

**CITY OF LAURINBURG
RECONVENED COUNCIL MEETING
JUNE 9, 2015
MUNICIPAL BUILDING
303 WEST CHURCH ST.
6:30 p.m.**

The City Council of the City of Laurinburg reconvened its May 13, 2015 meeting which was recessed until 6:00 p.m. on June 8, 2015 and then recessed until this date and time, June 9, 2015 at 6:30 p.m. in the council room of the Municipal Building with the Honorable Thomas W. Parker, III, presiding. The following Councilmembers were present: Mary Jo Adams, Dolores A. Hammond, Curtis B. Leak, Andrew G. Williamson, Jr. and J. D. Willis.

Also present were Charles D. Nichols III, City Manager; and Jennifer A. Tippett, City Clerk.

Mayor Parker called the meeting to order at 6:30 p.m.

Councilmember Hammond requested a moment of silence.

FY 2015-2016 BUDGET DISCUSSION

Councilmember Adams explained that she was not present at the June 8, 2015 meeting because her mother was in the emergency room. She added that the City Manager did a great job with the budget under different circumstances. She further added that she is concerned with using Fund Balance to balance the General Fund and she is also concerned with the proposed utility rate increases.

The City Manager explained that the water and sewer fee increases will generate approximately \$1.5 million additional revenue in the Water/Sewer Fund. He added that Willis Engineering conducted a quick review of the City's water and sewer rates and recommended the rate increases at this time. He further added that a rate structure study will be conducted in the next fiscal year that will encourage users to conserve.

Upon question by Councilmember Adams, the City Manager explained that the average residential customer's monthly bill will go from \$37.43 to \$49.18.

Upon question by Councilmember Adams, the City Manager explained that in the Solid Waste Fund, staff recommended not reducing expenditures any more than had already been done, and increase residential solid waste fee by \$2.50 per month and corresponding increase of 10.4% on commercial solid waste fees. He added that staff also proposed that large capital items be financed to reduce expenditures in the upcoming budget.

Discussion ensued concerning the last significant increase in water/sewer rates and that the increases were done in order for the City to apply for grant funding.

Discussion ensued concerning purchase of the fire truck. The City Manager explained that he was still researching whether the City could finance a fire truck that did not belong to the City in order to stretch out the payments. He explained that Council could request that the County Commissioners give the City the \$300,000.00 from the Fire Tax and let the City purchase and therefore, finance the truck. He added that with the available Fund Balance, he did not recommend financing the fire truck.

Councilmember Willis explained that he did not believe that the County would agree to give the City the \$300,000.00; therefore the Council needed to decide on purchasing a commercial chassis truck or a custom truck. He discussed the effect on the tax rate of purchasing the custom chassis truck.

Discussion ensued concerning the County's rotation schedule for purchasing fire trucks.

Discussion ensued concerning the difference between a commercial chassis and custom chassis fire truck.

Following further discussion, motion was made by Councilmember Adams to accept the \$300,000.00 from the County to purchase the commercial fire truck, and in Fiscal Year 2016-2017 for the City to purchase equipment for said truck in an amount up to \$125,000.00. The motion was seconded by Councilmember Willis and the vote was as follows:

Ayes: Adams, Willis, Hammond, Williamson, Leak

Nays: None

Councilmember Adams explained that in the future, when the City is purchasing a fire truck, consideration should be given then to purchasing a custom chassis fire truck.

Upon question by Councilmember Adams, Mr. Haywood explained that each dollar added to the solid waste fees and the percentage change in commercial fees equates to \$87,000.00; therefore the \$2.50 increase in the residential rate and the corresponding percentage increase in commercial rates add \$217,500.00 in revenue.

The City Manager explained that the interviews based upon

RECESS

Motion was made by Councilmember Hammond, seconded by Councilmember Willis, and unanimously carried to recess the meeting until Monday, June 15, 2015 at 6:15 p.m. in the Council Chambers of the Municipal Building.

The meeting recessed at 6:15 p.m.

Thomas W. Parker III, Mayor

Jennifer A. Tippett, City Clerk