CITY OF BURTON

BUDGET MEETING

MAY 27, 2015

MINUTES

Council Chambers	Budget Workshop	6:30 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Councilman Tom Martinbianco at 6:40 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Councilman	Present	
Duane Haskins	Councilman	Late	6:53 PM
Dennis O'Keefe	Councilman	Present	
Steven Heffner	Councilman	Present	
Ellen Ellenburg	Councilwoman	Present	
Vaughn Smith	Councilman	Present	
Steven Hatfield	Councilman	Present	

B. STAFF PRESENT

Paula Zelenko, Mayor
Rik Hayman, Chief of Staff
Sue Warren, Human Resources
Ginger Burke-Miller, Controller
Tom Osterholzer, Police Chief
Teresa Karsney, Clerk
Bette Bigsby, Park & Recreation Director (Arrived at 7:14 p.m.)

C. AUDIENCE PARTICIPATION

None

D. BUDGET DISCUSSION

1. Discussion on K-9 Unit Budget, Page 33

   Mrs. Burke-Miller stated this account is funded solely by donations.

   Mr. Martinbianco said we may need to fundraise for this K-9 unit since it is based strictly on donations or need to figure out a way to include it in the Police Budget because it looks like we only have another two years of funding.

2. Discussion on Drug Law Enforcement Budget, Page 32

   Mrs. Burke-Miller said this account is to keep track of the money the Police Department seizes. This is just a guess amount we feel we may seize over the next year. Money in this account can only be used for certain types of training related to drug seizures.

   Mr. Martinbianco asked about where the FANG dues are charged? Doesn't the money go into FANG.

Chief Osterholzer stated FANG dues are paid out of the Police Budget. This account is for drug seizure that the City Police do and does not go into FANG. These are done solely by our officers, with more patrolmen on the road we doing more of these drug seizure.

Mr. Hatfield asked where the $6,400.00 of exposure comes from.

Mrs. Burke-Miller stated it was just a guess to use the same amount we used in fiscal year 2013-2014.

3. Discussion on Police Budget, Page 25-26

Mrs. Burke-Miller stated that in the revenues for the Police under general ledger number 2007-000-691.5013 transfer from DDA is only $5,000.00. She said the DDA decided to only transfer $5,000.00 for Back 2 Bricks for the Police overtime. DDA felt with the passing of the police millage they wouldn't have to contribute as much.

Several Council members were not in agreement with the DDA decision to reduce the funding for police overtime for the Back 2 Bricks.

Chief Osterholzer stated there is a Back 2 Bricks meeting on grant funding but last time they received a grant it was only to be used in the City of Flint.

Mrs. Burke-Miller said that Federal Grant in fiscal year 2013-2014 was removed because that was to purchase the Hummers. Donations we put at $1,000.00. Sale of Assets; we don't expect any in the fiscal year 2015-2016. Contributions from General Fund we are expecting to use $650,000.00.

Mr. Martinbianco asked if we are replacing cars, why would we have a zero in sale of assets?

Mr. Hayman stated we have items that are going to be listed on My Bid. He said we would get a list of all the vehicles and get a base price for all of them.

Mrs. Burke-Miller stated that on the expenses the items that changed were the salaries permanent, fringe benefits, fringe benefits - OT for Back to the Bricks, gas and oil. Increases were in the HIDTA Grant Expense, D.H.E. and Safe Community Grant revenue side so this would also be a increase in the expenditure side. Contractual services increased because of the payment for in-car video system and mic fees. For Police vehicles we are proposing three patrol vehicles and one detective vehicle.

Mr. Hatfield asked why the I.T. Connectivity Charges are gone.

Chief Osterholzer stated that I.T. Connectivity was the in car report writing which we dropped in November because Mobile Data Terminal (MDT) we are getting has this capability. We dropped because the company would not prorate it for us and we didn't want to pay for something we weren't going to use for seven months.

Mr. Hatfield asked how they figure the detective pay.

Ms. Warren stated it is 5% of the highest patrol officer rate.

Mrs. Burke-Miller stated the salaries are being pulled into the budget through the BSA system.

Mr. Hatfield asked if the proposed number of 1.8 million is for 38 officers.

Mayor Zelenko stated it is for 39 officers because that is the number of officers we had when we proposed the budget.

Mr. Hatfield asked where is regular overtime charged?

Mrs. Burke-Miller stated she believes the overtime is charges to fringe benefits.

Mrs. Burke-Miller said that when you are looking at the labor cost some of the employee's wages are being charged to the grant line items.

Mrs. Burke-Miller stated that she opened up the payroll module and overtime is going to salaries permanent and that she had misspoke.

There was discussion on how many officers were being charged to the salaries permanent.

Mr. Smith asked is overtime going into fringes or salaries permanent.

Mrs. Burke-Miller stated if is salaries permanent. If she recalls correctly that the Police budget overtime go to salaries permanent and in other departments in the City it goes in fringe benefits.

Mr. O'Keefe asked why don't we have a separate general ledger number for overtime.

Mrs. Burke-Miller stated this is how it was set up before she started.

Mr. Hatfield asked if we can add a line item for overtime next year. Would like to see salaries permanent just be the salaries of the officers and a line for overtime.

Mr. Martinbianco asked Mrs. Burke-Miller to look at an officers fringe benefits to see what is in there.

