

**MONDAY-7:00 P.M.**

**MARCH 5, 2007**

**SPECIAL MEETING**

The City Council of the City of Elizabeth City held a Special Meeting on the above date and time in the City Council Chambers of the Municipal Administration Building. Those attending were: Mayor C. L. Foster, Council Persons J. M. Baker, L. A. Hummer, B. S. Meggs, E. K. Rivers, D. K. Stallings, J. A. Stimatz and J. B. Walton. M. E. Brooks was absent. Staff attending were: City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen, Deputy City Clerk V. D. White, Human Resource Director K. W. Felton, Planning Director J. C. Brooks, Finance Director S. E. Blanchard, Parks and Recreation Director J. D. Overman, Public Utilities Director P. Fredette, Inspections Director S. E. Ward, Interim Police Chief G. F. Koch and Electric Superintendent K. F. Clow.

Mayor Foster opened the meeting and welcomed those attending. He gave the invocation and afterwards Councilman J. B. Walton led the Pledge of Allegiance to the Flag of the United States of America.

**1} APPROVAL OF THE AGENDA:**

Mayor Foster asked what the pleasure of Council regarding the prepared agenda was.

Councilman J. A. Stimatz asked to remove Item V-Rezoning Application RZ-12-06 by Peartree Properties, LLC.

*A motion was made by Mayor Pro Tem L. A. Hummer, seconded by Councilwoman J. M. Baker to approve the agenda as presented with the noted item above. Those voting in favor of the motion were: Hummer, Baker, Meggs, Rivers, Stimatz and Walton. Against: Stallings. Motion carried.*

**2} POWERPOINT PRESENTATION AND DISCUSSION OF FISCAL YEAR 2007-2008 RECOMMENDED BUDGET:**

Mayor Foster called upon City Manager R. C. Olson for comments.

Mr. Olson stated tonight he wanted to discuss any items that City Council would like to look at more closely and as part of the budget process. Historically City Staff would present you a budget and we would go from there. He then went over the goals that Council had set last year.

Councilman Walton asked if there was a way that he could give an update to show that we have accomplished those goals that we set.

Mr. Olson said that he will be incorporating some of the goals into the budget work sessions. He briefly went over the approved budget for FY2006. He reviewed the revenue outlook for the City saying that the ad valorem taxes should increase due to growth, sales taxes should increase due to improved economy and interest rates should continue to increase. Property taxes are still undecided as well as sanitation, electric, water & sewer and stormwater. Property tax is projected to have a minimum of 5% growth. That would mean about \$225,000 increase bringing our total to \$4,775,000. In the sales tax we are projecting a growth of 6% which would equate to \$170,000 for a total of \$2,994,500. He proceeded to review the fund/cash balances.

He continued with the review and went to personnel costs. He is proposing a 2% COLA based on CPI of 2.1%. We are expecting a 10% increase in health insurance and a 20% increase in property/worker's compensation insurance.

There are three major considerations that we need to pay attention to. One is the significant costs to provide electrical service to new subdivisions will drain the Electric Fund. We also have the on-going issues at our Wellfield site and the construction of Hughes Interceptor and Knobbs Creek Lift Station.

A list of new subdivisions with their tentative start dates was presented. We use roughly \$1600 per electric service. Council has approved most of them already but some of them are still in different phases.

He went over the existing debt and the debt payment reductions. Lastly, he requested a determination how much he needs to set aside for the non-profits.

Councilman Stallings asked if all of the non-profits that received contributions from the City in last year's fiscal budget had received their money.

Ms. Blanchard replied that she thought that they had all received their funds excluding Skills, Inc.

Discussion ensued regarding the amount of funds to be set aside for non-profits. Following discussion it was the consensus to allocate \$50,000 for non-profits.

Mayor Pro Tem Hummer requested that funds be put in the budget for the cameras.

Councilman Stimatz asked that an IT position be included in the proposed budget.

Councilman Rivers stated that he didn't want to have to have an electric rate increase and he would like to have Public Works start looking at the next 10 streets to be paved.

**3} ADJOURNEMNT:**

Mayor Foster stated that the above concluded the meeting for tonight. He entertained a motion for adjournment.

***A motion was made by Councilwoman B. S. Meggs, seconded by Mayor Pro Tem L. A. Hummer to adjourn. Those voting in favor of the motion were: Meggs, Hummer, Baker, Rivers, Stallings, Stimatz and Walton. Against: None. Motion carried.***

Mayor Foster adjourned the meeting at 8:30 p.m.

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Dianne S. Pierce-Tamplen, MMC  
City Clerk

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Charles L. Foster  
Mayor