

**Troy City Working Budget Meeting
Council Chambers
August 9, 2010
6:30 pm**

The meeting came to order at 6:30 pm. The meeting came to order at 6:30 pm. Present: Mayor Don Banning, Council: Phil Fisher, Fran McCully, Gary Rose, and City Clerk Sandra Johnson. Absent: Loretta Jones excused.

GUESTS: Robert McLeod and Clinton Taylor

BUDGET REVIEW: A review of the budget noted these changes to be made:

General Fund changes to be made:

The expense for codification is divided between general fund and the water, sewer, and electric funds. The amount will vary between \$8000 and \$10,000 and will incorporate all of the ordinances and resolutions since it was last done in 1985. Discussion on what line numbers shows for codification in the general fund and each enterprise fund.

Parks - increase \$5,000 for a water feature at the pond. Discussion followed that Gary Rose will be in touch with John Konzen regarding the County's involvement. Don Banning had questions regarding the previous year's park donations. Sandra Johnson explained that it never happened. Fran McCully had questions regarding the \$500 usage fee. Johnson answered; it is to the School. Discussion on the fireworks fund followed.

Police Department – increase fuel by \$1,500. Discussion on small items of equipment expenses decreasing from last year. McLeod explained that it was probably awarded grants. Discussion on CJIN and SWIFT followed. Fran McCully had questions regarding MPORS decreasing from last year. Sandra Johnson explained that it is separated out by the State now. It is in the police department budget.

Discussion followed regarding the budget line for an animal control officer. Sandra Johnson explained that is in the case that there becomes one again.

Discussion on whether there was a prepayment penalty if the patrol cars were paid off completely since they would pay out completely this fiscal year.

Discussion on the projected revenue from the apartments followed. Fran McCully voiced that she doesn't think the projected amount should be so high because of the expenses

Discussion on whom and the cost of auditing for all departments followed.

COS Fund Changes to be made:

Sandra Johnson advised that the enterprise fund transfers out need to balance with the amounts in COS for all of the participating funds. The expense amount is lower this year. Phil Fisher had questions regarding the budgeted training. He noticed that it was in every department as well. Sandra Johnson explained with examples. The fixed asset, BMS module fee for maintenance was not renewed.

Discussion on sprinkling and oiling followed. It was explained that there is \$20,000 budgeted for a load of oil.

Discussion on current roof repair followed.

The 911 fund was discussed.

***** **General Fund** - increase \$23,500 for wages and decrease line 585

Enterprise Fund changes to be made:

Electric – increase \$10,000 for equipment. Clint Taylor requested an increase of \$10,000 for large expenses for emergency repair. Gary Rose asked Taylor about his plan for possible purchases of machinery in the capital expenses budget line. Taylor replied that if a track-hoe or a new pickup truck. He advised that if he cannot find an inexpensive track-hoe, then a possible trade of the current pickup truck toward a new one. Discussion followed regarding future power and transmission costs to the electric company.

Phil Fisher had questions for Clint Taylor regarding the pressure washer budgeted for sewer, water, and electric utilities. Taylor expressed that he and the public works director would like an industrial one with heat and steam options. It was council's consensus to change the department contributions to: sewer \$1500, water \$1500, and electric \$3500.

Discussion on clothing allowance followed. Discussion on comprehensive liability, and group health insurance followed. Discussion on costs of employee health insurance took place.

Sewer – decrease \$23,500 for wages

Water – discussion on payments on the water project bonds followed.

There was discussion on the amount of water and sewer hook-ups the City has. There are approximately 528 sewer and 550 water users.

REVIEW:

Sandra Johnson explained the accounting process and summarized the ending balances.

*****She explained that the sewer fund has \$251,000 but only \$323,000 coming in. She advised that there is a deficit on this account. Discussion followed regarding reserves and restricted funds on the water and sewer accounts.

