

SPECIAL MEETING

May 31, 2024

The Bessemer City Council met in special session on Friday, May 31st, 2024 at 3:00PM in Council Chambers. Proper notice was given.

Members Present

Mayor Becky Smith, Council Members: Brenda Boyd, Donnie Griffin, Nellie Floyd, Allen Hook, and Brent Guffey. Also present were City Manager, Josh Ross and department heads. Council Member, Michael Brooks was absent.

Call to Order

Mayor Smith called the meeting to order and explained that this meeting was to discuss the proposed FY 2024-2025 budget.

2024-2025 Proposed Budget Review and Discussion

City Manager, Josh Ross addressed Council about potential changes needed to meet the \$0.55 cent tax rate that City Council requested at Tuesday's work session. The City Manager recommends keeping the City's proposed tax rate at \$0.60 per \$100.00 of valuation. This \$.15 per \$100 valuation increase is crucial to providing funds for general operations, debt service, and to build back fund balance (savings) in all funds. However, per City Council direction, the budget will need to be balanced with a 10-cent increase per \$100 valuation. In order to achieve this goal, several items were omitted from the upcoming FY 2024-2025 budget:

- Pool Renovations
- April and May 2025 Community Cruise-In & Concerts
- Land Development Code (LDC) Plan Review
- Economic Development Grant for downtown businesses
- Ice Machine for Stinger Park
- City Manager COLA in 24-25 in budget
- City Council pay reduction
- Students of the Month Appreciation Program
- Portion of Police Department Overtime
- Down Home Festival added entertainment

Additionally, several positions have received half of the year funding, with placement beginning in January 2025: Events & Recreation Coordinator, Stormwater Manager, and Natural Gas Technician.

In order to only increase the tax rate 10-cents, revenue sources have change as well as follows:

- Sales tax (\$1,000,000 to \$1,050,000)
- Investment earnings (\$30,000 to \$35,000)
- Natural Gas Admin. Charge (\$100,000 to \$137,500)
- Stormwater Admin. Charge (\$50,000 to \$100,000)
- Water/Wastewater Admin. Charge (\$650,000 to \$710,000)

City Manager, Josh Ross informed Council that he does not advise the 10-cent increase as it eliminates operations and does not address the Financial Performance Indicators of Concern (FPIC) as identified by the Local Government Commission (LGC) as effectively. Additionally, decreasing expenditures will have a direct consequence on service and increasing revenues from enterprise funds follows the same pattern that contributed to the City's current financial dilemma.

Light discussion was held regarding a possible fire tax and the consideration of \$.5569 versus \$.55 per \$100 valuation. Council members, Floyd and Boyd commented that \$.5569 would be ideal, as all staff members would be retained. However, Council member, Guffey stated that the Board should stick with balancing the budget at \$.55 per \$100 valuation, per Tuesday's work session.

By general consensus from City Council, the FY 24-25 Manager Recommended Budget was modified to include a 55-cent tax rate vs. the City Manager's recommendation of 60-cents. This version of the FY 24-25 budget will be on the June 2024 Regular Meeting Agenda for Council adoption.

City Manager's Report

City Manager, Josh Ross informed Council that City Staff has received a request to rename a portion of W. Carolina Avenue to A. Wayne Love Drive. This will formally come before City Council at the June 2024 regular meeting.

Council General Discussion

Mayor Smith opened the floor for Council discussion. Mayor Smith led the discussion by thanking City Manager, Josh Ross and department heads for working so diligently on the 2024-2025 budget. Council member, Brent Guffey inquired about the warranty items and general landscaping at Stinger Park.

Adjourn

By motion of Brenda Boyd and unanimous vote, the meeting was adjourned at 4:16 PM.

Becky S. Smith, Mayor

Hydeia Y. Hayes, City Clerk