

**City of Springville
City Council
Work Session
September 21, 2009**

Present: Mayor, William Isley; Members, Herbert Toles, Hugh Marlin, Wayne Tucker, Katrina Hennings, John Coyne, David Jones, and Brian Skinner.

Absent: None.

Mayor Isley called the meeting to order at 5:40 PM. The topic of discussion was the 2009-2010 Budget. He stated he had received recommendations for revisions from Wayne Tucker, David Jones, Hugh Marlin, and Katrina Hennings concerning the budget.

Mayor Isley stated that the first expenditure cut was a decrease in the amount the City would pay for employee's insurance coverage. He stated originally, the employee would be required to pay for 25% of premiums, but this amount had been amended to 12.5 %, as per recommendations from councilors. He said that 25% would be transitioned in over 2 years, and possibly 3 years based on the economy. He stated that the expense to the City from last year to the current year would be about flat, due to a 10% increase in premium cost from Blue Cross Blue Shield. He explained the City was under contract with the State Employees' Insurance Board for insurance coverage, so it would be a timely process to go through if the City wanted to get coverage through another company. He also stated research had been done on insurance options, and that Blue Cross Blue Shield could be the only viable option at this time. Difficulties that the City could face if they chose an alternate insurance coverage were discussed. Brian Skinner agreed that Blue Cross Blue Shield is about the only viable option in Alabama, and is sure that employees would prefer to stay with them. Mayor Isley stated that alternatives would continue to be researched.

Mayor Isley also stated that the budgeted amount of attorney fees has been cut by approximately 60% in every department, except court, based on recommendations from councilors. He explained that the attorney might not be required to attend all city branch meetings, depending on the topics of discussions. He stated that if legal advice was necessary, the appropriate representative should contact the Mayor seeking approval prior to the meetings. Brian Skinner suggested that one should be present at the first Council meeting of the months since this is when reports are given. Mayor Isley agreed. Herbert Toles stated he would like to have the option to have them present at the third Monday Council meeting, when needed.

Mayor Isley advised there was no funding allowed in the budget for the grant writer. He further stated the City had received a lot of money through grants, and that Mrs. Louise Campbell had done a great job handling these grants. He said that grants could be handled in the future on a case by case basis, rather than on a contracted basis, or done by an internal source within the City. Concerns were voiced by some councilors about the repercussions of not leaving Mrs. Campbell's annual fee in the budget. The majority were comfortable with it being handled on a case-by-case basis.

Mayor Isley stated that the amount budgeted for Springfest was decreased. There is \$2,000 from county contributions for 2009, plus \$2,000 for 2010. Sponsorships were \$2,970 this year. He said with a projection of \$6,000 for sponsorship in 2010, there would be more than enough funds to cover the event.

Mayor Isley replied other budget cuts included no cost-of-living raises or merit raises for employees. Also no overtime would be allowed by departments. He also advised the proposed budget did not allow any employees to drive a city vehicle home, with the exception of department heads. He clarified that the initial proposed budget allowed vehicles to be driven home by employees who reside within the city limits, but this had been changed. He stated an alternative would be to charge the employees the Alabama Dept. of Transportation approved mileage rate. He explained that some employees who live outside the city limits actually live closer to City Hall than some employees who live inside the city limits, so he decided to cut this expense across the board. Discussion ensued over on-call employees driving personal vehicles. Brian Skinner voiced concern over the financial burden this would place on some employees, and suggested that employees be allowed to drive home a vehicle if they live within a certain mileage of City Hall. City Attorney, James Hill, suggested a point be chosen, such as the outermost point of the city limits, and that distance is the furthest mileage allowed. Citizen, Lynn Hayes, asked if employees would be covered by insurance if they were driving a personal vehicle and got called out on an emergency. Mayor Isley stated that he did not know the answer yet. Mayor Isley inquired of City Attorney, James Hill, if there was a legality issue with allowing department heads to drive their vehicles home if they are outside of this radius. James Hill stated that he did not think there would be an issue with this, but he would check on it. Mayor Isley stated that he would only be approving overtime on a seldom as-needed basis. He added that all other overtime would cease; instead hours worked would be rescheduled for time off. He stated that he had made phone calls to the Alabama Department of Labor to validate the legality of this, and that it is allowable.

Mayor Isley stated that the economy is in such a state that expenses must be decreased or revenues increased. He stated that Hugh Marlin had raised several questions that were worthy of discussion by ways to raise revenues through different means. One suggestion was charging for copies at City Hall, but the charge is already higher than the local service charges so it is not feasible. He added that, as the Mayor, he was not comfortable with raising taxes, so the alternative is budgetary cuts. He stated that employee's personnel expenses account for approximately 80% of the most cities' budgets. Brian Skinner asked if the City had a hiring freeze in place. Mayor Isley answered there is not a hiring freeze in place. Brian Skinner suggested that a hiring freeze might need to be considered. Mayor Isley replied that minimum staffing levels to provide emergency protection have been maintained. Police Chief, Greg Charles, said that he had 3 officers scheduled for most duties. He asked that this number not be decreased because he feels it is necessary to keep 2 officers working at all times, and keeping 3 officers scheduled allows for sick vacation time, or training of the officers. Mayor Isley stated that when a sergeant retires or leaves, it is built into the budget to hire from within the department. Brian Skinner recommended that all new hires should be brought before the Council for them to decide whether it was necessary at that time to hire anyone else.

Brian Skinner asked if two of the Public Works temporary employees were still going to be cut in this budget. Mayor Isley confirmed this was true. Brian Skinner also asked if Christmas bonuses for employees were not included. Mayor Isley answered that there were no bonuses budgeted. Brian Skinner also asked if there was any funding included for the senior citizens. Mayor Isley stated that there was \$16,000 allocated for a director of the senior program, and 75% of that would be reimbursed to the City by the St. Clair County Commission. Brian Skinner voiced concern over deleting all overtime, especially in the Public Works department. He suggested that the City use the money in reserve to cover these expenses.

Mayor Isley advised the library had built up funds through book sales, copies, overdue books, and advised Betty Wisner, Librarian said this fund was created with a long term goal of raising money for a new library. He stated he was still undecided about deducting the rental payment from this account, or transferring this money into the general fund. Hugh Marlin asked that this not be done; he was comfortable with charging their utilities to it or something to this effect, but asked that deductions be kept minimal. Mayor Isley stated that he was still undecided on what he was going to do.

Mayor Isley closed the work session at 7:05 PM.

Brenda Roberts, City Clerk
Jennifer Milner, Assistant City Clerk

William Isley, Mayor