

**PUBLIC HEARING
NEWBERN BOARD OF MAYOR AND ALDERMEN
JUNE 29, 2010
6:30 PM**

The Newbern Board of Mayor and Aldermen met in called session in the Board Meeting Room at the Newbern Municipal Building. Mayor K.W. Dennison presiding. Aldermen present were Kathy Clements, Bill Parks, Larry Fesmire, Chris Odom, Robert Hart and Bennie Greene. Also present were City Recorder Jason Roberts, Utilities Office Manager Rosalind Greene and Public Works Director Sandy Hill.

BUDGET DISCUSSION

BAD DEBT WRITE OFF

Rosalind Green presented the board with the compilation of bad debt write off. These accounts are required to be written off at the end of each budget year. While written off the accounts will still be actively collected. A motion was made by Alderman Fesmire to approve the write off and was seconded by Alderman Greene. All voted aye and the motion carried.

AMENDED 2009-2010 BUDGET

City Recorder Roberts addressed the Board and presented the amended budget for 2009-2010. Recorder Roberts stated that the budget changes were necessary to comply with budgetary requirements. A motion was made by Alderman Hart to approve the amendments and was seconded by Alderman Fesmire. All voted aye and the motion carried.

ORDINANCE 11-01

Recorder Roberts presented the board with General Fund Budget Ordinance 11-01. A motion was made by Alderman Hart to dispense with the reading and was seconded by Alderman Fesmire. All voted aye and the motion carried. The proposed Revenues and Expenditures are as follows:

REVENUES	CURRENT YEAR BUDGET	ACTUAL THROUGH MAY	PROPOSED BUDGET
GENERAL FUND	\$2,600,945	\$2,302,900	\$2,581,869
SANITATION AND LANDFILL	\$332,500	\$335,495	\$333,500
LIBRARY	\$86,715	\$85,270	\$87,596
STATE STREET AID	\$85,700	\$79,383	\$85,700
DRUG FUND	\$9,500	\$44,078	\$9,500
TOTAL	\$3,115,360	\$3,036,036	\$3,083,165

EXPENDITURES	CURRENT YEAR BUDGET	ACTUAL THROUGH MAY	PROPOSED BUDGET
GENERAL FUND	\$2,585,568	\$2,303,965	\$2,560,355
SANITATION AND LANDFILL	\$332,699	\$387,817	\$333,075
LIBRARY	\$100,935	\$80,203	\$100,935
STATE STREET AID	\$85,000	\$85,170	\$85,000
DRUG FUND	\$4,750	\$3,0467	\$4,750
TOTAL	\$3,108,952	\$2,860,625	\$3,087,115

Recorder Roberts stated that the proposed budget included a six percent insurance increase and a .50 cent across the board raise for employees. A motion was made by Alderman Fesmire to the approve ordinance and was seconded by Alderman Greene. All voted aye and the motion carried.

WATER AND SEWER BUDGET

Utilities Office Manager Rosalind Green presented the Water and Sewer Dpt. Budget for 2010-2011. The figures are as follows:

	2010-2011		
PROJECTED BUDGET			
WATER & SEWER DEPARTMENT			
New Mains & Services	New Plant		
Equipment Pole Barn - 1/2 share	7,500.00		
Sludge Press Building - 20%	12,500.00		
WWTP Sampler Replacement	4,900.00	Bal paid by JDF	
1/4 share Meter Reading Pickup	13,226.00		
	<u>4,050.00</u>		
TOTAL	42,176.00		
RURAL DEVELOPMENT	Grant	Total	Avail.
New Water Plant	746,500.00	1,396,500.00	0.00
Upgrade Sewer Plant	451,000.00	1,401,400.00	172,100.00
CDBG Sewer Grant	<u>500,000.00</u>	<u>596,152.00</u>	0.00
Total	1,697,500.0	0	3,394,052.00
Proposed Revenue	2,400,100.0		
Less Proposed Expenses	0		
Sub-Total	<u>2,256,975.0</u>		
Less New Plant	143,125.00		
TOTAL	<u>42,176.00</u>		
	100,949.00		
Employee \$.50 pay raise	10,228.94		
	<u>90,720.06</u>		
			CMOM
			account
			558,605.38
			May-10
			0.00

A motion was made by Alderman Fesmire to approve the proposed budget and was seconded by Alderman Hart. All voted aye and the motion carried.

RURAL WATER BUDGET

Utilities Office Manager Rosalind Green presented the Rural Water Dpt. Budget for 2010-2011. The figures are as follows:

	2010-2011
PROJECTED BUDGET	
RURAL WATER DEPARTMENT	
New Mains & Services	New Plant
Equipment Pole Barn 1/2 share	10,000.00
	<u>12,500.00</u>
TOTAL	22,500.00
Projected Revenue	763,400.00

Projected Expense	<u>736,998.00</u>
Sub-Total	<u>26,402.00</u>
Less New Plant	<u>22,500.00</u>
TOTAL	<u>3,902.00</u>

Employee \$.50 pay raise 10,288.94

6,326.94

\$0.50 Rate Increase 57,500.00 July 1,,2009

A motion was made by Alderman Hart to approve the proposed budget and was seconded by Alderman Fesmire. All voted aye and the motion carried.

