CITY OF BURTON

BUDGET MEETING

MAY 24, 2016

MINUTES

Council Chambers	**Budget Workshop**	**7:00 PM**

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Councilman Steven Heffner at 7:07 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Councilman	Excused	
Dennis O'Keefe	Councilman	Present	
Steven Heffner	Councilman	Present	
Ellen Ellenburg	Councilwoman	Present	
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Present	

B. STAFF PRESENT

Paula Zelenko, Mayor
Ginger Burke-Miller, Controller
Sue Warren, Human Resources
Bette Bigsby, Benefits
Teresa Karsney, Clerk
Jean Johnson, Senior Center
Rik Hayman, Chief of Staff

C. AUDIENCE PARTICIPATION

None

D. BUDGET DISCUSSION

1. 6036 IT Department Fund.

6036 Information Technology Fund

To refresh everyone memories, the way the IT Department works is that we put together the expenditures first. Then we figure out the dollar amounts to spread to all the departments.

Revenues

In the revenue side we have interest income which was provided by the treasurer. Then all the technology charges from various departments and various funds. We have refunds and rebates which was from the buyout of the Ricoh prior lease and the MML worker compensation account. The contingency amount we were proposing to dip in to the fund balance 2015-2016 fiscal year.

Expenditures

We do have an increase under contractual services. This is software support, alarm systems, copiers, internet, telephone, IT virus monitoring, computer/printer maintenance. Increase is due to more computers. In administrative salary that increase is due to the contracts being approved. It is also Council's understanding that Mr. Udell is planning on retiring at the end of June. At the time the budget was submitted we didn't know Mr. Udell was going to retire. Council wanted to know if we have entertained any other opinions for this this job instead of having a full time permanent person on staff. The Mayor suggested that Council come in and spend a day with Mr. Udell and find out what he does on a daily basis. Mayor Zelenko stated she has no intentions of not hiring someone full time to be here to administrator all these systems. Council had questions on why the depreciation expense has decreased by so much. Mrs. Burke-Miller stated she would have to research that item. This is the first year we used the BSA Fixed Assets module that could give us an estimate on depreciation going forward. In the current fiscal year if we don't expense the full $106,900 for depreciation expense this would add to the fund balance. Council asked Mrs. Burke-Miller if it concerns her the fund balances are dropping. Mrs. Burke-Miller stated since she has been here the fund balances have grown and when they get to a point then it is a good idea to use some of the fund balances to give relieve to some of the other funds. We don't want the fund balances to grow out of control. We need to be good stewards of the taxpayer's money. It is also a good idea to have a cushion in case of an emergencies. Council asked if I.T. Right can be our full time company instead of having an IT Director. Mayor Zelenko stated no they couldn't because the city couldn't afford it. Mr. Hayman stated in Contractual services you are spending $37,500 on BSA software, IQM2 for minute trak and media trak in amount of almost $14,760, CDWG which is our message archive which is $6,000, Comcast which anything internet related, CTI which is for almost $6,000, Windstream which is our new phone system, Kronos and cartigraph. We need to have someone here to keep the city computers running.

2. 2069 Senior Citizens Center Fund.

2069 Senior Center Revenues

In fiscal year 2015-2016 we had a total budget of $403,700 and in fiscal year 2016-2017 we are proposing $398,000. The contribution from general fund has increased and the reason for that in in 2015-2016 under contingency we had $44,700. We have exhausted that in 2015-2016 and that is why the contribution from general fund has gone up. In the 2015-2016 fiscal year we dipped in to fund balance

2069 Senior Center Expenditures

Under Salaries permanent we have one full time program coordinator and a part-time bus driver. As in terms of staffing that number is staying the same. We have broken out shared salaries again which includes a senior collections clerks, purchasing agent, controller, treasurer, director of human resources, deputy controller and a senior accountant. We also broken out the overtime, retirement and fringe benefits. Mr. Smith asked why the MERS increased from 2015-2016. Are the shared salary employees in that MERS figure? Supplies would be office supplies, printing, fuel and postage. Contractual services is for janitorial at the senior center and the libraries. We also built into this budget for the auxiliary parking lot at Burton Memorial Library. We have based the coordinator salary an increase based on the tentative union contract. Due to that fact we also have to build in extra for MERS, fringe benefits and retirement. Since we didn't expend the $15,000 for the parking lot in the fiscal year 2015-2016 and don't feel we would get to it this year, we would like to add that to the 2016-2017 fiscal year capital improvements and make that $30,000.

