

Special City Commission Meeting
May 21, 2015

Mayor Mark J. Warba called the regular meeting of the City Commission to order 12:00 noon.

Present: Commissioners Lynn Anderson, Tom Hogenson, Lorraine James and Dan Rothstein; Mayor Mark J. Warba; City Manager Steve Sobers and City Treasurer Jon Locke.

Absent: City Attorney Eric Williams

There were eight persons in the audience.

PLEDGE OF ALLEGIANCE

GENERAL BUSINESS

City Treasurer Jon Locke presented a chart outlining street paving activities, which included the revenues and expenditures for Major and Local streets.

The Mayor allowed for public comment.

Rose Mary Jennings, 606 Bjornson Street, questioned the status of the \$50,000 funds that were originally set aside for the marciting of the pool.

Mr. Locke explained the \$50,000 is still intact, but depending what happens at the end of this year, that may have to be adjusted to \$36,000 to cover a \$14,000 shortfall in the pool fund. Mr. Sobers stated that the marciting may be good for another 2 – 3 years, before actual resurfacing will eventually need to be done. The pool will be operable this year. Funds are set aside earmarked for marciting, but if there is a shortfall elsewhere in the budget, those funds may be tapped.

Mr. Krueger requested a summary of what is happening to the Library budget. Mr. Locke stated that originally there was a \$50,000 cut and it was worked out that there was only a \$25,000 cut applied to the Library.

Mr. Krueger questioned if there were going to be any movement to get back to receiving monies from the townships. Mr. Sobers explained that there are discussions with the townships. All townships have indicated they do not wish to contribute anything but the penal fines. That is insufficient. Letters were written to those townships that had given monies in the past, and they were asked for donations. Two have indicated they are interested in contributing some money, but not at the 3/10 mill level. If those donations

are received, they will be put directly into the Library fund. By the end of the year, it is hoped to know where the townships are at.

Library Director Mariam Andres stated that the projected fund balance will be only \$100. She hopes there will be resolution with the townships to ensure sustainable funding for the library. Mayor Warba urged library staff to encourage township residents to go to their governing board and express the need for financial support for the library if they wish to continue to receive the benefit of the library.

Commissioner Hogenson pointed out that the City provides road repair, wastewater and water services and Public Safety services. These are all very important things that are provided for in the budget that total into the millions of dollars. Things need to be prioritized and items that require funding do get shifted at times.

Mr. Sobers stated there are basically four funds in the budget, swimming pool, library, Dial-a-Ride and the Airport, which are heavily subsidized by the General Fund. All these funds were clipped to have a balanced budget. If the City does get additional funds, these would be the four areas that would be looked at for restoring first.

The City is budgeting for a 1 mill levy for the library in this year's budget to help the library meet its expenses. This equates to about \$125 - \$150 per family. Commissioner Hogenson believes it is reasonable to ask the community to support this amenity. Mr. Sober stated that Big Rapids Township has expressed some interest in some sort of support.

Rose Mary Jennings stated that if fees are charged for the library, there needs to be sensitivity for those who cannot afford the fees. Hopefully, there could be donations that could help with individuals like that.

RESOLUTION NO. 15-50

Commissioner Hogenson moved, supported by Commissioner Rothstein, the adoption of the following:

RESOLUTION ADOPTING THE CITY OF BIG RAPIDS GENERAL APPROPRIATIONS ACT FOR FISCAL YEAR 2015 - 2016

WHEREAS, the City of Big Rapids is required to adopt a budget for the fiscal year beginning July 1, 2015 and

WHEREAS, the City Manager presented a budget in accordance with Public Act 621 of 1978 (MCL 141.435) to the City Commission on May 22, 2015, being the General, Special Revenue, Debt Service, and Capital Projects Funds and Information Summaries of the Enterprise, Internal Service and Fiduciary Funds, and

WHEREAS, a duly advertised, charter required public hearing was held May 4, 2015 to receive comments regarding the FY 15-16 proposed City Budget.

