

CITY OF FENTON COUNCIL PROCEEDINGS
2014/2015 BUDGET WORK SESSION
Saturday, April 26, 2014
Fire Department Training Room
205 East Caroline Street

Mayor Sue Osborn called the meeting to order at 9:10 AM.

Present: Bland, Grossmeyer, Jacob, King, Lockwood, McDermott, Osborn.

Absent: None.

Others Present: Stephen Schultz, Legal Counsel; Lynn Markland, City Manager; Michael Burns, Assistant City Manager; Daniel Czarnecki, Director of Public Works; Cynthia Shane, Treasurer; Jill Beckley, Deputy Treasurer; Tonya Lall, Assessor; Brad Hissong, Building and Zoning Administrator; Bob Cairnduff, Fire Chief; Rick Aro, Police Chief; Steve Guy, Water Plant Supervisor and Renee Wilson, City Clerk.

General Overview

Markland reviewed the state of the budget letter that is included in the budget document and highlighted the accomplishments and challenges of the City over the past year. The economy improved over the last year, but recovery continues to be slow. The City's industrial park has very few vacant buildings and some vacant land is available for development. True cash value of residential properties increased approximately 8% over the last year. The LDFA commissioned the University of Michigan to conduct an extensive study of the industrial park. The study is complete and will be used to develop a strategy for improvements.

The City, through the DDA, assisted several businesses in the district. The Fire Hall restaurant opened in 2013. The project was a public/private partnership that has quickly become a destination restaurant attracting customers from a wide region. The project won the City the Regional Community Excellence Award through MML in March 2014 and will now compete for the Community Excellence Award at the annual MML Convention. Markland stated the DDA partnered with the Corlin Group to construct the Cornerstone building at the corner of Silver Lake Road and South Leroy Street. The project is expected to be completed in late fall/early January. The DDA continued hosting popular events in the downtown area including the Art Walk, Concerts at the Gazebo and the Farmers Market.

Markland commented residential taxable values increased by 2.5% but industrial and commercial taxable values decreased by -3% and -.01% respectively resulting in a small increase to the City's overall real property tax revenue of about \$18,000 and the City is expected to gain \$24,000 in state revenue sharing.

Markland reviewed changes in healthcare that have taken place over the last few years. Changes in prior years saved over \$300,000 and Administration is currently in the process of reviewing other plans prior to the renewal date for a possible change in plans and will continue to look for savings.

Markland stated department heads submitted information to the City Treasurer who then submitted information to Stauder, Barch & Associates to provide the City with a five year financial forecast. This is done in an effort to understand the City's general fund sustainability over the next five years. It was found the City would fare better than recent forecasts but the general fund would still not be sustainable over the five year period. Administration has worked hard and has been creative to make substantial progress in improving the long term outlook for the general fund; reductions in expenditures alone will not make the general fund sustainable and additional revenue must be considered. He is recommending the Council consider revenue increases in the near future; the decision of the Council will not actually add revenue to the bottom line but the decision will be to put something on the ballot for voters to decide on an increase in the tax rate. Discussion ensued on possible ways to increase general fund revenue; will be discussed in depth at a future meeting.

Markland stated based on actual figures for the first nine months of FY 2014 and projections for the remainder of the year, the year is expected to close with a small surplus in the general fund (approximately \$400). He highlighted the City's accomplishments detailed on pages 12 and 13. He next reviewed

recommendations for the FY 2015 recommended budget and upcoming projects shown on pages 13-17. By Charter, the City can levy up to 13 mils for general operating; the rate was reduced to 10.6226 mils by implementation of the Headlee Amendment to the State Constitution and Proposal A of 1994. He noted this will be the 16th consecutive year the City has not levied additional millage for debt and the current rate of 10.6226 mils continues to represent the lowest millage rate levied by the City since at least 1976. General fund revenues are expected to decrease by \$100,000 in FY 2015, mostly due to one-time revenues that occurred in FY 2014. Total general fund revenues in FY 2015 are expected to be \$5,263,205 and expenses of \$5,219,898 with over \$694,600 (13.3%) of expenses being transferred to other funds to subsidize their expenditures. Markland is recommending Council maintain the current millage and collect 10.6226 mils for FY 2015. A public hearing will be scheduled for Monday, May 12, 2014, after which the budget can be adopted. He thanked Treasurer Cindy Shane and Deputy Treasurer Jill Beckley for their work on the budget.

