1. **Call to Order**

Mayor Winecoff called the meeting to order at 4:30 p.m.

**Attendance:**

Mayor Jeff Winecoff

Mayor Pro Tem David Mammay

Commissioner Kim Sherwood

Commissioner Teagan Hall

Commissioner Justin Lovin

City Manager Gordon Hargrove

Assistant City Manager Nicole Morgan

City Clerk Tanya Shannon

1. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

1. **Approval of the Agenda**

A motion was made by Commissioner Mammay to approve the agenda and second by Commissioner Lovin. ***Unanimous Vote; Motion Carried.***

1. **Establishing Budget Goals for Fiscal Year 2025-2026 by the Board of Commissioners.**

Mayor Winecoff discussed the recent storms and the flooding issues that have resulted from them. He emphasized that addressing stormwater problems is a top priority for the City. As storms become more frequent, he stressed the importance of understanding their impact. During the approval of the stormwater plan, it was decided to reach out to the Department of Environmental Quality (DEQ) to discuss several problem areas and seek their recommendations for potential grants. Additionally, Mayor Winecoff highlighted the need to expedite the development of the senior center to provide a suitable space for lunches and events.

At a recent Transportation Meeting, he discussed the neighboring property and ongoing conversations regarding sewer infrastructure with Commissioner Forte. They will need to extend the sewer lines along Highway 87, and the City will closely monitor the installation process of these pipes. Mayor Winecoff assured that more information will be provided, and updates will continue as the situation develops.

Commissioner Sherwood emphasized that a priority is obtaining grants to fund the engineering for the stormwater plans. She stated that the only way to secure these grants is to allocate matching funds. While many grants are available, applications cannot be submitted without matching funds.

Manager Hargrove said the Citizens are emphasizing a high level of service or demand for stormwater control and road improvements. He said the budget does not have the funds to do all of these things, so some of the things to look at to generate more revenue are to either raise taxes, have a stormwater fee based on impervious surface or per lot, or a disaster relief fund for in the future when these events occur that there is money in a restrictive fund that would help in the recovery efforts. He said also a Dam maintenance fee will be needed. He said once the Dams are completed, they will need to be maintained. Also, the Public Services Department does not have the manpower to handle everything necessary. He said that in order to accomplish these needs, there would need to be an increase in ad valorem taxes or other fees. He mentioned that grants could effectively help reduce costs, but initial funds are necessary for matching contributions. He stated that the aim is to create a responsible, conservative budget, ensuring the funds are spent wisely.

Manager Hargrove provided information regarding the current tax rates. He noted that in the year 2000, the tax rate was 0.25, while it is currently at 0.19. He explained that the rate fluctuates based on the county’s property reevaluations. The City is striving to remain revenue-neutral, but it is facing challenges in doing so. Additionally, he mentioned that the development along Highway 87 and the installation of new sewer lines would impact the City's transfer stations, which have a limited capacity. Consequently, upgrades will be necessary, and the developer will bear these costs.

Commissioner Mammay discussed the impact fees, questioning whether they would apply only to new construction. He noted that every new build affects the current system and expressed the opinion that these developments should incur higher fees, as they contribute to the increased costs of managing and upgrading the system.

Manager Hargrove acknowledged the theory behind this approach but expressed skepticism about its practical application, noting that municipalities have faced lawsuits over such fees. He emphasized that stormwater management should be viewed as a community-wide issue. According to him, targeting only new constructions might border on discrimination.

Assistant City Manager Morgan added that, statutorily, the City could not charge impact fees but could implement stormwater fees. Manager Hargrove mentioned that a crucial point of discussion regarding stormwater fees would be whether to set a flat rate or base it on the amount of impervious coverage. He suggested that the calculations would need to be reviewed to determine which option would be more beneficial. Mr. Hargrove offered to work on these figures and report to the Board with both scenarios.

Commissioner Sherwood noted that she has heard from some individuals who might prefer accepting a slight tax increase to cover essential needs rather than dealing with multiple fees. Manager Hargrove suggested that the Board consider a different approach when working on the budget. Instead of allocating specific amounts to departments like Public Works and Parks and Recreation, he proposed designating $180,000 to a Capital Project Ordinance specifically for one department. This would restrict those funds to that department. Mr. Hargrove emphasized that managing small amounts across various departments can become complicated with multiple factors at play. He proposed this new strategy for budgeting this year. Commissioner Hall agreed, noting that the previous practice of distinct allocations was intended to ensure that each department received adequate funding for their specific needs.

Mayor Winecoff emphasized the need to address the stormwater overlay. He mentioned that with more contractors coming in to develop the area, if no measures are taken to improve stormwater management, the burden would ultimately fall on the taxpayers. Mr. Hargrove mentioned collaborating with the City Attorney on the stormwater overlay, which is still somewhat unclear and may not achieve our desired outcomes. He added that discussions regarding the sewer systems have also been sidetracked due to the storms.

Mr. Hargrove stated that additional revenue is necessary, and he recommends considering either a fee schedule for stormwater, establishing a disaster relief fund, or increasing ad valorem taxes. These measures will help determine the extent of what can be accomplished.

Commissioner Lovin understands the need for more revenue but wants to ensure that if taxes or fees are implemented, they apply only for the necessary amount.

The Board reached a consensus that the top priorities are stormwater control and road repairs. They acknowledged that until the stormwater issue is addressed, undertaking major infrastructure repairs would not be cost-effective, as ongoing water damage will continue to affect the roads. Commissioner Sherwood emphasized the importance of hiring an engineer to initiate the process. Commissioner Mammay confirmed that the stormwater plan consists of seven phases. Mr. Hargrove added that, in addition to these priorities, it is essential to strengthen the Public Services Department to enhance the ditch maintenance program.

Assistant Manager Morgan noted that funding is available through the DEQ water infrastructure program. However, you would need to demonstrate that you have a stormwater enterprise fund where expenses exceed the revenue and that the City is consistently working on the stormwater plan.

In conclusion, the Board would like to get cost estimates for the most serious locations and concerns and then decide how to approach funding them.

The next Budget Workshop is set for April 22, 2025. However, Commissioner Hall has a scheduling conflict on that date and has requested a change. Manager Hargrove will explore alternative dates and provide an update to the Board.

Since there was no further discussion, Mayor Winecoff requested a motion to adjourn. Commissioner Sherwood made the motion, which Commissioner Hall seconded. ***Unanimous Vote, Motion Carried.***

-Adjourn 5:06 P.M.

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Mayor, Jeff Winecoff

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 Attest:// City Clerk, Tanya Shannon