

**CITY OF WIXOM
49045 PONTIAC TRAIL
BUDGET STUDY SESSION MINUTES
TUESDAY, APRIL 18, 2023**

Mayor Beagle called the meeting to order at 6:05 p.m.

Present:

Mayor: P. Beagle
Deputy Mayor: T. Rzeznik
Councilmembers: P. Behrmann
K. Gottschall (Exc.)
T. Gronlund-Fox
P. Sharpe
R. Smiley

CHANGES OR ADDITIONS TO THE AGENDA (None)

CALL TO THE PUBLIC

There were no comments at this time.

Budget Highlight Details/Overview

This was previously covered at the April 11, 2023 Regular Council Meeting.

General Fund Revenue (p. 31-36)

This was previously covered at the April 11, 2023 Regular Council Meeting.

City Council (38-39)

Mayor Beagle indicated that there were no changes to this budget.

There was a general consensus on this budget.

City Manager's Office (40-41, 146)

Mr. Brown said the slight increase from last Fiscal Year was mostly due to the fringe benefits.

Deputy Mayor Rzeznik indicated that the HRA expenses fell under a separate general ledger account; therefore, the number would be zero in Fiscal Year 2023/2024 throughout the various departmental budgets.

Councilmember Sharpe noticed a pretty large increase from last year within the Administrative Secretary's salary. Mr. Brown said it's only because the funds were allocated differently as previously this position was split between two accounts (Senior Coordinator and Administrative Secretary).

There was a general consensus on this budget.

Financial Administration (42-43, 150)

Ms. Stamper said the budget increased \$32,000 due to splitting the potential salary of the floater secretarial position with the Building Department.

Councilmember Behrmann recalled discussions where the floater secretarial position was going to be spread amongst three departments. Ms. Stamper said the salary was split between two; however, the person could assist other departments if necessary.

Mr. Benson said they didn't anticipate that person would be spending enough time in the Clerk's Office to have their salary come from their budget as well; however, that person could be cross-trained to assist them should they need coverage when their office was short staffed. He said the position was designed to become another union secretarial position and those positions within Building and Finance were also union secretary positions. It was their intent to build a position to backfill other union employees.

Mr. Brown said there could be a circumstance where a position was vacant and that person could fill in until it was filled permanently. Councilmember Behrmann supported the decision to add staff to this year's budget, but he was not going to support adding six new positions. If he had to choose which position was least important, it would be the floater secretary.

Mr. Benson understood and to a certain degree they shared an understanding of the various needs and tough decisions that had to be made. He said one of the key pieces they looked into when they recommended this position was trying to put themselves in a better position for future retirements.

Mr. Brown said they've had circumstances within the Building Department where they had extended vacations and needed somebody to serve on a part-time basis. Additionally, he said this position would assist them when they had turnover within different departments.

Councilmember Behrmann said he was in favor of adding to the staff to make sure the residents were properly served, but adding 10% in one budget year seemed extensive. He wished that Administration would have considered the previous conversations and presented the three most important positions. He was fine with adding three positions this year, then another two or three next year, but he did not feel comfortable adding six positions in one year.

Mr. Benson said all six positions were left in the budget so they could demonstrate how it would be funded and to facilitate conversations. They did not come in with the expectation that all six positions would be approved.

Councilmember Behrmann wanted Administration to give direction on what they viewed as the most important positions needed this year.

Mayor Beagle said prioritizing the positions would be pretty difficult because each position presented was important in their own right.

Mr. Benson said they had the least information about School Liaison Officer. He asked Chief Langmeyer if he could elaborate on that position. Chief Langmeyer said that he spoke to the schools and they were in favor of having an officer; however, they would not be able to pay for it. They had the outlook that if they had an officer in one school, they should have an officer in all the schools. There was a discussion about TEAM assisting in the salary of an officer but it was just a preliminary discussion.

Councilmember Behrmann said between the two positions being asked within the Police Department, (Sergeant and School Resource Officer) which position did the Police Department feel was more urgent. Chief Langmeyer said the Sergeant was most urgent as they were a young Department that needed supervision at every shift.

Mr. Brown explained the six new positions within this budget were Capital Projects Manager, DPW Operator (funded by the DDA Budget), Police Sergeant, School Resource Officer, Fire Department Secretary (current budget allowed for a part-time secretary so making this position full-time), and the Floater Administrative Secretary. Mr. Brown said with the DDA funding the DPW position, it became much easier to say they were in favor of that position; however, he believed the Police Sergeant was highest on his priority list because they needed a person with experience to provide supervision for the duration for day and night shifts. A Police Sergeant would provide them with an additional layer of protection and would result in better services to the community. The secretary for the Fire Department would be on his top list because that position would be at a smaller cost as they were turning a part-time position into full time, and they should offer the same services to the Fire Department as they did for the Police Department by awarding them a secretary. The Capital Project Manager developed after noting frustration by Council and Administration when large projects took a great deal of time and planning. They understood the frustration with inadequate resources so this position would address that and allow them to get things done in a more expeditious and efficient manner. He said the floater position was a benefit but fell last on his priority list.

Mr. Benson said in the two years he has been with the City, he has worked with Mr. Sikma throughout many projects. Part of the reason they were pushing for a Capital Project Manager was because they've become very reliant on HRC for assistance. He understood that many of the items were low visibility but knew they were very time-consuming (follow-up, relationship building, contractor oversight, etc.). He said they had a legitimate issue to stay on top of these things because they rely on Mr. Sikma alone to perform most of the work.

