

**City of Lafayette
Budget Committee
April 20, 2010
6:30 PM at Lafayette City Hall**

**Bob Cullen called the meeting to order at 6:33 p.m.
(Bob Cullen filled in as chairman in Nicholas Harris' absence.)**

1. ROLL CALL:

PRESENT: Bob Cullen, Chris Pagella, Suzi Lorence, Jean Mead, Leah Harper, Dean Rhodes, Marv Bennett, and Chris Heisler.

ABSENT: Michael Roberts, Trevor Higby, Nicholas Harris, Debra Owens, Tim Svenson, and Daniel Forster.

Staff: Justin Boone-City Administrator, and Trena McManus-Assistant to the City Administrator.

Visitors present: Mary Heisler, Debbie Schley, Beth Pagella, and Angela Flood.

2. APPROVAL OF APRIL 13, 2010 MINUTES:

Leah Harper made a motion to approve the April 13, 2010 minutes. Marv Bennett seconded the motion. There was no discussion and the motion passed unanimously.

3. PUBLIC HEARINGS:

a) Budget Hearing- Continuation of Hearing on Budget:

Bob Cullen re-opened the budget hearing on the FY10-11 Budget at 6:36 p.m.

Page 12 (Sewer Fund)

Dean Rhodes asked about line #3 (utility bill collections) and wanted to know if this was an accurate number given the downturn in the economy. Trena McManus said that even though there are a lot of vacant houses right now, a lot of realty companies have the water in their name, and collections have been close to expected, so this is still a realistic number. There were no changes made on this page.

Page 13 (Sewer Fund-cont'd)

Justin Boone recommended reducing line #13 (miscellaneous contracts) from \$40,000 to \$15,000 because some of the projects that were budgeted last year have been completed. Dean Rhodes asked if the \$75,000 budgeted in line 10 (legal services) will be enough to cover the HBH litigation, and Justin Boone said that he thought it would be sufficient. There were no other questions on this page.

Page 14 (Sewer Fund-cont'd)

Justin Boone said that Roy Loftis (WWTP operator) has requested \$10,000 for lab equipment at the wastewater treatment plant. This would allow for most of the testing to be done in-house (instead of sending tests out to the lab). The committee asked what kind of savings the city would realize from doing the tests in-house. Justin Boone said that he would have to check with Roy Loftis about this. The committee said that they would need more information on this before making a decision. There were no changes made on page 14.

Dean Rhodes asked about the I&I (Inflow and Infiltration) correction project that is budgeted in line #5 (Facility Improvements). Justin Boone said that there may be some follow up work on the sewer lagoons. Dean Rhodes asked about the transfer to sewer capital projects, and Justin Boone said that he just thought it is a good idea to start stockpiling money. He said that he doesn't have any particular projects in mind.

Page 15 (Water Fund)

Jean Mead asked about the \$5,000 in grant proceeds that are anticipated on line #6, and Justin Boone said that Jim Anderson is going to be applying for a grant. There were no changes made on page 15.

Page 16 (Water Fund-cont'd)

Dean Rhodes asked about the \$90,000 budgeted in line 13 (miscellaneous contracts), and Justin Boone said that the year to date reflects the trend going down, so he decreased the amount budgeted by \$30,000 from last year. Leah Harper asked about the Dayton operations contract, and Trena McManus said that this is an annual cost. Dayton tracks the operating costs on the plant and the City makes two payments a year to cover Lafayette's share of the cost.

Dean Rhodes asked if line 31 (system repairs and maintenance) should be increased since there have been quite a few problems with the water system this year. Trena McManus said that there were extra expenses

(rehab. on well 4, replace booster pump, etc.) last year, but some years the City hardly spends anything. It's important to have those funds available, if needed. There were no changes made on page 16.

Page 17 (Water Fund-cont'd)

There were no questions on page 17.

Page 18 (Street Fund)

Bob Cullen asked when the state highway tax figures are available. Trena McManus said that the taxes are deposited monthly, based on what the state collects, so you don't get an exact figure until the end of the fiscal year.

There were no changes made on page 18.

Page 19 (Street Fund-cont'd)

Dean Rhodes asked about line 22 (system repairs and maintenance) and asked if \$10,000 was enough to cover all of the patching that is needed in town. Based on the year to date numbers, \$10,000 was determined to be sufficient. There were no changes made on page 19.

Page 20 (Street Fund-cont'd)

There were no questions on page 20.

Page 21 (Sewer Debt Service Fund)

Dean Rhodes asked if the W/W Loan has been paid off, and Justin Boone said yes. There were no changes made on page 21.

Page 22 (Water Debt Service Fund)

Dean Rhodes asked if the City should pay off the SDWRLF (Safe Drinking Water Revolving Loan Fund), since it is such a small amount. Trena McManus said that the only reason it hasn't been paid off is because the loan is 1% interest. There were no changes made on page 22.

Page 23 (Heritage Days Fund)

There were no questions on page 23.

Page 24 (Sewer SDC Projects Fund)

There were no questions on page 24.

Page 25 (Water SDC Projects Fund)

There were no questions on page 25.

Page 26 (Street SDC Projects Fund)

Dean Rhodes questioned how the beginning fund balance (line 2) figure was arrived at, and Justin Boone said that the year to date reflects \$16,378. Dean Rhodes asked where that money came from. Justin Boone was asked to have that information for the next meeting.

There were no changes made on page 26.

Page 27 (Park SDC Projects Fund)

Justin Boone said that he had some changes to present on page 27. Line 1 would change to \$6,000, line 9 would change to \$7,500, line 12 would change to \$7,500, line 23 would change to 0, line 24 would change to 0, line 26 would change to \$450, line 29 would change to \$3,550, and line 30 would change to \$7,500.

Justin Boone said that he is presenting these changes because he is anticipating that the play equipment for the park will be purchased within the FY09-10.

Page 28 (City Hall Building Fund)

Bob Cullen asked why the transfer from the general fund is down from \$25,000 to \$5,000 this year, and Justin Boone said that he wanted to leave it up to council on how much should be transferred. There were no changes made on page 28.

Page 29 (City Hall Building Fund-cont'd)

There were no changes made on page 29.

Page 30 (Community Center Facility Fund)

There was some discussion about the future of the Community Center. Bob Cullen said that it would be interesting to find out what a \$.50/\$.75/\$1.00 tax levy would provide for a new facility. Dean Rhodes suggested that any rental fees collected for the Community Center should be dedicated to the Community Center Building Fund. Line 25 (Community Center Building Fund) was changed to \$2,500, and line 29 (unappropriated ending fund balance) was changed to \$6,550.

Page 31 (Sewer Capital Projects Fund)

Bob Cullen asked what projects are on the horizon for sewer capital projects, and Justin Boone said that it is good to start saving money for the future. Trena McManus said that the Canyon View Lift Station really needs to be replaced. There were no changes made on page 31.

Page 32 (Sewer Capital Projects Fund-cont'd)

There was some discussion about the need to replace the Canyon View Lift Station. The money allocated in line 9 (collection system engineering) could be used to start the engineering on this project. Leah Harper questioned why there is money budgeted in line 26 (contingency). Trena McManus said that if one of the line items runs over in sewer capital projects, the Council can authorize the contingency funds to be moved from into the over-expended line item. There were no changes on page 32.

Dean Rhodes made a motion to continue the budget hearing until April 27, 2010 at 6:30 p.m. at City Hall. Chris Pagella seconded the motion. There was no discussion and the motion passed unanimously. The meeting was adjourned at 7:40 p.m.