NOW, THEREFORE, BE IT RESOLVED, that the budget document presented with this resolution be adopted as the City's 2015/16 fiscal year budget and that the revenues for fiscal year commencing July 1, 2015, and ending June 30, 2016, on a fund and source basis are estimated as follows:

GENERAL FUND		
Taxes	\$4,747,100	
Licenses & Permits	56,800	
Grants	1,594,800	
Charges & Services	613,000	
Fines & Forfeits	80,700	
Interest & Rents	26,400	
Other	83,500	
Transfers-In	<u>1,156,300</u>	
TOTAL GENERAL REVENUES		\$8,358,600
MAJOR STREETS FUND		
State Trunkline Maintenance	\$106,300	
State Gas & Weight Tax	488,200	
Interest Earned	2,000	
Other	<u>500</u>	
TOTAL MAJOR STREET REVENUES		\$597,000
LOCAL STREETS FUND		
State Gas & Weight Tax	\$170,100	
Interest Earned	500	
Interest Charged	500	
Other	500	
Transfers-In	<u>275,000</u>	
TOTAL LOCAL STREET REVENUES		\$446,600
POOL FUND		
Interest Earned	\$ 500	
Other	2,100	
Charges for Services	31,200	
Transfers-In	<u>85,000</u>	

TOTAL POOL REVENUES		\$118,800
DOG PARK FUND		
Donations	\$1,200	
TOTAL DOG PARK REVENUES		\$1,200
DOWNTOWN DEVELOPMENT AUTHORITY FUND		
Property Tax	\$23,900	
Interest Earned	500	
Loan Interest	400	
Loan Principal	2,000	
Artworks Capital Campaign Donations	3,000	
Farmer's Market Fees & Coupons	<u>30,200</u>	
TOTAL DDA REVENUES		\$60,000
<u>LIBRARY FUND</u>		
Property Tax	\$158,600	
State Grants	11,000	
Sales & Services	4,900	
Income Tax Donation	500	
Penal Fines	100,000	
Library Fines	4,000	
Interest Earned	100	
Other	19,100	
Transfers-In	<u>144,800</u>	
TOTAL LIBRARY REVENUES		\$443,000
<u>AIRPORT FUND</u>		
Community/Municipal Hangar Rents	\$ 21,200	
Leasing/Other Fees	68,800	
Fuel Sales	200,000	
Transfers-In	<u>206,000</u>	
TOTAL AIRPORT REVENUES		\$496,000
<u>PS BLDG DEBT SERVICE FUND</u>		
Property Taxes - Current	\$396,400	
TOTAL PS BLDG DEBT REVENUES		\$396,400
<u>LIBRARY CAP IMPR BNDS-DEBT RET FUND</u>		
Transfers-In	\$55,100	
TOTAL LIBRARY IMPR DEBT REVENUES		\$55,100
<u>WATER DEBT SERVICE FUND</u>		
Transfers-In	\$340,100	
TOTAL WATER DEBT REVENUES		\$340,100

SEWER DEBT SERVICE FUND

Transfers-In	\$507,600	
TOTAL SEWER DEBT REVENUES		\$507,600

CAPITAL IMPROVEMENT PROJECTS FUND

Interest Earned	\$ 500	
TOTAL CAPITAL IMPROVEMENT REVENUES		\$ 500

LIBRARY CAP IMPR BNDS-CONS FUND

Donations	\$21,500	
TOTAL LIB CAP IMPR BNDS REVENUES		\$21,500

DIAL-A-RIDE FUND

Grants	\$362,900	
Fares & Sales	169,000	
Interest Earned	200	
Other	1,700	
Transfers-In	<u>93,900</u>	
TOTAL DIAL-A-RIDE REVENUES		\$627,700

RE-LENDING LOW INTEREST PROGRAM FUND

USDA Admin Fee, Interest & Principal	\$12,900	
Chemical Bank Interest & Principal	700	
Local Interest & Principal	<u>5,600</u>	
		\$19,200

SEWAGE DISPOSAL SYSTEM FUND

Sales & Services	\$ 12,000	
Sewer Charges	2,462,300	
Interest Earned	1,000	
Other	<u>500</u>	
TOTAL SEWAGE DISPOSAL REVENUES		\$2,475,800

WATER SUPPLY SYSTEM FUND

Sales & Services	110,000	
Water Sales	2,217,000	
Interest Earned	<u>3,000</u>	
TOTAL WATER SUPPLY REVENUES		\$2,330,000