Councilmember Behrmann was in favor of the Police Sergeant (#1), DPW Operator because the DDA was paying for it (#2), the Fire Department Secretary (#3), DPW Project Manager (#4) but he'd support the position only if they continued to bid out projects. He liked the idea of a School Resource Officer but needed more information before he could support the position fully. He said if in the future, the funding for that position was available, they could amend the budget and create the

position. The last position on his list was the floating secretary as he figured that could go into next year's budget.

Councilmember Smiley said his position priority list was similar to Councilmember Behrmann's but he questioned if they would use the floater secretary to fill the retiree positions. Mr. Benson said they would fill the retiree's position; then they would hire the floater position. He said they had a laundry list for the floater secretary to work on; i.e. scanning documents, cover offices, succession planning, etc.

Ms. Stamper said document imaging, scanning and record retention gets very little attention within the Finance Department because they don't have the capacity. Their office used to have five employees and now they had three. It's their desire to scan the records they had in storage, scan the records they had within the office and purge any records they could. They currently pay storage fees because they don't have the time nor the personnel to go through the records that were in off-site storage. She indicated how she performed clerical functions within her Department because her two support staff members were out of the office. As the Finance Director, she filled a role that the City wasn't paying her to pay attention to.

Mr. Brown noted they don't often put their resources to their highest and best use because they were at the staffing level when employees were out and it created problems. A floater would eliminate these types of situations while creating a cost savings by reducing the amount of records they had off site.

Councilmember Smiley said he has heard that story a lot because everybody was short-staffed and people were doing just enough to get by. He felt six positions was too many. His priority fell with the Police, Fire and DPW Operator position.

Mr. Brown explained the additional amounts in the General Fund with each position. The DPW Operator was zero because the DDA would pay for that position. The Capital Project Manager position would be \$21,000 out of the General Fund because the rest of the salary/benefits would be charged to Major/Local Roads, Water/Wastewater, etc. The Fire Department Secretary was about \$40,000 because it was being off-set by the already implemented part-time position within the General Fund. The Floater Secretary would be a cost of about \$75,000. The School Resource Officer would be at \$87,000 and the Police Sergeant was \$143,000. Mr. Brown was curious as to why they felt that six additional positions were too many as they were still sitting at a 37% Fund Balance and a 9% Budget Stabilization Balance. He did not think these many positions were going to create a funding to the City where they were dropping into an unhealthy fund territory.

Councilmember Smiley said that it wasn't about this budget per se', but it was how much these positions would cost the City from this point forward.

Councilmember Gronlund-Fox understood the offset of the Fire Department Secretary costing the City an additional \$40,000 this year but she wondered if it

would jump to \$75,000 moving forward. Mr. Brown said it would but they would have had the part-time position in the budget moving forward too. Mr. Brown said certain duties, like payroll and purchase orders, were not allowed to be performed by a part-time person but they could be performed by a union secretarial position. Currently, the payroll and bills were being handled by the Police Administrative Secretary. Councilmember Gronlund-Fox asked if the Police Department Secretary could continue to perform those duties. Chief Langmeyer said they could but their workload increased when the former Records Manager retired. Councilmember Gronlund-Fox explained she ranked the Sergeant as priority number one, DPW Operator as priority number two, and Fire Secretary as priority number three. Councilmember Gronlund-Fox wondered if the HRC line item would decrease if they hired a Project Manager. Mr. Benson said it was hard to tell but guessed that it probably would not considering they'd move more projects along. Councilmember Gronlund-Fox thought the School Resource Officer was a very, very important position and wished the school would allocate some funding for this position. Chief Langmeyer said the high schools had dedicated officers; however, the middle schools and elementary schools did not. Councilmember Gronlund-Fox said she ranked the Project Manager as fourth and the School Resource Officer as fifth. She stated that she was comfortable within this budget to create only three positions.

Deputy Mayor Rzeznik assumed there wasn't an argument on whether or not they would approve the Police Sergeant position, DPW Operator and Fire Secretary position. He thought it was important to note that if they had someone in the floater position they could help the transition when there were retirements. He would hate for services to get interrupted and customer service to suffer because of staffing concerns. He added that all the positions totaled \$266,000 so a 2.6% impact on a \$14 million budget. The population had increased 28% from when they were at 65 full-time employees. He felt a \$266,000 total in terms of where they were at today with the increased population was worth it. He supported five of the six positions because they currently had an officer visiting those schools in Wixom and didn't have a concrete funding source.

Councilmember Sharpe said he ranked the positions as Police Sergeant first, Fire Department Secretary second, DPW Operator third, Project Manager fourth, floating secretary fifth and sixth was the school officer. He expressed the DPW Operator position did have an impact on the budget and wasn't sure why people said it did not. He understood the position was being funded by the DDA but that was still City money. He questioned if the DDA did not want to fund that position any longer, he imagined the City would start funding it.

Mr. Benson said the City had an existing memorandum of understanding regarding cost sharing with the DDA, and that document would be updated to reflect the position and mutually approved by both bodies. He said they were aware of that very point and stressed to the DDA that this position was a long-term commitment.

