

Special Called Budget Work Session Minutes

Regular Meeting: May 20, 2021

Place: Shelbyville Recreation Center, 220 Tulip Tree Road

Call to Order: 12:07 PM, Mayor Cartwright

Roll Call: The following were present: Councilmember Christie, Councilmember Feldhaus, Councilmember Overcast, Councilmember Ewing, and Councilmember Isaacs. Also, in attendance were City Manager Josh Ray, City Recorder Lisa Smith, City Treasurer Kay Parker (by Zoom), and City Attorney Ginger Shofner and all Department Directors. Councilmember Haile was not present.

Review & Discussion of FY 2022 Budget: City Manager Ray advised one item that must be discussed today is the Tax Rate. There are three options to leave the tax rate at the current \$1.77 per \$100, set the rate at \$1.3598 per \$100 which is the new certified tax rate based on the property revaluations which means property owners will pay additional above last year's taxes or to set a rate in the middle. Councilmember Feldhaus stated we have been talking for years about growth and overall vision to have better amenities, better paying jobs and tourism draws. He further stated the city cannot currently afford to put in new streets and sidewalks. He noted we had several big projects that were ongoing that would need additional funding and he felt we need to allow for some funding in the Budget to help with these projects and amenities. He would propose that we do not exceed our current rate of \$1.77 but we need several million dollars to invest in the City's future. Ray advised that any increase above the new certified rate would require advertising and a public hearing. Discussion ensued on different rates and what the projected increase in revenue would be. Mayor Cartwright suggested a \$.10 increase. Councilmember Isaacs stated she was in agreement with Councilmember Feldhaus there was a need for funding for new sidewalks. Councilmember Christie suggested \$1.60 per \$100 and Councilmember Overcast stated you must spend money to get the city where it needs to be. Councilmember Feldhaus noted that during COVID citizens spent their money here and that helped our revenues but now that the COVID restrictions are lifting the money will be moving again. After additional discussion Councilmembers informally agreed to set the tax rate at \$1.69 per \$100. Councilmember Feldhaus stated he would like to put most of the additional revenue into a "growth impact fund".

The next item for Ray presented was the Hotel/Motel Tax, advising there was a \$61,000 allocation for tourism and \$40,000 for workforce development.

Councilmember Feldhaus then began a discussion on the proposed pay plan. The discussion continued and covered implementation of the full pay plan for all fulltime employees without the COLA, the additional requested new positions, and future annual COLAs and/or Merit raise which would be decided by Council each year. There were some questions about covering the weekends at Animal Control. Ray advised that growth in the area would continue to cause growth with Animal Control. Regarding the pay plan Ray advised that in the proposed implementation all fulltime employees would be raised to \$13.20 an hour. Councilmember Feldhaus stated he would like for the pay to be reviewed every five years.

The remaining items discussed included a Street Improvement Plan, which would allow for \$60,000 to pay for a professional engineering evaluation and development of a plan to improve streets. This would give the city a schedule for when city streets needed attention. Manager Ray also discussed the Police Department request for \$95,000 a year to lease Bodycams that will also work with the in-car camera systems and an increase in computer software, part of which is upgrading everyone to Microsoft 365.

Manager Ray made final comments advising the tax rate would be advertised at \$1.69 per \$100 and the budget numbers will be updated and presented to the Council at the Study Session on June 1st.

Announcements: None

With no further items of business **Mayor Cartwright adjourned the meeting at approximately 1:17 PM.**

Approved:



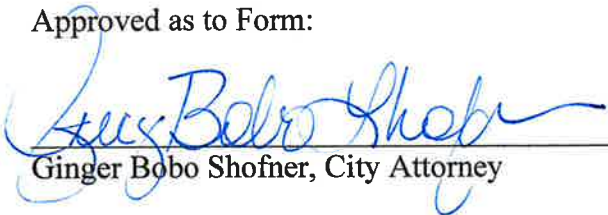
Wallace Cartwright, Mayor

Attest:



Lisa Smith, City Recorder

Approved as to Form:



Ginger Bobo Shofner, City Attorney