Osborn thanked everyone for their work on the budget.

BUILDING DEPARTMENT

Hissong reviewed pages 93-95 of the budget.

Protective Inspection Department

- Salaries include his wages along with two part time employees – the code enforcement officer and administrative help.
- Contracted Services include fees for the building and rental inspectors.
- Conferences and dues are for ongoing training and certifications.
- GIS system is still utilized and is very beneficial and a time saver.
- Miscellaneous is for possible equipment purchases. Does not use unless necessary.

Osborn asked that healthcare costs be listed separately, for all departments, from fringe benefits to see what the total cost of healthcare is.

Planning Department

- Conference and dues is for educational expenses for the Planning Commission Chair
- Printing/Miscellaneous is for costs incurred for printing and processing notices (i.e. Master Plan changes, Public Hearing notices).
- Contracted reviews/service – Planner expenses.

Board of Appeals Department

- Does not meet often
- Deal mostly with PUD's so there isn't a lot of Zoning Board of Appeals activity

Building Board of Appeals

- Meets when someone appeals a decision of the Building and Zoning Administrator or an interpretation of the building code
- Budgeted money usually not spent

Hissong stated code enforcement efforts on blighted and foreclosed properties were increased over the past year. This year, efforts will continue and he will concentrate on properties that he has been contacting for years trying to kick start some maintenance items. Markland commented the Building Department is busier than in years past. A lot more development is going on and consists of larger projects which require more time to review. Hissong stated the fee schedule has been adjusted and he is working towards being able to run a building department without costing taxpayers money; the City is not allowed to make money with the building department, but he is trying to offset operating costs.

Lockwood asked for an update on the grain elevator property. Hissong stated himself and the Fire Chief met with the owners. Occupancy has been withheld; the building has flood damage and there are issues with the electrical, mechanical and heating systems. He turned the issue over to the Attorney. Schultz stated the next step is to send a letter to the property owner requiring the building be brought up to code. The taxes haven't been paid since 2004 and the County is working with the owners, who have been making partial payments so the County has not put the building in tax foreclosure and is giving them another year to try and take care of the back taxes. Since the building is not in foreclosure, the City can take ordinance action.

King asked what could be done so taxpayers don't have to pay for the cost of blight clean up. Hissong responded administration is always looking for grant monies as well as meeting with the County to discuss these issues. Schultz stated if a property is in code violation, the City can bring the property into compliance and place a lien on the property. The problem is when a property is in tax foreclosure, the County holds the title, and the City cannot put a lien against the County and that's been some of the difficulty in dealing with these properties.

CITY MANAGER

Markland reviewed the Legislative and Executive budget – pages 52-53

- Salaries are for City Council meetings
- Employee fringes are FICA expenses
- Conferences/dues are for Council training and membership dues for Genesee County Small Cities, Michigan Municipal League (MML) and the National League of Cities (NLC).

King inquired about conference expenses. Lockwood commented since she is on the MML Board, they pick up the conference dues, but do not pay travel expenses; NLC does not pay. She works closely with Administration to find the best prices on flight and hotel rates. Osborn commented as long as it can be afforded, it is worth the money to have a Council member sit on various boards. Markland stated another benefit of membership in organizations is establishing relationships with state and federal representatives, and those relationships are established through these organizations. King commented she feels these conferences are informative and a great tool for the City. Lockwood stated there are ways to cut costs such as early registration. Bland feels any time the City has a voice on the board of a big organization, it's advantageous to the City and well worth the cost. Osborn commented the education and networking opportunities are beneficial to the City.

