



CITY OF BURTON

BUDGET MEETING

MAY 2, 2016

MINUTES

Council Chambers

Budget Workshop

6:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Councilman Steven Heffner at 6:06 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Councilman	Present	
Dennis O'Keefe	Councilman	Present	
Steven Heffner	Councilman	Present	
Ellen Ellenburg	Councilwoman	Late	6:40 PM
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Present	

B. STAFF PRESENT

Paula Zelenko, Mayor
Teresa Karsney, Clerk
Bette Bigsby, Benefits

Ginger Burke-Miller, Controller
Rik Hayman, Chief of Staff
Sue Warren, Human Resources

C. AUDIENCE PARTICIPATION

City Council received comments from the following residents:

Judy Estes of Burton - Thinks the raises for employees is too high.

D. BUDGET DISCUSSION

Mr. Heffner turned the meeting over to the Finance Chairman Mr. Smith.

Mr. Smith stated he is going to keep notes on any request from the Council. He will email the questions to the Mayor. If we ask a particular question of a department then the administration will have a heads up as to what our questions are. This way the Mayor can schedule the department head to be here if necessary.

1. Controller's overview and for her to explain the criteria used to formulate the 5 year forecasts for General Fund, Police, and Fire.

Mr. O'Keefe stated that in 2013 we had Plante Moran set up this forecasting spreadsheet. This is on page 18 of the budget book and is the most important page. When I get the new budget I go to that 5 year forecasting page and look at where we would be. I kept all the old ones and try to piece together the difference here. He talked about forecasting because he has been doing it for 35 years. The thing about forecasting its not a science more of an art. There are always two words he would use when doing a forecast which is attitude and logic. Attitude, the easiest way to explain is you have a cup that is 1/2 full. Is the cup half empty or is it 1/2

full. We have no hard numbers they are all subjective. Logic part comes in when someone is doing this forecast that they have a moment of clarity and make sure they are looking at factual data, historical data and things that will make a difference.

Mayor Zelenko thanked Mr. O'Keefe for passing out the forecast that we did in October of 2015. We are going to go through the one that was used for the budget and the one that was done with the latest data. This way we can show you how things change. An example is if you didn't want to do the 1 million dollars into the pension fund.

Mrs. Burke-Miller stated if you look at the page that says City of Burton, Combined General Fund, Police Fund and Fire Fund variables used for forecasting on the orange sheets under property taxes. These figures derived from a website she had found in October which was called Statista.com. This website has a projected inflation rate for the United States. That is the amount I was using to figure the property taxes which appears to be optimistic. She showed different scenarios on how the fund balance would be changed depending on what they cut.

Mr. Smith stated that the fire department would have grown because of the capital improvement program so all the old trucks wouldn't all time out at the same time.

Mrs. Burke-Miller continued explaining that at the bottom of the variables page is the voluntary contributions for the pension fund which we had built in a 1 million dollars assumption. Now we are going to move on to what is in your budget book which is the blue color sheets which Mrs Burke-Miller explained the different variables that were used.

2. Any other fiscal year 2016-2017 proposed budgetary issues.

Meeting was adjourned at 7:13 PM.



Budget
4303 S. Center Rd.
Burton, MI 48519

Meeting: 05/02/16 06:00 PM
Department: Clerk's Office
Category: Budget
Prepared By: Teresa M. Karsney
Department Head: Teresa M. Karsney

D.1

SCHEDULED

AGENDA ITEM (ID # 2368)

DOC ID: 2368

Controller's overview and for her to explain the criteria used to formulate the 5 year forecasts for General Fund, Police, and Fire.



Budget
4303 S. Center Rd.
Burton, MI 48519

Meeting: 05/02/16 06:00 PM
Department: Clerk's Office
Category: Budget
Prepared By: Teresa M. Karsney
Department Head: Teresa M. Karsney

D.2

SCHEDULED

AGENDA ITEM (ID # 2370)

DOC ID: 2370

Any other fiscal year 2016-2017 proposed budgetary issues.