

**EDMORE VILLAGE COUNCIL  
BUDGET WORK SESSION  
UNAPPROVED JOURNAL OF MINUTES  
January 24, 2022**

1. **CALL TO ORDER:** The budget work session of the Village of Edmore Council was called to order on Monday, January 24, 2022, at 7:00 p.m. by **President Gloria Burr**.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:** Members present – **Colburn, Griswold, Guild, Rasmussen, Burr**. Also present: **Justin Lakamper** – Village Manager, **Shirley Drain** – Village Treasurer, **Kerri Peterson** – Village Clerk. Absent – **Carla Green, John Moore**.
4. **APPROVAL OF THE AGENDA:** **Guild** moved to approve the agenda. Seconded by **Rasmussen**. **VOICE VOTE: ALL YES: MOTION PASSED 5-0.**
5. **PUBLIC COMMENTS: AGENDA ITEMS:** None.
6. **WORK SESSION:** Discussion was heard on various parts of the draft budget for 2022. **Lakamper** recapped what the budget included. **General Fund: Revenue:** The two main sources of revenue to the GF come from two millages levied on residents. One for property tax at a rate of 10.9287 mills. One for rubbish at a rate of 2.2520 mills. We are anticipating a total revenue of \$594,720 and expenditures to total \$519,431, leaving a \$75,289 surplus. **Expenditures:** We have included a 5% increase across several services (insurance, wages, utilities, contractual services) in anticipation for higher costs due to inflation. The Personnel committee has discussed two plans. One is a 4% wage increase, and the other is a 2% wage increase with a \$1,500 bonus. Either option will work fine with the budget and are already figured in. **Lakamper** went on to state that last year we had a lot of sales of fixed assets. **Major Streets: Revenue and Expenditures:** We are anticipating a total revenue of \$147,028 and expenditures to total \$138,225 leaving a surplus of \$8,803. This fund is financed almost entirely from Act 51 money from the State. In addition to the Act 51 money, we will receive \$22,928 in revenue as an MDOT grant. Expenditures include \$45,856 for chip sealing this year, \$5,000 for tree removal, \$15,000 for sidewalk repair/replacement, and \$2,500 for the purchase of land between the retention pond on Charlotte Street and the Cemetery for future expansion of the retention pond. The pond is landlocked by another larger parcel. We have discussed buying the parcel of land directly south of the pond which would give more than enough room to double the size of the current retention pond. It would also no longer be landlocked. **Local Streets: Revenue and Expenditures:** We are anticipating a total revenue of \$98,549 and expenditures to total \$90,380 leaving a surplus of \$8,169. This fund is financed almost entirely from Act 51 money from the State. In addition to the Act 51 money, we will receive \$13,349 in revenue in an MDOT grant. Expenditures include \$26,303 for chip sealing and repaving this year, \$5,000 for tree removal, \$15,000 for sidewalk repair/replacement, and \$2,500 for the purchase of land between the retention pond on Charlotte Street and the Cemetery for future expansion of the retention pond. **Edmore Economic Development:** We are anticipating a total revenue of \$3,110 and expenditures to total \$400 leaving a surplus of \$2,710. **Drain** asked if there should be some legal fees added in there. **Lakamper** agreed that they should add \$500 for legal fees. **DDA Fund:** Anticipating total revenue of \$106,000 and total expenditures to be about \$105,000 which will leave a surplus of \$1000. The revenue comes from the tax capture which goes back to about 1990. **Lakamper** explained how the tax capture works. The expenditures include salary and wages. Discussion took place about

