

MALABAR TOWN COUNCIL WORKSHOP MEETING
March 18, 2009 7:30 PM

This meeting of the Malabar Town Council was held at Town Hall at 2725 Malabar Road.

A. CALL TO ORDER:

The meeting was called to order at 7:35 pm by Chair, Mayor Eschenberg. The prayer and pledge were led by Brian Vail.

B. ROLL CALL:

MAYOR/CHAIR	TOM ESCHENBERG
VICE-CHAIR:	PATRICIA DEZMAN
COUNCIL MEMBERS:	NANCY BORTON
	BRIAN VAIL
	STEVE RIVET
	JEFF MCKNIGHT
TOWN ADMINISTRATOR:	BONILYN WILBANKS-FREE
TOWN CLERK/TREASURER:	DEBBY FRANKLIN
BUILDING OFFICIAL:	ROGER CLOUTIER

C. WORKSHOP ACTION:

1. Review Current 2008/2009 FY Budget for consideration of State Forecasted Reduced Revenues and Evaluation of Expenditures

Mayor explained this is a continuation on review of current budget started on March 11, 2009. Council left off at Building Department. Dezman stated that we have found \$12,450; \$7,268 needs to be spent on Repeater. We have gained \$5,182 from the Fire Department.

Protective Inspections:

524.1200 – no changes made.
524.1210 – this was cut from the budget.
524.1220 – reduce to \$4,300 from \$6,300; \$2,000 taken from this line item.
524.2500 – add 4,800.00
524.3110 – chg to 2000
524.3120 – chg to 500
524.3400 – chg to 700
524.4000 – chg to 800
524.4100 – chg to 750
524.4900 – chg to 300
524.5100 – chg to 1000
524.5200 – chg to 500
524.5400 – see other minutes in 4/06/09 agenda package

PW

539.3430 – chg to 900.
539.4000 – chg to 0
539.4100 – chg to 544.
539.5400 – chg to 0

Streets and Roads

541.1400 – chg to 1500

541.3100 – chg to 1000

541.4100 – chg to 887

541.4300 – chg to 8000

541.4600 – no chg

541.4610 – chg to 7000

541.4620 – chg to 20000

541.4630 – chg to 17885

541.4640 – chg to 1400

541.4650 – no chg

541.4900 - chg to 2900

541.5100 – chg to 200

541.5200 – chg to 25,282

541.5400 – chg to 100.

541.6300 – stays at 75,000

\$52,600 is the amount reduced from this dept.

Parks

572.3450 – chg to 20,062 & notify contractor to mow less to make this reduction.

After complete review of General Fund Budget, they have a total reduction of 98,877.00 from the two nights of workshops. For discussion they round up to 100K

Mayor wants staff to research the amount paid to the accountant on the general and utility fund. GF shows we pay auditor 24K . Break at 9:05PM called back to order at 9:20.

Borton asked if it was time to reduce hours for Building Official. Mayor wanted to show on easel the differences between his numbers and the Town Administrators. Mayor said his revenues were 1,519,000.00 and he added Harris donation to the Fire Department budget.

The original budget was 1,617,129.00. BWF was more conservative at 1,302,000.00. Discussion – on how much to reduce the revenue. Rivet said split difference between Mayor's and BWF and make it 50K more that we need to cut.

Add the related expenses for the FD showing the fuel and the repairs. What the Mayor did was credit the Fire Dept with the Harris donation as an revenue and then add corresponding expenses – he doesn't care what line item. Franklin said that fuel for ladder truck and repairs were not budgeted for.

Mayor said using BWF revenues and adjusted to take out donation is 1,265,341. Budget is 1,617,129. Reduce that by 100K = 1,517,129.

If we go with those revenues then the Harris money will go into the FD LI. The 1,519,100.00. Dezman asked BWF about the reduction in revenues in ad Valorum. State projected that statewide we should expect a reduction of 12% in advalorum. Since we already reduce that line item by 5%, she took an additional 7%.

If we go with the State stuff, reduced by 5K rev sharing by 4K. Mayor was asked what method did he use. He used different methods. He adjusted each line item with a different thought processes. Dezman is basing part of what she is using and gave one example of the reduction school boards are having to make going from a reduction of 22mil to a reduction of 40mil.

Using Mayor's revenue figures of 1,519,100.00, and the expenditure cuts made by Council, how much more do we need to cut from the budget. Cut an additional 35K from his in order to get balanced budget. Using BWF figures, we need to cut an additional 85K from budget.

Rivet felt BWF proposed revenues were too low. He understood she was doing her job by using the projected reductions, but felt the State is over reacting. Vail asked if we revisited budget in three months, can we tell if revenues are coming in better and still make changes. Dezman asked McKnight how much we need to cut. He thinks 50K. Vail agreed. Rivet agreed also.

Borton said her clientele is watching the news and is watching their money. Her sales are down 50K each of the last two months. Rivet said they cut back on restaurants but not paying property taxes. People still have to buy things and sales tax bottom line. Dezman said choosing 50K more is a good place to start and we need to do it now, not in three months. Franklin said the only thing left to cut is employees. She explained that if she was asked what was needed to properly staff the Town she would have four more people up front, one more in Building Department and two more in Public Works. But given the circumstances and the fact that we must provide services to our residents, we can't cut any more from mowing and ditch work. Franklin said she has mentioned this to Sharon White and Sharon understands the position of the Town. The proposal is to lay off White, cut Cloutier hours in half, cut Abernathy hours in Building Department significantly, close Building Department two days a week and use Denine to pick up the phones, licenses, BTRs, and account receivable as well as assist TA. We haven't had the projects we had thought would be starting. Building is still way off. This would save on salary and associated costs. Cloutier would go from 48 hours to 24 hours per pay period. Council asked if BWF could have figures by next workshop? Yes.

BWF said she wants to be able to tell staff before the members in audience tell them. Council directs staff in audience not to tell the employees until BWF can tell them. BWF will be off the next two days so Franklin will have to tell them. Again the directive is to not have conversation until Franklin can tell affected employees what may happen. Council is considering making these cuts, they will discuss at next workshop and then formalize on April 6th.
Make the next Budget Workshop on Monday March 30, 2009 at 7:30PM

Mayor added suggestions – furlough without pay – thought if every employee took 6 days furlough without pay we could balance budget. He said BWF would have to agree to do it because she is contract. He doesn't want to debate it.

Mayor stated that back when Susan was here she did financial reports as part of her job. We now pay an outside accountant to do this and he said one of them, either BWF or Franklin should learn how to do it. BWF said there is much more to municipal fund accounting than reports. Dezman said that we were out of compliance for 14 years. Mayor said the dollars were correct. We were not in compliance.

Mayor said for next budget year, we pay 40K for municipal liability insurance. He asked if we can we shop it out? He also suggested we pull out of the FLC and SCLC and everything related and save on those annual membership fees.

D. ADJOURNMENT

There being no further business to discuss, **MOTION:** Dezman / Rivet to adjourn meeting.

VOTE: All Ayes. This meeting adjourned at 10:15 pm.

By: Thomas M. Eschenberg

Mayor Thomas Eschenberg, Chair

ATTEST BY:

Debby K. Franklin

Debby K. Franklin, Town Clerk/Treasurer

Date Approved: 04/06/09