

CITY OF BURTON

FINANCE SUB-COMMITTEE MEETING MINUTES

The Finance Committee Meeting is called to order by Keith Cox, Chairman, 9:20 at A.M.

Members Present: Cox, Martinbianco and Abbey.

Members Absent: None.

Others Present: Mayor Charles Smiley; J. Major, DPW Director; S. Perez, Purchasing Agent; B. Becker, Treasurer/Controller; K. McArdle, Personnel Director; G. Webster, City Clerk.

PURPOSE OF THE MEETING: Discussion and possible action concerning the following items: 1) Transfer of funds of \$19,695.00 from various fund contingencies to finance the salary commission and Ordinance No. 68-19 (C) provisions; 2) Status of returning \$900.00 deposit to Jeff Archambeau for Curbside property #94-02 on Schumacher Street; 3) Recycling; Veteran's Memorial; 4) CD Fund Status (1995) and Other Matters That Might Arise.

PRESENTATION:

STATUS OF \$900 DEPOSIT:

Mr. Major provided a detailed list of the cost to the City for selling lot #94-02 on Schumacher Street. He said the approximate price was \$367.00, which is a fair, reasonable and conservative estimate.

He said it would be setting a bad precedence to return the deposit to Mr. Archambeau.

Mr. McArdle agreed the argument could be used again. If the deposit was returned before, it could be done again.

Mr. Perez stated it was general knowledge that an individual placing a bid deposit knew, if the deal didn't go through, the deposit would be lost. The precaution of a bid deposit was established for a reason, to protect the City's

interest.

TRANSFER OF FUNDS:

Mayor Smiley said the administrators deserved the bonus. Each administrator has worked well above and beyond their duties, helping the City of Burton to become the prosperous city it is today. The 3% bonus averages out to 1% per year. Administrators haven't received bonuses since 1992.

He said the \$19,695.00 covers several areas: training for the new City Clerk, Council's salary, the Mayor's salary, which the commission approved and the administrator's bonuses.

Mr. McArdle said after meeting with administrators, there was concern that the bonuses had been removed. They didn't always get rewarded for what they had done. Mr. McArdle talked to Mr. Cox about the matter and the bonuses were returned, presented and passed.

FINANCE COMMITTEE MEETING MINUTES

FEBRUARY 15, 1996/9:00 A.M.

PAGE -2-

VETERAN'S MEMORIAL:

Mayor Smiley said the information concerning the fund raiser for the Veteran's Memorial had been mailed today. Also, several other agencies have been notified regarding the project. Name plates will be sold for \$50.00 to help support the fund raising efforts to make the Veteran's Memorial possible. The Mayor said there has been a favorable response in the community and he hopes to raise a substantial portion of the funds needed for the memorial. The original bid was around \$50,000 and the revised bid is close to \$100,000. This is due to changes in the original plans to make the memorial a self-sufficient structure with little or no maintenance. Our community will be very proud of the Veteran's Memorial.

CD FUNDS:

Mayor Smiley said last Thursday the County had only committed to paying 40% of the total \$195,000.00 to the city. Council can choose to do 40% of all projects or one project. The County is locked into CD monies for community development at this time. More monies might be released at a later date.

AUDIENCE PARTICIPATION: None.

COMMITTEE DISCUSSION:

STATUS OF \$900 DEPOSIT:

Mr. Cox said he would have a problem returning the deposit money. Mr. Archambeau was going to make a bid on the property and didn't pursue it. There were no extenuating circumstances. He said this was a business deal with a contract. Mr. Archambeau made the bid and he should honor it. We entered into the contract in good faith.

Mr. Martinbianco said the detailed list was a good estimation of what it cost to market a lot, and he pointed out the time element involved. If he was so concerned about this refund, why did Mr. Archambeau wait two months before asking for his deposit back?

TRANSFER OF FUNDS:

Mr. Cox said originally the administrator's bonuses were removed from the transfer of funds and later added again. There might have been a little confusion on what was done.

Mr. Martinbianco was concerned over that particular issue being taken out and then added again at another date. Also, he wanted to know if comp time covered extra duties of the administration.

Mr. McArdle said comp time doesn't fully account for extra time and efforts by administration. Mr. McArdle stated the 3% bonus would recognize the good things Administrators have done for the city. He said it was an innovative idea in dealing with these situations.

Mr. Abbey suggested if administrators are underpaid, why not give them raises comparable to other like municipalities, instead of bonuses.

FINANCE COMMITTEE MEETING MINUTES
FEBRUARY 15, 1996/9:00 A.M.
PAGE -3-

Mayor Smiley asked that a recommendation be made by the Finance Committee, after doing research, to determine if Ordinance 68-19 (C) salaries are too low. A recommendation is to be made within the next couple of weeks, while the budget is being finalized.

Mr. Becker said a previous study was done concerning these areas and found out Burton administrators were paid considerably lower than comparable cities.

Mr. Cox recommended that the finance committee look into this matter.

VETERAN'S MEMORIAL:

Mr. Abbey said the Veteran's Memorial was a wonderful idea, but can we afford the extra cost from the first bid.

Mayor Smiley said the fund raiser should help bring in a substantial amount of funds for the memorial. He said he would like to keep the goal.

Mr. Major said the designer would probably make a contribution to the memorial. He said the estimated cost is not in stone.

Mr. Cox asked if the Mayor would ask for additional funds.

The Mayor said they do not plan to ask for additional funds at this time. However, he would accept CD Funds, if they were made available at a later date, similar to the library project.

The Mayor will continue to update the Council on funding of the Veteran's Memorial project.

STATUS OF CD FUNDS:

Mr. Cox said there are rumors that CD Funds, to be released in May 1996, will be lowered. He wanted to know if there are CD Funds available from 1995. He said there are concerns about using allocations for CD Funds for the troubled Burton Neighborhood Housing agency. Also, Mr. Cox expressed concern for the salary of

the Senior Citizens Director, which is paid by the CD Funds.

Mr. Martinbianco wanted to know when the 95-04 dollars would drop down. He said as of December 1995, \$27,864 was left in that account.

Mr. Becker said that money was for the Senior Citizens Director's salary for the current year. There were some 19-05 monies left from the paving of the Senior Citizens Center parking lot, but that money has been spent.

Mr. Major said the Parkwood Street paving project will deplete the balance of the 1995 CD Funds.

Mr. Becker said it is possible to add constraints to the May release of funds to Burton Neighborhood Housing, until their status has been determined.

COMMITTEE RECOMMENDATIONS:

STATUS OF \$900 DEPOSIT:

Moved by Abbey, supported by Martinbianco to recommend to the Council refuse to return the \$900.00 deposit to Mr. Archambeau for property #94-02 on Schumacher Street. Motion carried 3-0.

FINANCE COMMITTEE MEETING MINUTES
FEBRUARY 15, 1996/9:00 A.M.
PAGE -4-

TRANSFER OF FUNDS:

Moved by Abbey, supported by Martinbianco to recommend the approval of the transfer of funds of \$19,695.00 from various fund contingencies to finance the salary commission and Ordinance No. 68-19 (C) provisions. Motion carried 3-0.

VETERAN'S MEMORIAL:

Mr. Cox said there is no need for this body to take any action, other than to accept the information on the Veteran's Memorial. Accepted by Abbey.

CD FUNDS:

No Committee recommendation was taken at this time.

MEETING ADJOURNED AT 10:45 A.M.

Respectfully Submitted,

Gayle Webster
Burton City Clerk

GW/cml