

CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES

This Finance Committee Meeting is called to order by K. Cox, Chairman at 10:00 P.M

Members Present: Cox, Abbey and Martinbianco.

Members Absent: None

Others Present: Brad Becker, Controller/Treasurer; J. Major, DPW Director;
Rick Riess, Water Superintendent, William Walworth, City Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendation concerning
Sekrenes project for water and sewer for Brookwood
Pointe #4; Water Fee Installation Prices and
Amendment to Retirement Plan.

PRESENTATION:

Brookwood Pointe #4:

Chuck Sekrennes asked if he could have water and sewer installed in his project #4 as had been done in the other three. He said it would effect 23 lots. He presented his cost summary to the Council.

Mr. Becker said that sewer monies have never been an issue and that he thought \$40,000 from water could be done. He said, if fee structure changes the project needs to come under that fee structure.

Water Sewer Rates:

Mr. Reiss reviewed his recommendation to Council as attached.

IRS Pension:

Mr. Becker said that the recommended changes on the pension was to comply with IRS regulations as passed by Council in Ordinance 68C.

AUDIENCE PARTICIPATION:

Brookwood Pointe #4:

None.

Water Sewer Rates:

None.

IRS Pension:

None.

COMMITTEE DISCUSSION:

Brookwood Pointe #4:

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Mr. Abbey said he wanted to be sure that the bottom line fund balance in the water fund was sufficient.

Mr. Becker said that the only loan at this time is for the Belsay Rd. extension but that Maple Rd. has been requested. He said that each development should be judged on it's merit and that questions should be raised if certain developments ask for money.

Mr. Abbey asked if our bond rating would be affected by prior pay backs.

Mr. Becker said no.

Mr. Sekrennes said he thinks the economy has one more good year.

Mr. Martinbianco arrived and was brought up to speed by Mr. Cox. Mr. Martinbianco said that five years as a max on pay back is all he could see at this time.

Mr. Sekrennes had no problem with this.

Water Sewer Rates:

Mr. Cox felt that the City should raise the fees to what it is costing the City.

Mr. Martinbianco raised the question of a different rate for those developers that want to pay up front.

Mr. Reiss said he was not comfortable with large raises in the rates as he did not want to encourage people to drill another well if the city hookup was too large in cost compared to the drilling of a well.

Mr. Becker said he was concerned that with the City closed over the holidays that January 1, 1996 would be too soon for the rate increases.

IRS Pension:

Mr. Becker said that he would like language so that the administration did not have to come back every year as Ordinance 68 C changes. Mr. Becker said that the only people now effected are the Mayor, his Secretary and the Personnel Director.

Mr. Martinbianco suggested that the reference to "council" be changed to "elected officials".

Mr. Walworth said this cannot be done as a Mayor has the right to opt in or out everytime he/she is elected.

COMMITTEE RECOMMENDATIONS:

Brookwood Pointe #4:

Moved by Martinbianco supported by Abbey to recommend to Council items #1 through #7 for Council approval of Brookwood Pointe #4 sewer and water pay backs with the 5 year restriction in item #2 as follows: "not to exceed 5 years in duration subject to the Attorney's review.) Motion carried 3-0.

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Water Sewer Rates:

Moved by Martinbianco supported by Abbey to recommend to Council to increase the direct rates from \$600 to \$900 and the indirect rates from \$300 to \$450 with the other recommendations from Mr. Reiss as is with an effective date of February 1, 1996. Motion carried 3-0.

IRS Pension:

Moved by Martinbianco supported by Abbey to recommend to Council that they pass the IRS language for the City pension plan with the following modifications. Amendment No. 1 C remove "the City contribution rate to the Municipal Employees Retirement System for non-union administrative employees as determined by the Board of such Retirement System." and replace with: "authorized under local City ordinance." Motion carried 3-0.

MEETING ADJOURNED AT 11:35 P.M.

William R. Walworth,
City Clerk