Councilmember Sharpe said the DPW position wasn't free for when you hired a person; it was in perpetuity as they could be employed for 30 years. He would like everybody to think about the Wixom taxpayer paying the person's salary for the

next thirty years because the City did not terminate people. He thought the employees might leave on their own through retirement, but the City didn't even allow that to happen because it was their desire to create a position to fill a job that hasn't been vacated yet, essentially having two people doing one job. He stated that he drew the line with his top three positions. He added that he questioned the quality of talent they'd get with the low budget assessed for the Project Manager. He wasn't sure it would be worth their time to try to find somebody that might just have clerk-level capabilities. He didn't feel a strong business case of why a secretary was needed had been presented. He thought the school resource officer sounded great but he couldn't jump on board when the school wasn't committed enough to pay for it. He didn't think the \$87,000 salary would be enough for that position anyway, considering once the job was posted, one of their seasoned officers would apply and get the job resulting in more money and trying to find another officer to train and put on the force.

Mayor Beagle commented that the actual cost for the school officer would be \$87,000 because the City was already paying the seasoned officer's salary. He was disappointed to hear that the school district wouldn't assist them further with implementing a School Resource Officer; however, he would like to re-visit this later down the road once they received more data, financials and information from the school district. He indicated that his priority list was Police Sergeant, Fire Department Secretary, DPW Operator and the floating secretary. As far as the Project Manager position, he suggested they give Mr. Sikma a little bump in pay, delegate additional day-to-day operations to the DPW Foremen and free up more of Mr. Sikma's time to work on the projects. He would like them to try that for a year and if it didn't work out, they would have attained information as to why they needed to hire a person.

Councilmember Sharpe said this sounded like a great thing for the Wage and Salary Committee to talk about rather than shoot from the hip and make these decisions.

Mr. Brown noted the salary for the Capital Projects Manager would be \$73,189. As a fun fact, he mentioned that back in 2010, they had 15,500 people in Wixom with a population per employee number of 241. In 2020, they had 17,143 people in Wixom with a population per employee number of 276.

Councilmember Behrmann didn't think that information was beneficial because they were not comparing apples to apples considering many of the outsourced services were handled in-house. He agreed they had more people, more money and needed to hire more people. He thought hiring people needed to be done conservatively and carefully.

Councilmember Gronlund-Fox asked if Administration would be open to hiring a part-time shared secretary vs. a full-time. Ms. Stamper and Mr. Benson thought it would be a good alternative. Councilmember Gronlund-Fox would support a part-time position.

Councilmember Smiley liked the idea of the floater secretary becoming a part-time position. He asked for more clarification in regards to Mr. Sikma's expectation of the Project Manager.

Mr. Sikma said he's delegating a lot to his foremen now. He said that he only had so much time in the day but he tried to do all the things that he believed we expected for someone in his position. He wasn't sure if his time commitments would warrant the needs that the Project Manager entailed.

Mr. Benson didn't feel that was a good solution because it wouldn't address the ability of more time to spend on projects. They were already doing what Mayor Beagle suggested. Mayor Beagle said Mr. Sikma's job description would be the new position plus half of what he was doing now.

Mayor Beagle said they would go through each of the positions presented and everybody would vote if they wanted them to be implemented within the Fiscal Year 2023/2024 Budget.

Roll Call Vote for Police Sergeant Position:

- (6) AYE – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley
- (0) NAY –
- (1) Absent – Gottschall

Roll Call Vote for Fire Department Secretary Position:

- (6) AYE – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley
- (0) NAY –
- (1) Absent – Gottschall

Roll Call Vote for DPW Operator Position Funded by the DDA:

- (6) AYE – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley
- (0) NAY –
- (1) Absent – Gottschall

Roll Call Vote for Full-Time Floating Secretary Position:

- (0) AYE –
- (6) NAY – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley
- (1) Absent – Gottschall

Roll Call Vote for Capital Project Manager:

- (2) AYE – Beagle, Rzeznik
- (4) NAY – Behrmann, Gronlund-Fox, Sharpe, Smiley
- (1) Absent – Gottschall

Roll Call Vote for School Resource Officer Position:

- (0) AYE –
- (6) NAY – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley
- (1) Absent – Gottschall

Roll Call Vote for Part-Time Floating Secretary Position:

- (6) AYE – Beagle, Behrmann, Gronlund-Fox, Rzeznik, Sharpe, Smiley**
- (0) NAY –**
- (1) Absent – Gottschall**

Mr. Sikma asked if they'd be open to an intern or a part-time engineer working toward a degree that could occupy a part-time Capital Project Manager position. Mayor Beagle said draw up something, get some numbers, talk with Administration and bring it back to City Council.

Councilmember Gronlund-Fox wondered if they had any money within the current budget to sustain a seasonal intern. She thought it would be an ideal time because school was ready to end for the summer so those interested in an internship were currently looking.

Ms. Stamper said considering the vote tonight, she assumed they would subtract the full-time floater position from the Financial Administration Budget and Building Department Budget. She asked if they wanted her to add an estimated part-time salary for a Part-time Floater Secretary position. Mayor Beagle thought that would be ideal. Ms. Stamper said she would estimate that position at \$17,000 (\$34,000 divided by two). Mr. Benson said they would determine how the \$34,000 would be allocated between the Building Department and Finance Department, then present the allocation during the final budget presentation at City Council.

