

BUDGET WORK SESSION

AUGUST 1, 2018

The City Council of the City of Athens met in a Budget Work Session on Wednesday, August 1, 2018, at 4:00 p.m. and immediately following convened into a Special Session in the Derek D. Daniels Conference Room of the Athens Partnership Center, 201 W. Corsicana St., Athens, Texas with the following members present, to-wit:

Monte Montgomery, Mayor  
Toni Clay  
Aaron Smith  
Robert Gross

Elizabeth Borstad, City Manager  
Bonnie Hambrick, City Secretary

others present: Thanasis Kombos, Buddy Hill, Ryan Adams, Randy Williams, Jennifer Robertson, Mandie Quigg, Adrianna Hinds, Cliff Thompson, Brian Blumn, Chad Burks, Richard DeShazo, Chris Tinsley, Deborah Deas, Mark Carroll, Bob Miars, Carol Morton, and Mary Ensign;

with the following member absent; Councilmember McCain

constituting a quorum at which time the following proceedings were enacted, to-wit:

INVOCATION

The invocation was given by Mayor Montgomery.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

DECLARATION OF CONFLICT OF INTEREST

No action was taken.

DISCUSS FISCAL YEAR 2019 TOURISM DEVELOPMENT GRANTS, AS  
RECOMMENDED BY THE CULTURAL RESOURCES COMMISSION

Thanasis Kombos, Assistant City Manager, provided the history of the Tourism Development Grants, (formerly known as the Hotel Occupancy Tax: Call for Projects) Mr. Kombos stated applications for funding began in the summer of 2015 for the Fiscal Year 2016 Budget. He stated the City is entering its fourth year of receiving applications for this process.

During the first three (3) years staff recommended and Council approved the allocation for outside organizations funded through HOT Funds of \$30,000. He stated based on budget priorities for this year staff has recommended two (2) changes to the process:

1. \$20,000 for Fiscal Year 2019
2. The process change from a 100% grant to a 75% matching grant where the applicant contributes 25%

Mr. Kombos explained since the inception of the program in 2015; the process has been that the applications are received by staff and reviewed, staff makes a recommendation to Tourism Advisory Council (currently known as Cultural Resources Commission) and staff presents the Commission's recommendation to the City Council for final consideration and approval.

Mayor Montgomery stated he was aware the amount was \$30,000 last year and this year it is \$20,000. He stated there is a lot of interest in these decisions.

Mayor Montgomery asked what the amount of the Hotel/Motel Funds are for next year, with Mr. Kombos stating the current revenue is \$301,000. Mayor Montgomery clarified that staff made a recommendation and the Cultural Resources Commission looked at funding \$20,000 of the \$300,000. Mr. Kombos further explained that the City is statutorily required by State Law to spend 1% of the City's 7% hotel tax on advertising. He stated this amount is shown in the HOT Funds Budget of approximately \$43,000. Mayor Montgomery stated at one point it was all spent on advertising. Mr. Kombos stated a significant portion of the HOT Funds are used for the Downtown Façade Improvement Program.

Mayor Montgomery asked if the Cultural Resources Commission reviews any of the remainder of HOT Funds for allocation, with Mr. Kombos stating the Commission was asked for the first time this fiscal year to review all of the applications for the Downtown Façade Improvement Program and recommend them for funding.

Mayor Montgomery stated he has received more questions regarding the \$20,000 for Tourism Development Grants than any other item the City has proposed all year.

Mayor Montgomery asked Mr. Kombos to explain how staff decided on the recommendations for funding.

Mr. Kombos stated that from research the process was that some organizations (East Texas Arboretum, Henderson County Performing Arts Center, the Chamber, and etc.) would receive an annual contribution from HOT Funds from 2000-2010. Beginning in Fiscal Year 2010 those organizations were no longer funded through HOT Funds. The organizations were considered on a project basis beginning in Fiscal Year 2016.