Markland reviewed the City Manager's budget on pages 54-55 stating it is basically the same budget as last year with a small increase for healthcare and salary. Lockwood clarified the salaries are split amongst other departments. Markland stated that is correct and noted the majority of Administrator salaries are paid out of different funds. Lockwood asked to be provided with a sheet listing salaries; it would be good to know if the City is up to speed with other communities.

Markland reviewed the General Services budget – pages 56-59

- Attorney fees are budgeted in this department.

Osborn inquired why the legal fees for tax tribunals were so high a few years ago. Markland responded that was due to commercial tax tribunals and noted that budget has been reduced to \$10,000. King asked how much it cost to collect tickets. Schultz stated most tickets do not involve the Attorney. Legal fees become involved when there is contested ticket, which generally involves drunk driving but the fine schedule allows attorney fees to be recovered.

- General Services (234,000) budget has been reduced from last year – from \$81,000 to \$74,200.

Osborn asked what the money budgeted in Capital Outlay is for. Markland responded to replace Council laptops with tablets. King asked what would happen to the laptops. Markland commented Council members that want to continue using a laptop can, if not, a tablet will be ordered.

- City Hall (265.000) is a little higher than last year.

King asked why the telephone line item increased to \$66,000. Markland commented it is being looked at to go to a voice over internet system that would save money in the long run but there would be an initial expenditure for new telephones. Grossmeyer commented telephone expenses are not just telephones at the buildings, there are circuits running street lights and lift stations. King inquired about cell phones and asked if it is tracked how much is for personal use and how much is for business. Markland commented it is a flat rate charge and the City is part of the federal government contract. Osborn asked what is budgeted in the Contracted Services line item. Beckley responded it is for cleaning services.

- Retirement Health Care (956.000) is budgeted at \$225,000. Markland noted that amount is not the City's entire expense as some retiree healthcare is paid by the water and sewer fund.

King asked the status of retiree benefits regarding retirees taking their current employer's or spouse's insurance. Markland commented a letter will be sent out this month. Osborn asked for a breakdown in costs between the HealthPlus retiree premiums and the Medicare Advantage plans. Discussion ensued regarding different options available for retiree healthcare including Health Savings Accounts and a Voluntary Employee Benefit Association (VEBA). Osborn stated a meeting should be held to discuss this issue.

Markland reviewed the Public Service budget – pages 60-62

- Budget is similar to last year.
- \$36,000 was added to Contingency - 448.000 - budget is tight this year and he does not want to go over budget. If the money isn't used, it will probably be appropriated to different accounts.

Grossmeyer commented regarding the Weed Harvesting (446.000) budget of \$25,000. He would like to look at the possibility of dredging the Mill Pond and seeing if there are any grant funds available. Bland stated the last time it was looked at to dredge the pond, the cost was over \$2.5 million. Discussion was held regarding pond clean up and the options available. Grossmeyer commented there are grants available to remove the dam and restore the river. Osborn stated that is being looked at. Markland suggested approaching the DDA to pay for a pond cleaning and have it done twice a year instead of once. Item will be discussed at a future meeting.

King commented regarding the streetlights. Markland stated LED lighting will be installed as part of the streetscape project. Bland stated when lights are replaced they are replaced with LED lights.

Markland reviewed the Community Needs budget – pages 63-66

- Page 64 is the budget for the library and museum. Same as last year except \$5,000 added as Capital Outlay for the museum.
- Page 65 (Community Needs, Conservation and Beautification) is similar to last year's budget, with money being added to 818.300 to replace trees.

Lockwood commented the Beautification Commission may come back to Council at a later date as they may cut back on areas planted in the past and are looking at someone to water the plants. The Commission is good with the budgeted amount for this year and they also want to work closely with Administration and the City's lawn maintenance contractor regarding removal of old items. King commented she would like trees planted in the North Leroy Business District and would like to see beautification in that area upgraded. Lockwood responded the Beautification Commission has discussed that and potted plants will be placed in the area and the Business District will pay for it. Bland commented when North Leroy Street was built, trees were put in and the reason more trees are not out there is because area businesses did not want them. Lockwood commented any suggestions or concerns should be directed to the Beautification Commission and they can address them.

