

MAYOR AND COUNCIL BUDGET WORKSHOP
APRIL 1, 2013

Mayor Bailey called the budget workshop to order at 7:05 p.m. In attendance were Council members James R. Gatto, Linda C. Kuiper, Mabel Mumford-Pautz and Mauritz Stetson, W. S. Ingersoll, Town Manager, Patricia Diver, Director of Finance and Jennifer Mulligan, Stenographer.

Ms. Diver stated that there was a summary of Mayor and Council revenue and expenses given to each member of the Mayor and Council. She said that the budget is very preliminary with projected revenues and expenses still coming in.

Ms. Diver stated that there was a small increase under real estate coming in at \$2,170,000.00. The constant yield rate is \$.3722 and the Town is at \$.37 meaning no hearing would be needed. Ms. Diver stated that State income tax has gone up slightly.

Ms. Diver stated that the only grants were \$45,000.00 for police protection, Community Parks and Playgrounds (Gateway Park) at \$155,000.00, and the NEA grant applied for in the amount of \$25,000.00. These would be under capital projects. None have been awarded to date.

Mr. Ingersoll stated that operating grants were separated out from capital grants.

Ms. Diver stated that general expenses were shown, with the main increased items being Workmen's Compensation and medical benefits. She said that they were only estimates at this point. The pension and LEOPS had increases to employer's contributions. Contributions for employee pensions went from 8.94% to 10% and LEOPS (Police) went from 28% to 31.76%.

Ms. Diver stated that when the Compensation Study was done, it was shown that the Town is approximately 10% under market as far as other similar Towns were concerned and it was recommended to gradually move up percentages in order to keep up with the market. She said that she added 4% into salaries but that was the ultimate decision by the Council probably on a case-to-case basis in executive session.

Ms. Diver stated that property and liability insurance were based on figures from the industry representatives.

Ms. Diver stated that there were two capital outlay projects that could be covered by grants and they were listed for the Gateway Park and the Wilmer Park.

Ms. Diver stated that the figures for recreation were based upon requests from organizations and Mayor and Council requests. She said that fireworks and holiday programs were included as well as public relations (web management and cable) and the greening initiative and Earth Day festivals.

Ms. Diver stated that the amount listed for contract trash collection was the figure used for 2013. The Mayor and Council would determine whether or not there would be an increase.

Ms. Diver stated that the Police Department requested one new vehicle which was listed as a four year lease. The Police Department file server and computer system would be \$15,000.00 and was something that was necessary.

Ms. Diver stated that the Street Department listed street repaving at \$200,000.00, a used dump-truck at \$10,000.00 and a sweeper truck with a five year lease at \$36,460.00. The actual cost of the sweeper was \$210,000.00.

Mr. Ingersoll stated that the street repaving was arbitrary and used as a balancing figure. He said that patching and repair was necessary on several streets and could no longer be delayed. He said that the proposed budget assumed not increasing taxes but also made provisions for necessary repairs.

Mayor Bailey stated that HUR funding may come to municipalities for road work from the State, but the figures were not available to date.

Mr. Ingersoll stated that the dump truck purchase may actually happen in this year's budget. The Town could also look for a used sweeper, although he did not think that was the right thing to do. He said that a sweeper could last a long time if the Town started with a new one.

Ms. Diver stated that she moved operating grants under the revenue and put the capital grants in a capital area. She said that at this point, the Town preliminary budget showed a loss of \$32,996.00. She said that she would work to get that figure balanced, if possible.

Ms. Diver stated that cash on hand estimates were on a separate page and showed funds on hand for today and revenue that was to be received by fiscal year end. Expenses were approximately \$310,000.00 per month. Ms. Diver stated that she would update this for the next three months.

Mr. Ingersoll stated that if a CDBG grant was awarded, the Town would not know until next year so it could not be added to the present budget.

Mr. Ingersoll stated that if the Council had any initiatives for next year to turn them in so they could be added to the budget.

Ms. Diver stated that the next budget meeting was May 17th.

Ms. Kuiper asked if the Trader's Licenses and Hotel Tax could be separated to see what the expenses were to those revenues. Ms. Kuiper stated that she thought those funds should go back to the visitors by way of fireworks and other events.

The workshop meeting was closed at 7:35 p.m.

Submitted by: 
Jennifer Mulligan
Stenographer

Approved by:

Margo G. Bailey
Mayor