Mr. Kombos stated the one additional expense that is calculated in the formula is the HOT Funds contribution recommended for "The Texan" Theater.

Mayor Montgomery stated that the City Council would need to look at the total of \$300,000. He stated this could affect all the funds.

He stated Mr. Kombos stated seven (7) applications were received for Fiscal Year 2019 funding, with the total amount requested being \$75,235.

Mr. Kombos presented staff's recommendation for funding that was presented to the Cultural Resources Commission. He stated staff recommended four (4) applications for funding.

<b>Organization</b>	<b>Amount Requested</b>	<b>Amount Staff Recommended</b>	<b>CRC Recommendation</b>
AISD	\$3,500	\$3,500	\$3,500
Old Fiddlers Reunion	2,925	\$2,925	\$2,925
ATBA	\$15,000	\$10,575	\$10,575
Fire It Up Productions	\$3,000	\$3,000	\$3,000
HCRFPC	\$21,060	\$0	\$0
SuperRide	\$18,500	\$0	\$0
ETABS	\$11,250	\$0	\$0

Mr. Kombos stated subsequent to the Cultural Resources Commission meeting the HCRFPC has amended their request from a 75/25 matching grant to a 50/50 matching grant.

Mr. Cliff Thompson, Athens Independent School District, boys' basketball coach, explained Athens ISD is bringing in twenty eight (28) teams for the first annual boys and girls basketball tournament on November 29, 30, and December 1, of 2018. He stated the application request is for hotel rooms for teams. Mr. Thompson explained that the first game will begin at 8:00 a.m. and the last game will start at 8:00 p.m. with teams playing in 2-3 gyms at all times.

Mr. Thompson explained that planning for the tournament began in January 2018 with the building of the new Athens ISD facility.

He explained the funds would be directly used for paying a total of twenty (20) rooms for two (2) nights. He stated the money received from the City would not be spent on anything school related, it is directly going back to the hotels of the community to put up teams. He further stated the event will not be a money making opportunity for the school district. He stated the cost for officials for the games is approximately \$13,000.

Mayor Montgomery stated one of the problems he foresees is all the hotels pay tax with only possibly one hotel benefiting. Mr. Thompson stated the hotel has not been determined, however, he did speak with one (1) hotel regarding availability due to it being scheduled 1<sup>st</sup> weekend of the month which is Canton First Monday. He stated there was no contract in place, and he does not have an issue splitting up the teams.

Elizabeth Borstad, City Manager, explained during the Cultural Resources Commission meeting, Mr. Thompson had a great budget outlined for cost and that AISD will incur expenses outside the hotel rooms.

Mr. Thompson explained again stated the cost for officials is \$13,000 and there is the need for workers at two (2) different locations for keeping the clock and books for sixty three (63) games and a hospitality room open from 8am-8pm, and incentives for coaches.

Ms. Borstad further explained that the Cultural Resources Commission suggested not to pay for the hotel rooms as those could be donated, and pay for some of the other expenses that fall under the HOT Funds allowable expenses for events. This was so that HOT Funds are not paying for hotel rooms necessarily, but HOT Funds are still able to be contributed to do this project if the City Council desires to do so.

Councilwoman Clay stated she was clearly biased on this as she works for the school district. She stated she is very happy that the school district has the improved facilities. She stated at the end of the school year when the gym was opened, and people saw the facility; she kept hearing from people this is really great for our community. Councilwoman Clay stated it helps raise the general perception outside of Athens that the facility is in the community.

Councilmember Smith stated he had a conflict of interest.

Councilwoman Clay stated she had a conflict of interest.

Mayor Montgomery explained no action would be taken on the item as it is strictly for discussion.

For the record no Conflict of Interest was filed with the City Secretary.

Mr. Thompson stated he could restructure the application for the cost of other items to bring people in during the tournament. Mayor Montgomery asked Mr. Kombos to work with Mr. Thompson on AISD's application. Mr. Kombos stated he would assist and if there is any advertisement or statutory requirements for spending, staff could arrange it.