SANITATION FUND

Sales & Services	\$1,211,100	
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TOTAL SANITATION REVENUES		\$1,211,100
<u>SEWER REPLACEMENT FUND</u>		
Interest Earned	2,000	
Transfer-In	<u>\$250,000</u>	
TOTAL SEWER REPLACEMENT REVENUES		\$252,000
<u>WATER REPLACEMENT FUND</u>		
Interest Earned	500	
Transfers-In	<u>\$425,000</u>	
TOTAL WATER REPLACEMENT REVENUES		\$425,500
<u>DPW SERVICES FUND</u>		
Services	\$1,239,300	
Other	<u>2,000</u>	
TOTAL DPW SERVICES REVENUES		\$1,241,300
MOTOR POOL FUND		
Rentals	\$955,600	
Interest Earned	2,000	
Other	<u>9,500</u>	
TOTAL MOTOR POOL REVENUES		\$967,100
<u>MUSKEGON RIVER SAFETY</u>		
Interest Earned	\$ 100	
Contributions	<u>1,000</u>	
TOTAL MUSKEGON RIVER SAF REVENUES		\$1,100
<u>MILLER & AHLGREN TRUST FUND</u>		
Interest Earned	<u>\$100</u>	
TOTAL MILLER & AHLGREN REVENUES		\$ 100
<u>SUSAN JENNINGS MEMORIAL FUND</u>		
Interest Earned	\$ 100	
Donations	<u>1,000</u>	
TOTAL SUSAN JENNINGS REVENUES		\$1,100
<u>PLAYSCAPE FUND</u>		
Interest Earned	<u>\$100</u>	
TOTAL PLAYSCAPE REVENUES		\$ 100
<u>RIVERWALK FUND</u>		
Interest Earned	\$ 100	

Grant	<u>1,000</u>	
TOTAL RIVERWALK REVENUES		\$1,100

ACT 345 RETIREMENT FUND

DB Employee Contributions	\$ 4,600	
DC Employee Contributions	140,000	
DB Employer Contributions	457,500	
DC Employer Contributions	212,400	
457 Plan	4,100	
Stock Dividends	250,000	
Bond Interest	<u>25,000</u>	
TOTAL ACT 345 REVENUES		\$1,093,600

BE IT FURTHER RESOLVED, expenditures for the fiscal year commencing July 1, 2015 and ending June 30, 2016, are appropriated on a fund and activity basis as follows:

GENERAL FUND

City Commission	\$112,300
Mayor	5,500
City Manager	142,200
Elections	10,100
City Assessor	100,200
City Attorney	218,100
City Clerk	332,400
General and Administrative	31,000
City Treasurer	372,200
Income Tax	141,300
Information Management	595,500
Public Buildings	70,100
Personnel Administration	17,800
Police	2,258,900
Fire	924,600
Public Safety	559,100
Plan Board	500
Neighborhood Services	240,100
Public Works	514,500
Sidewalks, Alleys and Storm Sewers	158,000
Parking	95,700
Downtown	77,400
Park Facilities	462,500

Recreation	104,800	
Debt Service	108,500	
Transfers-Out	<u>704,700</u>	
TOTAL GENERAL EXPENDITURES		\$8,358,000

MAJOR STREETS FUND

Public Works	\$ 3,900	
Street Construction	120,000	
Routine Maintenance	121,900	
Sweeping & Flushing	20,900	
Trees & Shrubs	11,700	
Drainage Structures	49,600	
Grass & Weed Control	1,100	
Routine Maintenance-Bridges	2,200	
Traffic Signs-Maintenance	30,900	
Traffic Signals-Maintenance	7,100	
Pavement Markings	18,000	
Winter Maintenance	132,200	
State Trunkline-Traffic Signal Maintenance	5,800	
State Trunkline-Surface Maintenance	23,000	
State Trunkline-Sweeping & Flushing	11,400	
State Trunkline-Trees & Shrubs	1,400	
State Trunkline-Drainage Structures	16,000	
State Trunkline-Roadside Cleanup	2,000	
State Trunkline-Grass & Weed Control	2,600	
State Trunkline-Traffic Signs	2,200	
State Trunkline-Winter Maintenance	89,400	
Transfers-Out	<u>156,700</u>	
TOTAL MAJOR STREET EXPENDITURES		\$830,000