the allocation of hours versus pay for Justin and Tracy. **Drain** commented there may not be enough allocated for the time being spent and work being done. **Lakamper** stated that contractual services are where the DDA's project budget comes from, and the maintenance of the building. The principal payment loan of \$29,992 + \$8 interest is the ELF loan. The projects being considered by DDA under contractual services are streetscape, trail signage, flag brackets, etc. **Sewer Fund:** We are anticipating a total revenue of \$290,525 and expenditures to total \$282,203 leaving a surplus of \$8,322. **Lakamper** reminded everyone the Village currently has a Resolution that automatically increases the water, and the sewer rates each year by the CPI of the previous 12-month CPI. We are requesting to not raise water and sewer rates by the CPI, which would be 6%. With no rate increase we would be at a revenue of \$285,000. We are expecting around \$282,000 in expenditures which will leave us with a surplus of about \$8,000. **Lakamper** went on to explain some of the budget lines. We have included \$8,000 for variable frequency drives at the main lift station. We budgeted 2 years ago to purchase but they were not installed. We have also included \$1,600 for a new dialer notification system for the water system. **Water Fund:** We are anticipating a total revenue of \$252,825 and expenditures to total \$250,099 leaving a surplus of \$2,726. **Lakamper** explained all the lines of the budget under the Water Fund to show what money was left for digging for the lead and copper rule. We need to finish the lead/copper digging by 2025. Our original mains are under sized and will need to be updated in the future. **Colburn** asked about the CPI and if 6% was normal. **Guild** would like to see it raised a little bit now, maybe 3%, in case of an emergency, this year and maybe next year, instead of a big increase. **Drain** agreed with **Guild** that 3% this year and 3% next year won't hurt the residents as much all at once. **Lakamper** stated it is wise to keep raising the rates, but the amount does not have to stay at 6%. We also have \$130,000 coming from the State that we will have to decide what to use it for and **Lakamper** recommends using it for water. **Burr** asked if we were almost done paying on the water tower. **Lakamper** stated that the payment dropped down 2 years ago, and we have another 2 years to pay on it. He will pull the contract and double check the numbers. There will also be another paint job included in the original price. **Heavy Equipment Pool:** We are anticipating a total revenue of \$108,000 and expenditures to total \$107,544 leaving a surplus of \$116. This current version of the budget does not include any sale of fixed assets, however once the new truck arrives, we plan to sell two trucks and can anticipate \$4,000 in additional revenue which will increase the projected surplus. **Lakamper** explained all the lines under Revenue and Expenditures in the Heavy Equipment Pool. Purchases include a new truck and a new salter insert for the dump truck, which holds 5 yards instead of 1 yard. Some discussion took place as to why we don't stock our own salt instead of going to Stanton to pick it up when needed. Do we have a place to store salt? **Burr** asked why we don't use sand and salt mixed. **Drain** thanked Justin and Tracy for doing a good job on the budget and it's very well presented. **Burr** agreed and added that it is explained well also. **Lakamper** reiterated what has been changed during this work session. Add in \$500 in legal for ELF fund and considering a 3% increase on the water. **Drain** commented that this General Fund budget will be supported by the millage. **Guild** asked if anyone had asked the employees which raise scenario they would prefer. Discussion took place among the board about employee raises, and wages of each employee. **Lakamper** explained each scenario of raises, 4% or 2% with \$1500 bonus, for each employee. More discussion ensued as to where you would start a new hire's wages in comparison to the current employees' wages. **Lakamper** presented the wages of employees from surrounding municipalities for comparison. Discussion continued that there needs to be a better pay scale between the DPW employees. All the members agreed that the pay spacing between DPW employees currently, is not right and something needs to be changed.

More discussion took place with different ideas of how to change the pay scale between DPW employees. The Personnel Committee will meet again and go over the board's ideas before bringing it to the council for final approval.

7. **PUBLIC COMMENTS:** None.
8. **COUNCIL COMMENTS:** None.
9. **ADJOURNMENT:** Guild moved to adjourn. Seconded by **Griswold**. **VOICE VOTE: ALL YES: MOTION PASSED 5-0.**

**President Burr** adjourned the meeting at 9:11 p.m.

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**Village President**

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**Village Clerk**

**Approved for Publication**