Mayor Montgomery stated the decision of what is allocated for “The Texan” could change the dynamics.

Mayor Montgomery asked Mr. Kombos to explain the thought process of staff’s recommendation for funding to the Cultural Resources Commission. Mayor Montgomery stated he felt all applicants met the criteria of “heads in bed”. He further stated some of the organizations that applied have a tax base behind them, such as the school, and some of the others do not, and they depend on any funding they can get.

Mr. Kombos explained staff begins with what the law allows and checks to ensure the funding is supporting tourism. He stated feedback from the quarterly hotel meetings and from Chet Patel, Chairman of the Cultural Resources Commission, that the tournaments consistently bring tourism to Athens. He stated specifically with the HOT Funds it states cities the size of Athens can contribute dollars to funding organizations to bid tournaments. He stated this is an example of what the baseball association is doing.

He stated for AISD it is obviously a tournament and will bring “heads in bed” and it was an opportunity to participate with the school district in the small way on the new facility was compelling.

He stated for the other organizations there were two reasons:

1. Some had received funding in the past
2. This is an opportunity to fund new organizations that applied

He stated this was part of the justification.

He stated SuperRide does put “heads in bed”. This organization received \$6,000 two (2) years ago, and \$5,000 this year for the event. He stated staff felt the seed money from the first two (2) years would aid the organization to continue having the event in Athens.

Mr. Kombos explained for HCRFPC this was a difficult one to think through. He stated there is a high Hotel Occupancy Tax Rate in Athens. He stated the City has 7% in addition to the 2% wide county tax which is a 9% tax rate, plus the 6% hotels pay for state taxes. He stated the fairpark receives a guaranteed 2% hotel tax county wide that is a significant sum of money that staff felt in this one (1) particular year given all the other budget constraints we were unable to recommend funding. He stated that HCRFPC is the most significant generator of hotel/motel tax, and currently receive the 2 % hotel tax.

Mr. Kombos explained that East Texas Arboretum was funded through the hotel/motel tax receiving \$9,925 last year. He stated the one (1) challenge with the Arboretum is making sure the City has the evidence it is generating “heads in bed” in the event of audit. Staff recommended no funding.

Bob Miars, Chairman of the Henderson County Regional Fair Park Board of Directors, explained the funding used in previous years was for capital projects and in 2010 the City cut off funding. He explained the fair grounds are booked fifty one (51) weekends out of the year. He stated on most years the fairground has operating at a slight profit in most years.

Mr. Miars provided the following background information:

1. The tax was first created October 2011, up to the end of December 2017 HCRFPC had collected \$757,000 in County Hotel Taxes and every dollar was spent to make improvements at the fairpark

2. \$52,461 Athens HOT Tax Funding
3. \$138,000 funding through Athens Economic Development Corporation
4. \$275,000 County funding

Mr. Miars explained in the last five (5) years the HCRFPC operating revenue has gone up 16% and during the same time period Athens HOT Taxes has grown by 15%. Mr. Miars stated it is not an exact correlation, however, he feels they have contributed to the increase. He stated the HCRFPC application is to install stalls. He stated stall rental generates \$135,000 year to the \$241,000 operating budget. He stated that is over 55% of the budget.

Mr. Miars stated Fire It Up Productions started at fairpark ten (10) years ago, doing two (2) shows and the event has grown to twelve (12) shows per year, and during five (5) of the shows he gives away a brand new Dodge pickup truck that is purchased locally. He stated he is contributing \$200,000 worth of economic growth to Athens, Texas.

Mr. Miars stated he hopes people realize the financial impact the fairgrounds has on the City of Athens.

Mayor Montgomery stated the City has provided funding to the Arboretum in the past. He stated perhaps the application can be re-looked at and they depend on funding. Mayor Montgomery commended staff and the commission for making the recommendations.