Fran McCully asked; if the general fund is okay, then why are we taking an employee's full wage from the sewer fund. Sandra Johnson explained; if you have one employee for water, and one employee for sewer, that is their only job description; so when they are done with their work, they just sit there. Because they don't just sit there, and work together now, their wages come from both departments. McCully stated; with the time studies, it's proven that only half of the wages should be coming from sewer. She feels that the sewer fund is subsidizing the general fund in wages. Sandra Johnson advised that you cannot give general fund monies to the sewer fund. She advised that it states in the bond that you will raise sewer rates if there is a deficit. Phil Fisher also feels that the half of one employee's wages should come out of the general fund at least for one year. Discussion followed. Sandra Johnson asked for confirmation from the council that they want to add \$23,000 into the general fund for wages. And take \$23,000 from the sewer fund wages. It was council's consensus; yes. Fran McCully stated; we aren't looking to subsidize the sewer forever. Phil Fisher expressed that a rate increase would take 6 years to balance out, but taking the half of wages for one employee out of general fund would take less time.

Phil Fisher stated that he cannot condone a pay raise for the attorney's and judge's wage increases. He stated that he will not approve the budget with the 3% wages. He stated that if he approves this budget, then the clerk of court is automatically approved. Sandra Johnson stated that hiring and firing is done by the Mayor. Fisher asked; how can I approve the budget if I haven't approved the hiring of a clerk of court. Sandra Johnson advised that he may quit if he

doesn't have a clerk of court. Phil Fisher advised that he had spoken with the judge and is confident that he wouldn't quit during his four year term regardless. Fran McCully feels that the court clerk position should be clarified as a temporary employee for six months not a part time employee. Discussion followed.

PUBLIC COMENTS: It was council's consensus that the items they requested to be put on the agenda were not on it to discuss. Mayor Banning asked; was it the list that he and Gary Rose discussed. Gary Rose stated; yes, and still it didn't show up on the agenda. Mayor Banning stated; in order to be on a council agenda, it has to tally certain things, not just a request. Certain things need to be received in the office before it can be put on the agenda. Sandra Johnson asked what needs to be done to make this situation better. Phil Fisher stated, what needs to be done now is the budget. He asked if he approved the budget, would that approve a new pick-up truck for the electric department. Johnson explained that it's in the budget, if he doesn't buy it, it goes back into his reserve, but it's in the budget just in case. Discussion followed.

Discussion on wages for attorney and judge's wage increase followed. Fran McCully asked what the attorney does. Johnson explained that he is an employee that gets paid 18 hours per pay period. The Council feels that the hourly wage should be included in his salary. Fisher feels that the Judge is a new and needs more information before approving a wage increase is approved.

Sandra Johnson advised that all council has to do is ask for the information that they want. Phil Fisher stated that hiring a new clerk would be something they would want to know about. Sandra Johnson advised that this is a new council and the old council may not have wanted the same things. It would be too difficult to pick out what this council wants without knowing. Gary Rose stated; when we have issues we want to talk about, and request them to be on the agenda, we want them on the agenda. Sandra Johnson reiterated; you don't have to put them on the agenda to know about it. So we can bring our issues up in a council meeting that isn't on the agenda. Johnson advised; what a council meeting is for is to take and approve or disapprove certain items that are explicate to the City, not every day administrative things that happen. Fran McCully gave information on the way Libby's council meetings and the school board's council meetings. Johnson advised that most of the items she is hearing about do not require any kind of a motion. Sandra Johnson again asked what council wants. Fran McCully answered; if there are items we want to discuss, we want to be able to put them on the agenda. Clint Taylor asked; isn't that what the work meeting is for. Fran McCully stated; that is where things are being discussed now, maybe it would be a better idea to change the work meeting earlier on in the month. We've discussed it amongst ourselves that it may be more productive than the night before the council meeting. Mayor Banning asked for an example and stated; bring it up. Fran McCully stated; I'm done with you. If this is personal we will take it outside of here!

