

CITY OF TECUMSEH
BUDGET WORKSHOP
MARCH 12, 2018
CITY COUNCIL CHAMBERS
6:30 P.M.

Mayor Baker called the meeting to order at 6:30PM.

Roll call was taken as follows:

Present: Mayor Baker, Council members Fox, Harmon, Keiser, Naugle, and Wimple.

Absent: Riddle.

MOTION was offered by Council Member Naugle and seconded by Council Member Harmon to excuse Council Member Riddle due to illness. MOTION carried unanimously.

Also Present: City Manager Dan Swallow, City Attorney Scott Baker, Clerk Tonya Miller, and Department Heads.

MOTION was offered by Council Member Harmon and seconded by Council Member Wimple, to accept the March 12, 2018 Budget Workshop agenda. MOTION carried unanimously.

PUBLIC COMMENT RE – ITEMS ON THE AGENDA

None.

Mayor Baker thanked all present for attending.

Mayor Baker then turned the workshop over to City Manager, Dan Swallow.

The City Manager outlined the budget agenda for the evening stating that each department will be presented individually highlighting items in both the revenue and expense areas and then allowing each department head the opportunity to comment and answer questions.

The largest increases related to expenses will be in the area of health care costs, technology (phone system and BS&A server upgrades), public safety cruisers (vehicles needed for both Police and Emergency Services) and capital projects (HVAC systems at TCA and City Hall, the Standish Pond spillway, and road projects).

Overall the city projects expenses to exceed revenues in the upcoming FY, a large portion of which is attributable to a lower reimbursement by the State on property taxes. Council Member Wimple did ask if we have received any explanation of certainty as to why the reimbursement was reduced. City Manager Swallow commented that there is reason to believe that this is related to actions of a previous project vendor.

Chief Stern reported that two new cruisers are needed this year. Two vehicles in the fleet are over 120,000 miles, additionally noting that in the past vehicles were retired at around 80,000 miles. One is definitely needed soon while we may be able to hold off on the purchase of a second cruiser until the latter part of the year. Revenues are hard to target for the department as they are dependent upon tickets, violations, etc.

Developments are on the rise according to Developmental Services, but with increased developments, come increased payroll costs for inspectors, etc.

Parks & Recreation is operating below their '05-'06 budget. The greatest need in this area is for an additional FT staff person as program growth increases in the area. Council Member Wimple commented that Parks & Rec (as well as Police and Emergency Services) are areas of higher visibility when looking at improving the quality of living in Tecumseh.

TCA has some significant expenditures coming up that we need to be aware of and plan for. The boiler is operating at less than full capacity and the front lobby is in need of a makeover. There are plans in the works to explore new marketing avenues.

The Cemetery is in need of a new vehicle. We also should be aware that 12-13 years out, we are going to need to expand. City Manager Swallow confirmed this and further stated that we have already paid for engineering to review plans for expansion.

DPW discussed road work that will need to be done including work on Bishop Reed Drive. The City exceeded its salt limit provided by the state, but still has a surplus that carried over from years of lighter winters and confirmed that we will be fine to finish out the season.

With the new rate structure, we can reduce the amount of funds being transferred to the fund balance for water. Pumps at the wastewater plant should be completed in July and we will be looking at commencing Phase II. The budget as a whole for this department will see increased expenses just because of the cost of items related to implementing and complying with regulations.

Economic Development/DDA budget is status quo for now. We may see changes once the director position is filled. Council Member Keiser asked when we received last grant in this area and if we anticipate any grant money in the near future. We do not anticipate any grants this FY and many times the City does not receive them directly. There were questions and comments regarding Lenawee Now and the cost to that organization and what types of services they provide. We need to look at setting funds aside in the future for the Hamblin property as well.

Emergency Services made a recommendation for a PT overnight staff to supplement the FT evening shift staff in an effort to assist with calls/runs and also for safety purposes. We will need to address and look at large equipment needs in the future and develop a strategy to fund those expenditures. The department's number one priority right now is turnout gear that complies with NFPA standards.

Council Member Wimple proposed we study staffing and equipment needs in both the Police and Emergency Services areas and continue efforts to procure partnerships with surrounding communities.

MOTION to adjourn was offered by Council Member Naugle and seconded by Council Member Harmon. MOTION carried unanimously and the workshop adjourned at 8:55PM.

Jackson L. Baker, Mayor

Tonya Miller, City Clerk