**City of Marine City**

**City Commission – Budget Workshop - *Revised***

**April 18, 2023**

A Budget Workshop meeting of the Marine City Commission was held on Tuesday, April 18, 2023 at 260 South Parker Street, Marine City, and was called to order by Mayor Jennifer Vandenbossche at 6:15 pm.

Present: Mayor Jennifer Vandenbossche; Commissioners Jacob Bryson, Elizabeth Hendrick, William Klaassen, Brian Ross, Rita Roehrig, Michael Hilferink; Interim City Manager Jim Heaslip; Interim City Clerk Jason Bell.

Also Present: Mary Ellen McDonald, Nichole Lasecki, Christina Mann

**PUBLIC COMMENT**

No Public Comments were made.

**APPROVE AGENDA**

Motion by Commissioner Hendrick, seconded by Commissioner Ross, to approve the Agenda. All Ayes. Motion Carried.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

2023-2024 Fiscal Year Budget

Interim City Manager Heaslip stated he and Mary Ellen had started the budget process and completed it as Nichole was preoccupied with correcting issues from the audit and that she would be trained throughout the year on the budget process. He stated Mary Ellen had prepared the budget and she did the best she could based on the current budget, finances and audit issues. Mary Ellen McDonald gave a General Fund recap and stated ARPA funds needed to be discussed and earmarked for projects. She also stated that budget amendments would be needed for various reasons and used grant funds not yet received which were not accounted for in the budget. Mayor Vandenbossche stated the Commission would discuss ARPA fund allocations during the May meetings.

Revenue:

Mary Ellen McDonald stated that grant monies were not included in the proposed budget and it will need to be amended once those funds are received.

Commissioner Hendrick requested to go through certain revenue line items to clarify some of them to people who may not know what they are. Mary Ellen McDonald discussed Payment in Lieu of Taxes (PILT) and stated this was for the DNR Boat Launch site and only basic taxes were paid on this site.

McDonald discussed the Hotel Project revenue and stated it is from the Brownfield payments and that money needed to be sent to the County.

Commissioner Ross inquired if the $272,000 was from the DNR for the Marina site. Interim City Manager stated those funds were from the DNR grant for the Marina site and a pending DTE bill was holding up the final release of that money, but that had since been taken care of.

McDonald spoke on grant revenue GL’s being set up incorrectly.

City Commission:

Mary Ellen McDonald spoke on presented budget and that it could be changed if needed. Commissioner Ross made a note on training and stated if every Commissioner took training it would total $735, not the $500 that was budgeted. Commissioner Hendrick stated there was no need to change as all Commissioners may not take training.

City Manager:

Mary Ellen McDonald stated the City Manager salary was split between this budget and Water/Sewer. Interim City Manager Heaslip stated these were the numbers presented and could be changed down the road once a candidate for City Manager was selected. $5,000 for Part Time wages would need to be added for grant writing reimbursement per wage table and that would also change benefit numbers as well.

Commissioner Hendrick inquired if any other memberships were built into the budget other than ICMA. Mary Ellen McDonald stated the only thing paid this past budget was for MML but was unsure why that membership payment was in there.

Commissioner Hendrick inquired as to why the health insurance was budgeted at $12,000, Mary Ellen McDonald stated that was if the candidate took health insurance and did not reserve for a buyout.

City Clerk:

Mary Ellen McDonald stated that wages were split between this budget and Water/Sewer and indicated the increase was for the new Clerk starting at $65,000 and a 3% wage increase for the Deputy Clerk.

Commissioner Hendrick stated she believed the insurance costs were too low and needed to be adjusted.

Commissioner Hendrick stated there was $13,000 in the budget for ordinance renewal last year as well. Interim City Manager Heaslip stated that money was kept in the budget as the current expenses were low and it did not appear the money was used for ordinance updates.

Commissioner Hendrick inquired if the communications budget line was different for every department.

External Audit

Mary Ellen McDonald stated these funds were split between multiple accounts.

Commissioner Hendrick stated this figure was too low based on previous audits and was requesting and increase to $50,000.

Actuarial Services

Mary Ellen McDonald stated this budget item was for OPEB which is retiree health care.

Treasurer/Finance Department:

Mary Ellen McDonald stated Nichole Lasecki had requested an additional part time employee in the budget. This request would increase office equipment as the additional employee would need a computer, desk, chair, etc. She also stated there was money in the budget for Nichole’s certifications and training.

Commissioner Hendrick stated the total budgets year over year had a large increase and Mary Ellen McDonald stated that was due to UHY.

Commissioner Hendrick inquired on the negative services charge line item and Mary Ellen McDonald stated that was a mis posting.

Commissioner Ross inquired if the additional part time employee would *cost* $16,000 as presented. Mary Ellen McDonald stated it would and the cost would be split between this account and Water/Sewer.

