



CITY OF BURTON

BUDGET MEETING

APRIL 25, 2017

MINUTES

Council Chambers

Budget Workshop

6:30 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Councilman Steven Heffner at 6:30 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Councilman	Late	6:38 PM
Dennis O'Keefe	Councilman	Present	
Steven Heffner	Councilman	Present	
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Present	
Christina Conley	Councilwoman	Present	

B. STAFF PRESENT

Paula Zelenko, Mayor
Ginger Burke-Miller, Controller
Doug Bingaman, Treasurer
Sue Warren, Human Resource Director

Rik Hayman, Chief of Staff
Robert Slattery, DPW Director
Teresa Karsney, Clerk

C. AUDIENCE PARTICIPATION

None

D. BUDGET DISCUSSION

1. Proposed Budget for Fiscal Year 2017-2018.

Mr. O'Keefe asked if we can take a straw vote to pass each department budget. This way we have the head of that department here and we can ask questions of them if needed.

Mr. Martinbianco stated that we still might have to go back and cut the budget again.

Mr. Smith went over the history of the city's financials from the past and talked about the unfunded liabilities. He is comparing actual to what was budgeted. He also looked at the number of employees we currently have.

Mayor Zelenko stated that we are currently evaluating each department and every employee's skill level, certifications and their ability to do the job.

Mr. Smith stated that the revenues are at 4.070 mills. With Council cutting this to 4.000 mills we are basically going to have to cut \$411,000 dollars from this budget.

Mr. Heffner stated the Mayor should have proposed a balanced budget at 4.000 mills. We shouldn't have to cut each department.

Mr. Martinbianco stated that this only affects the general fund.

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Mrs. Burke-Miller explained the revenues for this budget. The Mayor's proposed budget was prepared at 4.070 mills.

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2071 Public Service Page 14

Mrs. Burke-Miller stated that the biggest difference is Drains at Large. We started breaking out the principal and interest for audit purposes. Street lighting: the Consumers credits have been exhausted in 2015-2016 fiscal year. Consumer's has told us when the lights go out they are replacing them with the new energy efficient bulbs. We have reduced the holiday decorations/labor. This cost is for the DPW to put up the holiday decorations.

Mr. O'Keefe stated that the pay back on LED lights is 12.2 years to replace the sodium vapor lights.

Mr. Slattery said he is looking into leasing the holiday decorations which would include them putting them up and down. Then we could sell all our old decorations. They would store, put up, take down and maintain all the decorations.

Council took a break at 8:07 p.m. to 8:17 p.m.

Mrs. Burke-Miller stated that yes the DDA has it in their budget for holiday lights.

Economic Development (1001-2071-880.0000) was moved from the Assessing Department to Public Services because this has nothing to do with the Assessing Department. Mayor Zelenko is the representative and Rik Hayman is the alternate.

2053 Treasurer Page 13

Mrs. Burke-Miller stated that in the Treasurer budget there is not any significant changes.

Mr. Martinbianco asked about the staffing in the Treasurer office. Is one of the clerical a deputy treasurer?

Mr. Bingaman stated we have 2 clerical and himself. No they are both collection clerks.

Mrs. Burke-Miller said that we had to keep the MERS rate the same because we didn't have a new employer rate when the budget was done. In the Treasurer's office there is one full time clerical person that comes out of the enterprise fund. Person charged to the enterprise fund is split between water and sewer. The other clerical is spread over several different funds.

Mr. Heffner stated we need to reduce each department because the proposed budget was at 4.070 mills. This budget needs to be at 4.000 mills.

Mr. Bingaman stated that this budget is a little less than last years budget. Before this meeting Mr. Bingaman contacted the printer on the Tax Roll expense (1001-2053-827.0000) and he did over estimate that line and we can take \$2,000 out of 1001-2053-827.0000. This would take line the item 1001-2053-827.000 from \$9,500 to \$7,500.

Council asked what Contractual Service is for?

Mr. Bingaman stated the contractual service is for our armored car service. We can also reduce it by \$400 because the long distance has been reduced. Reduced contractual service(1001-2053-818.0000) from \$3,000 to \$2,600.

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Mr. O'Keefe doesn't like that the Assessor wage is going up but the Charter 5 have not had a raise in 9 years.

Council would like the Assessor to be here if we are going to talk about his department.

Going to hold off on this department until he can be here.

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Mrs. Burke-Miller stated that the fringe benefits for SEIU has declined. SEIU division has increased the number of people in that division and its spread over more people. Information Tech Allocation has been reduced because we are going to use up some of the IT Department fund balance so we are cutting this in all departments.

Council wanted to know who is being charged to salaries permanent and at what percent.

Mrs. Burke-Miller said there is a controller, deputy controller and senior accountant. All three of us are allocated to several different departments. Twenty percent of the Controller wages is covered under the Senior Millage. The other eighty percent is divided among several departments.

Council asked what the \$3,600 in Office Equipment (1001-2023-984.000) is.

Mrs. Burke-Miller said the new office equipment is for new locking file cabinets. The purchasing department is in the Controller office and is split over several different funds.

Council decided that Office equipment (1001-2023-984.0000) is going to be reduced by \$3,600. Might put back in the future.

1091 Election Page 11 & 12

Mrs. Burke-Miller stated that we reduced the election department because of the Transfer to Capital Improvement. In the past we have set aside enough for the new election equipment. We have reduced this amount this year. IT Tech was reduced.

Mrs. Karsney stated that Genesee County has chosen the new equipment for the whole county. We increased Fees per Diem because we have to train all the election workers on the new election equipment. In contractual service (1001-1091-818.0000) I can reduce this by \$2,300 because we don't have to pay maintenance on the new equipment for the first five years. This would take Contractual Service (1001-1091-818.0000) from \$6,300 to \$4,000.