City Clerk (44-45)

Ms. Buck explained the increase to the Clerk's budget was primarily due to the two elections that would be held within this next Fiscal Year. She stated the increase to the Election Salaries account reflected Proposal 22-2 (9 days of early voting); therefore, they would require additional election workers.

Mayor Beagle asked if the Clerk's Office was happy with having Oakland County Elections counting the City's absentee ballots. Ms. Buck said she had been very happy with that service and would continue to utilize their services.

Councilmember Sharpe asked if the Election Salaries account pertained to part-time people that worked for the day. Ms. Buck confirmed.

There was a general consensus on this budget.

Information Systems (46-47, 155)

Mr. Benson said there was a substantial increase to this budget because they moved the GIS services to sit in a single line item to site within the Information Systems budget. They did that to be more transparent on what the service costs. He noted there were contributions from different accounts to fund the GIS. They requested an additional \$36,000 for general operations and special projects within the GIS module as they planned to update data sets with new information related to the water and wastewater system. The single largest expense for Information Systems was consultant rates. He

noted the current contract with BPI expires June 30, 2023. Referring to the Capital Budget, there were two large budget requests (network redesign and dark fiber).

Councilmember Gronlund-Fox asked if the network redesign included any upgrades or modifications to increase the threats of cyber security. Mr. Palmer of BPI said that it would. Additionally, it would allow them to update the firewalls and software.

Deputy Mayor Rzeznik understood the cost of these improvements were high, justified and necessary.

Mr. Benson said dark fiber was the way the remote facilities connected to City Hall. Currently, they relied on internet connections without direct nonphysical connections resulting in connectivity issues. If they were to upgrade the dark fiber, they wouldn't have to rely on the internet to maintain connectivity.

Mr. Palmer said BPI recommended dark fiber because it was secure and reliable. Mr. Benson said they budgeted this high, but would bring three or four options for this type of service to City Council.

There was a general consensus on this budget.

Board of Review (48-49)

Mayor Beagle stated that the Board meets twice a year and each member gets \$200 per meeting.

There was a general consensus on this budget.

Economic Dev/Assessing (50-52)

There was a general consensus on this budget.

Building Maintenance & Facilities (54-55, 149)

Deputy Mayor Rzeznik remembered bulbs needing to be replaced within the UV systems. Mr. Sikma said they do but noted that they've taken a while to make sure they do it right. He added they received a grant from Oakland County to assist them with this. Mr. Sikma said one expense was a generator upgrade that would support the entire building and not just the Police Department. The cost and installation would be split between two budgets.

Councilmember Sharpe wanted to confirm that the generator cost \$180,000 but they haven't bought it yet; however, they planned to talk about it in a few weeks at a City Council meeting. Mr. Sikma said that was correct.

There was a general consensus on this budget.

Legal Assistance (56-57)

Mr. Brown said that there are added costs with contract negotiations coming up this year. We have been high recently because of the new Fire Contract but we should get back into a normal routine.

There was a general consensus on this budget.

General Operating (58-59)

Ms. Stamper said that this budget was reduced from \$1,017,244 down to \$946,807 primarily because of the reduced liability with MERS for the pension payment. The increase in the HRA account was going back up to capture the full cost and then that was sectioned out throughout the year as the expense occurred in the departments. There was a reduction in the OPEB actuary because we only have to do a full funding actuary every two years.

Councilmember Gronlund-Fox asked why the HRA was going up. Ms. Stamper replied that we budget the full cost here and throughout the year, we section it out to the departments as the employees utilize that cost. Councilmember Gronlund-Fox asked what the employees pay for health care. Ms. Stamper said they pay 20% of their premiums and copays for office visits, ER visits and scripts. The HRA covers the deductibles because we went to a high deductible plan. The deductible is \$10,000 per family and we are still realizing the savings from doing that. Councilmember Gronlund-Fox asked if we had a short-term disability policy for employees. Ms. Stamper stated that we have a small policy that was not utilized. It doesn't really provide a great benefit. Councilmember Gronlund-Fox confirmed the employees get sick, personal and vacation days. Ms. Stamper said that was correct. Councilmember Gronlund-Fox asked if we had ever considered rolling that into PTO. Ms. Stamper wondered what we would do with those sick banks that currently exist. Councilmember Gronlund-Fox said that the City of Novi paid them out over three years. Ms. Stamper said that we would then have the upfront cost. The maximum number of days in a sick bank was 180.

There was a general consensus on this budget.

Police (60-63, 154)

Chief Langmeyer stated that one of the biggest increases was in the fringe benefits mainly due to retirements. We had four and there was one more coming for this fiscal year, along with one resignation. On the Capital side, the cars were high because the cars we ordered and budgeted for last year didn't get delivered until this year. We also have cars already ordered for this year. The expenses didn't seem to change much from last year. Going forward, there were a few things he was hoping to do this year. He wanted to start looking at technology to improve the Police Department, like scheduling and payroll software, training and field training software and license plate reading cameras to handle high crime areas. He said there was \$19,000 budgeted for vests since they have expired and need to be replaced. He did apply for a grant for that purpose. There were funds to send one person to the Academy. With the Sergeant's position, we may have to send two. We will get paid back by the State. He noted that once the State runs out of money, the program is done.

Councilmember Behrmann asked if the \$130,000 was for two cars and if they were Durangos. Chief Langmeyer replied yes to both.