Assessor/Equalization Department:

Mary Ellen McDonald stated this was a contracted position with the County and included software. Commissioner Hendrick inquired when the contract was up, Interim City Manager Heaslip believed it was 2025.

Elections

It was stated there was a Presidential Primary Election in February 2024.

Building/Grounds:

Mary Ellen McDonald stated the equipment lease line item was for printers/copiers; contractual services was for cleaning, security and Channel 6.

Commissioner Hendrick stated the budget for land and building repairs was $50,000 last year. DPW Supervisor Itrich stated that line item is for City Offices, Library and 300 Broadway. Commissioner Hilferink inquired if we paid for Library maintenance and Itrich stated we do as it is a City owned building.

Commissioner Ross inquired if any of the land and building repairs were ARPA eligible to help offset the budget. Itrich advised there was not.

Legal and Professional

Commissioner Hendrick inquired why there was an increase. Mary Ellen McDonald stated the projected for current budget year was higher than budgeted for so she increased it.

Human Resources

Mary Ellen McDonald stated the actuarial services were for retiree health care and that OPEB was retiree health care for employees retired and paid from the General Fund.

Commissioner Hendrick stated there would be new appraisals coming for City buildings and to prepare for that.

Special Projects:

Mary Ellen McDonald stated this budget includes the sidewalk incentive program.

Commissioner Ross inquired if this can be decreased due to history. DPW Supervisor Itrich stated the current encumbrances did not include the whole year. Commission wanted that program decreased to $2,500.

Police Department:

Chief Heaslip stated the increase in Full Time wages was due to a new contract and a 3% wage increase for non-contractual employees and that Part Time wages were added back to alleviate a large overtime budget.

Chief Heaslip stated $47,000 in ARPA funds was budgeted for a new patrol car due to age and miles. Commissioner Hendrick inquired on leasing vehicles and Chief Heaslip stated he would speak with the new City Manager on the program once one is selected. Commissioner Hendrick stated if the City had ARPA funds and needed to expend them, if the Police Department could use two new patrol cars. Chief Heaslip stated he would research the price of two new patrol vehicles.

Commissioner Hendrick inquired on the FLOCK camera system and if that was budgeted for once the grant money ran out. Chief Heaslip stated that project was not complete yet and he did not budget for it in this next budget.

Commissioner Hendrick inquired if the overtime funds budgeted for were adequate as the current expenses were high Chief Heaslip stated the budgeted amount was good as the part time officers were back to offset.

Fire Authority:

Mary Ellen McDonald stated she was just informed by Mayor Vandenbossche the Fire Authority budget needed to be increased to $258,100.

Inspections/Code Enforcement:

Mary Ellen McDonald stated the projected amount is higher so a budget amendment will be needed.

Commissioner Hilferink inquired if the Building Inspectors fees were contractual to which McDonald stated they were. Commissioner Hilferink requested a year to date on the fees to see if a full time building inspector would be more beneficial.

General Maintenance:

DPW Supervisor Itrich spoke on the purchase of a new truck for the DPW for a cost of $200,000. Mary Ellen McDonald stated the truck purchase was split between different accounts in the budget.

Commissioner Hendrick inquired if the old bucket truck will be sold. Itrich stated the bucket truck will be put out for bid.

Commissioner Ross inquired if ARPA funds can used for anything in General Maintenance, Itrich stated he would look into it.

Street Lighting

Mary Ellen McDonald stated the budgeted amount was based on projected. Commissioner Hendrick and DPW Supervisor Itrich both stated that DTE rates were increasing. Itrich requested this budget be increased to $93,000.

Watershed Council

Mary Ellen McDonald stated this budget was a requirement per the watershed and was for meetings for membership.

Safety Program

Mary Ellen McDonald stated this is part of liability insurance requirements.

Planning:

Mary Ellen McDonald stated there was a negative expense in this budget. Commissioner Hendrick stated the CED Board uses their own money and a process has to be followed for allowable expenses.

Recreation:

Commissioner Hendrick stated she would like to see more porta johns and security cameras throughout the parks. Interim City Manager Heaslip stated ARPA funds can be used for security cameras. Requested increase to $8,400 in contractual services to account for additional porta johns.

Commissioner Hendrick inquired about the sign for the Memorial, Itrich stated they were still waiting on an answer.

Mary Ellen McDonald stated $26,000 needed to be added in for Capital Outlay Land Improvements as it was no included in budget was accounted for in the explanation of increase for beach improvements.

Library

Mary Ellen McDonald stated parts of this budget were reimbursed such as gas, electric and communications.

Museum:

DPW Superintendent Itrich indicated the members who run the museum were amazing and usually replace things on their own and they seldomly ask for anything from the City which keeps the budget low.

**ADJOURNMENT**

Motion by Commissioner Hendrick, seconded by Commissioner Hilferink, to adjourn at 8:26 pm. All Ayes. Motion Carried.

 Respectfully submitted,

 Jason A. Bell

 Interim City Clerk