LOCAL STREETS FUND

Public Works	\$ 2,000
Street Construction	56,000
Routine Maintenance	156,800
Sweeping & Flushing	27,700
Trees & Shrubs	9,500
Drainage Structures	67,400
Grass & Weed Control	4,000
Traffic Signs-Maintenance	16,800
Traffic Signals-Maintenance	1,000

Pavement Markings	10,900	
Winter Maintenance	144,600	
Transfers-Out	<u>58,000</u>	
TOTAL LOCAL STREET EXPENDITURES		\$554,700

POOL FUND

Operational	\$133,300	
Transfers-Out	<u>16,500</u>	
TOTAL POOL EXPENDITURES		\$149,800

DOG PARK FUND

Supplies	<u>\$1,000</u>	
TOTAL DOG PARK EXPENDITURES		\$1,000

DOWNTOWN DEVELOPMENT AUTHORITY FUND

DDA	\$86,300	
Transfers-Out	<u>3,000</u>	
TOTAL DDA EXPENDITURES		\$89,300

LIBRARY FUND

Public Buildings	\$ 42,100	
Community Library	266,500	
Transfers-Out	<u>139,300</u>	
TOTAL LIBRARY EXPENDITURES		\$447,900

AIRPORT FUND

Operational	\$379,400	
Debt Service	77,000	
Transfers-Out	<u>49,800</u>	
TOTAL AIRPORT EXPENDITURES		\$506,200

PS BLDG DEBT SERVICE FUND

Debt Service	<u>\$396,400</u>	
TOTAL PS BLDG DEBT SER EXPENDITURES		\$396,400

LIBRARY CAP IMPR BNDS-DEBT RET FUND

Debt Service	<u>\$55,100</u>	
TOTAL LIBRARY DEBT SER EXPENDITURES		\$55,100

WATER DEBT SERVICE FUND

Debt Service	<u>\$340,100</u>	
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TOTAL WATER DEBT SER EXPENDITURES		\$340,100
SEWER DEBT SERVICE FUND		
Debt Service	\$507,600	
TOTAL SEWER DEBT SER EXPENDITURES		\$507,600
<u>CAPITAL IMPROVEMENT PROJECTS FUND</u>		
General Government	\$5,000	
TOTAL CAP. IMPR. EXPENDITURES		\$5,000
DIAL-A-RIDE FUND		
Labor	\$380,000	
Administrative & General	57,800	
Materials & Supplies	173,500	
Transfers-Out	<u>47,200</u>	
TOTAL DIAL-A-RIDE EXPENDITURES		\$658,500
<u>RE-LENDING LOW INTEREST PROGRAM FUND</u>		
USDA IRP Principal	\$6,500	
USDA IRP Interest	<u>500</u>	
TOTAL RE-LENDING EXPENDITURES		\$7,000
SEWAGE DISPOSAL SYSTEM FUND		
Production	\$961,600	
Transmission	380,500	
Customer Services	33,800	
Industrial Pretreatment	160,900	
Lift Stations	14,200	
Big Rapids Township	900	
Transfers-Out	<u>1,021,600</u>	
TOTAL SEWAGE DISPOSAL EXPENDITURES		\$2,573,500
WATER SUPPLY SYSTEM FUND		
Production	\$1,151,900	
Transmission	543,300	
Customer Services	33,800	
Transfers-Out	<u>997,400</u>	
TOTAL WATER SUPPLY EXPENDITURES		\$2,726,400
SANITATION FUND		
Leaf Pickup & Composting	\$ 60,500	