Councilmember Sharpe commented that there was a 2.5% increase every year for

salaries and wages. He thought that was a good number for the taxpayers while providing even more coverage. The Professional and Contractual went up a little more, but it was not extensive. Those are always opportunities where you don't have to spend it but when you hire somebody, you have to spend it. He said he supported all of the requests, including the Capital Outlays.

Chief Langmeyer stated that the School Liaison Officer was still included in this budget. Ms. Stamper said that the Police Officer line will go down by \$57,839, and the fringe account will go down by \$29,335.

Councilmember Sharpe asked if the \$50,000 was for more than just the kitchen. Chief Langmeyer said that included blinds, but those will be done this year. The Sergeants' Office will be redone with new chairs and blinds. The \$50,000 for the kitchen was without a bid. Councilmember Sharpe felt the kitchen definitely needed to be done and he supported that.

Councilmember Gronlund-Fox said she talked about the mileage on the vehicles and when we turn them in every year. She knew it could be done and it could work because she has seen it work. If it saves us money to get more mileage out of a vehicle, she'd like to see that happen.

Mr. Brown indicated that he had a conversation with Councilmember Gottschall about the same thing. He had the same concerns.

Chief Langmeyer agreed. However, this year, he would like to stick with two because of the Fords that we have in service. The DPW guys are spending a lot of time and money repairing these 2020s. He said next year he and Mr. Sikma would converse before we get to this part of the year to determine if we have any other vehicles we need to get rid of. Mr. Sikma actually wanted to get rid of the 2020s and keep the 2017 because of the maintenance.

Councilmember Smiley said he also talked to Councilmember Gottschall. It was more of a long-term concern of his that purchasing two vehicles per year was too much.

Chief Langmeyer said that he, Mr. Sikma and the mechanic will look at the fleet as a whole and make a recommendation.

Deputy Mayor Rzeznik was encouraged to see the 50% increase in Training. He mentioned there were two of our City streets that were heavily patrolled that don't have permanent electronic speed limit signs. He knew that the forfeiture funds could be used for those and he suggested putting one on Maple east and west. Chief Langmeyer said that the Department just received two from this year's budget and they have two more coming. They are approximately \$3,000 each.

Mayor Beagle asked if we had a new Traffic Safety Officer. Chief Langmeyer replied that he would go through the selection process this summer.

There was a general consensus on this budget.

Fire (65-67, 151)

Chief Geistler said the significant increase in the Fire Department budget was the personnel cost, including the full-time Firefighters and the Fire Secretary position. There were miscellaneous lines that had to be created and/or increased, like the Hiring Retention Bonus and some of the part-time shift response and uniforms.

Mayor Beagle was glad to see he was replacing the 30-year-old utility vehicle.

Councilmember Gronlund-Fox asked about the jump in the Wages – Fire Captain/Marshall line. Chief Geistler said that the Actual column reflected his pay discontinuing from that line since he was currently being paid from the Fire Chief line. Councilmember Gronlund-Fox asked if any of our part-time firefighters go over the cap for the ACA (Affordable Care Act) and get health care. Chief Geistler thought there was one currently who was qualifying for it. Up until this point, he didn't have a lot of control over it, but he was keeping an eye on it now.

Councilmember Sharpe knew that the Hiring & Retention Bonus wasn't put into the budget last year because it was just implemented this year. The bonus was \$1,000 at hire and \$1,000 six months later. He wondered about the \$10,000 in that line. Chief Geistler indicated that his goal was to hire five more people this next year.

Councilmember Behrmann noticed there was money budgeted to replace Engine #11 in 2028/2029. He asked about the lifespan of the tower truck. He assumed that was the most expensive piece of equipment. Chief Geistler said that the cost of the replacement for Bravo 1, which was earmarked for 2024/2025, will increase by approximately 50% and it will be pushed out in the budget for another year. He estimated the cost to now be \$420,000. Councilmember Behrmann was curious why the most expensive piece of equipment wasn't on the list yet. Chief Geistler stated that the tower truck had a 30-year replacement plan. We won't be looking at that for another 15 years.

There was a general consensus on this budget.

Building Department (68-69, 148)

Mr. Benson indicated that we would be removing the Floating Secretary position from this budget. The Building Official contract with SAFEbuilt was the most expensive part of this budget and he projected we would be paying them a little less next year. We have had banner years the last two years in revenue and we were seeing a little bit of a slowdown on the residential side. The industrial volume of permits has been pretty solid.

Mr. Pike explained that the Ford property was in redevelopment right now. The back 70 acres will be developed in the future, but the property along Wixom Road was pretty much finished except for Building E. Mr. Brown stated that they shifted from doing a speck building plan to build-to-suit for that building. Mr. Pike added that the building was much smaller in size.

Mr. Benson said that we have gotten the Damas property into the Verified Industrial Property Program and we are marketing that to high-end industrial users with the

Detroit Region Partnership.

On the Capital side, Mr. Benson said that last year the Council approved \$50,000 for renovating the front counter of the Building Department. We moved that forward to 2023/2024 with an updated budget of \$80,000 after getting a handle on the project. If approved, we would bid that out early in the next fiscal year and hope to do the project in December. He thought it would have a positive impact on customer experience and it would provide significantly better separation. He mentioned that if we get to a point where we need to make some changes in the Capital allocations, he would be willing to push this into the future.

