

**TOWN OF ASTATULA
MAYOR AND TOWN
SUMMARY MINUTES**



**BUDGET WORKSHOP
MONDAY AUGUST 24, 2020
TOWN HALL**

Having been duly advertised as required by law, Mayor Mitchell Mack called the Budget Workshop meeting to order at 6.02pm and led the pledge of allegiance

Members Present:

Mitchell Mack, Mayor
Kimberley Kobera
Stephen Cross
Gayle Sikkema

Absent:

Orita Issartel

Also Present:

Graham Wells, Town Clerk
Wally Hoagland, Police Chief

Roll Call was performed, and it was determined that a quorum was present. Councilwoman Kobera was on a telephone conference call at the start of the meeting and arrived at 6:10 pm. Mayor Mack turned the floor over to Clerk Wells.

He explained the different budget document and went over the changes from the last budget workshop which were highlighted in green. The state revenues and sales taxes had been revised upwards based on the most recent amounts received and minor modifications to the impact fee and administrative revenues.

On the expenditure side he stated that the insurance figure had reduced by \$3,600 based on him contesting the premium with FMIT. Also reduced was the accountants fee and the audit fee based on the year being audited. Planning and Zoning was reduced based on the fees for major developments being paid in the current year. Hours were increased for the public works employee so there was an increase in the staff costs.

In the transportation fund, the gas tax and state revenue sharing revenues were increase based on the latest amounts received from the state and LCBCC. In the Infrastructure fund, the discretionary surtax figure was increased based on the latest receipts and he explained that the true-up amounts received on state revenue sharing and discretionary surtax had not been included as we are unsure if they will continue due to COVID. On the expenditure side of the infrastructure fund, there is a balancing figure of \$83,350 for debt repayment. The building was almost finished and there had not been any drawdown of the bank loan at this time.

Mr. Wells explained that \$32,280 of impact fee revenue was being carried forward as these revenues are restricted and cannot be used to pay general fund expenditures. The result of the changes had increased the surplus from \$1,694 to \$27,224 in the general fund. He concluded and handed the floor back to the Mayor.

Mayor Mack stated that he had requested a report on the impact if a pay increase of between 3% and 4% was given to all the staff. Clerk wells explained the spreadsheet which showed a total amount of \$13,989 if a 3% increase was awarded. This included both FICA and retirement contributions paid by the town. The Christmas bonus of \$1,800 had been removed which made the overall increase 2.01%. This would reduce the surplus discussed by the same amount.

Mayor Mack opened to Council for comment. Councilman Cross had a problem with the increase as so many people been laid off due to the COVID-19 crisis. The additional salary increase agreed previously for the Chief was discussed. The Mayor asked Councilwoman Sikkema for her thoughts and she was not sure but outlined what was expected at the school board when asked by Mr. Cross.

Councilwoman Kobera asked for clarification on the spreadsheet and the increase that was already agreed for the Chief. Clerk Wells confirmed that the proposal was to increase the Chiefs salary by a further 3%. She was in favor of the increases as all the staff worked very hard for the town. Clerk Wells stated that with all the development coming into the town including the billing for potable water, it would add considerably more workload to the town hall staff as there was no money to take on additional employees.

The Mayor stated his opinion that the 3% increase should be put into the budget but not to expense it until it was certain that the revenues would continue at the levels in the budget. Councilman Cross did not agree and wanted it left out of the budget. He stated that it could be put in through a budget amendment any time during the year. Mayor Mack's preference was to review it in December after the election is over. He suggested that no decision be made at that time and that it could be reviewed again at the preliminary budget hearing. This would give Council the opportunity to look at the figures and make an informed decision at that time.

This concluded all discussion on the budget. There being no other business, the meeting was adjourned at 6:55 pm.

Respectfully submitted,



Mitchell Mack, Mayor

ATTEST:



Graham Wells, Town Clerk