- Page 66 itemizes General Fund's contributions to other funds.

ECONOMIC DEVELOPMENT DEPARTMENT

Burns reviewed the Local Development Finance Authority (LDFA) Budget – pages 98-104

- Salaries are a portion of the Treasurer's, City Manager's and Assistant City Manager's salaries.
- Shared revenue with the City - \$175,000 in 2014 and \$175,000 pending for 2015.
- Planned projects include promoting economic development in the district and assist in capital funding for fire equipment.
- More branding and targeted marketing to the industrial park.

Burns reviewed the Downtown Development Authority (DDA) Budget – pages 105-116

- A portion of the City Treasurer & City Manager's salary and benefits are paid by the DDA as well as 50% of the Assistant City Manager's salary and benefits.
- 2015 projects include completion of the Cornerstone building, restoration & expansion of the Community and Cultural Center, streetscape project and library renovations.
- Shared revenue with the City - \$350,000 in 2014 and an agreement is pending for 2015.
- Page 107 - tax revenue brought in after revenue sharing.
- Page 108 – bond costs were increased to take into account new bonds that will be issued for the Community Center and streetscape projects.
- Page 111 – Marketing (818.400) was increased to account for the video needed for the convention.
- Page 112 – \$100,000 is budgeted for the second phase of the signage project (971.410) for the upcoming year. Total cost of the project is estimated at \$200,000 to be allocated over two fiscal years.
- Re-capped the façade improvement program (975.730). Two awards have been given. Current year budget has been amended down to \$25,000 to cover the awards. \$75,000 budgeted for next year.
- Community Center and Cornerstone expenses will be spread over two fiscal years.
- Holiday decorations (975.814) – current budget includes cost of Christmas tree at the north end of Silver Parkway. 2015 budget includes cost of decorations for the south end of Silver Parkway.
- Page 113 – sculpture rental (975.815) – inflationary increase added to next year's budget; parking lot expenses total \$415,000 and is spread over the current fiscal budget and the 2015 budget. Library upgrades - \$300,000 is budgeted over two fiscal years – upgrades are expected to be around \$220,000. Osborn suggested checking to see if CDBG are funds available to use toward the library upgrades.
- Sculpture purchase (975.818) – DDA approved money in the budget to purchase a fish sculpture.

Discussion ensued regarding marketing expenses – whether to contract out services vs. hire an in-house marketing person. Money will be left in the budget and the DDA will be approached with options and a recommendation will be made at a later date.

CITY TREASURER

Shane reviewed the Treasurer's Office budget – pages 71-72

- Audit fees cover Abraham & Gaffney P.C. fees – fees will be allocated to other funds.
- Financial consultant is for Stauder, Barch & Associates fees.
- Salaries and fringes are a portion of the Treasurer's wages and benefits and wages and benefits of the Deputy Treasurer.
- Contracted services are software support contracts.

Recessed for lunch at 12:20 PM.

Reconvened at 1:08 PM.

POLICE DEPARTMENT

Aro reviewed the Police Department budget – pages 73-84

- Reviewed department summary, goals and objectives of department – page 73.
- Overall budget for current fiscal year is in good shape – overtime costs will go up before end of current fiscal year due to officers going out on sick leave.
- Reviewed staffing procedures and levels for department.
- Uniform & cleaning increased to account for new officers. Ballistic vests are also expensed to this line item but are partially paid for with grant funds that are shown as revenue in the general fund.
- Prosecutions – amount of revenue coming in from fees and fines have improved. Foster, Swift, Collins & Smith handle court appearances and a reduction to their legal fees hourly rate was negotiated a few years ago.
- Capital Outlay – budget was amended to cover part of the cost of in-car cameras.
- King asked if the cost of prosecuting speeding tickets is covered. Aro responded when an officer writes a ticket, it is a civil infraction and the Attorney doesn't go to court. Most traffic tickets do not involved the Attorney, an officer appears in court.

