

Village of Bellaire

ADMINISTRATION & PERSONNEL COMMITTEE

Dan Bennett, Chairman

Dave Ciganick

Bryan Hardy

COMMITTEE MEETING MINUTES

January 25, 2022

2:00 PM

I. Call to Order: Meeting was called to order at 2:00 PM

II. Roll Call - Attendance:

Present: Bryan Hardy, Dave Ciganick, and Dan Bennett

Absent: None

Staff Present: Nicole Essad, Clerk; Cathy Odom, Treasurer; and Bradley Keiser, DWP Supervisor

Public Present: Darci Fitch; Terry McBee, Police Officer; Steve Elandt, DPW; and Christopher Grnya, DPW

III. Approval of Agenda: The agenda was approved as presented.

Motion by Hardy, seconded by Ciganick to approve the agenda as presented. Motion Passed by unanimous voice vote.

IV. Approval of Minutes – January 14, 2022: The minutes of the January 14, 2022 meeting were approved as presented.

Motion by Ciganick, seconded by Hardy to approve the minutes of the January 14, 2022 meeting as presented. Motion Passed by unanimous voice vote.

V. Conflict of Interest: None presented.

VI. Public Comment: None presented.

VII. Old Business:

- a. BCBS Options:** Darci Fitch from Dewey Insurance Agency, Inc. presented the different health insurance options that the Village has for Fiscal Year 2022-23. She explained the different rate changes since 2019, and that the rates are created based upon the greater world because the plan is community rated. She stated that she could not get claims data on the Village's group because it is a small group, and therefore she could not tell the Village how much the insurance has paid out on the Village's behalf. She also explained what HMO, PPO, POS, Health Saving Accounts, and Health Reimbursement Arrangement plans were. She went over what the Village currently has, and the upcoming changes associated with that plan. Chairperson Bennett stated that he did not want to hurt the employees benefits and he would not want to go away from Blue Cross. Ms. Fitch also went over other Blue Cross Blue

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Shield plans, and Priority plans which would be similar to the current plan the Village has. She explained the difference between Blue Cross Blue Shield PPO and Priority POS. General discussion was held about the different plans' costs, and what the employees wanted. Chairperson Bennett asked how many members of staff would object if the Village stayed with the current plan. Clerk Essad stated that she did not think any employee would object to staying with the current plan.

Motion by Bennett, seconded by Hardy, to recommend to Village Council to stay with the current Blue Cross Blue Shield plan. Motion Passed by unanimous voice vote.

- b. Wage Scale:** Clerk Essad explained that there were three different wage scales in the packets. She stated that the first was the 2021-22 wage scale with the \$1.39 cost of living increase across the board; the second was the wage scale had the Police Department raises and the \$1.39 cost of living for everyone else; and the third was the wage scale with raises for everyone based upon the municipalities that the Police Department used. Clerk Essad also explained that there were charts and graphs comparing the different municipalities' wages for each position. She further explained the new wage scale with the raises for everyone. She stated that she took the average minimum for the low end and the average current for the high end, but she excluded Petosky Clerk/Treasurer/Director of Finance from that calculation. DPW Supervisor Keiser stated that he also excluded Petosky's DPW Supervisor from his calculations. Clerk Essad then stated that she tried to have even percent increase from the low end to the high end over the scale for each position. Chairperson Bennett asked if staff looked at Central Lake. Clerk Essad stated that they did not because the Police Department did not. She explained that the Police Department looked at East Jordan, Petosky, Boyne City, Elk Rapids, Antrim County Sheriff Department, Ottawa County Sheriff Department, and Kalkaska. She explained that because those were the ones looked at for the Police Department then those were the ones chosen to be looked at for the other positions. Trustee Ciganick stated that looking at the projected next three years, the revenues are not there. He stated that the Village does not have the money to even do what he recommended at the last meeting. He stated that the Village has opted to have a fund balance of 30% and that will not be met. He stated that the Village could burn through all of the rainy-day fund money and then in three years it would be screwed up. He stated that if the Village absorbs the \$19,000 increase to insurance and spread that out over the 10 employees and over the 2080 hour each works in a year, that absorption of the insurance is worth about \$0.94 per hour. He stated that that is almost another buck an hour in addition to the \$1.39. Trustee Ciganick stated that he was good with staying with the \$1.39 but he did not think that the Police Department raise was able to be done. He stated that it was a possibility to have something done, once actual numbers for the revenues were in. He stated that he would like to see the raises because the Village has to be competitive, but if the money is not there then the money is not there. Clerk Essad stated that was why she and the Treasurer wanted to

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show what the projected years would be because the raises are doable, but they would not be sustainable. Trustee Ciganick stated that increases the revenues with 3.3% and 2.5% were reasonable numbers to use. He stated that it was understated but not overstating them. Chairperson Bennett stated that that was his concerns about the total compensation. He asked about if a surplus in water existed could it be transferred to the General Fund. Treasurer Odom, Clerk Essad, and DPW Supervisor Keiser all stated no. Treasurer Odom explained that major streets, local streets, water, and sewer are all separate fund balance that are restricted for those operations only. General discussion was had about different funds fund balances being only used for those funds. Clerk Essad explained that for the budget forecast, her and Treasurer Odom tried to account for increases in revenues for each year, and the expenses were still exceeding the revenues causing fund balance to be used. Trustee Ciganick stated that by reviewing all of this, that this Committee identifies that there is an issue, and the ambition is there to try to fix it, but the money needs to be there. Clerk Essad stated that anything the Village does should be sustainable.

