

**FINANCE COMMITTEE MEETING
APRIL 30, 2012**

Call to Order

Chair/Councilor Feener called the meeting to order at 5:00 p.m. in the meeting room located on the lower level of City Hall.

Committee Members in Attendance

Councilor Feener, Councilor Sharon and Councilor Desrochers.

Others in Attendance

Finance Director Milner and City Manager Dragon

FY13 Budget Review

Director Milner went over the line items in her budget with the Committee. Not including wages and benefits she advised her operating budget is down about \$1,000. The auditing line is down 9% and Director Milner commented there will not be as large of an appropriation in the finance budget for the single audit this year as most of the grants are in the water fund. She noted there is a new line in her budget for a check connect system which would allow checks received to be scanned in at City Hall creating a same day deposit into the General Fund. This check connect program costs \$19.99/monthly. She noted Books and Publications is up this year as several necessary publications are due this year.

City Manager Dragon informed the Committee that in her budget to be presented to the Council she is recommending a 1 ½% COLA and steps. She commented that when steps are not given you are not valuing the performance evaluation given to each employees each year. The cost to fund steps would be \$42,000.

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Manager Dragon stated that she is hoping to have a Pay Classification Function Study done and the cost would be \$15,000. Concerning the insurance benefit, she stated she does not recommend looking into a co-pay for the employees without the study being done and a pay classification study has not been done in several years.

There was a 9.9% increase in dental which represents a cost of approximately \$7,600 and the increase in medical was quite low, 2.9%, wherein the average increase was 13%. The cost in the budget for the medical is an increase of \$33,151. Manager Dragon stated last year there was no steps or COLA and the COLA is based on the CPI which this year is 3% and she is recommending a COLA of 1 ½%.

Director Milner advised that unemployment per position has gone from \$96.00 to \$112.00 and Workmen's Comp increased 9% \$15,000.

An added position is being considered for the Municipal Services Department. The position would be a Grounds/Custodian position and this position would cover the maintenance/cleaning of the Bessie Rowell Community Center and Rec. Center and included in that would be snow removal, removal of snow from the roof, and other general maintenance duties. Having this position would save the City \$8,000 over the cleaning contract and this position will perform more duties than just cleaning.

Elderly Exemptions

The Committee discussed the income limits for the elderly exemption. The Assessing Department advised that there has been only one denial this year, in year 2010 there were two denials and year 2011 there were five denials. The committee felt right now the income limit should be left as is due to the fact there have been so few denials. The question was also asked if the income level were changed, what might be the impact.

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Veterans Exemption

Manager Dragon advised that in her proposed budget she has an increase of \$50.00 for the veterans' exemption.

The Finance Committee expressed their support for the Manager's proposal regarding benefits and COLA and steps.

Motion to adjourn made by Councilor Desrochers, seconded by Councilor Sharon. All in favor, meeting adjourned at 6:00 p.m.

Respectfully submitted,

Sue E. May