Narcotics Enforcement Fund – page 76

- Where forfeiture funds are accounted for. Typically the Department receives \$3000 a year. If enough money is available, F.A.N.G. (Flint Area Narcotics Group) dues are paid out of this fund.
- Jacob asked what the Narcotics Control line item on page 74 is for. Aro responded that is for F.A.N.G. dues.
- Discussion ensued regarding narcotics activity within the City and how those cases are handled and how the forfeiture process works. Aro explained how F.A.N.G. assists the City.

D.A.R.E. Fund – pages 79-80

- Department currently does not have a D.A.R.E. officer.
- Expenditures occur for items like project graduation or other school events to maintain a relationship with the schools.

Emergency 911 Fund – pages 82-84

- Budget pretty much same as last year.
- Bulk of revenues is 911 revenue from the phone companies and State of Michigan.
- General fund contribution has increased to help cover the cost of an additional full time dispatcher.
- Most of 911 revenues used to pay for salaries and fringes.

Aro stated the Capital Outlay expense is to replace five mobile data computers which are the computers inside the patrol vehicles. Equipment leasing increase is due to maintenance fees for the new mug shot and pawn shop program that was recently implemented.

FIRE DEPARTMENT

Cairnduff reviewed the Fire Department budget – pages 85-92

- Current year budget - salaries are up due to weather – call volume was about triple the normal volume for December and January. Next year's budget is based on normal call volume.
- Osborn asked if costs are being covered for runs to Tyrone Township. Cairnduff responded yes, each call is billed a flat fee.
- 740.200 – Firefighting Equipment – increased some. AFG grant was secured in 2009 to replace turnout gear. Gear now needs to be updated or replaced. Will apply for grant again when Department is eligible.
- 934.000 – Equipment & Maintenance – Budget was amended this year to cover repairs caused by the harsh weather. Next year's budget is returned to normal amount.

- 970.000 – Capital Outlay – current year amendment due to equipment purchased with grant funds. Grant revenue of about \$43,000 will be recorded in the general fund. Increase in next year’s budget is for the garage project.
- Radios will need to be replaced down the road and are accounted for in the five year forecast.
- 931.000 Fire Station Building and Maintenance – higher budget this year due to repair projects. Proposed budget is reduced to normal amount. Cairnduff commented the building is twelve years old and repairs will eventually be needed.

Fire Equipment Fund – pages 88-92

- Page 91 – contribution from LDFA to the ladder truck fund – good to have those funds there to ease burden when time comes to replace the truck.
- Will be going out for bid in May for the rescue truck.

CITY ASSESSOR

Lall reviewed the Assessing Department’s budget – pages 96-97

- Took on shared services with the City of Grand Blanc – is working out well.
- Some expense line items were increased due to the purchase of additional computer equipment to allow department to be more mobile between locations.
- 810.000 – Assessor – Contractual – covers cost of contract employee that performs residential re-inspections.
- 824.000 – Assessment notices – Osborn asked if the notices could just be posted online or do they have to be mailed. Lall responded law requires they be mailed out.
- Tribunals are down this year. Last year there were fifty two, right now there are nine.
- King asked about sharing expenses with Grand Blanc. Lall responded items are kept separate and expenses are shared.

CITY CLERK/ELECTIONS

Wilson reviewed the Clerk’s Department and Elections budget – pages 67-70; most items in both Clerk’s and Elections budget are similar to current year budget.