He stated Hotel/Motel Tax needs to be re-looked at. Mayor Montgomery stated he questions the \$65,000 that is going toward "The Texan Theater".

Councilwoman Clay stated one of the things important to her is to whenever possible to carefully, ethically, and reasonably build/maintain and nature relationships with other entities (the county, the school district, the Arboretum) the organizations that are important as to how other people perceive the City.

Mayor Montgomery thanked Mr. Kombos for his presentation and stated he did a great job.

Mr. Tinsley explained this is year four (4) that Athens Teenage Baseball Association has requested funding to host the Dixie Baseball Association State Tournament. He stated ATBA is requesting funds for one or more state tournaments to be held in Athens. He stated a sealed bid is presented at a Dixie state meeting. He provided background information on the previous tournaments.

Mr. Tinsley stated he has been contacted by Dixie Baseball Association asking if ATBA can host the 2021 World Series.

Mayor Montgomery stated he has resigned from the East Texas Arboretum Board.

Deborah Deas, explained the Arboretum is seeking funding for repairs to the floor and painting in the Woman's Building. Ms. Deas explained the building is used for weddings, baby showers, retirement parties, and family reunions. She stated the building is approximately twenty (20) years old and has been re-carpeted once.

Councilwoman Clay asked what they will replace the floor with. Ms. Deas stated either new carpet or a wood floor. Ms. Deas further stated the first choice would be a wood floor.

Mary Ensign explained the Old Fiddlers Reunion organization is requesting funds in the amount of \$2,925 for restoration of the Athens Old Fiddlers Electrical Boxes. Ms. Ensign explained the storage for the boxes is to ensure the boxes remain useable.

DISCUSS ALLOCATIONS FOR FISCAL YEAR 2019 PUBLIC FUNDING  
FOR AID TO OTHER ORGANIZATIONS

Ryan Adams, Managing Director of Public Services, explained the item is for discussion regarding public funding for aid to other organizations. He explained staff is seeking direction from Council for an amount. He stated during the budget process for 2018 an application process was established to allow for different organizations to apply for aid. He stated the aid is reimbursable based.

Mr. Adams explained in 2018 the following six (6) organizations were funded:

- East Texas Arboretum
- Family Peace Project
- Henderson County Arts Council
- Henderson County Library
- Henderson County Performing Arts Center
- KAB

He stated the total funding was \$40,000. He stated the 2019 budget does not have any funding for aid to other organizations included.

Mayor Montgomery stated he had spoken with some of the organizations and informed them with the Cain Center the budget might be tight during Fiscal Year 2019.

It was the consensus of the City Council to wait until the budget discussion occurs and further discuss aid to other organizations.

Ms. Deas stated East Texas Arboretum's Fall Festival expenses were funded last year.

Carol Morton, Keep Athens Beautiful (KAB) Executive Director, stated the City has assisted KAB in maintaining the pocket parks, Highway 19 Park. Ms. Morton stated that KAB does provide mowing four (4) major entrances into the City. Ms. Morton explained citizens do support KAB via the water bill donations. Ms. Morton provided future goals for KAB and thanked the City Council for what they do for KAB.

The City Council recessed at 5:10 p.m.

The City Council reconvened in the Work Session at 5:21 p.m.

#### DISCUSS AND REVIEW PROPOSED FISCAL YEAR 2019 BUDGET

Ms. Borstad explained that Mandie Quigg, Finance Director, has worked extremely hard in preparing the 2019 budget. She stated Ms. Quigg as a presentation that will examine each department's budget and each fund for the upcoming year which will include Capital Projects and Capital Purchase.

Ms. Quigg stated it was her privilege on behalf of the City of Athens staff to present the 2019 budget programs and services.

