CITY OF BURTON
COUNCIL WORKSHOP MINUTES
MAY 17, 2007, 3:30 P.M., COUNCIL CHAMBERS
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The Council Workshop meeting was called to order by Councilman Ralph LaDuke at 3:30 P.M.

MEMBERS PRESENT: Isham, Major, Wells, LaDuke, Tinnin, and Conley.

MEMBERS ABSENT: Cross.

OTHERS PRESENT: Mayor C. Smiley, K. Foster, Controller, D. Heidenberger, Assessor, Fire Chief D. Halstad, Police Chief B. Whitman, G. Kray, DPW Director, M. Holzer, Utility Supervisor, Lindsay Young, Clerk's Office.

PURPOSE OF THE MEETING: COUNCIL WORKSHOP TO DISCUSS THE PROPOSED 2007-2008 CITY OF BURTON BUDGETS, AS FOLLOWS:

1. Self-Insurance Fund
2. Employee Health Fund
3. Police
4. Fire
5. Water
6. Sewer
7. Major Streets
8. Local Streets
9. Motor Pool
10. Inspection
11. Sewer Debt

PRESENTATION:

Assessor

Mrs. Foster said that the budget is up 4.9% or $13,697 in contractual services.

Fire Department

Mrs. Foster explained that the budget was up 5.2% or $40,250, including $32,500 for fire station expansion and improvements, and a 5% increase for vehicle insurance. The last payment for the lease on the building will be next fiscal year, and June 30, 2009 for the vehicle lease.

Chief Halstead spoke in reference to the minimal increase of the budget. He explained that the cost of a new firefighter is $3,250. He noted that one of the fire trucks is 21 years old and another is 25 years old.

Police

Mrs. Foster explained that the budget was up 11.1% because of a new millage. This includes the overall employment of 42 certified officers and seven support staff and four new officers, one second-shift clerical and a public safety officer. This also includes $11,000 for the purchase of new vehicles.

Chief Whitman spoke in reference to the Police millage that passed and his strategy for a five-year plan. He said that he would like a depreciation fund for vehicle replacement. Chief Whitman also voiced his concerns regarding the amount of money that they will receive from the Police millage.

Water

Mrs. Foster explained that this proposed budget does not reflect the recently passed water rate increase. Usage fee revenue will be $3,100,000, the contingency deficit will become zero, and the contingency surplus will become $150,175. The amended total budget will be $3,715,000.

Sewer

Mrs. Foster spoke in reference to the 2.5% or $92,500 increase due to salary and fringes.

Sewer Debt

Mrs. Foster explained that the sewer fund will close after the last payment on the bond is paid on June 1, 2008.

Mike Holzer spoke in reference to capital improvements including a sewer televising unit, a water meter reading truck, a digital plotter system to aid with locating leaks in the system, additional funding for a new software system, and lab costs for water testing.

Local Streets

Mrs. Foster noted that there is a decrease of 26.15% primarily due to the completion of ongoing construction projects.

Mr. Kray added that additional funds would be needed for a third application of chloride.

Major Streets

Mrs. Foster said that there is a decrease of 29.07% or $1,535,499 due the anticipation of completion of ongoing construction projects. Under the construction line, $80,000 was added for a sidewalk program.

Motor Pool

Mrs. Foster explained that there is an increase of 9.4% or $99,300 primarily due to the increase of usage and cost on equipment rental. There is a deficit of $13,000. Tim Troxel was moved to part time in the Motor Pool. There is also $25,000 budgeted for when employees work on their own vehicles.

Inspection

Mrs. Foster said that the budget is up .04% or $50.00. She added that costs are passed on to whatever the inspector works on and has no impact on the General Fund.

Self-Insurance Fund

Mrs. Foster noted that there is a 14.48% decrease or $139,900 due to the fact that we are self-insured, so that the costs that are budgeted for are the illustrative rates that are received from Blue Cross/Blue Shield and the actuals are what the actual expenses were. She noted that we have 89 employees that are tracked in this fund, which is on average $9,282 per year, not including retirees.

Employee Health Fund

Mrs. Foster spoke in reference to the 6.35% or $20,500 decrease. There are 24 retirees who are currently funded out of this fund, which was created by the employees who contribute 5.5% of their gross salary. The fund balance projected for 2008 would be $1.2 million.

COUNCIL DISCUSSION:

Discussion was held in regards to the concerns that the Mayor may need to come back to Council for transfers at the end of the year to balance the budget. There was also discussion held regarding the Police millage and the Employee Health Fund focusing on the employee contribution.

Mr. Isham voiced his concerns with the cutbacks of the operating supplies item in the Fire Departments budget. He also spoke in reference to the Police millage stating that it should not affect the Police budget.

Mr. LaDuke inquired as to why Ms. Moss and Mrs. Moulton are budgeted 45% from the Police Department. He was also concerned with the amount of overtime that the Police officers receive, and with end of the year transfers. Mr. LaDuke also clarified that the employees contribute to the Health Fund and took pay freezes in exchange for additional days off.

Mrs. Tinnin expressed her support for a depreciation fund for city vehicles.

Meeting adjourned at 5:13 p.m.
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