Mr. Brown stated that Councilmember Gottschall spoke to him about this and he was not a fan of this project. He made the comment that there were things that we "need to do" and things that we "want to do" and he considered that to be a "want to do." Mr. Brown said that Mr. Benson and Mr. Pike were not fully committed to the project, but he was fully committed to the project. Another pandemic was a valid concern. Everybody else would be protected. He didn't want to have a set of employees in harms way. There was also the consistency of the look of City Hall and the interaction in the hallway. People are physically coming into the workspace in the Building Department. For the protection of the employees and the consistency of the look, he was an advocate for this project.

Councilmember Gronlund-Fox said she was not a fan of this project as she did not like barriers on any of the counters. She felt it was cold.

Mr. Benson said that we would still maintain the ability to come into the office because people have to submit various things. It would offer better security as there was no door or barrier to stop people from getting in.

Councilmember Smiley knew there was good reason why the glass was in place. The Building Department was the most inviting area as you step into the lobby. He wondered about having glass that could come and go as the pandemics come and go. He was not a fan of spending \$80,000 for this project.

Councilmember Sharpe noticed the expenses were going up by \$104,000 (20% of the budget from last year) and revenue was going down by \$123,000 (15% of the projected revenue from last year). That was not a good combination for ongoing business. He understood the Building Official contract was already approved. Some years we make out and some years SAFEbuilt makes out. He said he supported the numbers in this budget. He said he reserved the right to see what the counter area would look like, as well as the right to vote differently when the bid comes to Council.

Deputy Mayor Rzesnik commented that in regard to the revenue going down 15%, this was all dependent on building permits and fees. It goes up and down with building activity so that was not an issue. Regarding the Capital, he had no problem with the renovation. He had problems rolling out plans himself and he did think it needed a renovation.

Mr. Pike added that the Building Department was the smallest office with the most people. It was difficult to have a phone conversation without other conversations interrupting. Barriers would help.

Councilmember Behrmann thought the renovations made sense. He thought we had talked a lot about the renovation over the last couple of years. He hoped that if this budget passed that it would actually be done this year so we could stop talking about it.

Mayor Beagle asked for a show of hands on keeping the \$80,000 in the budget for the Building Department renovations. Four people were in favor of keeping it in while two people were against it.

There was a general consensus on this budget.

DPW (71-73, 156)

Mr. Sikma said that one of the things that did change this past year was the stormwater requirements that we are now doing with a new NPDES permit. We will be required to do more inspections of different stormwater catch basins and all the outfalls that we have in the City.

Councilmember Behrmann said he would like to see if there was any way we could utilize our old police vehicles for Mr. Sikma and not have to spend money on a new vehicle for him. Mr. Sikma said that if we do purchase that vehicle, we would still utilize the Explorer for moving the seasonal employees around. He said he had a few things in the Explorer that he utilizes in the field. Councilmember Behrmann personally liked the idea of making sure we have new Police vehicles on the road and moving those vehicles down versus buying a new DPW vehicle.

Deputy Mayor Rzeznik said for the next couple years, he wouldn't mind seeing the \$9,000 be spent in Bike Path Maintenance. In the future, we need to think of the Friends of the Trail, the Wixom Community Foundation, or someone else to set up an endowment fund like all the other trail systems in Michigan have right now. He knew that John Hensler had been working with the Rochester Community Foundation and a number of the Friends of the Trail have brought this topic up. He'd like to see that in the future, instead of the money coming from our operating budget. Mr. Sikma said that it was reflected as spending most of that, but we only spend as much as we have to. Commitment-wise, we don't have the people to do that as much as we would like. We do have to do crack sealing at some point and paint the legends, but we don't know what that cost will be as this was our first trail.

Councilmember Sharpe echoed Deputy Mayor Rzeznik on the Bike Path Maintenance. He said we only spent \$4,000 last year. He noted the significant increase to the Garage Maintenance line. It went from \$17,000 to \$26,000. Mr. Sikma said that it was an older building and we were utilizing more time and maintenance to keep it up. The old DPW building will need extra work on the soffits and roof repairs. Councilmember Sharpe knew it was hard to get seasonal and part-time help. Mr. Sikma said that he had three people ready to go for this summer. He noted that students have a shorter time period that they are available to work. They are typically only available for two months.

Ms. Stamper clarified that the Capital Project Manager salary would come out and the fringes would be reduced by \$13,154. There would also be revenue changes. The Water Utility Charge for Services will be reduced by \$12,994, the Wastewater Charge for Service will be reduced by \$12,994, the Solid Waste Charge for Service will be reduced by \$2,651, the LDFA Charge for Services will be eliminated, and the Safety Path Charge for Services will also be eliminated. The revenue change will be \$63,646, which was previously an offset to those expenses.

There was a general consensus on this budget.

Senior Citizen Activities (74-75)

Mr. Brown stated that the most significant change was for Marketing. The Senior Coordinator's goal was to work toward attracting more membership.

Councilmember Sharpe supported the number for Marketing, but wondered if this was money to purchase media or if this was to hire a consultant. Mr. Brown said there was no talk about a consultant. Councilmember Sharpe supported the media purchase but he did not support paying anybody to do it.

Deputy Mayor Rzeznik asked about the grant for the Senior Center. Ms. Magee said that would be addressed during the discussion of the Community Center budget.