Ms. Quigg stated the proposed budget objectives that were identified for Fiscal Year 2019 are:

- Increase Fund Balance Reserves
- Continued Concentration on Infrastructure improvements
- Focus on streets and Drainage Improvements
- Plan for Cain Center Expenditures

Ms. Quigg reviewed the General Fund Revenue Summary and provided an analysis of General Fund Property Tax Rates. She stated staff recommends adopting the same tax rate of \$0.685221 per \$100 valuation which is no tax rate increase.

Ms. Quigg presented initial budget submissions for the following departments:

Ms. Quigg reviewed the Administration Department. Mayor Montgomery requested that there be two separate departments for the City Manager and Assistant City Manager to identify salaries.

Ms. Quigg reviewed the Legal Department.

Ms. Quigg reviewed the Human Resources Department.

Ms. Quigg reviewed the Technology Department. She explained this is a new department created to capture technology issues

Ms. Quigg reviewed the Finance Department.

Ms. Quigg reviewed the Mayor/Council Department. It was the consensus of the City Council to not include the continuation of a Retail Recruitment Agreement in the Fiscal Year 2019's Budget. It was explained the City's portion was \$12,000.

Ms. Quigg reviewed the City Secretary Department.

Ms. Quigg reviewed the Facilities Department. There was discussion regarding the location of the Emergency Operations Center (EOC). Ms. Borstad explained there is an opportunity for funding from outside sources in the form of grants. Mayor Montgomery stated a decision needs to be made on the permanent location of the EOC and proceed.

Ms. Quigg reviewed the Sanitation Department. She explained this is a new department for the General Fund. Ms. Borstad asked Mr. Adams to summarize the County's increase in fees. Mr. Adams explained that the County had increased their Collection Site Fees a few months ago. He stated the County voted to change to a flat rate based on cubic yard. He stated their rate is \$15.00. After discussion it was the consensus of the City Council to increase Collection Site Fees for the City of Athens to \$12.50 per cubic yard. There was also discussion to double the following charges for the site \$3 for a car or hatchback, \$8 for a pickup truck, \$16 for a pickup truck with sideboards with staff to bring back a proposal for discussion. Councilmember Gross suggested the City Council revisit the Collection Site cost in one year

Ms. Quigg reviewed the Code Enforcement Department. She explained in the proposed budget there is a reduction in staff by one Full Time Equivalent. Ms. Borstad explained after research of the daily duties the Building Inspector would also do Code Enforcement and building inspections. She stated the employee is being transferred to Utilities.

Ms. Quigg reviewed the Planning and Development Department.

Ms. Quigg reviewed Streets & Drainage Department. She explained \$20,000 budgeted in Fiscal Year 2019 for professional services related to preliminary engineering for drainage issues, \$350,000 budgeted for streets rehabilitation and the seal coat program.

Ms. Quigg reviewed Parks Department. Mayor Montgomery asked what the budget was for Parks in 2015 and 2016. Mr. Kombos explained that Parks was previously split into two (2) departments with Public Health and Safety Department having three (3) employees. Mr. Kombos explained total FTE's has been 8 employees since the early ninety's. He stated staff, after minor adjustments and the downgrade of a position, staff was able to create two (2) seasonal employee positions to work in the summer to help mow and weed-eat. Mayor Montgomery stated he had a meeting with Chris Tinsley, Parks Advisory Board Chairman, regarding bringing the Cain Center on board and that there is a need to cut back on park capital improvements, going back strictly to parks maintenance at least for 2019 and possibly 2020. He asked that the City go back to only parks maintenance. Councilmember Gross suggested outsourcing maintenance. There was discussion regarding issuing a Request for Proposal for Parks mowing. Ms. Borstad explained staff would research this possibility. Mr. Kombos explained the Parks Department is doing a lot more now than in previous years. He cited improvements at O.D. Baggett Park, Cain Park softball improvements and Coleman parking lot and fence improvements.

