CITY OF BURTON
BUDGET WORKSHOP MINUTES
MAY 13, 2009, 4:00 P.M., COUNCIL CHAMBERS
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The Budget Workshop was called to order by Council President Tom Martinbianco at 4:07 p.m.

MEMBERS PRESENT: Zelenko, Tinnin, Martinbianco, Conley, Ellenburg, Haskins and Heffner.
MEMBERS ABSENT: None.
OTHERS PRESENT: K. Foster, Controller, Police Chief J. Benthall, Fire Chief D. Halstead, Asst. Chief D. Lacey, J. Johnson, Sr. Citizens Director, G. Kray, DPW Director, and J. Adams, Deputy City Clerk.

PURPOSE OF THE MEETING: COUNCIL WORKSHOP TO DISCUSS THE PROPOSED 2009-2010 CITY OF BURTON BUDGETS, AS FOLLOWS:

1. **Self-Insurance Fund**
2. **Public Service**
3. **Senior Citizens**
4. **Police**
5. **Fire**

Presentation and Discussion

Police Department, Pg. 13 & 14

Mrs. Foster indicated the Police Department budget had a 2.64% decrease over this year's estimated amount, or $128,925. The main decrease is in the fringe benefits with the new health and dental insurance, and the agreement to not take vacation payouts in January 2010.

For the current delinquent tax for next year, Mrs. Foster stated she still does not have the final numbers from the County. Of the most recent ones they have seen, we are very close to what she had estimated. Any change she will have to make for June will be a minimal increase.

Mrs. Tinnin inquired regarding District Court fees.
Chief Benthall stated they have gone down. They receive a check from the County with no back up, so it is difficult to tell.

Mr. Martinbianco referenced an increase in FANG charges.
Mrs. Foster said one Sergeant and one patrol officer is in FANG. The revenue received is 50% of their cost.

Chief Benthall said he applied for 2 grants. The first is for 3 officers. It will pay their full salary and fringe benefits for a 3 year period. After the 3 year period, we have to agree to keep them for one additional year without letting them go. For the other grant, Flint Township is the fiduciary, but Burton's share of this grant is $70,300. It is basically for equipment.

Mr. Martinbianco inquired regarding the cost of ammunition. Chief Benthall said they get their ammunition through the training consortium. The only cost we have had is maintenance and replacement of a shotgun. Mrs. Foster stated three years ago, a grant had replaced all the service weapons.

Mr. Martinbianco asked Chief Benthall to give a brief summary on the department since he has been back. Chief Benthall said morale has improved and he has received cooperation from all the police officers. With the recent economic problems, he sent out a memo that there would be no more training classes that required a fee, cars are to be turned off when nobody was in them, and other cost saving measures are in place. He has received 100% cooperation.

Chief Benthall said his people are doing their job well. The OST (Officer Safety Team) is tops not only in the County, but the Tri-County area as well. The Navy Seals are going to be training here which is quite a prestigious thing for the City of Burton.

Discussion continued concerning overtime, personnel, officers designated for FANG, building maintenance and the Courtland Center agreement.

Fire Department, Pg. 27

Mrs. Foster stated this budget is a 7% decrease over this year's appropriation, a total of $69,892. Regarding the vehicle lease expense, this new fiscal year will be the last year on the lease of those vehicles. In the future after next fiscal year, Mr. Halstead would like to continue budgeting that amount and transfer into capital improvements to start funding future vehicle purchases.

Discussion ensued regarding personnel and staffing at each Fire Station. Chief Halstead said he just put in for 2 grants. One grant would give new hoods for the firefighters at approximately $1,600. He also completed a Federal grant for $1,100,000 for 2 fire trucks. Our share of it will be $101,000 because we have to pay 10%.

The Federal government is going to allow fire departments to put in for shovel ready building grants. The money is there for $210,000,000, but the process has not been finalized yet as to how they are going to do it. The amount will be 9 to 11 million dollars per station to build. He does not think those grants will require 10%. Chief Halstead said he will put in for it as soon as they tell him how to do it. He wrote a local grant to the State for some of the stimulus money for the building. He does not know if they are doing anything with buildings, butt they started with infrastructure.

Chief Halstead said he has curtailed a lot of spending in the Fire Department. They have cut down on obligatory training. We are doing the training the State requires to maintain certification. The spirit of the fire department has not been broken by the economy. The guys appealed to the union to let them voluntarily do things without pay so they could still stay out in the community and do projects that were beneficial to the City. Mr. Martinbianco expressed that is note worthy of the department and more people should know about that.

Chief Halstead stated further he wants to come back to the Council in the future to go out for a millage. He believes he can get it and he can rescue other areas of the city by the Fire Department getting a millage. We operate completely out of the General Fund. City-wise, we are one of the few that do that. In watching the election results, every one of the millages passed.

A City with a population of 30,000, the average budget is any where from a million and a half to 2 ½ million dollars. Almost every one of them has some full time people. For a city our size, it is almost unheard of to operate the way we do with a total on-call department, and with the type of budget we have. There are so many things that we are in need of and these guys will do their job with what they got. We have been very fortunate as far as grants go.

Mrs. Tinnin inquired regarding the City's population. Mrs. Foster said the last estimate she saw on the Census website was 30,310. In 2000 it was 30,308.

