#### JACKSON CITY COUNCIL

Minutes from March 24, 2010 7:00 p.m. Special Session

Jackson City Council met in regular session on Wednesday, March 24, 2010 at 6:00 p.m. at the Jackson City Council chambers. President Ron Speakman called the meeting to order. The Pledge of Allegiance was given, led by Mr. Powell. The Prayer was given, led by Mr. Powell.

A roll call was taken as follows:

- Mr. Adams present
- Mr. Brown present
- Mr. Elliott present
- Mr. Smith present
- Mr. Fain present
- Mr. Powell present
- Mrs. Colby present

The purpose of this meeting was to discuss and act upon Ordinance No. 12-10.

# ORINANCES AND RESOLUTIONS

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# ORDINANCE NO. 12-10

AN ORDINANCE ESTABLISHING APPROPRIATIONS FOR JANUARY 1, 2010 THROUGH DECEMBER 31, 2010, AND DECLARING AN EMERGENCY.

### Second Reading

Mrs. Colby made a motion to amend to a line item budget, seconded by Mr. Smith. In a roll call vote, Council voted as follows:

Mr. Adams – no

Mr. Brown - no

Mr. Elliott – no

Mr. Smith - yes

Mr. Fain – yes

Mr. Powell - yes

Mrs. Colby - yes

This ordinance was amended to a line item budget. Mayor Heath stated last year council elected to email any transfer to each council member, to contact the administration with any questions for explanations. Cannot think of one instance where there was a question or it was inappropriate. We may have to move more money in other accounts in a tight budget; the administration has watched this closely. If it matters, there were over 300 ordinances the last time there was line item budget, this will bog down council. Mr. Smith asked Mayor Heath if he voted for the line item budget that year. Mr. Speakman stated they were off subject. Mayor Heath objected it is not in the best interest of the city. Mr. Brown stated the email has worked well, receive a couple of times a week and it has eliminated a lot of ordinances. In previous years, we had to hold special meetings to get them done. Mr. Humphreys stated by doing, there will be a large number of then and now's. Mrs. Colby stated the idea is for them to know exactly what is there and live in the budget, make it last until the end of the year, the employees will be more careful. There will be no need for more ordinances if they live in it, we need to say no, start cutting and live within our means. Mr. Sheward stated he managed most funds personally, stated council is tying his arms behind his back, no way to develop budget now that reflects what happens in September. The administration spent less money last year than the year before. Mr. Smith made a motion to meet Monday night and work on the budget, seconded by Mrs. Colby. In a roll call vote, council voted as follows:

Mr. Adams – no Mr. Brown – yes Mr. Elliott – no Mr. Smith – yes Mr. Fain – yes Mr. Powell – yes Mrs. Colby – yes

Mr. Sheward stated he was done, not doing anything else unless the Mayor wants to work on it. Mayor Heath stated after talking to Mr. Adams, we will remove the mechanic's position and reduce the health insurance; any increase will be covered by the MAX105. Guess what we want, if it doesn't suit, its council responsibility to have a budget in place, we have worked hard on this budget with everyone involved. Mr. Speakman stated they were treading in dangerous territory. Mr. Smith stated clarify the motion, reflect back to the budget. Mr. Sheward noted that health insurance/MAX105 committee elected to retain the same carrier and coverage with no increase. Mr. Smith stated that was a good thing to reflect on the budget, we need to be more comfortable. Thanked the employees for coming, but told them the city is in trouble, trying to retain, but we can't promise. There is conflict in the budget, reduced yearly; this is not what we see. January 1<sup>st</sup> will get nasty, we will be deeper in debt, every community is facing this, and you have to understand. We have asked Mayor Heath and the administration to help and step forward, leaders move out of tough times. Mayor Heath had a problem with the timeframe to redo, all health insurance will be reduced. Mr. Humphreys stated according to what you are doing, trying to balance but you can't, whose going to work on it. Mayor Heath stated reduce health insurance. Mr. Humphreys understood the health insurance, other cuts, doesn't know. Mayor Heath stated he would take care of the insurance and the mechanic's position. Mr. Humphreys stated figures show no more increase in the general fund, cost allocations, next year short \$692,787.57.

Mayor Heath stated there has been lots of discussion on that, my recommendation take out 15% increase on health insurance and remove mechanic's position. Mr. Humphreys stated remove tonight, council can recommend. Mr. Speakman stated it is already a line item, pass and carve on the day after. Mr. Humphreys asked what the difference is, can't move without council's approval. Mayor Heath asked about fuel. Mr. Humphreys received calls from two supervisors, problem with fuel, told them to buy and he would sign the then and now. Mrs. Colby stated under emergency, council will not shut down, not for just anything, we are asking for help. Mr. Smith stated that Mr. Adams would not be able to attend the meeting Monday night. Mr. Adams stated don't apologize for your conscious. Mr. Smith set the meeting for Monday at 7:00 p.m. Mr. Humphreys noted everyone received a copy of the opinion from Mr. Detty, we can still continue to pay employees, just not bills. Mr. Sheward stated this is not a scare tactic, fact is the sewer and water are controlled by the EPA, bound to report no funds available to buy chemicals, EPA can levy fines or take action. Mrs. Colby stated we were given this budget on March 22<sup>nd</sup>, and asked to pass, there were no meetings to discuss. Mr. Smith stated make sure there is money in the budget for those items, no increases, tactic; you don't want a line item budget. Mayor Heath stated no you don't understand, not enough to put in place, 30 days with no money. Mrs. Colby stated improve to get it right. Mr. Speakman stated the administration can veto. Mr. Humphreys stated when you want to meet, make cuts. Mr. Adams stated he will not call a meeting. Mayor Heath stated this budget, get it right, will reduce insurance and remove mechanic's position. Mr. Smith stated he did not listen. Mr. Speakman stated this could only last five more minutes. Mrs. Colby asks Mr. Brown to call the meeting. Mr. Brown stated he would. Mr. Adams ask how Mrs. Colby would know Mr. Powell would agree (he left mid meeting), referring to sunshine laws. Mr. Smith asked the Mayor when the new budget would be ready with clarifications. Mayor Heath asked Mr. Woltz. He stated he could have prepared in less than an hour. Mayor Heath asked to pass this, further cuts need to be reviewed and at length. Mr. Speakman told council to stick to the subject. Mr. Brown made a motion to amend tonight, mechanics position and insurance decrease, seconded by Mr. Fain. In a roll call vote, council voted as follows:

> Mr. Adams – no Mr. Brown – no Mr. Elliott – no Mr. Smith – yes Mr. Fain – yes Mrs. Colby – yes

Mr. Smith agrees not to carve now, but requested a commitment from the administration. Mayor Heath asks for a meeting on April 5<sup>th</sup> of the Budget & Finance Committee to look at this, will reduce if needed. Mr. Smith asked wanted the new version completed by the second meeting in May. Mayor Heath stated he will work on it. Mr. Smith and Mrs. Colby withdrew there motion for the meeting on Monday. Mr. Brown asked why we couldn't vote tonight. Mr. Fain stated reinstate meeting for tomorrow night. Mr. Adams called a meeting for April 5<sup>th</sup> at 6:00.

#### **ADJOURN**

Mr. Smith made a motion to ad 6:40 p.m.	journ, seconded by Mr. Fain. In a voice vote, all Council agreed. Council adjourned at
Tera Brown Clerk Date 4/12/10	Ron Speakman Council President Date