

**PUBLIC HEARING
MONDAY, MAY 18, 2015
FOR THE CITY OF PURCELL, ENTERPRISE FUNDS
AND SPECIAL REVENUE FUNDS
FY 2015-2016 BUDGET**

MINUTES

Call to order and declaration of a quorum present.

Mayor Chilvers called the meeting to order and declared a quorum to be present at 6:01 p.m.

Roll call.

Roll call was conducted by Dorothy Kennedy with the following results:

Councilmen present: Ted Cox, Mike Pollok, Graham Fishburn, Tom McCurdy, John Chilvers

Staff present: Dale Bunn, Shauna Long, Dorothy Kennedy

Legal counsel: Mr. Haxel was not present

Discussion and public comment concerning the fiscal Year 2015-2016 Budget.

Mr. Bunn began by informing the Council that he was making a recommendation to increase the budget under wages approximately \$31,900.00. Currently included in the Budget is a one percent (1%) overall increase over last year. However we have recently become aware of a six percent (6%) increase for our insurance premiums. The lowest paid employees will experience a loss of approximately \$35.00. due to the increase. Ms. Long made the comment we need to increase "Insurance Subsidy" instead of "Salaries".

Ms. Long reported generally there is a two percent (2%) annual increase, but this year we had some large claims. Some of the increase is also due to the Affordable Care Act. She reported that Purcell is one of only two clients of United Health Care that have a \$250.00 deductible. Currently the Employee Advisory Board are considering offering HSA with a \$2,000.00 deductible, the current PPO with a \$250.00 deductible or a PPO or HMO both with a \$500.00 deductible.

For clarification Councilman Cox stated that the way he is reading the budget it appears we have budgeted \$5.4M revenue with an additional transfer from PWA reserves in the amount of \$1.4M. For clarification we have budgeted to lose \$1.4M in the General Fund. He further advised for clarification we are budgeting to spend \$500K of the PWA reserves. He advised of the \$4.5M in sales Tax \$3.5 will be used by Police and Fire. Mr. Bunn and Ms. Long affirmed that to be correct.

Councilman Cox made the comment if both the City and County Sales Tax election pass, Purcell's sales tax rate will become 10.225%. He voiced his concern that it could result in less sales tax collected. He asked if the City could put out a proclamation of some kind that stated "It is not a \$6.8M pool or nothing. Ms. Kennedy was instructed to contact the City Attorney regarding the matter.

Mayor Chilvers advised we need to address 'buy back' options for the unions.

Councilman McCurdy asked if there is a long term plan for street maintenance built into the budget. Mr. Bunn advised there is a plan that will begin the next couple of years.

Adjourn.

Mayor declared the Public Hearing to be adjourned at 7:08 p.m.

City of Purcell
Public Hearing
2015-2016 Budget
May 18, 2015

Approved on the 1st day of June 2015

John Chilvers, Mayor

ATTEST:

Dorothy Kennedy, City Clerk