- 729.000 – Licensing – covers software annual support expenses. Increased this year to cover for possible increase from Municipal Code to update online version of code of ordinances.
- 864.000 - Conferences and Dues – increased by \$1000 to cover conference expenses for Clerk and Deputy Clerk. May be reduced next year as Deputy Clerk will have completed the three year Municipal Clerk’s Institute.
- 900.000 – reduced by \$2,500 for current year but kept budget same for next year to cover costs associated with update to the code of ordinances.
- Elections – 702.000 - salaries and wages – estimated high as four elections are possible each year. Will amend accordingly on years with fewer than four elections.
- Elections – 818.000 - contracted services – increased to cover maintenance of voting equipment as well agreement with Oakland County for ballot programming services.
- Lockwood asked how many election inspectors are required per precinct. Wilson responded three but precincts are typically assigned four or five inspectors depending on the election.

PUBLIC WORKS DEPARTMENT

Czarnecki reviewed Parks & Recreation Fund budget – pages 117-119. All budgets he is responsible for pretty much stayed the same unless something specific needs to be addressed.

- D.P.W.’s involvement with the parks is mainly maintenance.
- 970.000 - Capital Outlay – Parks Board is trying to come up with a plan to make Freedom Park more of a memorial type park. Strom Park needs parking lot and boat launch work. The Parks Board is working on a grant application for Adams Park to get funding for maintenance and expansion of the playground equipment.
- Parks Master Plan expires in November 2015 - will need to look at next year.

- Majority of revenue consist of gazebo & pavilion rental, park entrance fees and a contribution from general fund.
- Expenditures mostly in line with last year. Had trouble recruiting lifeguards – pay was slightly increased to be competitive with other area pools and beaches.
- Silver Lake Park will soon have a disc golf course installed at no cost to the City – fundraising efforts covered the cost of the course.

Czarnecki reviewed Cemetery Fund budget – pages 120-122

- Minimal maintenance on D.P.W.'s end. Burials and sales are handled by an outside company who maintain the areas they disturb. Grounds maintenance is contracted out.
- D.P.W. addresses road issues and tree trimming.
- Most expenses stayed the same. – Maintenance contract 801.000 – is mowing contract and a few extra dollar budgeted for unforeseen issues like monument repairs.
- Discussed sale of graves and grave openings – detailed information in Cemetery Board minutes.
- 970.000 – Capital Outlay – cost of expenses incurred with converting cemetery records to digital format, funds also budgeted for walkway and road repairs.

Council expressed their appreciation to Cemetery Board Chairman Doug Tebo for his work on the Cemetery Board and for his work done out at the cemetery.

Czarnecki reviewed the Major Street Fund budget – pages 123-128

- Crack sealing on roads that were paved within the last five years – will do as much sealing as budget allows.
- Money budgeted for design work for Silver Lake Bridge – construction slated for 2016.
- Begin planning for Poplar Street improvements – construction slated for 2017.
- Discussion took place regarding street improvements and funding options. Meeting to discuss a roads maintenance program more in depth is scheduled for May 14, 2014 at 6 p.m.
- Revenue mostly consists of Act 51 monies.
- 863.010 – Silver Lake Road Bridge – currently in the design process. Money budgeted as process is anticipated to carry over into the next fiscal year. Once the funding for the streetscape project is figured out, the bridge work can be determined.
- Page 126 - 463.000 - maintenance – covers costs of all maintenance work on the streets; 474.000 – traffic services – utilities expense is for signals; contractual expense is for Genesee County Road Commission, who maintains the signals.
- Approximately \$107,000 was spent on salt this year, which is about \$20,000 more than anticipated.
- Discussed timing of various signals through the City. Czarnecki will look into.
- King asked if the DPW maintains the park and ride lot and U.S. 23 and Silver Lake Road. Czarnecki responded yes, but the City receives money to do so.

Czarnecki reviewed the Local Street Fund budget – pages 129-133

- Funding not as good for local streets, funding not available like it is for major streets.
- Once the street asset management plan is approved by the State, it will allow more dollars (if available) to be transferred from major streets (Act 51 dollars) to local streets.
- 618.000 – Capital Outlay is for proposed improvements to Outer, Vassar, Summit and Plateau. Construction documents and estimates are being worked on. Outer and Vassar are slated for resurfacing. It had been previously discussed in an effort to save money and get more streets paved, to not replace the asphalt curbs on Outer and Vassar but installing a valley gutter curb instead.

