

BUDGET WORKSHOP MEETING MINUTES
FEBRUARY 4, 2010 - 6:00 P.M.

A budget workshop was held on February 4, 2010 at 6:00 p.m. in the conference room of the Village Hall. Present at the meeting were Mayor Keith Snow, Mayor Pro Tem Myron Marion, Councilor Mark Baker, Councilor Robin Beck, Councilor Lori Shore-Smith, and Administrator Dan Corder. Pastor Bryant Madren from Old Richmond Evangelical attended the meeting. Total attendance was 7.

Mayor Snow called the meeting to order and informed the Council that this was going to be a challenging budget year to meet all the needs of the Village, and that we must be as conservative as possible in order to avoid any tax increase to our citizens during these difficult times with the economic situation being the way it is. He then turned the meeting over to Administrator Corder for the current year budget update.

Administrator Corder updated the Council by delivering spreadsheets showing the actual costs and revenues for a three year period. The next budget meeting the document will reflect how the Village will finish the current year in regards to revenues and expenditures. The Council will go through a series of workshops during the next few months culminating with a presentation to Council in the May Council meeting. Thereafter, the Council will probably set a date for a public hearing in June and adopt a budget prior to the first of July, 2010.

Other discussion took place as follows:

1. Recycling – Bi-weekly recycling is going well, but the issuing of the available recycle bins has created a need to restock. Quotes were presented to replenish the supply and it was felt by the Council that an order of 400 bins could be worked into the budget for next year. There was discussion about charging a fee for the bins, but this was determined to not be necessary because the use of the bin would more than pay for itself in landfill fee savings, and the Council wishes to encourage rather than discourage recycling.
2. There was discussion concerning a request from Gibson and Company for the accounting contract for next year. Gibson agreed last year during the budget to hold the line on the base cost and has asked for an increase this year. The requirements for the audit have gotten larger each year due to the regulations and some of the road projects have required additional reporting. The request for next years audit was \$12,450. Council agreed to have a contract prepared for consideration at the next budget workshop for approval.
3. Councilor Beck indicated that she wanted to consider putting the rental property up for sale again and that this money could be used for Community Center expenses. No decision was made, but additional discussion took place regarding who might be a good choice for a realtor and that we might need to be a little more realistic as to asking price in order to generate an offer.
4. Mayor Snow indicated that he would like to see us put up a welcome sign on Doral Drive once the King Bridge Project was complete and also he would like to

see an award established to be given to a Tobaccoville citizen for community service. There was some discussion regarding how such an award would be structured and what the qualifications would be, but no decision was made. Also, he would like to see a grant to Old Richmond School of \$1,500 for electronic technology. Councilor-Shore Smith suggested that we could solicit contributions to such a grant and give the public a chance to participate in this as well at the Celebration and at Village events. If such a fundraiser were sponsored by the Village and Old Richmond together, we could increase the impact of any contribution we might make during the upcoming budget cycle.

5. The amount necessary to pay for the new building loan next year will be \$43,924.
6. Garbage and recycling costs will be consistent with last year as we are locked in on contract at cost for a three year period. The only increases necessary will be for additional households should we add them. Landfill fees are somewhat down overall from last year. More people seem to be recycling now versus last year.
7. It remains to be seen whether the state will withhold revenues that are typically issued to the towns. Interest income on deposits will not be any significant source of revenue next year.
8. This budget year will be characterized by lack of capital projects as there is not going to be a lot of extra revenue to do any large scale items without appropriations, unless they are Powell Bill type projects.
9. Electrical costs for all buildings will go up about 3% and all street lighting installed on the current PL rate will go up about 3.18%. Additional street lighting installed at the new GL rate could be from 13% to 30% higher than the PL rate. Duke Power has gone up on the rates and has approval from the state on the general increase and the increase on street lights on the PL rate. Right now all our street lights are on the PL rate.
10. Retirement contributions required from the State and Local Retirement System will go up about 1%. This is necessary as their deposits are not earning enough interest to pay out benefits.

A motion to adjourn was made by Councilor Beck and seconded by Mayor Pro Tem Marion. All were in favor of adjournment. The meeting adjourned at 6:55 p.m.

Minutes Prepared By:

Dan Corder, Administrator