

**REGULAR MEETING
NEWBERN BOARD OF MAYOR AND ALDERMEN
JUNE 21, 2011
7:00 PM**

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

CALL TO ORDER AND APPROVAL OF MINUTES

Mayor Dennison called the meeting to order at 7:00 pm and asked Alderman Parks to open with a prayer. Mayor Dennison asked if the Board of Mayor and Aldermen had reviewed the minutes from last month's meetings. Alderman Fesmire made a motion to accept the minutes and was seconded by Alderman Greene. All voted aye and the minutes were approved.

VISITORS AND VISITOR BUSINESS

Mayor Dennison welcomed all visitors and requested anyone with items not on the agenda to approach the board with these items. There were none.

OLD BUSINESS

NONE

NEW BUSINESS

BID OPENING

City Recorder Roberts addressed the board and stated that a bid opening had been conducted for Screw Pump upgrades at the Newbern Wastewater Facility. The low bidder was Newbern Machine at \$10,900. The low bidder met all required specifications. A motion was made by Alderman Parks to approve the low bidder and was seconded by Alderman Greene. All voted aye and the motion carried.

BAD DEBT WRITE OFF

Rosalind Greene presented the board with the bad debt write off figures on utility customers. Mrs. Green stated that efforts would still be made to collect the debts but this was a necessary accounting function. A motion was made by Alderman Fesmire to approve the write offs and was seconded by Alderman Hart. All voted aye and the motion carried.

BUDGET AMENDMENT

City Recorder Roberts addressed the board and requested permission to amend the General Fund Budget Ordinance 11-01. Recorder Roberts stated the expenditures and revenues have to be amended to comply with the Municipal Budget Law, TCA section 6-56-208. A motion was made by Alderman Fesmire to amend the Ordinance and was seconded by Alderman Parks.

BUDGET DISCUSSION

GENERAL FUND

Recorder Roberts presented the Board with the proposed 2011-12 General Fund Budget. The revenues and expenditures are as follows:

| REVENUES | | | |
|------------------|------------------------|------------------------|------------------------|
| | CURRENT YEAR | PROJECTED | PROPOSED |
| GENERAL FUND | \$ 2,581,869.05 | \$ 2,351,000.00 | \$ 2,130,000.00 |
| SAN AND LANDFILL | \$ 333,500.00 | \$ 330,800.00 | \$ 341,500.00 |
| LIBRARY | \$ 87,596.00 | \$ 84,000.00 | \$ 91,596.00 |
| STATE STREET AID | \$ 85,700.00 | \$ 80,000.00 | \$ 85,700.00 |
| DRUG FUND | \$ 9,500.00 | \$ 31,800.00 | \$ 7,500.00 |
| TOTAL | \$ 3,098,165.05 | \$ 2,877,600.00 | \$ 2,656,296.00 |

| EXPENDITURES | | | |
|---------------------|------------------------|------------------------|------------------------|
| | CURRENT YEAR | PROJECTED | PROPOSED |
| GENERAL FUND | \$ 2,560,355.00 | \$ 2,300,600.00 | \$ 2,126,275.00 |
| SAN AND LANDFILL | \$ 333,075.00 | \$ 341,080.00 | \$ 339,625.00 |
| LIBRARY | \$ 103,935.00 | \$ 76,000.00 | \$ 95,100.00 |
| STATE STREET AID | \$ 85,000.00 | \$ 81,000.00 | \$ 83,000.00 |
| DRUG FUND | \$ 4,750.00 | \$ 12,200.00 | \$ 5,000.00 |
| TOTAL | \$ 3,087,115.00 | \$ 2,810,880.00 | \$ 2,649,000.00 |

Recorder Roberts stated that all budget committee meetings were held and approvals were garnered. Recorder Roberts stated that the Tax Rate would change from 1.5087 to 1.51. This change was not an attempt to raise revenues but to make tax calculations easier to compute as requested by the Tax Assessors office. A motion was made by alderman Fesmire to approve the General Fund Budget and was seconded by Alderman Parks. All voted aye and the motion carried.