Chief Halstead said the City is a mix of property with rural farmland, high-rise buildings, and a number of downtowns. The City needs to have the number of firefighters we have. Many times during the daytime, we lack enough people to adequately staff a rig. Sometimes we have to call other stations to get enough firefighters on the scene. Flint is 30 square miles and they have 5 stations. We are 23 ½ square miles and have 3 stations that are all on-call.

Chief Halstead indicated an estimated amount of about $60,000 is taken in between inspection fees that are charged and cost recovery fees. He stated many fire departments do not have that revenue source. It partially pays for Asst. Chief Dennis Lacy's salary.

Mrs. Conley inquired regarding the house purchased by Fire Station #2 on Belsay Road. She had concerns with it being abandoned in relation to the abandoned building ordinance. Chief Halstead indicated the house is currently used for training by both the Police and Fire Departments, and also by Genesee County training firefighters. A church group will be painting and doing exterior work on it. Volunteers mow the lawn.

Senior Citizens, Pg. 17 & 18

Mrs. Foster indicated overall in the upcoming fiscal year, this is a decrease of 16.86% over this year's estimates, or $67,400. The main reason is the millage revenue that we received through the County, is budgeted on the County's fiscal year that ends in September. As of yet, I do not know what amount of millage revenue will be received for October of 2010, and September of 2011.

Mrs. Foster explained further, once identified, she will come back to present to Council an incorporate that into our budget. We receive the millage money based on the County's fiscal year. The millage grant runs from October 1st through September 30th of the following year. It is collected on the winter taxes. For each item in the budget labeled millage, those are monies we are expending via the millage money we received from the County. The ones that say Burton, is our contribution to the fund on the expense side.

Mrs. Tinnin inquired concerning the revenue side, contribution from General Fund budgeted of $252,000.

Mrs. Foster stated on the Burton items, she is budgeting for an entire fiscal year. It is possible once we know how much millage money is available to us, she will get some of the millage money to replace the Burton money, which will reduce the contribution from General Fund. But at this point, she does not know how much we will be receiving so she cannot assume we are going to receive the same as last year.

Mr. Martibianco inquired regarding the percentage the City gets back from what the millage has been levied, compared to what other municipalities get back.

Mrs. Johnson stated with the senior centers, there are 2 levels of service and we have always been in the upper level. We receive the higher amount and that is split equally among the senior centers. The County's figures for last year's contract service agencies were $166,357 worth of services. This is for in-home chore services, in-home food services, personal needs, legal assistance, door-to-door MTA services, elder abuse services, and things like that.

Mr. Martinbianco asked if they have quantified that for the County fiscal year. Mrs. Johnson replied yes.

Mrs. Johnson said many of these service agencies were getting a hold of what was required of them and they have really blossomed. I expect these numbers next year will significantly increase.

Mrs. Johnson stated they are seeing more seniors coming in for meals. The quality and quantity of the meals have greatly improved. Some of the following ongoing services are free of charge to seniors at the Center: A Consumer Fraud officer comes to the Center once a week as well as an attorney from Eastern Michigan Legal Services. A nutritionist from the Michigan State Cooperative Extension Service comes twice a month. Mrs. Johnson also stated the Weatherization Program has had a huge response.

Mr. Martinbianco inquired regarding the Center's hall rental.
Mrs. Johnson said they have seen a little decrease in the hall rental.

Self Insurance Fund, Pg. 42

Mrs. Foster said in this fund are accumulative costs of providing health insurance, prescriptions and dental insurance to all the current employees. She has budgeted over this year's estimated expenses, a decrease of 1.87%, or $18,000. We are self-insured. Through the months, we charge all the departments based on the Blue Cross illustrative rates we are given. She hits the departments up every month for those costs for the employees they have. At the end she has to spread around or credit those departments based on the actual cost of providing the service. Being new with this program with Blue Cross, she doesn't have a good track record on the dental or prescriptions with them. She did the best she could with the numbers she had.

Mrs. Foster indicated on the actual year prior, that is the actual total costs for the current employees to provide health care and prescriptions for the last fiscal year. She budgeted based on new illustrative rates for this new plan, a 5% increase for next year. This contribution from other funds is money from all the other departments that flow into this fund, to fund those benefits.

Public Service, Pg. 27

Mrs. Foster indicated this new budget reflects an 8.7% increase over last year, or $45,000. She had to really increase the drains-at-large. Last year she budgeted for this fiscal year $72,000 but when she actually got the drains-at-large bill it was $95,000, and she had to come to Council for a transfer on that. She increased it to $100,000 for next year. She doesn't really know what that bill is going to be. Street Lighting she anticipates $390,000 for this year and she increased it to $410,000.

Mrs. Tinnin inquired concerning the Consumers rate increase.
Mrs. Foster said she has not heard anything yet.
Mrs. Zelenko said she thought they got the rate increase but not as much as they asked for.

Mr. Martinbianco inquired if we are getting more aggressive in weed cutting because of the abandoned homes. Mrs. Foster said she increased it $5,000, not really knowing the totally impact yet. These would be the ones not city-owned we have to go out and mow. She may end up having to do a transfer if it becomes even larger than that.

Mrs. Tinnin asked if there have been additional employees hired for weed cutting.
Mrs. Foster said not that she knows of yet.
Mr. Martinbianco asked if we approved the contract for this portion of the weed cutting.
Mr. Kray said there was an extension year because the prices were so low.

Mrs. Tinnin inquired regarding land acquisition for $11,300.
Mrs. Foster indicated it was a transfer done for Trail Ridge, the purchase price at the County auction.

Meeting adjourned at 5:10 p.m.

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