Council asked salaries permanent reflect who?

Mrs. Karsney stated it is 75% for the Deputy Clerk and 75% for the Record Tech. Training for election workers is paid under Fees per Diem. Training line item is for my office staff.

2015 Clerk Page 12 & 13

Mrs. Burke-Miller stated you will see the IT Tech Allocation is reduced again. Training has stayed the same for what we have budgeted. We have not used the full amount so far this year. On page 13, there is only one line item there, it is a \$1,000 for new equipment.

Mrs. Karsney said that our training classes are not until June and it will be used. New equipment is for new equipment if a printer goes down.

Mr. Haskins asked since we added the Deputy Clerk title can that office run with just a Clerk and Deputy Clerk. He suggested combining the receptionist position with the Record Tech in the clerk's office.

Mrs. Karsney stated no. We have always had three positions in the Clerk's office. The record tech that is charged at 25% is just for videotaping of the meetings. In salary permanent the Deputy Clerk (Racheal) is charged 25%, Record Tech (Marcy) is charged at 25%, Record Tech (Matt) is charged at 25% for videotaping of the meetings. The Clerk is charged at 100% to the Clerk Salary.

Mr. Heffner suggested using interns in the City.

Mr. Haskins stated that we would have to see if the unions would allow that.

1001 Council Page 10 & 11

Mrs. Burke-Miller stated that the Information Tech Allocation declined because of the reason stated before.

Mr. Smith asked if Mrs. Burke-Miller could explain what the Insurance (1001-1001-910.0000) consists of?

Mrs. Burke-Miller said it is the property and liability insurance with MML.

Mr. O'Keefe said that the legal fees is a little low.

Mrs. Burke-Miller stated that when we proposed the budget we thought some of the union contracts would be settled. So that is why we lowered it. It may need a budget amendment for this line.

Council asked every department to cut their budget. City Council didn't cut their own budget.

2065 City Hall Page 13 & 14

Mrs. Burke-Miller stated that salaries permanent went up because there was a personnel change which will also change the fringe benefits. Information Tech Allocation has been reduced because of the reason stated earlier.

Council asked what City Hall expansion/lease debt is. They also wanted to know when that would be paid off. Also wanted to know when the Janitorial service is done.

Mrs. Burke-Miller said that is the expansion of this building. That is through April 1, 2021.

Mayor Zelenko stated the janitorial service contract is for 2 more years.

Council wanted to know what is in Contractual Services. Also wanted to know what equipment rental is for. Utilities are projected the same as last year. Shouldn't this have gone down because of the LED lights?

Mrs. Burke-Miller said that is for pest control, shredding services, scheduled maintenance on the elevator. Equipment rental is for the trucks for maintenance on the building, plowing of driveway or the mowers for the lawn. We did budget the \$1,000,000 for the pension unfunded liability.

Mayor Zelenko stated that the LED lights will help and not having all the lights in the office on.

Council asked if we could cut anything out of City Hall budget. What does overtime entail?

Mayor Zelenko said we could cut a little out of Building Maintenance & Supplies

(1001-2065-937.0000) which was for security upgrades. We really need to address the sprinkler system. Going to cut Building Maintenance & Supply (1001-265-937.0000) from \$35,000 to \$25,000.

Council is considering taking out the \$57,000 for the new boiler for City Hall which was on page 53 in the Capital Improvement request.

Mrs. Burke-Miller stated that overtime in City Hall is for the DPW to work at City Hall.

9099 Transfer Out Page 16

Mrs. Burke-Miller stated that Transfer Out is money transferred out to other funds from general fund. This time around we have transfer out to Fire Department, Police Department, Building Fund, Senior Citizen Fund and other funds. The one going out to other funds have historically stayed beneath the \$125,000. These amounts are for the special assessments. To the police fund because we are using some of the fund balance and only transferring \$500,000.

Council decided not to talk about Transfer out until they get to each department that requires a transfer.

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Council asked what falls under miscellaneous.

Mayor Zelenko said that under miscellaneous it is for a staff lunch, keys to the City, lunch when we have work detail from the jail. She said that she has already cut her budget.

Council asked who the training is for. Thoughts are to take \$3000 from the Training (1001-1071-864.0000).

Mayor stated the Training line item is for Paula Zelenko, Mayor; Sue Warren, Human Resources; Bette Bigsby, Benefits; Rik Hayman, Chief of Staff.

Council decided to take \$3000 from Training (1001-1071-864.0000); Training (1001-1071-864.0000) from \$10,000 to \$7,000.

Meeting was adjourned at 10:22 PM.



SCHEDULED

AGENDA ITEM (ID # 2977)

DOC ID: 2977

Proposed Budget for Fiscal Year 2017-2018.

COMMENTS - Current Meeting:

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ATTACHMENTS:

- Departments (DOCX)

- Assessing
- Treasurer
- Controller
- Election
- Clerk
- Council
- City Hall
- Public Service
- Transfers Out
- Self-Insurance
- Mayor

- Water
- Water Asset request
- Sewer
- Sewer Asset request
- Planning
- Zoning
- Building

- Fire
- Fire Capital Projects
- K Drug Law Enforcement
- Police

- IT Department
- Senior Citizens
- Senior Center Activities
- Burton Youth League
- Park and Recreation
- Police Fire Sculpture
- Veteran's Memorial
- Cancer Survivors Park
- Capital Improvements

- Motor Pool
- Motor Pool Asset Request
- Major Street
- Local Streets
- Rubbish
- Amy Street Capital Improvements
- Amy Street Debt

Final Budget discussion