3. 2026 Rubbish Collection & Disposal Fund.

2026 Rubbish Page 55

Revenues

In 2014-2015 the rubbish fees were 1,594,500 and in 2015-2016 that figure declined because f the new contract with Waste Management. The rate for 2015-2016 was $9.99 stop per month. We budgeted $10.29 per stop per month for the fiscal year 2016-2017. Curb side income has as gone away expect for the sale of bins, which we have $1,000. Donation from Waste Management for using Venice Park Landfill. Council wanted to know how many stops we had in 2015-2016 and are we projecting a larger number for 2016-2017 for all the new builds in the city. We used 10,839 stops in the 2015-2016 fiscal year. In 2016-2017 we are projecting 10,939 stops. These stops were off an actual count in 2015-2016 and we are going to do another count at the end of this year construction season. We have at least 23 new homes in Trail Ridge and more building permits are being pulled.

Expenditures

The rate increase is because of the Waste Management contract. We build in for all the new homes. It is also noted that the current stops is 10,839. On the donation we have it going to the Police/Fire sculpture fund for $5,000. Mr. Martinbianco thought it should to a community service fund instead, like were the fire fighters are delivering waster to the residents from the Flint water system. Mrs. Ellenburg felt it was being put to good use where we have it budgeted for. Mayor Zelenko stated that this is where we put it for this year but it can go where ever council decides they want it to go from year to year.

4. Any other Fiscal Year 2016-2017 General Fund departments.

4001 Capital Improvements

Revenues

This has increase from the General Fund for new election equipment. Per the State of Michigan recommended that we start putting money aside for the new election equipment. We also have money coming in for the auxiliary parking lot at the Library.

Appropriations

In the account 4001-0000-907-000 BS&A software additions will be spent in the 2015-2016 fiscal year on the new purchase order module. In the Mayor recommended budget you can cross out the $18,700. In the next line item 4001-000-901-0001 BS&A Net Installment payments all those payments have been made to date so you can also take that to zero. In account # 4001-000-908.000 DDA Corridor Improvements that DDA on 5/16/16 they did a budget amendment and decreased the amount to from $3,000 to $1,000 in fiscal year 2015-2016. They had overrun on their holiday decoration line and they did a budget amendment to move $2,000 to holiday decorations in the 2015-2016 fiscal year. In fiscal year 2016-2017 it remains the same at $3,000. Mr. Hayman stated account # 4001-000-903.001 Burton Memorial Library we didn't use the $15,000 for fiscal year 2015-2016 so we would like to move that to fiscal year 2016-2017 and instead of having $15,000 in that line item we would like to have $30,000. As for the $5,000 for the parking lot at Settlement Park is in account # 1001-6090-974.7049 in fiscal year 2015-2016 and it didn't get used. So we would like to increase the Park and Recreation budget account # 1001-6090-974.7049 from $100,000 to $105,000 to include $5,000 for the parking lot at Settlement Park.

3146 Amy Street Paving

Revenues

This is a special assessment for Amy Street Paving. As you can see the dollar amount has decreased because we have had several paid in full with transfers of property.

Appropriations

Transfer to Amy Street Paving Capital projects we have projected $20,000.

4146 Amy Street Capital Projects

Revenues

We should the $20,000 from the Amy Street Paving coming in.

Expenditures

You will see the loan interest due to the Sewer Fund. The difference in the two ends up paying down the liability that is owed to the Sewer Fund. It is not shown as an expense because we are paying down a liability to the sewer fund and it is shown on the balance sheet side.

6077 Self Insurance Fund

Revenues

Contributions from other funds is what we have spread across all the funds under fringe benefits. We have increased this by 15% because when we put the budget together we didn't have the rates.

Appropriations

That total in Revenues is split between the Health insurance, pharmacy, and dental premiums.

Meeting was adjourned at 8:45 PM.

6036 IT Department Fund.

2069 Senior Citizens Center Fund.

2026 Rubbish Collection & Disposal Fund.

Budget
4303 S. Center Rd.
Burton, MI 48519

SCHEDULED

Meeting: 05/24/16 07:00 PM
Department: Clerk's Office
Category: Budget
Prepared By: Teresa M. Karsney
Department Head: Teresa M. Karsney

AGENDA ITEM (ID # 2414)

DOC ID: 2414

Any other Fiscal Year 2016-2017 General Fund departments.