Motion by Ciganick, seconded by Hardy to rescind the motion to increase the Police Department wages and simply stay with the \$1.39 across the board. Motion Passed by unanimous voice vote.

Discussion on the motion was held. Chairperson Bennett stated that he wanted to do whatever the Village can do, and it was not a slam against any other employees, but when the Police Officer walk out that door any time they do not know if they are in danger. He stated that he spoke with a lady last night about that and for 20 years she worried if her husband would come home at night. He stated that that it was different for people who walk out the door with a gun on your hip. DPW Supervisor Keiser stated that climbing 12 feet into a hole in the ground with water rushing past you in the middle of winter is dangerous as well. He stated that he did not disagree that being a police officer was dangerous but if the Committee was going to base raises from the municipalities that they did then those same municipalities need to be looked at for the other departments. Chairperson Bennett stated that total compensation should be looked at. General discussion was held about how police officers do not know what they are walking into. Chairperson Bennett promised to do something that was fair and to keep the health insurance for the employees' families.

FY 2022-23 Budget: Chairperson Bennett also asked about talking to the Townships about road fundings. General discussion was held about talking to the townships about helping with water sewer projects with AARPA and roads. DPW Supervisor Keiser stated that some development will be happening at the Barnard property, which will increase revenues. He also stated that Tractor Supply Company is looking at coming in and will be paying to extend the water and sewer main to that location. Clerk Essad

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stated that although there may be light at the end of the tunnel, projects like these should not be counted on until completed.

Clerk Essad stated the new numbers for wages were put in but they will be coming back out again. Treasurer Odom stated that there were highlighted items in the budget that could be cut if need be. She stated that a server the offices were hoping to get to fix networking issues with the BS&A program, and/or mini splits for the Community Hall could be taken out. DPW Supervisor Keiser stated that the mini splits were for air conditioning and heat. He stated that the window units are extremely old and inefficient, and there have also been numerous problems with the boilers. Trustee Ciganick asked if they would heat the building without the boilers. DPW Supervisor Keiser stated that yes, minus the basement. Treasurer Odom also explained that chairs were in the budget but could be taken out. She also explained that Zoning needs another fireproof cabinet because the files are getting full, but that could also be taken out. DPW Supervisor Keiser asked what a \$10,000 into a CD was for. Treasurer Odom stated that was for the transportation station. She also stated that Parks was about \$80,000 higher than normal but that is to finish the Craven Park Ballfields. She is hoping that once that is complete that the Parks budget will go back down to a more normal amount. Trustee Ciganick asked about the initial money would make the fields playable to next Spring, but it did not finish the whole project. She asked when Treasurer Odom says to finish the project it is to make the field playable. DPW Supervisor Keiser stated that yes, when the project is finished in the 2022-23 fiscal year the fields will only be playable. Trustee Ciganick asked about donations. DPW Supervisor Keiser stated that there were some bills that came in that were not expected. He also stated that he still had not heard because from the person who said he would do the irrigation. Neither had Treasurer Odom. She stated that the estimate is \$15,000 but she was not sure if that would be it. DPW Supervisor Keiser has talked to Site One for the irrigation and is talking about having the DPW lay the pipes. He is also still talking to Jeff Hebden about the fundraising efforts. General discussion was had about Mr. Hebden's fundraising and donations coming in. Trustee Ciganick asked about the projected expenses and the projected revenues. Treasurer Odom stated that the projected revenues would change slightly because of the property tax multiplier being applied to what we have received this year. Trustee Ciganick stated that even without the Police department raises, the Village is still looking at more expenses and so it is a given to cut those things discussed. General discussion was held about finishing the two projects using fund balance. Chairperson Bennett asked about getting the ballfields playable and not finished. DPW Supervisor Keiser stated that that was the goal, was to get them playable in fiscal year 2022-23. He also stated that all the games for this year were away because the fields are not playable for the 2022 season. General discussion was held about little league and high school practices and seating.

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DPW Supervisor Keiser asked about how much of the fund balance had been used for the two project thus far. Trustee Ciganick stated that he only sees five things outside of normal operations that are ear marked in the new budget: mini splits, chairs, file cabinet, dump trailer, and a mower. General discussion was held about the amount of fund balance that was committed to be used. DPW Supervisor Keiser asked what should be cut and in what order. Trustee Ciganick stated that the first thing that should be cut is the mini splits, then the dump trailer. Treasurer Odom also stated that the chairs and server can be discussed to be cut as well. She also stated that in the General Fund the heat and electric were added for the new Restrooms. DPW Supervisor Keiser stated that the rough framing is done with those, and the mechanical is going in next week. Chairperson Bennett asked about if other departments could cut items. He stated that if a department could come up with ways to save money that would be away to have money to benefit the employees. Treasurer Odom stated that she, DPW Supervisor Keiser and Clerk Essad have fine-tuned the budget for all the funds. Trustee Hardy suggest having another meeting on Monday to go over the budget and see what has been spent on the two projects.

- VIII. New Business:** None presented.
- IX. Correspondence/Reports:** None presented.
- X. Member/Public Comment:** None presented.
- XI. Adjourn:** The meeting was adjourned at 3:54 PM to the call of the chair.

Minutes compiled by:
Nicole E. Essad, Clerk

Minutes are subject to approval.

Approved: _____

Date: _____