GAS DPT. BUDGET

Utilities Office Manager Rosalind Green presented the Rural Water Dpt. Budget for 2010-2011. The figures are as follows:

Projected Budget	2010-2011
GAS DEPARTMENT	

New Mains & Services	New Plant
Boring Railroad - Replace Gas Main	7,500.00
1/4 Share Meter Reading Pickup	10,000.00
TOTAL	<u>4,050.00</u>
	21,550.00

Projected Revenue	2,462,208.00
Projected Expense	<u>2,343,735.00</u>
Sub-Total	118,473.00
Less New Plant	<u>21,550.00</u>
TOTAL	96,923.00

Budget reflects 14.45% rate decrease

Employee \$.50 pay raise 7,740.00

89,183.00

Stored Gas @7.35 per MCF	736,765.00
Purchased @4.00 per MCF (20,000 units)	80,000.00
Purchased @5.25 per MCF (104,000 units)	546,000.00
Total Gas Cost	1,362,765.00

(Note: add transportation and other charges to cost)

Gas Sales Cost to Customers	11.1105	per MCF
Gas Purchased Cost from ATMOS	<u>8.7900</u>	per MCF
Difference	2.3205	

NOTE: Some systems charge \$4.00 to \$4.50 per MCF

A motion was made by Alderman Parks to approve the proposed budget and was seconded by Alderman Hart. All voted aye and the motion carried.

ELECTRIC DPT. BUDGET

Utilities Office Manager Rosalind Green presented the Electric Dpt. Budget for 2010-2011. The figures are as follows:

PROJECTED BUDGET	2010-2011
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ELECTRIC DEPARTMENT

New/Replacement Primary Lines & Services Meters & Transformers		New Plant 100,000.00 10,000.00	
Tornado Environmental Cleanup Additional Gasoline & Diesel		100,000.00 11,000.00	estimate
New Service Truck		25,000.00	
1/2 share Meter Reading Pickup		6,900.00	
TOTAL		252,900.00	

	Total-to-Date As of May 31	Funds Rec.d	Out of Pocket
TORNADO RESTORATION	607,689.67	(211,434.23) FEMA (25,000.00) SOLOMON (222,354.44) FEMA 9-09	148,901.00
TORNADO ENVIRON CLEANUP	921,423.56	(50,000.00) TML Ins.	859,566.06
BIFFLE ROAD SUBSTATION	1,851,736.07	(1,833,268.82) TML Ins.	18,467.25

Projected Revenue 9,092,900.00
 Projected Expenses 8,795,180.00
 Sub-Total 297,720.00
 Less New Plant 252,900.00
 Net 44,820.00

Employee \$.50 pay raise 9,800.00
35,020.00

A motion was made by Alderman Fesmire to approve the proposed budget and was seconded by Alderman Hart. All voted aye and the motion carried.

RESOLUTION 11-02

City Recorder Roberts read a resolution to decrease the Gas system rates for the upcoming budget year approximately 14%. A motion was made by Alderman Hart and was seconded by Alderman Clements. All voted aye and the motion carried.

ORDINANCE 11-03

Rosalind Green presented the Board with an Ordinance establishing rates for sewer services and amending the sewer services agreement with Jimmy Dean foods. A motion was made by Alderman Fesmire to dispose with the reading and was seconded by Alderman Hart. All voted aye and the motion carried. The figures are as follows:

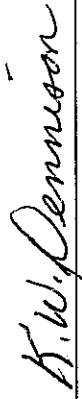
SEWER RATES	\$5.53 PER	1000 GALLONS	
ADDITIONAL COST	OPERATING REVENUE		CMOM
RESIDENTIAL CUSTOMER	\$ 7.50	MONTHLY	\$ 7.50 MONTHLY
	\$ 15.00	MONTHLY	\$ 15.00 MONTHLY
	\$ 50.00	MONTHLY	\$ 50.00 MONTHLY

JIMMY DEAN FOODS	SEWER	\$50,233.57
RATES		

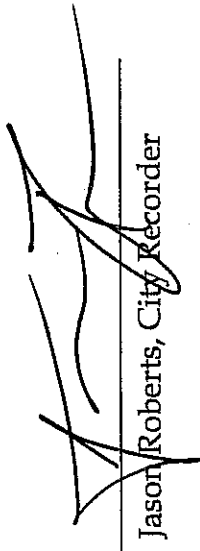
A motion was made by Alderman Fesmire to approve the Ordinance and was seconded by Alderman Greene. All voted aye and the motion carried.

ADJOURNMENT

With no further discussion, a motion was made by Alderman Hart to adjourn the meeting and was seconded by Alderman Fesmire. All voted aye and the meeting was adjourned at approximately 7:36pm.



K.W. Dennison, Mayor



Jason Roberts, City Recorder