was only for this one year. The Council was not being locked in to giving this type raise in the future.

City Clerk Dawn Clapp said the Blue Cross Blue Shield premiums were not increasing. She also stated the co-pays and deductibles were not changing.

- Councilmember Wilson stated the budget included capital expenditures totaling \$183,240.00. He stated the current budgeted capital expenditures included an annual appropriation of \$100,000.00 for the purpose of accumulating funds for a pumper fire truck. Other vehicles will be provided for on an emergency or as needed basis pending Council approval.

Under the proposed budget, the Council would begin accumulating monies for a new fire truck at the rate of \$100,000.00 each year until the City had enough money to purchase a new pumper truck,

Auditor Rick McCabe said the budget is for twelve months and the capital purchases needed to be spread over the twelve month period. The consensus of the Council was that a bucket truck and police body cameras were priorities and should be purchased first.

Councilmember Cowart suggested the Council make conditional appropriations to some of the outside agencies and use this money to purchase a new bucket truck. If the City has the money, then the conditional appropriations would be made.

The consensus of the Council was to adjust the projected sales tax from \$180,000.00 to \$185,000.00 and include the bucket truck in the capital expenditures in the budget.

- The proposed budget includes the City providing AirEvac memberships to residents at a cost of \$20,000.00.

- The proposed budget has a surplus of \$143,317.00. After deducting restricted revenues, there is an unrestricted budgeted surplus of \$81,267.00.

ADJOURNMENT

There being no further business to come before the Council, upon the motion to adjourn being made by Councilmember Cowart and seconded by Councilmember Brand, the same was unanimously adopted.

Mayor

Attest:

City Clerk