

**MOUNTAIN BROOK FINANCE COMMITTEE MINUTES****AUGUST 13, 2013**

The Finance Committee of the City of Mountain Brook, Alabama met in public in the Pre-Council Room (A106) of City Hall on Tuesday, the 13th day of August 2013, at 8:00 a.m. to review the fiscal 2014 budget of the City. The meeting was called to order by the committee chairman and the roll was called with the following results:

Present: Lloyd Shelton, Chairman  
 John Lyon  
 Jack Martin  
 Dudley Pewitt  
 Jesse S. Vogtle, Jr., Council member  
 Alice Womack  
 Sam Gaston, City Manager (advisory member)

Absent: Philip Jackson  
 Lawrence T. Oden, Mayor (advisory member)

Also present was Steven Boone, Finance Director.

**1. BUDGET REVIEW**

Each departmental budget was reviewed with the respective department head or their designee.

Following is a summary of the recommended changes to the budget:

- Remove the advanced warning flashing signal at the intersection of Old Leeds Road and Cherokee Road (page 242 - \$19,200).
- Adjust the increase in medical insurance from 4% to 5% based on the State Employees' Insurance Board's (SEIB) Steering Committee recommendations. The effect of this change increases expenses by \$16,883. (Note: The 5% increase assumes that the City retains its "Preferred" rate status. The SEIB meets on August 21, 2013 at which time the fiscal 2014 premium and benefit changes will be decided).
- Implement a one percent (1%) across-the-board pay raise (page 34) at a cost of \$167,136 with benefits.

Other changes and discussion:

- Remove the \$35,000 data back-up and disaster recover [new] capital purchase (page 88) that the City Council authorized for purchase in fiscal 2013 at its August 12, 2013 meeting (Motion No. 2013-115).
- Library staffing plan change:
  - The Finance Committee members expressed to the Library officials present that, in the future, all policy matters of a fiscal nature should be communicated to the City Manager prior to implementation.
  - Due to the potential claims by the affected part-time employees, it was suggested that City officials meet with the City Attorney and Library officials prior to the August 27, 2013 City Council budget review session to come up with a legal strategy to deal with such claims.
  - No formal recommendation proposed at this time due to lack of information.

## Minute Book 85

- Permit fees, ambulance rates, and fire dues were discussed and determined to be consistent with surrounding communities. However, considering the City's ever-increasing expenses, it was suggested that such revenue increases continue to be evaluated periodically.
- Verizon distributed antenna system (DAS) for the Junior High and Cherokee Bend Elementary:
  - While this lack of mobile phone service at these schools must have been an issue for many years, it was only brought to the attention of the City Council in May 2013.
  - There are wired phones in each classroom. However, during a power outage the phone service is disrupted. Also at issue, is communication in the hallways during storm drills and events.
  - The Police Chief confirmed that mobile telecommunications at these two schools is non-existent throughout much of these facilities.
  - Finance Committee members expressed that they lacked sufficient information to determine the necessity of the requested system. The Police Chief stated that he will make some additional inquiries of the School Resource Officers to determine the safety implications of the current situation.
  - Several committee members expressed that they were aware of no such issues from their children or grandchildren who attended these schools.
  - After some discussion as to City's participation in this project, it was moved that the City pay up to one-half of the total cost of the two DASs (or approximately \$108,000) provided the Board of Education install school-wide systems in both affected schools.

The recommended changes, if incorporated into the budget, result in a General Operations (Fund 100) surplus of \$401,884 (down \$76,037 from the \$477,921 surplus reported in the second draft of the City's budget).

There being no further business, the Finance Committee adjourned at approximately 12:20 p.m.



Steven Boone, City Clerk

Budget Change Tracking Worksheet  
 City of Mountain Brook  
 August 14, 2012

Reference			Ledger															
Page No.	Dept. No.	Number	City-Wide	100	146	702	703	417	428	441	521	522	523	524	531	600	215	
		Second Draft	(\$74,123)	\$477,921	\$32,200	(\$54,375)	\$250	(\$696,220)	(\$226,575)	\$376,391	(\$101,686)	\$60,000	(\$314,528)	(\$15,951)	\$42,950	\$347,000	\$340,850	
Various	All	5% medical premium incr (net 4%)	(\$16,883)	(\$16,883)														
299	Park Board	Salary rate changes w/ benefits	\$11,782	\$11,782														
Various	All	1% across-the-board pay increase	(\$167,136)	(\$167,136)														
242	Public Wks	Advanced warning flashing signal	\$19,200	\$19,200														
88	Finance	Back-up/disaster recovery system	\$35,000	\$35,000				\$0										
45	Admin	BOE distributed antenna system	\$42,000	\$42,000						\$0								
			\$0															
			\$0															
			\$0															
			\$0															
Adjusted Surplus (Deficit)			(\$150,160)	\$401,884	\$32,200	(\$54,375)	\$250	(\$696,220)	(\$226,575)	\$376,391	(\$101,686)	\$60,000	(\$314,528)	(\$15,951)	\$42,950	\$347,000	\$340,850	
			\$150,160	<u>\$378,459</u>				<u>(\$546,404)</u>			<u>\$17,785</u>							

[This page is blank intentionally.]