**City of Marine City**

**City Commission – Budget Workshop**

**May 18, 2020**

A budget workshop meeting of the Marine City Commission was held on Monday, May 18, 2020 by virtual telephone conference, and was called to order by Mayor Dave Vandenbossche at 6:00 pm.

Present: Mayor Dave Vandenbossche; Commissioners Jacob Bryson, Elizabeth Hendrick, Wendy Kellehan, William Klaassen (joined the meeting at 6:14 pm), Paul Merchant, Cheryl Vercammen; City Manager Elaine Leven, City Clerk Kristen Baxter

**APPROVE AGENDA**

Motion by Commissioner Merchant, seconded by Commissioner Vercammen, to approve the Agenda. **Roll Call Vote.** Ayes: Vandenbossche, Bryson, Hendrick, Kellehan, Merchant, Vercammen. Nays: None. Motion Carried.

**PUBLIC COMMENT**

None.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

2020-2021 Budget

City Manager Leven explained with the new budget format, notes were put on pertinent items that were subject to critical attention. She said the format was streamlined to make it easier to read and understand. City Manager Leven stated that our current budget was favorable with completed road projects, updates in the parks, improvements to water treatment and waste water treatment plants, and grants received for park equipment.

City Manager Leven summarized the City’s financial position as being in a good financial position, a benefit to the City practicing very good spending and controlling our budget. She reported that we have had a number of years in a row with budget surpluses and a low debt load.

A Covid-19 impact discussion was led by Treasurer/Finance Director Megan Pearce who explained where the City was at with expenditures and savings due to the virus. She reported that the City had spent approximately $2,000 for supplies (disinfectant, wipes, hand sanitizer, masks, technological advancements in the form of Zoom meetings, securing additional VPN licenses, and a sneeze guard installed by DPW at City offices). She also reported monetary savings from employees working remotely, such as reduced heat and electricity bills, office supplies, cleaning services, reduced DPW and Police Department fuel consumption, and postponing the hire of seasonal employees and a new DPW Office Manager.

Other items affected by COVID-19 include:

* Election expenses in the election budget potentially increased to $4500 (mainly for postage)
* A proposed new bill to eliminate interest on taxes
* New projections received on local and major street funds
* A loss of approximately $18,000 in revenue in the water/sewer fund due to not assessing water penalties during the months March-August

Treasurer/Finance Director Pearce outlined a few items of interest in the 2020/2021 budget:

Estimated revenues from General Fund:

* Property tax computations with estimated millages
* Sales tax and CVT payment forecast revenue decreased
* Refuse increase
* New allocation of investments to generate higher interest earnings

City Manager

Highlighted items included: a functional computer desk for new office – will hold for a future time. Increase in rates for mileage reimbursement.

Assessor

Commissioner Hendrick requested a monthly report from Assessor.

City Clerk

Highlighted items included: discussion regarding contractual services and cutting back on the number of ordinance updates in the future, lodging for conferences due to transitional year integrating Deputy Clerk for training.

Treasury

Highlighted items included: Treasurer/Finance Director position changed from part-time to full-time, dependent change, costs for contractual help to assist Treasurer’s Department with transition from past Treasurer to new Treasurer.

Election Budget

Highlighted items included: maintenance fees on tabulators, and substantial change in postage if required by the State of Michigan to mail ballots to all registered voters.

Police Department

Highlighted items included: State-mandated emergency training, vehicle maintenance, vehicle purchase (discussed lease options), the sale of the Chief’s vehicle and 2009 Tahoe.

Inspections/Code Enforcement

Highlighted items included: went from full time employee to a part-time Building Official and part-time Code Enforcement Officer, County GIS mapping.

General Maintenance

Highlighted items included: changing exterior lights at DPW to LED, replacement of a DPW furnace.

Street Lighting

Highlighted items included: DTE rate increase, updating lighting to LED.

Planning

Highlighted item included: Planning Consultant attending Planning Commission meetings. Commissioner Klaassen inquired if the City was going to bid out services for attending Planning Commission meetings.

Recreation/Park Facilities

Highlighted items included: DPW Superintendent Itrich suggested focusing solely on the new kayak launch and postpone other items with the Board in agreement. Commissioner Bryson strongly suggested that DPW Itrich, prior to moving forward with kayak launch, look into permitting issues with the State.

Major Street Fund

Highlighted items included: updated revenue projections received from the State changed to $305,000, purchase of snow bucket for 2018 JCB.

Local Street Fund

Highlighted item included: updated revenue projections received from the State changed to $125,000, discussion on improvements to Bell and St. Clair Streets and if we had the money to move forward with both streets or should we limit to one street. DPW Superintendent Itrich stated that he was concerned about a shortfall in the 2021-2022 budget if we did both. The Board said that they would like to continue moving forward with both streets in this fiscal year.

**ADJOURNMENT**

Motion by Commissioner Hendrick, seconded by Commissioner Kellehan, to adjourn at 8:09 pm. **Roll Call Vote**. Ayes: Vandenbossche, Bryson, Hendrick, Kellehan, Klaassen, Merchant, Vercammen. Nays: None. Motion Carried.

Respectfully submitted,

Kristen Baxter

City Clerk