

BUDGET SUMMARY

In General Fund, \$25,351 was put into Building and Grounds in Administration to help offset costs for the renovation of the new city hall building. The remainder was used to offset the increase in health insurance. We received notice from TML that due to our recent history, our insurance rates would increase by 16%. City staff has chosen a plan that will lower the increase to 7.7%.

Other changes to the proposed budget include:

Transferring \$1,000 from Building and Grounds to add \$500 back into the Administration and Police Department budgets, increasing the street fee from \$3 to \$5, and give a 2% raise for the public works employees. If there is money left in the Building and Grounds after the new city hall building is completed, Council would like to see this passed on to the employees.

The additional money in the proposed street fee will bring in \$72,000 for street repair. It was discussed that the City had been putting band-aids on projects for too long and this will give us freedom to do more. Some of the money could be used for sidewalks as well as the streets. Mr. Patton stated that there are other concrete streets in Glenwood Bayou that need work as well as W. Mahan and Stuart.

The purchase of a new backhoe and replacement pickup truck were included in the Water/Sewer budget.