Mayor Beagle asked if we had gotten a call from SEMTA yet about our tax monies that they are using now for bus services. Mr. Brown said he was having discussions with Oakland County representatives on that with a consortium of affected communities in western Oakland County. A meeting was planned for next week.

There was a general consensus on this budget.

Planning Commission (76-77)

Mr. Benson said that we are planning to do the Master Plan in 2024/2025.

There was a general consensus on this budget.

Zoning Board of Appeals (78-79)

There was a general consensus on this budget.

Parks & Recreation (81-83, 152-153)

Ms. Magee commented that there was a nominal increase in costs of events. There are some exciting things happening in Mack Park. The pavilion and the clock are already in. The tennis courts at Gunnar Mettala are in disarray and the contractors won't repair them. It was recommended to remove and replace two inches of asphalt, recoat it and turn them into pickleball courts. Also, we are moving forward with Phase 2 of the Disc Golf at Gilbert Willis. Money was being allocated for tees, signage and consultants.

Councilmember Smiley asked about the boardwalk at the Habitat. Ms. Magee said there was \$200,000 budgeted for repairs. Due to the lack of staffing, the DPW didn't have time to do the repairs. Mr. Sikma said that the boardwalk was safe. We go through it every spring to replace any boards that need it. One of his goals was to extend the boardwalk, but he hasn't gotten to that yet. Councilmember Smiley knew the Gibson House needed new windows last year and he wondered if it was in good shape now. Ms. Magee said that she took the windows out of the Gibson plan. We will finish the parking lot (estimated at \$225,000) and that will be the last thing that is needed. Councilmember Smiley confirmed that she would still be looking for more grants and Ms. Magee said yes.

Mr. Benson added that this budget has revenue from the DDA contributing to the events that the Community Services Department puts on in the Downtown District.

Councilmember Sharpe commented that Ms. Magee and her team have maintained all of these fantastic programs. He knew they would be even better this year with appropriate ins and outs to have a very nominal increase. He thought this was a great operating budget. Ms. Magee gave him a tutorial on disc golf courses. We aren't only going to have a disc golf course, but it will be the best in southeast Michigan with concrete tees. He added that he talked to a person who was playing roller hockey. The court had just been resurfaced and he was already falling in the cracks. Councilmember Sharpe thought it was probably time to get rid of that and do something else there.

Councilmember Behrmann said it felt like every year we were kicking that \$200,000 down the road for the boardwalk. He asked if we would spend the \$200,000 on the DPW doing the work or if we would hire someone to fix and extend it. He also asked if we had ever sent anything out to bid on it. Mr. Sikma said he has not been able to bid anything out on this because he hasn't had time. A design would come first. Councilmember Behrmann asked if we knew what we wanted to do. He said if we are going to do it, let's do it. He also asked if we were moving the barn. Ms. Magee said that we didn't know. It was left in the budget in case there was a decision by Council. There was no plan to move it yet. Councilmember Behrmann said he appreciated the money that was budgeted for City Signage if it was what he thought it was. Ms. Magee said that it was.

There was a general consensus on this budget.

Community Center (84-85, 147)

Ms. Magee said that in regard to the Oakland County Senior Grant, we already blocked a lot of these improvements into the Capital budget for future years. We do need to spend the money for the \$200,000 grants so the money has been moved up to 2023/2024. Part of the grant was for the UV system at the Community Center.

Deputy Mayor Rzeznik did not see where the grant came in on the revenue side. Ms. Stamper said that it was in the Capital Plan, not the General Fund. It was

reflected on the bottom section on Page 145 under Project Funding Sources, County Grant.

There was a general consensus on this budget.

Debt Service– Pension/OPEB (86-89)

There was a general consensus on this budget.

Interfund Transfers (90-91)

Ms. Stamper said that this was the annual contribution to the Capital Improvement Fund of \$1,020,000 and an additional contribution to Capital of \$300,000 for the network improvements.

There was a general consensus on this budget.

Council took a short recess at 9:06 p.m. and resumed at 9:20 p.m.

Mayor Beagle moved the DDA budget up on the agenda.

DDA, DDA/VCA Development Bond Fund (112-113, 139)

Mr. Benson said most of the general operating budget stayed the same. The DDA has seen some substantial increases in the capture due to development, as well as their capture of the new transportation millage through Oakland County. That totaled \$50,000 and would be ongoing for the life of that millage. The biggest piece was the Transfer to General Fund for Cost of Services to pay for financial services, City Manager's Office and Community Services. There was an increase for covering the cost of the Heavy Equipment Operator for the DPW. The Transfers to Capital Contributions for Special Projects shows \$250,000 for the playground near the Library. We are hoping to do some work on the amenities near the walking path. We budgeted money for the West End Common Area that was contingent upon the congressionally directed spending through Haley Stevens' Office. He said that they would be requesting a change related to the Transfer to Safety Path. The DDA will be covering the cost of doing the sidewalk on the south side of Pontiac Trail west of Wixom Road. The cost came in over budget and we have been working with the contractor to tighten up that bid. That will be brought to both the DDA and the City Council next Tuesday with an updated funding arrangement. We are anticipating that the DDA will cover the vast majority of the project with the City covering the engineering.