Fran McCully left the meeting.

Mayor Banning asked what just happened. He asked if she was still on council or if this meant she quit. Phil Fisher stated; yes, she is still on council. Mayor Banning stated that he wanted to clear something up with council. He said; you guys think I don't have an open door policy, you're right; the door is closed in case I'm in the middle of something. This doesn't mean you can't come in to talk to me. Phil Fisher asked; why, why is the door closed. Fisher answered; I understand if you're in the middle of a meeting not to walk into it. Banning stated; exactly, otherwise, it's not closed to you guys. Fisher stated; you told us it was closed to us and we had to go through the front office to get to you. Banning stated; because you wouldn't know if I was in *****a meeting otherwise. Banning continued; sometimes there are discussions for no ears and that even Sandra Johnson has to notify him that she is coming back. Gary Rose directed toward Mayor Banning and stated; you just seem like you have a "go it alone" attitude. Banning answered; because I don't have you guys don't have you guys coming in and talking anymore. Discussion followed.

It was Sandra Johnson's suggestion that she make notes to send to council by email. She stated that she would really like to see this work.

Banning stated that the office has yet to receive the minutes of the two council meetings that they have had. Phil Fisher stated it was a committee meeting not a council meeting. Banning advised that anytime there is a quorum present it becomes a council meeting. Phil Fisher asked Banning to show him the law for that. Sandra Johnson stated; nobody is the bad guy here, if it's not the way it is supposed to be done, then we won't do it again and get past this. Phil Fisher stated; it's not just us. Sandra Johnson said; okay, that is a good point. So Don is saying; just come in, just don't interrupt a meeting. Phil Fisher stated; but when we have issues, we are denied them. More words were exchanged between Mayor Banning and Phil Fisher.

There was discussion regarding alleys. Fisher stated that it was brought to Bannings attention. Mayor Banning stated; nobody has come to me about the alleys other than what I read on signs. Fisher stated that he told him that citizens have complained to him about the alleys and he brought it to the Mayor's attention and Mayor Banning had said; nobody complained to him, so it is done. Gary Rose stated; ever since then, they have been trying to get him to do something about the alleys. Banning advised that he has been gathering information on what can be done about the alleys, to give back to council. Discussion followed on how to fix them followed. Phil Fisher asked Banning why, when they brought the issue to him, we were told it wasn't our concern because nobody had talked to you. Banning answered; it's an administrative concern. Sandra Johnson advised that council is here to make the laws and resolutions. If you want to grade the alleys it is administrative, but if you want to change the alleys or make some kind of legislative decision that it be done all the time; that's what you do.

There was discussion regarding the dugout roofs. It was Gary Rose's and Phil Fisher's opinion that it could have been done less expensively. Sandra Johnson advised that the contractor was recommended because of the quality of his work. Gary Rose stated; it may be your decision Don, but, if you would have asked us, maybe we could have worked something out. Mayor Don Banning stated that he had turned that over to the public works director, and he put it out for bid. Phil Fisher stated that it was on the list of items they wanted on the agenda.

*****Banning stated; unless you come to me, I wouldn't talk to you? I tell everyone, I don't know what it is with council; they don't come in and talk to me anymore. How am I supposed to know what they're doing? Phil Fisher stated that he came in twice a week for the first two months. Sandra Johnson stated; so why don't we try again, I'll try better to jot things down. Gary Rose stated; we need more communication. Everyone was in agreement.

More discussion on the misunderstandings on the procedure for meeting with the Mayor followed.

Sandra Johnson again asked council what they want to be informed about. Gary Rose answered; just general information that is happening in the city.

There was discussion on changing the work meetings to meet earlier than the day before the council meeting.

Meeting adjourned at 10:45 p.m.

Donald C. Banning, Mayor

ATTEST:

Sandra Johnson, City Clerk/Treasurer