BUSINESS ACTIVITY

Utilities Office Manager Rosalind Green presented the board with the Proposed Water and Sewer, Rural Water, Electric and Gas budgets for 2011-12. The budgets included a decrease in the CMOM sewer charge by half. These charges were created as part of the State Order of Correction, but due to the advancement in our sewer rehab the committee felt the charge could be decreased this year and hopefully removed next year. The proposal also includes Gas rate decreases of 16%. A motion was made by Alderman Fesmire to approve the Business Activity budgets and was seconded by Alderman Parks. All voted aye and the motion carried.

BUDGET ORDINANCE 12-01

Recorder Roberts read aloud to the Board Budget Ordinance 12-01 which included the figures presented during the budget discussions. A motion was made by Alderman Hart to approve the first reading of Ordinance 12-01 and was seconded by Alderman Greene. All voted aye and the motion carried.

ORDINANCE 12-02

Recorder Roberts read aloud Ordinance 12-02 which sets sewer rates for the upcoming fiscal year and amend the Sara Lee Foods agreement. The Ordinance calls for residential rates to be \$5.53 per 1000 gallons and Sara Lee Foods charge

to be \$48,402.85. A motion was made by Alderman Fesmire to approve the first reading and was seconded by Alderman Parks. All voted aye and the motion carried.

RESOLUTION 12-01

Recorder Roberts read aloud Resolution 12-01 which established Gas rates for the City of Newbern Fiscal year 2011-12. The rates were presented at a 16% decrease from the previous year. A motion was made by Alderman Parks and was seconded by Alderman Odom. All voted aye and the

INSURANCE DISCUSSION

Recorder Roberts addressed the board and requested permission to submit a demographic listing to White and Associates and allow them to bid on the City's health insurance. Recorder Roberts stated that he was approached by a representative who made the request and was informed of new plans that may be beneficial to the City. A motion was made by Alderman Hart to allow W&A the opportunity to make a proposal and was seconded by Alderman Parks. All voted aye and the motion carried.

CHARTER AMENDMENT

Recorder Roberts presented the board with Private Chapter 26, Bill 2131. The Private Act Charter Amendment changed the Alderman Elections from all six running every four years, to a staggered 3 running every 2 years for four year terms. The Amendment also removed the periodic reappointment of the City Recorder and Police Chief. A motion was made by Alderman Parks and was seconded by Alderman Odom. All in favor were Alderman Parks, Fesmire, Odom and Greene. All against was Alderman Hart. The motion carried 4-1. Recorder Roberts was directed to return ratification to the Secretary of State.

SCHOOL PROPERTY

Recorder Roberts addressed the board and stated that through the application for the Earthquake/Tornado shelter a title opinion of the Newbern Elementary School revealed that the property had reverted back to the City of Newbern in the 1970's. This property should have only reverted on the property ceasing to be used as a school. Recorder Roberts stated that the tax assessor had the property in the Board of Education's name. Recorder Roberts requested that he be allowed to sign a deed transferring the property to the Board of Education with a revert clause that would return ownership to the City if the property ceased to be a school. A motion was made by Alderman Fesmire and was seconded by Alderman Parks. All voted aye and the motion carried.

POLICE DEPARTMENT REPORT

Police Chief Harold Dunivant presented the board with the monthly status reports and stated that a suspect had been identified and chased who was believed to be involved in the over 30 auto and home break-ins. Chief Dunivant felt confident in his apprehension.

PUBLIC WORKS

Public Works Director Sandy Hill presented the board with monthly status reports.

MAYOR'S REPORT

Mayor Dennison asked everyone to remember Alderman Clements and her family in pray on the loss of her husband to heart complications.


Mayor Dennison thanked the committee members and the employees on their hard work through the budget process.

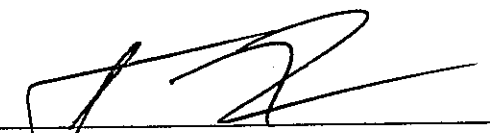
Mayor Dennison stated that he would be attending a meeting Thursday concerning the Earthquake/Tornado shelter grant of which the City had applied.

Mayor Dennison stated he was proud of the CMOM rate decrease and the Gas rate decrease. Mayor Dennison recognized how hard times were and hoped this would give some level of relief to the citizens of Newbern.

ADJOURNMENT

At 7:55 p.m., there being no further business to discuss Alderman Hart made a motion to adjourn and was seconded by Alderman Fesmire.


K.W. Dennison, Mayor


Jason Roberts, City Recorder