Ms. Cloutier said that the sidewalk was between the veterinary clinic and AutoOne. The brick pavers are being pushed up due to the weather and the tree roots. Not only was it an eye sore, but it was a safety hazard. The recommendation to the DDA Board was not to piecemeal this, but to do it right once and spend the money now.

Mr. Benson added that they have budgeted money for marketing branding on the logo design and signage piece. We are hoping to do some engineering for additional streetscape work from Chambers to Wixom Road on the north side of Pontiac Trail to expand that sidewalk and bury the power lines.

There was a general consensus on this budget.

Next, Mayor Beagle asked if anyone had any questions on any of the Other Funds.

In regard to the American Rescue Plan, Councilmember Gronlund-Fox asked if the plan was for the project at the Wastewater Treatment Plant and Mr. Sikma replied yes.

Deputy Mayor Rzeznik said that the Major Capital for Potter Road showed Construction Engineering in 2027/2028. He thought that needed to be moved up since several members of Council voiced that opinion. Mr. Sikma didn't have a price on that but he anticipated a budget amendment once he got Cadillac's quote. We have already measured it and we asked for 20,000 square feet of asphalt in specific areas. We will do the portions of road that need it most until 2027/2028. He said he would be bringing a recommendation to Council in the next few weeks so we can try to do something in 2023/2024.

Ms. Stamper asked if we should pencil something in to the Capital Plan. Mr. Sikma said he would like to have a number by the time the budget was finalized and adopted by Council. Ms. Stamper asked if the Council would be okay with her adding this to the adjustments and they agreed.

Deputy Mayor Rzeznik asked if the Cemetery Fund included the pavers and benches. Mr. Sikma said that we have already purchased the benches and we are waiting for the brick pavers now. He indicated that he had called the gentleman who had agreed to do the work but he hasn't returned the call. He had hoped to get that completed this spring.

Deputy Mayor Rzeznik asked what the percentage split was now for lots versus niches sold. Ms. Buck said that more lots have been sold than niches during this past year. Mr. Benson said that we have marketing flyers that were mailed to all of the local funeral homes.

Deputy Mayor Rzeznik stated that the Safety Path millage was expiring soon and he thought it would have to be on the ballot this fall if we wanted to renew it. Mr. Brown said that he has done a couple of communications with the City Attorney's Office about this and it will be coming to Council in the next couple meetings.

Councilmember Sharpe commented that every single one of these funds has a huge interest income line item which was nice to see. He questioned the Forfeiture Funds reflecting the purchase of replacement department shotguns and ceremonial expenses related to retirements. A couple years ago, we had a big discussion about replacing some of the assault weapons and what we should do with the old assault

weapons. He asked what would be done with the old shotguns and if that would come before Council. Chief Langmeyer said that we were not going to purchase those shotguns next year. We have been able to get them this year out of the range budget. Councilmember Sharpe asked that when we dispose of firearms as a City that we talk about it at Council first. Chief Langmeyer said sure. The only options he would want to offer Council were to sell them to our dealer or sell them to our officers. Councilmember Sharpe said that they could be destroyed and Chief Langmeyer said that we could, but they are worth some money.

Councilmember Sharpe asked about the ceremonial expenses related to retirements. Chief Langmeyer said that would be for the shadowboxes given to retirees.

Councilmember Smiley indicated that there was a 3.5% increase last year for the wastewater and he confirmed there would not be an increase this year. Ms. Stamper said that was correct. We had additional revenue that came in from taps so that gave us a break to forego an increase this year. Increases will pick up at some point in the future to fund the Capital Plan.

Ms. Stamper confirmed the expenditure changes related to the Capital Projects Manager. For Major Roads on page 96, the Administrative Expenditures will be reduced \$10,978. Page 99, for Local Roads, the Administrative Expenditures will be reduced \$10,978. Page 108, Contributions to General Fund will be removed (\$26,240). The Solid Waste Fund on page 111, the Contribution to General Fund will be reduced by \$2,651. The Water/Wastewater Funds, the Administrative Expenditures for both of those will be reduced by \$12,994.

Councilmember Behrmann questioned why were we allocating this salary from all of these different funds to hide the true expense. He asked why it wasn't put into the General Fund so we can see it more clearly. Ms. Stamper indicated that the expense was in the General Fund except for the Major and Local Roads piece because we can charge that directly to the Major and Local Roads just like we do for the other DPW employees. The remainder of it was in the DPW budget, while these were recouping revenue from contributions from those other funds. Councilmember Behrmann understood but felt it was harder to understand what the true expense was when it was coming from ten different areas.

Hearing no other questions, Mayor Beagle stated that there was a general consensus on the rest of the funds.

CALL TO THE PUBLIC

There were no comments at this time.

CITY MANAGER/ASSISTANT CITY MANAGER COMMENTS

Mr. Brown thanked everyone for their time this evening.

Mr. Benson had no further comments.

COUNCIL COMMENTS

Councilmember Behrmann had no comments.

Councilmember Sharpe had no comments.

Councilmember Smiley thanked everybody who worked so hard.

Councilmember Gronlund-Fox thanked the staff.

Deputy Mayor Rzeznik thanked the staff for working so hard on this budget.

Mayor Beagle thanked the staff for working hard on this budget and he thanked Sheryl for arranging the dinner.

ADJOURNMENT:

The meeting adjourned at 9:42 p.m.

Catherine Buck
City Clerk

Approved 5-23-2023
