

Minutes of the Called Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Tuesday, May 10, 2016, 2:00 PM
Kingsport Higher Education Center

PRESENT: Board of Mayor and Aldermen
Mayor John Clark, Presiding
Vice Mayor Mike McIntire
Alderman Darrell Duncan

Alderman Colette George
Alderman Michele Mitchell
Alderman Tommy Olterman
Alderman Tom C. Parham

City Administration
Jeff Fleming, City Manager
J. Michael Billingsley, City Attorney

1. **CALL TO ORDER:** 2:00 p.m. by Mayor Clark.
2. **ROLL CALL:** By Deputy City Recorder Marshall.
3. **BUDGET.** City Manager Fleming presented general budget recommendations including new positions and funding of special programs. He also provided information on how Kingsport compares to Bristol and Johnson City on taxes, fees, and per capita spending, noting Kingsport has the lowest cost of living. He stated the budget, as presented is completely balanced without addressing any of the ONEKingsport initiatives. Mayor Clark commented the issue is just to maintain or have higher standards. Discussion ensued.
Mr. Fleming then presented funding options for these initiatives that was either raising the property tax twenty cents or adding a monthly solid waste fee of \$12.75. He stated staff recommends a combination of lowering the property tax three cents and adding the fee. All three yield approximately the same in revenue, but the combination will somewhat offset the cost to citizens. Vice-Mayor McIntire pointed out that the lowering the tax rate by only three cents will not come close to balancing the cost of the fee. Alderman Olterman stated if it is done in the right way people would be more receptive, noting the revenue is needed. Alderman George stated we still haven't seen the revenues from the franchise fee yet and pointed out there was money left over from raising the taxes last year. Mr. Fleming noted that the city's financial advisors also recommended the waste fee which would diversify the revenue stream which could result in a better bond rating. There was considerable discussion. In summary, Mayor Clark stated his opinion was this was an investment for the future, the majority of citizens will pay the \$12, and would be positive for businesses. Citizen Mary McNabb expressed to the board not to be afraid of raising taxes or fees if it will result in more services.
Lastly, Assistant City Manager for Operations Ryan McReynolds presented the utilities budget to the board. Some discussion followed.
4. **ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Clark adjourned the meeting at 4:27 p.m.

ANGELA MARSHALL
Deputy City Recorder

JOHN CLARK
Mayor