

**MINUTES OF THE  
CITY COUNCIL MEETING  
MONDAY, July 29, 2019  
WORKSHOP 5:30 p.m.**

DISCUSSION OF CITY OF DECATUR FISCAL YEAR 2019/20 PROPOSED BUDGET Specific items for discussion: 1) Property Tax Rate 2) 2019/20 Proposed Budget 3) Other.

Finance Director Erwin introduced the budget by providing an overview of general fund: revenue, expenditures and the proposed property tax rate of .649.

The Budget Highlights based on Principles:

- Balanced Budget – Current Revenues ≥
- Property Tax Rate - .667, proposed .649, 1.80 cent drop in tax rate
  - .4892 for M&O
  - .1598 for I&S
- Personnel
  - 2% Salary Increases
  - Maintain Health Care Costs at \$10,000 per employee
  - Able to fund
    - \$150,000 in Police salary increases
    - \$100,000 in Fire salary increases
    - New IT position through police vacancy savings
- Capital Expenditures
  - Sewer plant repairs – UV treatment
  - Police Vehicles (5 year note)
  - Hydrant and sewer line replacement
  - Chipper
- Operating Expenditures
  - Comprehensive Plan update
  - OpenGov – planning and budgeting software
  - Fire personal protection gear
- Debt
  - No new debt
- Fund Balance Goals
  - GF – 25% of expenditures, currently at 16%
  - WF – 25% of expenses
  - Debt Service one year payment

Budget in Brief:

- General Fund
  - Revenue - \$9,182,218, increase of \$422k
    - \$297,000 property tax
    - \$180,000 sales tax
    - \$-100,000 fines/fees
    - \$35,000 Transfer
  - Expenditures - \$9,181,189, increase of \$452k
    - \$250,000 Public Safety salaries
    - \$100,000 2% salary increase
    - \$70,000 chipper
    - \$25,000 additional Comp Plan funding
    - \$20,000 additional OpenGov funding
    - \$7,000 Park supplies

## Property Taxes

- Property Tax Rate -.649, lower than last year of .667,
  - Above effective rate -.609415
  - .4892 M&O
  - .1598 I&S
- 1.80 cent drop in tax rate
- Advertise a 7.82% increase in taxes, rollback rate is 8%
- Each penny in tax rate worth approximately \$79,000
- **5.4 cent decrease in property tax rate over last two years**
- **Increased over 65 exemption from \$6,000 to \$25,000**

There was some discussion regarding new requirements dictated by the last legislative session that could affect development department staffing. Council is waiting for recommended direction by legal staff.

Adjourned at 6:12 p.m.

### SPECIAL MEETING Immediately Following Workshop 6:13 p.m.

PRESENT: Mayor Martin Woodruff, and Council members Will Carpenter, Jay Davidson, Jake Hayes, Dr. Carmelina Holloway, Mike McQuiston and Melinda Reeves.

ABSENT:

OTHERS PRESENT: City Manager Brett Shannon, Planning Director Dedra Ragland, Finance Director Mike Erwin, Police Chief Rex Hoskins, Fire Chief Mike Richardson, Public Works and Airport Director Greg Hall, Main Street Director Frieda Lasater, Building Official Wayne Smith, Library Director Patricia Peters, Conference Center Director Lori Sherwood, City Engineer Earl Smith, City Secretary Diane Cockrell and Brian Knox representing the Wise County Messenger.

#### CALL TO ORDER

Mayor Woodruff called meeting to order at 6:13 p.m.

#### MOMENT OF SILENCE

Mayor Woodruff declared a moment of silence.

#### PLEDGE OF ALLEGIANCE

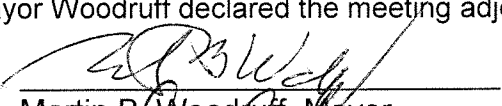
Finance Director Erwin led the pledge.

1. CONSIDER PROPOSING AD VALOREM TAX RATE FOR FISCAL YEAR 2019/2020, IF PROPOSED TAX RATE WILL EXCEED THE ROLL-BACK RATE OR THE EFFECTIVE TAX RATE, TAKE A RECORD VOTE AND SCHEDULE PUBLIC HEARINGS.
2. CONSIDER AND SCHEDULE PUBLIC HEARING ON BUDGET FISCAL YEAR 2018/2019.

Council member McQuiston moved to propose a tax rate of .649 that will exceed the lower of the rollback rate or the effective tax rate, calling two public hearings on a tax increase to be held August 12th and August 26th and calling a budget public hearing on the City of Decatur Proposed Budget to be held on August 26th, requiring publication of notices of the public hearings in accordance with the law, requiring the posting of the notices of the public hearings on the City's Internet website, and providing an effective date. Council member Holloway seconded the motion. The motion carried unanimously, 7-0-0 for a record vote.

ADJOURNMENT  
There being no further business, Mayor Woodruff declared the meeting adjourned at 6:18 p.m.



  
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Martin B. Woodruff, Mayor

  
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Diane Cockrell, TRMC, CMC, City Secretary