

City of Albion
Study Session Minutes
November 13, 2017

I. CALL TO ORDER

Mayor Brown called the meeting to order at 7:00 p.m.

II. ROLL CALL

PRESENT: Council Members Lenn Reid (2), Marcola Lawler (4), Jeanette Spicer (5) and Andrew French (6) and Mayor Brown. Council Members Maurice Barnes (1) and Sonya Brown (3) were absent.

ABSENT: Council Members Maurice Barnes (1) and Sonya Brown (3).

STAFF PRESENT:

Sheryl Mitchell, City Manager; Cullen Harkness, City Attorney; Jill Domingo, City Clerk; Tom Mead, Finance Director; Scott Kipp, Chief Public Safety and John Tracy, Director Planning, Building & Code Enforcement.

III. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to **agenda items only** and to no more than three (3) minutes. Proper decorum is required).

No public comments were received.

IV. ITEMS FOR INDIVIDUAL DISCUSSION

Finance Director Mead gave the following budget update:

A. Fund 208-Recreation

- The most significant change is moving Recreation Director wages to full time (208-780-702) instead of part time
- No changes for total expenses
- Will be a tight budget
- Grants/donations are unknown or uncertain so unless we are aware of a specific grant and/or donation, it is not generally reflected in the budget.
- Conservative revenue numbers
- We currently have two permanent part time employees and the remainder are seasonal depending on what programs are being ran.
- Previously the Recreation Director was working more hours than part time hours, therefore to comply with the Fair Labor Standards Act, he was made a full time employee with benefits.

B. Fund 275-Albion Building Authority

- Most of the revenue for this fund is interest income

- Dept 260-is administrative fees
- Dept 264-EDC Building-In 2018, the tenants occupying this building will be moving so therefore there will be no rental income. The building will be up for sale shortly. The ABA will still pay some utilities until the building sells.
- Dept 265-201 N. Clinton St-A.G. Edwards pays \$1.00 per month rent and \$125.00 per month in lieu of property taxes. They also pay all utilities and expenses. The ABA does pay insurance on the building.
- Dept 270-Per agreement with Albion Department of Public Safety, they will pay expenses for building in lieu of rent
- Dept 271-Fire/Ambulance Building-The rent revenue for this fund come from Albion Department of Public Safety and Huron Valley Ambulance. The amount for Huron Valley Ambulance is estimated. The expenses are the same as last year.
- Dept 273 Food Hub-No revenue although they hope to renovate and rent upstairs apartments. Pays minimal monthly meter fees.
- ABA may have a deficit of \$(3,825.00), however they have fund balance to cover this.
- 309 N. Superior Street property will be on the market soon.

C. Fund 277-Maple Grove Apartments- Rental rates are established by HUD. They have \$443,000 in rental income. They will have \$31,000 remaining after the bond payment and expense are paid.

D. Fund 202-Major Streets

- The State has increased the amount of Act 51 funding paid to local municipalities which has helped this fund significantly.
- Revenues are up and have continued to increase.
- No changes in expenses from last year.
- Anticipating \$43,000 remaining after \$190,000 transfer to local streets
- A small portion of Act 51 money must be spent on non-motorized items such as bike lanes and walking trails.
- This fund is primarily used for maintenance, plowing the roads and repairing potholes of major streets

E. Fund 203-Local Streets

- Act 51 funds for local streets is less than major streets
- We are able to transfer funds from major streets to local streets
- The increase in state funding has been very helpful
- This fund is primarily used for maintenance, plowing the roads and repairing potholes of local streets
- Anticipating \$16,457 remaining that will transfer to local streets fund balance. This helps to build fund balance.

F. Fund 450-Street Improvement Fund

- The street millage money is put into this fund
- We levy 3 mills which is about \$223,000
- Nothing has been planned or approved for street improvements

- Street improvements have previously been rotated by precincts to help road repair throughout the City
- In 2019, MDOT will be looking at funding Irwin Avenue. We are hoping to save some funding from the street improvement fund to help with local match for Irwin Avenue.

G. Fund 452-MDOT Reconstruction

- This fund is used when MDOT is involved in a project
- No activity is anticipated for 2018

H. Personnel & Salaries/Wages

- City Manager Mitchell stated we currently have no mechanism to increase base salaries for management staff. She would like to incorporate either step increases within the salary range or performance based bonuses.
- There is a small change in wage allocation for the EDC/TIFA funds.

I. Fee Schedules

- Increase in balance request form-change \$5.00 to \$10.00 per parcel which would help re-coop cost for staff time
- Cost to be determined for perpetual care for the cemetery
- No other fee changes
- It was asked whether the City regularly reviews the fee schedules and whether we do any sort of comparison with other cities? The fee schedule has only been reviewed previously when things arise.
- We are waiting for recommendations for water and sewer rate increases. Recommended increases in sewer rates will come from the SAW grant report and proposed water rate increases will come from Engineer Mickey Bittner

J. Budget Wrap Up

City Manager Mitchell advised of additional budget considerations as follows:

- Capital Improvement Projects
- 2018 Goals
- Albion Marshall Connector (Estimated \$15,000)
- Cemetery
 - Perpetual Care-Ordinance & Fee Structure
- Municode Update
- Planning Commission
 - \$4,000 Redevelopment Ready Match Requirements
- Charter Revision (Estimated \$60,000-\$100,000)
- Staff Support
 - Clerk/Elections-Full Time Share with Finance Treasury
 - Finance/Treasury-Full Time Share with Clerk/Elections
 - City Manager-Part Time
 - Code Enforcement-Part Time Code Enforcement Officer and Part Time Administrative

- Dalrymple Property Maintenance Costs

Questions/Comments from the Mayor and Council:

- Can a study session be scheduled to discuss staff support
- Check to see if Rieger Park was put into the 2018 budget
- Would like to see MML Training for Council & Boards & Commissions
- Can money be used from the Albion Trust for the Municode Update? No

Comments were received from Council Members Lawler, French, Spicer and Reid and Mayor Brown.

- IV. PUBLIC COMMENTS (Persons addressing the City Council shall limit their comments to no more than three (3) minutes. Proper decorum is required).

Comments were received from Mark Lelle, 422 Elizabeth St; John Face, 812 N. Eaton St and John Dunklin, 1203 Second St.

- V. ADJOURNMENT

Spicer moved, Lawler supported, CARRIED, to ADJOURN Study Session. (5-0, vv).

Mayor Brown adjourned the Study Session at 8:20 p.m.

Date

Jill Domingo
City Clerk