

CITY OF PILOT ROCK

Budget Committee Meeting

April 19, 2017

7:00 PM

A. Called to Order

Having a quorum, the Budget Committee meeting was called to order by Mayor Carnes at 7:00 PM. Council members present were Raymond Doherty, Bob Deno and Jim Hinkle. Budget Committee members present were Linda Hill, Teresa LaChapelle, Robbie Young, Ray Corwin, Patricia Jones and George Ficenc. Also present were Chief Caldera, Teri Porter and Steve Draper.

B Continue Budget Review

The General Fund was the only fund left to review. All others were reviewed at the first budget meeting on April 12, 2017.

As the committee reviewed the proposed budget below are the key points that were discussed:

1. The distribution of bank fees was changed in an effort to spread them across the funds in a manner that is consistent with bank usage. The Police Dept., Office and Library took on more of the expense.
2. The proposed budget allocated \$10,000 for new Christmas decorations for lights on Main. Steve Draper stated that the old decorations are tattered and need to be replaced. Since we have new light poles he is reluctant to drill holes and mount the old ones only to replace with new ones in a few years and drill different wholes. Arguments were made that it looks bad increasing Water and Sewer rates in the other funds and then spending \$10,000 on Christmas decorations. Teri Porter and Steve Draper explained that we still have funds left over from the savings of the diminished police department. This is one time expenditure and should be expensed while we still have the funds to do so. There was a consensus that it be cut in half and approve \$5,000 this year and then \$5,000 next year. Concerned that he not only get a good price on the decorations by buying in larger quantity but also that they are all the same, Steve stated that he would not purchase them this year and save the money in the line item and then next year when the other \$5,000 is added he will make the purchase. On a motion by Ray Corwin and seconded by Teresa LaChapelle, the Committee agreed to change the proposed budget for Christmas decorations from \$10,000 to \$5,000. George Ficenc, Robbie Young, Bob Deno and Jim Hinkle opposed. Teresa LaChapelle, Linda Hill, Patricia Jones, Raymond Doherty and Ray Corwin in favor.
3. A 3% increase was proposed across all the funds. Teri Porter explained that the Feds applied a 3% COLA increase and brought up the website on the screen. Upon closer examination, it appears the Fed COLA increase was .3%. It was explained that having a 3% increase in the budget does not mean employees will automatically get the increase it must first be approved by Council, but if approved the funds would be available. If the funds were not used, they would roll over to the following year. Steve reminded, that a couple of years ago Council had agreed to at least a 1% increase each year to ensure that wages are kept up with the cost of living. Prior to that there was about 3 years when no increases were allowed, which put

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employee making below average of others in similar positions, making it necessary to approve a large increase to get caught up. The committee agreed to leave the wages as is.

C Public Comments

None

D Budget Committee Approval of the Tax Rate

On a motion by Ray Corwin and seconded by Patricia Jones, the committee agreed to approve the taxes rate for the 2017-18 fiscal year at \$2.8958 per \$1,000 of assessed value for operating purposes. All present voted yes. In discussion, it was explained that this is a fixed rate that cannot be changed.

E Approval of the Budget

On a motion by Ray Corwin and seconded by Patricia Jones, by majority vote the committee approved the budget. Patricia Jones, Ray Corwin, Bob Deno, Raymond Doherty, Teresa LaChapelle, Linda Hill and Robbie Young voted in favor. Jim Hinkle and George Ficenec opposed stating that there were some items in the budget they did not agree with.

On a motion by George Ficenec and seconded by Linda Hill, the committee approved the minutes of the April 12, 2017 budget committee meeting. All present voted yes.

F Set Date for the Public Hearing.

May 16, 2017 at 7pm.

G. Next Meeting and Time

No additional meeting needed

H. ADJOURNMENT

Council agreed to adjourn at 8:48 PM.

APPROVED _____

ATTEST _____

Disbursement