- Dawn Overmyer asked if the roads would wear out faster if the asphalt curb wasn't replaced when Outer and Vassar are resurfaced. Czarnecki responded not necessarily, a valley gutter curb would channel water where it needs to go. Once the options have been presented, it will be decided which direction to go.
- Maintenance and snow and ice control budgets were set back to their normal levels for the 2015 budget but are amended this year to account for the bad winter.

Czarnecki reviewed the Sewer Operating Fund budget - pages 134-140

- Issues with Howard Street lift station this year – pumps were replaced.
- Pump was rebuilt in Andover Woods this week.
- Revenues are consistent.
- Salaries cover administrative and maintenance salaries.
- Operating expenses cover cleaning and repairs to sewer mains.
- 549.000 – Lift Stations – slightly higher to cover increased maintenance at the stations.
- 801.000 – Sewer Disposal Plant Operation increased to account for increase passed on from Genesee County.

Czarnecki reviewed the Water Operating Fund budget – pages 141 – 149

- Majority of budget is for treatment plant.
- Page 143 - 819.400 – Reliability Study – monies added to both current year and next year's budget to cover the cost of the study.
- Page 144 – 818.800 - \$150,000 added for lagoon cleaning. 972.000 – GIS/Computer – Equipment needs updating.
- Lockwood asked about the fencing line item. Czarnecki responded Steve Guy secured a homeland security grant to install fencing around the pump houses.
- Page 145 details expenses for the distribution system. 971.100 – Wellhead Protection – needs to be updated.
- Page 146 – 818.000 – money budgeted for repairs to the aeration tower. 933.200 – money for variable frequency drive for Well #5.
- Czarnecki and Guy will start looking at a capital improvement program.

Czarnecki reviewed the Equipment Fund – pages 150-153

- Covers maintenance of all D.P.W. equipment.
- 751.000 – Gas & Oil – budget increased to account for fluctuations in fuel prices.
- 933.000 - building maintenance – budget increased as the building is starting to need repairs.
- Reviewed vehicle replacement schedule on page 153. Ben Smith asked if the \$35,000 allocated this year for pickup trucks is for one truck or two. Czarnecki responded he is trying to get two.

Continued Review

Markland reviewed remainder of budget items – pages 154-175

- Capital Improvement Fund – revenue is transfer in from general fund. Expenses are contributions to the major and local street funds. Will continue to prepare for Silver Lake Road bridge replacement.
- Working Capital Fund – expenditures is transfer to general fund for sidewalk program. Council discussed sidewalk program and how it is determined what areas will be looked at.
- Garbage Fund – Contract was extended to July 2014 to allow time for possible changes to the program. Budget was determined on the way the program is set up now, if the program changes, budget will need to be reviewed. King commented the Committee is working on this and has visited three different municipalities to look at available options. Lockwood commented the solid waste survey is available at City Hall. Discussion is ongoing – meetings are forthcoming to work towards a recommendation to City Council.

- Community Development Block Grant – funds will be used for a new elevator at the Community Center. Markland has discussed with the County using funds leftover from the demolition of the FARR house to purchase the seminary from the County Treasurer’s office.
- Neighborhood Stabilization Program – program is basically over with. One vacant property remains and Habitat for Humanity is interested – budget is for closing fees on the property.
- Page 169 – 173 reviewed schedule of payments for the D.P.W. garage and Fire Hall, fire trucks, dispatch equipment and police in-car camera systems. Osborn asked if the LDFA contributes money towards all trucks or just the ladder truck. Markland responded just the ladder truck.

Markland updated Council on the status of revenue sharing. Osborn updated Council on grant opportunities that are currently being pursued.

Meeting adjourned at 4:25 PM.

Mayor Sue Osborn

City Clerk, Renee Wilson

Date approved: May 12, 2014