

Tyrone Town Council
Budget Workshop
April 30, 2009

Present:

Mayor Don Rehwaldt
Councilman Tracy Young
Councilman Eric Dial
Councilwoman Grace Caldwell
Councilwoman Gloria Furr
Town Manager Chris Venice
Finance Manager Penny Hunter
Town Clerk Nancy J. Goedker

Also present:

Police Chief Brandon Perkins
Library Supervisor Julie Digby
Director of Public Works Renee Holt
Public Works Jonathan Widner

The meeting was called to order by Mayor Rehwaldt at 6:00 pm.

Penny Hunter, Finance Manager, recapped the FY2009 budget with projected general fund revenues of \$2.9 million. She added as of April 30, 2009 the Town's expenses are \$2.29 million. With the anticipated expenses through June 30, 2009 of \$111,000 the Town will be under budget by \$227,785.

Ms. Hunter stated that proposed revenue for FY2009-2010 is \$3.1 million.

It was noted that the risk insurance on each of the buildings is not currently being charged to the correct department. This insurance is now properly coded to each department in the proposed budget for FY2010.

Personnel Services:

Ms. Hunter stated that the increase to the provider of insurance for employee medical, dental and long term disability for FY2010 has been included in the proposed budget. She added that vacant positions, raises and promotions were not reflected.

Administration:

Ms. Hunter followed up with Council's request for comprehensive detail for a new Accounting Software for \$11,313.00. She added that this new upgrade would save the Town approximately \$21,762 in the first year by eliminating duplication of accounting functions, and will provide Council with clear, up-to-date reports. Ms. Hunter added that there needs to be a system in place where everything is accounted for in a standard way. The system currently being utilized is handled manually which has the potential for error and there are no standard procedures. Ms. Hunter requested that this software upgrade be appropriated out of this year's budget to have it up and running by July 1, 2009. She added that there would be a request for a budget amendment requesting this. She also added that the GIS Mapping Software was included in line item 53.1700 for software upgrades.

In a follow-up from the April 21, 2009 meeting, Ms. Hunter briefed Council that the blue book value for the 2005 Ford Escape is \$12,440 and the value for the 2001 Ford Crown Victoria is \$6,500. There was a brief discussion about eliminating one of the vehicles to save on maintenance and insurance. It was noted that both vehicles are being used and losing one would adversely impact the Engineering and Planning Technician from completing required inspections.

Public Safety:

Chief Perkins stated that line item 52.3202 - E-911 Services dropped from \$50,000 to \$39,606 due to the fact that the Town was overcharged by the County. Councilman Dial thanked Chief Perkins for dropping line item 53.1270 – Gasoline from \$70,000 to \$62,000.

Recreation:

The only change noted was for line item 53.3101 - Building Insurance increased from \$840 to \$5,026. This is based on square footage of the building, the gazebos and park facilities. It was noted that the insurance change to the park facilities and gazebos be moved to the Parks budget for a more accurate amount in the Recreation budget. There was a brief discussion of \$8,000 on line item 52.1231- Electricity/Building. Council asked Ms. Hunter to look into this line item to see if it could be decreased.

Public Works:

Following up from the April 21, 2009 meeting, Ms. Hunter clarified that the \$2,500 in the current budget for line item 53.1600 - Small Equipment, was use to purchase a bush hog. Ms. Holt addressed Council with the need for a loader for the tractor. She stated that currently Public Works is using the bobcat to do big jobs, which is very time consuming. The bobcat has to be loaded onto a trailer, driven to the location, and then unloaded. If Public Works had a loader for the tractor, the tractor could be driven right to the location, saving the Town both time and money. Ms. Holt stated that Public Works could purchase a loader for \$5,080.98 with a state contract. Councilman Dial noted that since Public Works is under staffed, they should be given all the equipment needed to do their jobs. Councilwoman Furr commented since Public Works did a great job in cutting back on their budget by only spending \$2,600 from line item 53.1600, Small Equipment, and \$600 from line item 53.1700, Other Supplies, they have enough money left from these two line items to purchase the loader from this year's budget. After a brief discussion it was decided the Ms. Holt would present a bid for the loader before Council on May 21, 2009 to be purchased out of this year's budget.

Library:

Line item 52.3101 - Building Insurance was increased from \$1,095 to \$4,459 based on 9,000 square footage building. This cost was not reflected in the Library department's budget in the past.

Founder's Day:

Founder's Day budget will be addressed at the next budget meeting on May 21, 2009.

Planning Commission Budget:

It was noted that line item 52.3101- Public Liability insurance was to cover any government official or manager that would cause a liability to the Town.

Sewer:

It was noted that line item 57.1000 - Intergovernmental for \$119,313 is the February 2010 payment to Fairburn for Wastewater Treatment. After a brief discussion, it was asked if there would be any more payments due to Fairburn. Ms Hunter stated that she believed there was and would get back to Council.

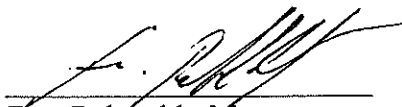
Other Business:

Chris Venice, Town Manger, stated that Council needs to be aware that there are a lot of Capital Improvement projects the Town should to do at some point. Council was given a prioritized list of nine structures in need of maintenance with a projected cost of \$802,000. The top priority is culvert and headwall replacement and road repairs on Valley View Drive with an estimated cost of \$70,000. It was noted that these costs cannot be taken out of the general fund; therefore the Town needs to look at an alternative funding source if the millage is not increased. There was a discussion of taking money out of the reserves to help off set these costs instead of increasing the millage rate. Ms. Hunter stated that she will present Council at the next budget meeting with different options of funding these structural repairs including; how much from the reserves can be spent comfortably and looking at an increase in the millage rate or if the Town borrowed money.

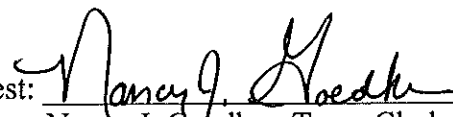
A public hearing for the proposed FY2010 budget is scheduled for May 21, 2009 at 7:00 pm.

A motion to adjourn was made by Councilman Dial, seconded by Councilman Young, approved 4-0. Meeting adjourned at 8:06 pm.

By:


Don Rehwaldt, Mayor

Attest:


Nancy J. Goedker, Town Clerk