Ms. Quigg reviewed Cain Center Department. Ms. Quigg explained the department is strictly for the Cain Center expenditures. She stated dollars are budgeted for personnel services and contractual services. Currently no set number for FTE's. Ms. Borstad explained the architect will not have plans ready until August 14th for the rebid. She stated it will include all the addendums. Ms. Borstad explained she has provided a timeline update to Blake Armstrong, City Attorney and he has submitted those dates to the Cain Foundation Attorney to make them aware of the award date, and ground break for the Cain Center project.

Mayor Montgomery expressed his desire to have someone on staff prior to the year-end already making arrangements, booking engagements and getting the Cain Center operational. He stated someone should already be in place prior to the Cain Center opening.

Councilmember Gross agreed with getting someone on staff as early as possible.

There was much discussion between the City Council and staff regarding the Cain Center Operations, the department's budget increased from \$100,000 to \$232,564 for the 2019 budget. This includes a Director salary, 2/3 of a Facilities Maintenance Specialist, 2/3 of a Facility Maintenance Technician and 2 months' pay for a Recreation Specialist and Aquatic Recreation Specialist.

The City Council recessed at 6:55 p.m.

The City Council reconvened into Work Session at 7:10 p.m.

Mayor Montgomery asked to move to the Fire Services budget for discussion.

Ms. Quigg reviewed Fire Services Department. She explained there is a supplemental request for a new fire engine to replace the 2008 engine which has had costly repairs. Captain Richard DeShazo explained repairs were done in the last four months that were approximately \$31,000. He further explained the repairs. Ms. Borstad explained a service agreement for a company to service vehicles, might be beneficial. She further explained the budget amount of \$60,000 for a Phase 2 remodel to include the reception area. Captain DeShazo explained the remodel would allow a secure place if citizens need medical attention.

Mayor Montgomery stated the City Council would move back to the Fleet Maintenance budget.

Ms. Quigg reviewed Fleet Maintenance Department. She explained the Capital Request for a fork lift through the Equipment Replacement Fund in the amount of \$20,000.

Ms. Quigg reviewed Animal Control Department.

Ms. Quigg reviewed Municipal Court Department.

Ms. Quigg reviewed Police Administration Department.

Ms. Quigg reviewed Police Investigation Department. She explained currently there is one (1) vacancy in Police Investigation. Discussion was held between the Council and staff regarding vacancies. Much discussion occurred. Councilmember Gross requested that staff continue to look at vacancies and determine if they are needed.

Ms. Quigg reviewed Police Patrol Department.

Ms. Quigg reviewed Police Support Service Department. She explained currently there are two (2) vacancies.

Ms. Quigg reviewed Non-Departmental.

Ms. Quigg reviewed Equipment Replacement Fund. She stated \$100,000 is budgeted. There is a request to purchase a wheel loader, rubber tire roller, rotary cutter, and fork lift. She stated, due to the cost of the wheel loader being \$152,000 staff, is proposing to lease purchase the equipment. Ms. Borstad explained she is not opposed to lease purchasing.

After discussion it was the consensus for staff to research the possibility of lease purchasing for the fire engine, wheel loader, rubber tire roller, rotary cutter. Ms. Borstad explained staff would determine the amount for the lease purchase items, and submit it to the City Council for consideration.

Discussion occurred regarding the equipment replacement fund. Ms. Quigg stated that staff should develop a plan for capital needs and how those items would be funded.

Ms. Quigg reviewed Airport Fund Revenue Summary. She presented the Revenue Summary for the Airport Fund and Airport Expenditures.

Ms. Quigg presented the Hotel Occupancy Tax Fund Revenue Summary. She stated the budgeted amount for Fiscal Year 2019 is \$301,000.

Mr. Kombos stated the "The Texan" budget should be discussed and it ties to the Hotel Occupancy Fund. He presented "The Texan" Revenue Summary. He stated \$24,000 of the \$120,000 budget is for Utilities, \$16,000 is a transfer out to the General Fund to cover cost associated with security for police officers, \$5,200 for supplies and the remainder of \$65,000 is for the public programming of the theater.

