

## ?Salem Common Council wrestles with financial shortfalls

Written by Administrator

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? The Salem Common Council met in regular session on Monday evening, August 11 with all members present. The

minutes of previous meetings and all claims were approved unanimously.

Voting unanimously to transfer money to the General Fund from various other funds to avoid going into the red and to forego any salary increase for elected officials in the upcoming budget, the Council struggled to deal with a financial shortfall brought on by a delay in receiving property tax revenues and what Mayor David Bower described as “an inherited budget that ties our hands.”

Unable to determine what, if any, pay increase city employees might receive, the members of the Council voted

unanimously to table the topic until City Clerk Treasurer, Pat Persinger meets with representatives of the Department

of Local Government Finance during the last week of August.

According to Persinger, after that meeting she should be able to provide the Council solid numbers to work with

in developing the budget and, in turn, what might be available for pay increases.

Because of state statutes mandating specific waiting periods between posting of a proposed budget and public

meetings on the budget, Bower indicated that the Council will need to meet in public session at least four times during

September in order to meet the September 30 state deadline for adopting budgets.

In other action, the Council unanimously approved an ordinance authorizing the Sewer Department to require as much as \$110 for a sewer deposit and repealing the water deposit.

Mark Nantz of Knapp, Miller, Brown Insurance Services, Inc addressed the Council with information regarding

quotes for insurance. After a thorough explanation and lengthy question and answer session, the Council voted

unanimously to follow Nantz’s recommendation to contract with The Municipal Insurance Alliance for a policy that

increased coverage while saving the city approximately \$25,000 per year over the current policy.

As a final piece of business, the Council unanimously authorized Persinger to advertise for an additional

appropriation covering anticipated fuel expenses through the end of the calendar year.

According to Persinger, the Fuel Fund ,at present, has a zero balance. Bower noted that the current budget,

developed and adopted by the previous administration allocates the same amount as in 2007 even though the cost

of fuel has doubled. Bower told Council members that efforts to cut fuel consumption have had some success but

not enough to offset the rise in price this year.

With no further business to conduct, the Council voted to adjourn until its next regularly scheduled meeting on

Monday, September 8.