Garbage Disposal/Composting	973,800	
Customer Services	43,000	
Transfers-Out	<u>127,800</u>	
TOTAL SANITATION EXPENDITURES		\$1,205,100
SEWER REPLACEMENT FUND		
Equipment & Project Costs	<u>\$330,000</u>	
TOTAL SEWER REPL EXPENDITURES		\$330,000
WATER REPLACEMENT FUND		
Equipment & Project Costs	<u>\$250,100</u>	
TOTAL WATER REPL EXPENDITURES		\$250,100
DPW FUND		
Administrative & General	\$1,121,000	
Transfer-Out	<u>133,300</u>	
TOTAL DPW EXPENDITURES		\$1,254,300
MOTOR POOL FUND		
Administrative & General	\$628,000	
Transfer-Out	<u>83,500</u>	
TOTAL MOTOR POOL EXPENDITURES		\$711,500
INSURANCE FUND		
Administrative	<u>\$3,000</u>	
TOTAL INSURANCE EXPENDITURES		\$3,000
MUSKEGON RIVER SAFETY FUND		
Administrative	<u>\$6,500</u>	
TOTAL RIVER SAFETY EXPENDITURES		\$6,500
SUSAN JENNINGS MEMORIAL FUND		
Administrative	<u>\$1,000</u>	
TOTAL SUSAN JENNINGS EXPENDITURES		\$1,000
RIVERWALK FUND		
Administrative	<u>\$1,000</u>	
TOTAL RIVERWALK EXPENDITURES		\$1,000

ACT 345 RETIREMENT FUND

Administration

\$980,900

TOTAL ACT 345 RETIREMENT EXPENDITURES

\$980,900

BE IT FURTHER RESOLVED, the City Manager is authorized to amend individual line items within the FY 15-16 City of Big Rapids Budget such that the General Fund and all other fund totals remained unchanged, and

BE IT FURTHER RESOLVED, FUND 701 -- Trust & Agency, FUND 703 -- Tax Collection, FUND 705 -- Income Tax, FUND 731 -- Supplemental Pension, FUND 750 -- Payroll, and FUND 751 -- Housing -- Payroll do not have budgeted revenues or expenditures, are balance sheet accounts, and therefore, do not have fund balances.

BE IT FURTHER RESOLVED, the FY 15-16 anticipated fund balance carry-overs are recognized such that the expenditures appropriated do not exceed the sum of the anticipated revenues plus the carry-overs on a fund-by-fund basis as attached.

BE IT FURTHER RESOLVED, the City Commission levies a tax of 11.2334 mills for the period of July 1, 2015 through June 30, 2016, on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same. The remainder of the tax is levied for the purpose of defraying the general expense and liability of the City of Big Rapids and is levied pursuant to the Charter of the City of Big Rapids. The maximum authorized levy according to the City Charter is 15.0 mills, and

BE IT FURTHER RESOLVED, the City Commission levies a tax of 1.0000 mil as part of the 11.2334 mills for the period of July 1, 2015 through June 30, 2016, on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same to be used exclusively for the annual street program, to include street and alley surface infrastructure only (asphalt, milling, striping etc.) This mil does not include utility work or complete street rebuilding.

BE IT FURTHER RESOLVED, the City Commission levies a tax of 4.2239 mills for the period of July 1, 2015 through June 30, 2016, on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same. This tax is levied for the purpose of defraying the cost of supporting the retirement plan for qualified personnel of the Department of Public Safety of the City of Big Rapids pursuant to the provisions of ACT 345 of the Public Acts of 1937, as amended, as approved by a vote on August 7, 1972, and

BE IT FURTHER RESOLVED, the City Commission levies a tax of 2.4994 mills for the period of July 1, 2015 through June 30, 2016, on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same. This tax is levied for the purpose of defraying the cost of paying principal and interest payments and agent fees for the Public Safety Building bond, and

BE IT FURTHER RESOLVED, the City Commission levies a tax of 1.0000 mil for the period of July 1, 2015 through June 30, 2016, on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same to be used exclusively for library operations.

BE IT FURTHER RESOLVED, the City Commission does hereby levy a tax of 2.0000 mills for the period of July 1, 2015 through June 30, 2016 on all real and personal taxable property in the City of Big Rapids, according to the valuation of the same in a district known as Downtown Development District. This tax is levied for the purpose of defraying the cost of Downtown Development Authority, and

BE IT FURTHER RESOLVED, the City Commission imposes a 1% administration and collection fee on all levies of property taxes pursuant to MCL 211.44.

Yeas: Anderson, Hogenson, James, Rothstein, Warba
Nays: None
The Mayor declared the Resolution adopted.
Dated: May 21, 2015

There being no further comments to come before the City Commission, the Mayor declared the meeting adjourned at 12:58 p.m.

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Mayor Mark J. Warba

Roberta R. Cline, City Clerk