

MINUTES BUDGET & FINANCE BOARD

AUGUST 4, 2020

Chairperson, Jean Soine called the meeting to order at 1:00 p.m. Other members present were Alicia LaBeau, Neil Herzberg, Belinda Ludwig, Treasurer/Acting City Administrator, Ron Mergen, Public Works Director/Acting City Administrator, and Paul Wegner, Police Chief.

Motion was made by Mergen to approve the minutes from the July 7, 2020 Budget & Finance Board meeting. Seconded by Herzberg and unanimously carried.

2021 BUDGET

Members reviewed the current proposed budget noting a 33% levy increase. Ludwig confirmed that LGA would be at \$771,290.00. The current reserves are approximately \$1.5 million. Each department's revenues and expenditures were reviewed with discussion and changes on the following:

- Increase the Liquor Store transfer to \$40,000.00 and to revisit at the end of year or after the audit to see if the Liquor Store can give additional monies
- Increase Driver's License deputy fees to \$60,000.00
- Park Reservations are less than half of a normal year; however, next year should be back to normal
- Recreational Programs - no changes
- Mayor and Council - no changes
- Election - no changes
- Administration & Finance - the \$55,000.00 under miscellaneous was an IRS error from 2014
- General Planning - no change
- Municipal Building - it was questioned if we need to start a CIP for the library, the Municipal Building CIP covers the library
- Motor Vehicle expenditures - reduce the CIP to \$2,000.00
- Police Department - Wegner noted the increase is all in wages
- Fire Department Relief Association – This was questioned, this is the state aid and retirement monies
- Building Inspector - the CIP transfer was questioned, this is a transfer to utilities for the vehicle loan
- Weed Inspection - this is the Mayor and Bob Wander that attend the course
- Tree & Compost - There was a brief discussion on Ash Bore disease and a possible grant
- Emergency Service – the training line item was discussed
- Animal Control – it was discussed that Hawk Creek has not been billing the City for the pound fees
- Streets & Alleys - The CIP transfer was questioned and there was discussion on the future shop; with the plan to increase the transfer by \$20,000.00 per year for five years. Then after construction reduce this for the bond payment. The estimated bond payment will be \$100,000.00 for the street portion alone. The CIP was reduced to \$50,000.00.

- Street Equipment & Sealcoat - It was suggested to reduce this to last year's amount; this is needed to cover the proposed seal coat projects which have increased due to delaying the over lays. It was discussed to leave it at \$88,725.000.
- Sidewalks - remove the \$5,000.00 transfer as the downtown sidewalks will need to be bonded for
- Snow & Ice - no change
- Street Lighting - no change
- Library - no change
- Skating Rink - the agreement with the Township was discussed, it is less expensive than having our own and then operating and maintaining it
- Beaches - no change
- Municipal Parks - reduce the CIP to \$20,000.00
- Recreational Trail - there was discussion on the trail agreement with the Township and that the City is responsible for 50% of the maintenance and repair and future upgrades
- Airport - reduce the CIP to \$8,500.00
- EDAP - no changes
- Increase Liquor License revenue from \$6,400.00 to \$10,200.00 for the increased fee and a new license

There was a lengthy discussion on planning for future years and the need to raise revenue in the range of 15% per year for the next several years. After all the cuts were calculated there is still a need to raise the levy by 22%.

Members discussed utilizing some of the reserves to cover the short fall.

Motion was made by LaBeau to approve a preliminary levy increase of 16% and utilize some of the reserves to cover the remainder amount and recommend such to the City Council. Seconded by Mergen and unanimously carried.

There being no further business, the meeting was adjourned at 2:30 p.m.