1. **CALL TO ORDER**
   Mayor Barna called the meeting to order at 7:00 p.m.

2. **ROLL CALL & CERTIFICATION OF A QUORUM**
   City Secretary, Kristi Gilbert, certified a quorum with the following Councilmembers present:

   Mayor Eric Barna
   Mayor Pro Tem Owais Siddiqui
   Deputy Mayor Pro Tem Ben St. Clair
   Councilmember Scott Bradley
   Councilmember Betty Nichols Spraggins
   Councilmember Bernard Grant
   Councilmember Rob Thomas

   Councilmembers absent: None.

3. **INDIVIDUAL CONSIDERATION**
   A. Discuss, consider and/or act upon modifications to the FY 2014 General Fund and Utility Fund budgets.

   City Manager James Fisher presented the Council with an additional $507,900 in cuts. Mr. Fisher stated that the proposed cuts were now cutting into the bone.

   Councilmember Bradley suggested that the City maintain a reserve of 20% and asked for Council input as to what number would be sufficient to cut.

   Councilmember Grant inquired as to what the reserve fund was with the initial budget. Ms. Truitt responded the original budget provided for 16% of reserve fund balance. Ms. Truitt stated that with the $167,500 in reductions, the reserve fund balance was proposed to be at 17%.

   Councilmember Grant stated he was good with a 17% reserve and any additional cuts should be followed with a tax rate decrease.

   Mayor Pro Tem Siddiqui agreed with Councilmember Grant's comments. Councilmember Bradley stated 17% was not a bad number and stated that Ms. Truitt was exceedingly conservative on revenues and exceedingly aggressive on expenditures.

   Mayor Barna stated that there would be a larger capital expense next year with a possibility of a rollback rate. Mayor Barna stated that, by leaving the additional cushion this year, there would be more flexibility if the City is in a rollback situation next year.

   Councilmember Thomas stated there should be discussions regarding separating revenues and expenses and would like to see conversations that extend beyond one year.

Mayor Barna stated that he would rather have some extra money in reserves to pay for the upcoming purchase of a fire engine of approximately $1,000,000, rather than issuing debt to pay for vehicles.

Mr. Fisher presented the Council with a breakdown of annual budget and expenses in comparison with population data over a period of several years.

Councilmember Bradley indicated that the Council needs to determine what fund balance they were comfortable with. Councilmember Bradley provided a list of items that he would like to see remain in the budget including Laserfiche items; painting of facilities and window cleaning; uniforms for the VIPs and Explorers; iPads for Councilmembers; filing cabinets; the Ford Crown Victoria replacement; sidewalk repair throughout the city; and a laptop for CID.

Discussion was held with regard to cutting $250,000 from the budget provided at the previous meeting, resulting in a fund balance of approximately 20%.

Mayor Pro Tem Siddiqui stated he would like to keep the contract mowing, the annual beds and the Daddy/Daughter Dance.

Councilmember Bradley inquired as to why the park signage was not included in the 4B budget. Councilmember Bradley stated that the Council needed to determine what the current strategy should be with regard to code enforcement and what was needed to fund the strategy.

Councilmember Thomas stated he was not a fan of going through each line item, he felt staff had the experience to identify the items to cut. Councilmember Thomas stated he was opposed to anything that cuts into the police. He stated that he did not like deficit spending.

Mr. Fisher commented that the City has used reserve funds to pay for items that result in the appearance of deficit spending.

Mayor Barna suggested starting the budget process earlier for the next budget cycle, as well as providing clear direction to staff.

4. **ADJOURNMENT**
   With no further business, the meeting was adjourned at 8:00 p.m.

APPROVED BY:

_____
Eric Barna, Mayor

ATTEST:

_____
Kristi Gilbert, City Secretary