CITY OF BURTON
COUNCIL BUDGET WORKSHOP MINUTES
JUNE 18, 2012, 5:30 P.M., COUNCIL CHAMBERS
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The Budget Workshop was called to order by Finance Chairman Vaughn Smith at 5:35 p.m.

MEMBERS PRESENT: Smith, Wells, Ellenburg, Heffner, Haskins, O'Keefe and Martinbianco.
MEMBERS ABSENT: None.
OTHERS PRESENT: Mayor P. Zelenko, G. Burke-Miller, Controller, Fire Chief D. Halstead and L. Young, Clerks Office.

PURPOSE OF THE MEETING: COUNCIL WORKSHOP TO DISCUSS THE PROPOSED 2012-2013 CITY OF BURTON BUDGETS.

PRESENTATION:

Mrs. Burke-Miller said the only difference in numbers is $10,000 being moved from Rubbish to General Fund and the inclusion of 2 police cars in the amount of $50,000 in the Police Budget. The audited fund balance has been brought to $128,478.

COUNCIL DISCUSSION:

Mr. Heffner asked where the money would be coming from to purchase 2 police cars as, well as the 2 fire trucks.

Mrs. Burke-Miller said the General Fund would decrease by $50,000 to support that. She needs to check with Plante and Moran regarding possibly borrowing from the sewer or Motor Pool fund.

Mr. Smith said there was already $52,000 available from the Fire Fund and another $8,000 came from General Fund. The trucks would be leased over 12 years and the payment is about $60,000 per year.

Mr. Heffner referred to Item #5 of the Council agenda of transferring money from Major to Local Streets.

Mr. Martinbianco said it is a cursory thing we do on an annual basis that State law under Act 51 allows us to transfer money from Major Streets to Local Streets in an amount up to 50%. We have at least elected to do a 25% transfer at this point.

Mrs. Burke-Miller said the transfer is to help fund the Local Streets in general, not a specific job.

Mr. Martinbianco said regarding the sale of equipment and land, he is not sure how that related to sale of assets. He said most of the proceeds for sales of property goes to the Attorney's office.

Mrs. Burke-Miller said the sale of properties would go to sale of assets and sale of equipment. Land is really only equipment that was used in the 2010-2011 year.

Mr. Martinbianco said if it's a sale of assets there is nothing budgeted for this year and already know we will need to make projections for the coming year as to whether we will be selling any more property or not. He suggested budgeting $20,000 at least and hopefully we'll get more.

Mrs. Burke-Miller increased the revenue by $20,000 for the sales of assets.

Mr. Martinbianco said it's not fair to charge Council, who has to pay the City Attorney for those fees and not be responsible for the receipt of the assets. He said one thing before us this evening is to transfer from Capital Improvements to the Fire Department line item for maintenance and equipment. We had talked about transferring $32,698 but that may become an issue.

Mrs. Burke-Miller said if they don't have the votes the money would stay there in the event there are over runs.

Mr. Martinbianco said the City ought to focus on technology and communications. Given the current economy we are probably well set.

Mr. Heffner asked if the transfer from Major to Local Streets could be used to pave Clarice St.

Mayor Zelenko said in the event that Clarice St. was designated as a CDBG qualifying area that we would focus some of those dollars for the paving of that street. Because they are not designated as an eligible area as of yet nor will we know until August or later because HUD has become delayed with their CDBG Block Grant allocations they do not know what community would be awarded. They did tell those residents they could do an income survey. That survey was not completed at the required percentage rate at 50% in order to even apply as a qualifying area.

Mr. Wells received a copy of the Comcast contract. He asked if the City gets PEG money. He would like to put $5,000 in Council's budget for the meetings to be televised, equaling $120.00 per meeting. Anything over 2 hours jumps to $170.000 per meeting. There would be a trial run at tonight's Council meeting. He said Flint gets about $15,000 per quarter for PEG money.

Mr. Smith supported that.

Mr. Martinbianco said it's a great idea but where is the money coming from.

Mr. Wells said they could make a new byline with all intentions to pay back once the Comcast contract is straightened out.

Mr. Smith said this is a good use of public money. Traditional media is not what it used to be so we need to make people aware of what's going on in the City.

Mr. Martinbianco said we would include that as an amendment, increasing franchise fees form $400,000 to $405,000. He suggested increasing the contingency fund by $5,000 and the Controller can G.F. a line item for PEG use.

Mr. Heffner asked if anything was set aside for the house on Saginaw Street.

Mrs. Burke-Miller said there is nothing budgeted for that.

Mayor Zelenko thought there were volunteers to help with the yard.

Mr. Heffner suggested asking the DDA if they could help. They have a budget of $200,000.

Mrs. Ellenburg had spoke with Mr. Richvalksy about the situation and he seemed to be onboard. We should approach the DDA Board and suggest they help with the situation.

Mr. Wells said Stuart Worthing was supposed to make sure the structure is sound and report on what it might cost the City to get it up to code. He said we should hold off until we hear from Mr. Worthing.

Mr. Haskins would not be supporting the salary for a Parks and Recreation Director. When you add in the fringes you are actually at almost $18,000. Scenario #2 takes all the raises out but if you look at that section it shows someone is getting a raise.

Mrs. Burke-Miller said the fringes were moved into the Mayor's budget. She added to the budget the amount of salaries permanent to that person's wage package and allocated her fringes appropriately. Scenario #2 has been our working budget for several weeks now.

Mr. Haskins said regardless of where the fringes are moved, there are still there.

Mrs. Burke-Miller said Mrs. Bigsby is a full time employee so she had her normal fringes.

Meeting adjourned at 6:18 p.m.

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