

Aiken City Council Minutes

May 5, 2003

WORK SESSION

Present: Mayor Cavanaugh, Councilmembers Clyburn, Cuning, Price, Smith, Sprawls and Vaughters.

Others Present: Roger LeDuc, Bill Huggins, Anita Lilly, Sara Ridout, Stefano Mocio, Vice Mayor of Orvieto, Italy, Philip Lord of the Aiken Standard, John Gelinas of the Augusta Chronicle, Chris Randall and another citizen.

Mayor Cavanaugh called the meeting to order at 1 P.M. and stated the purpose of the meeting was to discuss the proposed budget for fiscal year 2003-04.

BUDGETFiscal Year 2003-04

Mr. LeDuc reviewed the major items which he felt impacted the proposed budget for fiscal year 2003-04. He pointed out the Pension Plan was increasing 25%, and fire and liability insurance costs were increasing 28%. He said historically salaries for employees had increased 4%, but he was only recommending a 3% increase this year with a \$500 plus 1% Cost of Living Adjustment and a 1% COLA in January. He pointed out the Aiken County Public Service Authority had increased its fees by 6% for sewerage treatment, and this was the second 6% increase in three years. He also pointed out that Advanced Glass Fiber Yarns had had a 50% production drop, which had greatly affected the income of the Utilities Division.

Mr. LeDuc also pointed out impacts legislated by the state legislature, including telecommunication franchise fee reduction, vehicle tax reduction, local government fund reductions of 3% in December, new stormwater regulations including monthly sweeping of all paved streets in the city, testing and education. Mr. LeDuc also noted that the fee to the state for inmates, which the city uses in various jobs, had increased to \$10 a day.

Council expressed concern about the reduction in income being received by the city and the need to increase fees to provide more income. They expressed concern about not being able to increase employees' salaries as much as in the past, but felt a larger salary increase while increasing fees to meet expenses would not be understood by the citizens. Council expressed concern about the requested salary increase by the City Attorney and asked for more information regarding the monthly charges.

Mr. LeDuc pointed out the proposed revenue would be an increase of about 3.1% over last year, but this increase would be due to an increase in the solid waste and fire fees. He said he was not proposing a tax increase for the General Fund.

Councilman Sprawls presented some information regarding purchase of police cars and felt the city could save some money on the purchase of cars by purchasing cars other than a Ford Crown Victoria, especially for those vehicles not on patrol duty.

Mr. LeDuc then reviewed the proposed major expenditures in the various departments.

In General Government expenditures, there was only a slight increase when not including the capital for a new boiler and roof repair at the Municipal Building. The increase includes planning studies for curb cut controls, overlay regulations, and the Comprehensive Plan for the northside, a salary survey, an employee evaluation study, and a salary increase for the City Attorney.

In Public Safety the proposal is to fund two additional Public Safety Officers after January, 2004, a part time person to help the Victim Advocate, and the elimination of

four Volunteer Firemen positions. It also includes \$150,000 to fund the Car Take Home Program for officers living in the city, the reroofing of the Public Safety Station, the replacement of a forestry truck and the upgrade of the firing range.

The Public Works budget includes funding for work on Whiskey Road, including capital for the streetscape enhancement work from Wendy's to Arby's. Also included is a new color garden and parking lot in Hopelands, funds for streetscape work on Park Avenue and Hayne, and solid waste equipment consisting of three new rear load and one front load garbage truck.

Mr. LeDuc pointed out in the Parks and Recreation Department the proposal is to hire one full time Crewleader and two part time Tennis Facility Assistants after January, 2004. Also recommended is painting of the Farmers Market, installation of tennis court lighting at Smith-Hazel, complete electrical rewiring and sprinkler system at the Guest Cottage, a walking track at Summit Park, planting of trees on Price Avenue, renovating the Woodward house, refurbishing the bus, and background checks for all officials and coaches.

In Non-Departmental it was pointed out the city had had a good year for the health insurance, however, the pension costs were increasing due to the down market, and the fire and general liability insurance was increasing. The Workers Compensation was decreasing. Included is funding of an additional \$15,000 for the Aiken Downtown Development Association, continued funding for the Library, Transit System, Charcter Program, Safety Program and Senior Tax Write Off Program.

Mr. LeDuc then reviewed the enterprise funds pointing out these are the small funds such as Aiken Community Playhouse, Local Accommodations Tax, Local Option Sales Tax, LOP Sunday Alcohol Fund, Victim Services Fund, Special Tax Allocation Fund (TIF), Aiken Municipal Airport, Community Development Fund, Ventures Industrial Park, Willow Run Business Park, and Northside Redevelopment Fund.

Mr. LeDuc then discussed the highlights of the Utilities Fund. He said the water, sewer, and stormwater rates need to be increased to meet the mandates of DHEC and EPA. He said he was recommending a 7% rate increase for both water and sewer rates. He pointed out the city's highest water user, Advanced Glassfiber Yarns (Owens-Corning), has decreased their consumption since 1997 by 50%, or a decrease in revenue of \$400,000 per year, and the Aiken County PSA has increased their fees by 6% again this year.

Mr. LeDuc pointed out the 7% rate increase would add an additional \$1.97 to the average water user of 800 cubic feet per month, to \$11.25 for water and \$19.57 for sewer, for a total monthly fee of \$31.22. He compared this rate with other utilities throughout the state, and the state average was \$41.57 or 33% higher than the proposed rate for the City of Aiken.

Mr. LeDuc pointed out he was recommending the replacement of the meter system. He said there is a significant difference in the water production vs the billed water. It was felt that new meters might decrease that difference. Due to the financial condition of the utility system most of the capital projects were delayed.

Mr. LeDuc stated he was also recommending a 15% increase in stormwater fees, or \$.42 per month to \$3.22 per month. He said, in order to meet new state and federal regulations, the city will need to hire an Engineering Technician to set up a monitoring and testing program and to purchase a new sweeper to begin cleaning the paved streets on a monthly basis.

Council discussed the proposed rate increases at length. Mr. LeDuc pointed out the rate increases proposed include a 7% increase for both water and sewer, and a 15% increase for stormwater fees. In the General Fund a 10% rate increase for outside fire fees and a \$2.50 per month increase for solid waste services are proposed.

Council also briefly reviewed the Five Year Capital Program and the Five Year Capital Program recommended by the Planning Commission.

Mr. LeDuc stated the schedule for consideration of the proposed budget is first reading on May 12 with second reading and public hearing on June 9, 2003.

The meeting adjourned at 4:45 P.M.



Sara B. Ridout
City Clerk

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