Ms. Quigg presented expenditures by category for the Hotel Occupancy Tax Fund.

Much discussion occurred between the City Council and staff regarding Hotel Occupancy Tax Fund.

Councilmember Gross stated he did not want to spend any additional funding on "The Texan" and he would like to see a Request for Proposal for programming.

Mayor Montgomery stated when citizens see the city continuing to fund "The Texan it is negative.

Councilwoman Clay stated when the project began it was to contribute to downtown revitalization. She expressed her desire to fund the sound system so the venue is usable and possible have one (1) or two (2) concerts per year to pump interest, revitalization and energy into the city's downtown area.

Councilmember Smith stated when the \$140,000 for the A/V was set aside, it was done so to see what type of venue the city would have. He stated he would hate to spend the money in other areas and not give the venue a chance.

There was additional discussion regarding "The Texan" and its use.

Councilmember Gross stated he is for reallocating the \$65,000 and not spending any additional funds on "The Texan"

Ms. Borstad explained staff needed direction from the City Council regarding funding for "The Texan". She explained if the City Council desires to have three (3) or four (4) concerts per year funding could be budgeted in "The Texan" or funding could come from the HOT Funds per project.

There was discussion regarding "The Texan" being available for private events only.

After discussion it was the consensus of the City Council to further discuss the item during the next budget work session.

Ms. Quigg reviewed the Interest and Sinking Fund Summary.

Ms. Quigg reviewed Utility Fund Revenue Summary. She explained the water and sewer rate increases will occur on 9/1/18. She provide the new rates for water and sewer.

Ms. Quigg reviewed Utility Administration.

Ms. Quigg reviewed Water Utility Department. She explained \$3,500 budgeted for Lane Street Chlorine Regulators, \$100,000 for rehabilitation of old side clarifier and \$75,000 for various pump replacements.

Ms. Quigg reviewed Distribution and Collection Department. She stated \$85,000 budgeted for dump truck and \$100,000 budgeted for meter replacements.

Ms. Quigg reviewed Wastewater Utility Department. She stated \$100,000 budgeted for submersible pumps and lift station improvements.

Ms. Quigg review Utility Billing Department. She explained \$25,000 budgeted to remove the current remote teller systems and install new system.

Ms. Quigg reviewed Non-Departmental. She explained \$8,030 budgeted for retiree insurance.

Mayor Montgomery exited the meeting at 9:01 p.m.

Councilwoman Clay took charge of the meeting.

Ms. Quigg presented City of Athens Capital Request, Supplemental Request for Utility Fund and Non-Departmental Fund.

Councilmember Gross asked about the health insurance, with Ms. Borstad stating for all employees currently there is a 15% increase. She staff is obtaining cost comparisons. Ms. Borstad further stated the Budget does not include a Cost of Living Adjustment (COLA).

#### ENTER INTO CITY COUNCIL SPECIAL SESSION

The City Council entered into Special Session at 9:14 p.m.

#### DISCUSS, CONSIDER AND TAKE ACTION, AS NECESSARY, APPROVING A RESOLUTION ESTABLISHING THE DATE, TIME AND LOCATION OF PUBLIC HEARINGS ON THE 2019 PROPOSED TAX RATE

Ms. Quigg explained the Resolution is to establish the date, time, and location of the Public Hearing on the Tax Rate.

A motion was made by Councilmember Gross, seconded by Councilmember Smith to approve a Resolution establishing the date, time and location of Public Hearings on the 2019 Proposed Tax Rate.

The motion carried unanimously.

#### ADJOURN

The meeting adjourned at 9:17 p.m.

City Council Budget Work Session  
August 1, 2018  
Page 11

PASSED AND APPROVED THIS THE 13<sup>th</sup> DAY OF AUGUST, 2018.

\_\_\_\_\_  
Monte Montgomery, Mayor

ATTEST:

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Bonnie Hambrick, City Secretary