

Village of Bellaire

ADMINISTRATION AND PERSONNEL COMMITTEE

David Schulz, Chairman

Dan Bennett

Bryan Hardy

COMMITTEE MEETING MINUTES

January 31, 2017

6:15 p.m.

1. **Call to Order:** Chairman Schulz called the meeting to order at 6:17 p.m.
2. **Attendance**
 - Members Present:** Chairman Schulz and Trustee Hardy
 - Members Absent:** Trustee Bennett
 - Staff Present:** Lori Luckett, Clerk; Cathy Odom, Treasurer; and Ken Stead, DPW Supervisor
 - Others Present:** None
3. **Approval of Agenda:** The agenda was approved as presented.
Motion by Trustee Hardy, seconded by Chairman Schulz, to approve the agenda as presented. Motion carried by voice vote.
4. **Approval of Minutes:** The Administration Committee minutes of the January 9, 2017 meeting were approved as presented.
Motion by Trustee Hardy, seconded by Chairman Schulz, to approve the minutes of the January 9, 2017 meeting as presented. Motion carried by voice vote.
5. **Public Comment on Agenda Items:** None presented.
6. **Old Business:**
 - a) **2017-2018 Budget Items:** The committee continued its review of the proposed 2017-2018 budget. Chairman Schulz noted that the budget would require fund balance and appropriations to balance. The budget summary currently reflects a deficit of a little over \$34,000. The committee reviewed the proposed budget fund balances page by page beginning with the General Fund. Chairman Schulz provided an explanation for the increase in legislative wages and appropriation transfers out for public safety, cemetery, and motor pool loan payments. Property and Buildings currently reflects an amount for carpeting that may be foregone in order to balance. The miscellaneous expense amount includes the purchase of council chairs. Chairman Schulz went on to note that the Planning/Zoning and Street Light fund budgets were tight. He suggested that the Parks fund budget might need to be reviewed considering “nice to do” versus “have to do”. Review continued of the Dam fund budget and Major Streets. Chairman Schulz asked about the status of Major Streets fund balance. Treasurer Odom stated that Major Streets fund is tight. She left the meeting to get the current fund balance amount. Clerk Luckett reminded the committee members about the biohazard kits public safety and DPW employees are to have in their vehicles. There was discussion about the appropriate fund to expenses. Chairman Schulz suggested that the kits be expensed in the respective department fund. Clerk Luckett wondered whether the village should have an engineering firm on retainer or identified to address developments impact on the waste water system. She noted that escrow funds may be required, but there is no firm currently identified by the village council. Treasurer Odom returned to the meeting and discussion about Major Streets fund balance, approximately \$37,000, continued. Chairman Schulz directed Treasurer Odom to make a note to use fund balance. Local Streets fund contains amounts for repair and maintenance, including pavement and patch. Revenues are projected to exceed expenses; overage should be transferred to fund balance to save for future road paving projects. Treasurer Odom explained that the revenue for local streets is funded by tax revenue and dependent on

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the millage. Public Safety has been reviewed. With the exception of the biohazard kits, necessary expenses are included. After discussion, it was decided that biohazard kits, 2 for police vehicles and 4 for DPW vehicles, would be expensed in Public Safety and Motor Pool funds respectively. Chairman Schulz moved to a discussion of the Cemetery fund with an explanation of how wages, including administrative and DPW staff, are calculated in the fund. Wages based on the Cemetery Committee's recommendation were calculated and added to the wage line item for a total of \$8500. The difference between expenses and revenues is shared between the Village and Forest Home Township. Budget discussion continued with a review of the Debt Services fund and the Sewer fund. There was brief discussion about Sewer fund being an enterprise fund. Treasurer Odom explained that the USDA loan payment would be covered by the increased rates. Sewer fund expenses were reviewed by line item. Chairman Schulz suggested that given the tight budget, the capital outlay item be reviewed on a "need to do" or "nice to do" basis. He will be abstaining. Water fund items were reviewed and discussed, including the need for a new compressor. Chairman Schulz requested that the difference between revenues and expenses be added to the "to fund balance" line item. Motor Pool was reviewed. Chairman Schulz asked about Equipment Rental revenue. Supervisor Stead asked to see more money going into Motor Pool; Motor Pool has less money than being paid to Public Safety. Treasurer Odom explained that Motor Pool is supposed to be covered by equipment rental however, expenses are too high. Supervisor Stead stated that he would like to get new pick-up trucks and replace some equipment. It was noted that General Fund is already covering the plow truck and loader payments. There was discussion of funds that could be used to purchase a vehicle. Money will have to be appropriated from the General Fund into Motor Pool in order to buy a new truck. Treasurer Odom explained that Motor Pool is paying interest payments on the plow truck and loader loans. Chairman Schulz suggested that a transfer be made to cause the fund to balance. The truck will be in as a Capital Outlay item. Chairman Schulz reviewed the projected budget with the additions and reported that the expenses now exceeded revenues by \$36,622.32. He noted that the final proposed budget would not be ready until the village council meeting. It is possible that the council will direct the committee to revisit certain expenses. We are not in the same position as last year. Chairman Schulz requested a motion to present the draft budget to the village council at their meeting tomorrow night.

Motion by Trustee Hardy, seconded by Chairman Schulz, to present the draft budget to the village council at their meeting tomorrow night. Motion carried by voice vote.

7. New Business:

- a) **Wages:** Chairman Schulz explained the development of the wage scale adjusted by the approved cost of living factor. This year the factor is 1.7%. The result is a wage increase of thirty-two cents per hour. Chairman Schulz made a motion to recommend to village council approval of the fiscal 2017-2018 wage scale, which represents a cost of living increase of 1.7% or thirty-two cents per hour.

Motion by Chairman Schulz, seconded by Trustee Hardy, to recommend to village council approval of the fiscal 2017-2018 wage scale, which represents a cost of living increase of 1.7% or thirty-two cents per hour. Motion carried by voice vote.

- b) **Health Benefits:** Treasurer Odom reviewed the information provided by the village insurance agent. Treasurer Odom reported that, except for the rates, which are going up 4.6% this year, there are no changes to the benefits. There was brief discussion about plan options and comparison with the existing plan. Chairman Schulz expressed his belief about providing good health care coverage for employees. Treasurer Odom cautioned the committee that they should watch revenues and expenses. Wages are the major expense for the village. Chairman Schulz made a motion to recommend to village council that they accept the 2017-2018 Blue Cross Blue Shield health insurance premiums for existing coverage.

Motion by Chairman Schulz, seconded by Trustee Hardy, to recommend to village council that they accept the 2017-2018 Blue Cross Blue Shield health insurance premiums for existing coverage. Motion carried by voice vote.

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- c) **Annual Merit Bonus:** Chairman Schulz stated that once the village council reviews the budget, the committee could take direction from the village council. He explained that, if adjusted, there might be room in the budget for merit bonuses.

- 8. **Discussion Items:** Supervisor Stead requested clarification on the hiring of someone for the cemetery. Is it someone for 40 hours a week or just person to come every two weeks? Chairman Schulz responded that the person would average 20 hours a week.

- 9. **Communications/Informational:** None presented.

- 10. **Member/Public Comment:** Chairman Schulz thanked the staff for their efforts in the budget process.

- 11. **Adjourn:** The meeting was adjourned at 7:19 p.m.

Minutes compiled by:
Lori Lockett, Clerk
Minutes are subject to approval.

Approved: _____

Date: _____