Mrs Burke-Miller stated it includes sick, vacation, weapons proficiency, life and health insurance, payment instead of insurance, short/long term disability, vision, MERS, ten year, shift premiums, education and any lump sum pay outs. There are other small items also per each contract. She said also in salaries permanent is part of her salary, Bette's for benefits and Sue's for Human Resources. She said that by using the BSA module it makes it so much easier because it pulls all the wages and benefits in to the budgeting module for us.

Mr. Smith stated he was looking at the revenue and expenditure report from April 30, 2015 showing we are 10 months in and we have almost used all the money budgeted for fringe benefits. Why are we so much over budget when we have 2 months left. Is that the extra million dollar payment we made to MERS.

Mrs. Burke-Miller stated the fringes are high because of MERS. They changed they way they calculate the MERS amount instead of it being a percentage of their wages in Division 02, they changed it to calculate at 51% of everyone's salaries and the amount for the upcoming year it is 58.29%. The 58 % is the 35% cap that we have right now plus us making up the difference to get them to 9% for the employees. It is across everyone salaries instead of the two people left in the division. We are dealing with sins of past City Council and administrations.

Mr. Haskins asked what the addition cost was for 1.6 to 1.8 million in salaries permanent.

Mr. Smith asked if the extra million we paid MERS came out of general fund. How is this going to effect our MERS.

Mr. Hatfield said it took 20 years to get into this mess with MERS and it is going to take 20 years to get out of the mess.

Mrs. Burke-Miller said it is going to take 18 months to see the effect of the extra payments to MERS.

Mr. Smith asked how often do we report wages to MERS and when do we get an invoice.

Mrs. Burke-Miller stated we report wages monthly and get an invoice monthly.

Mr. Smith thinks we should not be transferring $650,000.00 From general fund it should only be $300,000.00 because we are over by $350,000.00 in salaries permanent.

Mrs. Burke-Miller asked if you are including in the overhead cost from other departments salary permanent and fringe benefits.

Mr. Hayman stated that the administration will get back with the Council on how many officers are being charged to the salaries permanent.

Mr. Hayman asked if there any other questions about the police budget.

Mr. Haskins asked how did we come up with the 2015-2016 budget for gas and oil.

Chief Osterholzer said it is a average used from 2013-2014 to 2014-2015 budget.

Mr. O'Keefe asked Chief Osterholzer on what has been going on over the past year.

Chief Osterholzer stated that all the new hires are doing a outstanding job. We are seeing a lot more aggressive patrol work. We have increased the minimum staffs per shifts. There is the constant battle with our boarders. We target our hot spots. We are planning on more Community Events: Stop the Silence with Sheriff

Department, Cop and Cones at Dairy Queen with Michigan State Police. We have been involved with the Holy Redeemer Festival and the security for that event.

Mr. O'Keefe stated that we increased the City positions by 16 only half of those increased were for police. But we budget for 42 officers and that did not come forward. I think that was wrong and looking at statistics we need the officers. He said the FBI statics are off the charts. I feel the number of police officers needs to increase in the City.

Mr. Martinbianco asked what is in contractual services?

Chief Osterholzer stated that the contractual services is the second payment for the in car video system of $18,000 and $13,000 for mic fees. Mic fees are a one time payment.

Mr. Hatfield wanted to talk about the I.T. in the police department. He feels the police should have access to ebay and Craig list to be able to look for stolen merchandise or identify people from facebook.

Mr. Hayman stated the I.T. Director will be at the next budget workshop and we can address that with him.

4. Discussion on Information Technology Department Budget, Page 51

   This item was not discussed and will be on the next budget meeting.

5. Discussion on Park & Recreation Budget, Page 10

   Mrs. Burke-Miller stated the first variance is with the Recreation Director Salary, we recommending $10,000.00. Parks and recreation community events has gone to $14,000.00. The three on three basketball event was canceled. Veterans Honor Run was over budget for 2014-2015 because we brought in more revenue and this way we gave more to the veterans. The three on three Basketball event was cancelled and we did have to refund money that came in for the sponsorship's. The is a new program for Movies in the Park for $700.00. Under Park projects there is a note that it is the East wall of Kelly Lake for soil erosion issue and parking lot at Settlement Park.

   Mrs. Ellenburg wanted to thank Mrs. Bigsby.

   Mr. Smith stated Mrs. Bigsby was very helpful with the Memorial Day Race. This race grew by a third.

   Mr. Heffner stated Mrs. Bigsby has been very busy with all these events. He asked if the money for Settlement Park is just rolled over from last year budget. He noted that we are no longer doing the Christmas at Courtland.

   Mrs. Bigsby stated no we are going to use that for Pizza with Santa at Bendle before the parade.

Mr. Heffner would like to change the By-laws on how the Park and Recreation people get paid. He also thinks it is great that we get to work with the different schools on our community events.

Mr. Smith stated these Park and Recreation events are how we showcase the City of Burton.

6. Any other Budget Section at Council discretion

Meeting was adjourned at 8:55 PM.

Discussion on K-9 Unit Budget, Page 33

Discussion on Drug Law Enforcement Budget, Page 32

AGENDA ITEM (ID # 1636)

DOC ID: 1636

Discussion on Police Budget, Page 25-26

Budget
4303 S. Center Rd.
Burton, MI 48519

SCHEDULED

AGENDA ITEM (ID # 1637)

Meeting: 05/27/15 06:30 PM
Department: Clerk's Office
Category: Budget
Prepared By: Teresa M. Karsney
Department Head: Teresa M. Karsney

DOC ID: 1637

Discussion on Information Technology Department Budget, Page 51

Discussion on Park & Recreation Budget, Page 10

Any other Budget Section at Council discretion