

**BIRMINGHAM CITY COMMISSION MINUTES  
APRIL 26, 2014 BUDGET PUBLIC HEARING  
MUNICIPAL BUILDING, 151 MARTIN  
8:30 A.M.**

**I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Scott D. Moore, Mayor, called the meeting to order and opened the public hearing at 8:34 AM.

**II. ROLL CALL**

ROLL CALL: Present,	Mayor Moore Commissioner Dilgard Commissioner Hoff Commissioner McDaniel Commissioner Nickita Mayor Pro Tem Sherman (arrived at 8:35 AM)
Absent,	Commissioner Rinschler

Administration: Interim City Manager Valentine, Attorney Currier, Clerk Pierce, Finance Director Ostin, Assistant Finance Director Gerber, Building Official Johnson, DPS Director Wood, City Engineer O'Meara, Police Chief Studt, Deputy Police Chief Clemence, Lieutenant Albrecht, Fire Chief Metz, Assistant Fire Chief Connaughton, Fire Marshal Bigger, City Planner Ecker, IT Manager Gemmell, PSD Director Heiney, Museum Director Pielack, Library Director Koschik, Assistant Library Director Bergeron

**III. BUDGET PRESENTATION**

A video was presented regarding the proposed budget for fiscal year 2014-2015.

**IV. DEPARTMENT PRESENTATIONS AND DISCUSSION**

Interim City Manager Valentine presented the budget. He noted the only draw from fund balance is an additional contribution to the Chesterfield Fire Station. He noted that taxable values increased which was offset in the reduction of commercial personal property tax. He noted that the City's millage rate increased slightly due to an increase in the refuse levy due to increased cost in the service contracts; despite a slight decrease in the debt levy due to an increase in taxable values. He explained that over the next two years water and sewer rates are expected to increase and legacy costs are expected to decline.

**COMMISSION**

Mr. Valentine explained the decrease due to the elimination of a membership from the membership and dues category. Commissioner Hoff requested staff review the cost for the City calendar.

**MANAGER'S OFFICE**

Mr. Valentine explained the increase due to the labor burden and hospitalization costs. He noted that building improvements are also factored into the increased cost. Mayor Pro Tem Sherman noted that spreading the improvements over two years is a good idea. Mr. Valentine explained that the decrease in the property maintenance library is due to a reduction in other contractual services.

## **HUMAN RESOURCES**

Mr. Valentine explained the increase due to the labor burden and replacement of office chairs. Commissioner McDaniel questioned whether the City has the resources to perform the employee wage study in-house as noted. Mr. Valentine explained that the individual who performed the previous study is in-house. He noted that the intention of the previous manager was to perform an across the board study. He stated that there are specific positions to be reviewed, but an across the board review is not necessary at this time.

Commissioner Hoff suggested the salary allocation of the public relations person be reviewed as her work involves more departments than just the DPS and PSD.

## **CITY CLERK**

Clerk Pierce explained the reduction in the equipment maintenance account is due to historical spending. She noted that funds have been budgeted over the next two fiscal years for voter booths.

## **FINANCE DEPARTMENT**

Finance Director Ostin explained the increase due to retiree health care and hospitalization as well as the negotiated wage increase. Mayor Pro Tem Sherman questioned the collection agency fees. Ms. Ostin explained that the City is using a new collection agency and the amount is higher since the City is catching up the backlog.

Commissioner McDaniel questioned the amount budgeted for the Birmingham Area Senior Coordinating Council. Mr. Valentine explained that it is anticipated that the request in the next fiscal year will include an additional amount of \$46,000 for the Phase 1 Service Improvements.

Mayor Pro Tem Sherman commented that it may be beneficial to bid out the liability insurance premiums. Mr. Valentine noted that the City received a credit from the League for this item due to a condition of the Pool.

Mayor Pro Tem Sherman suggested staff review the number of employees listed in the retirement system as it does not match the numbers listed in the last budget.

## **PLANNING**

City Planner Ecker explained that a part-time clerical position has been added. She noted that the downtown action plan line item has increased due to the proposed update of the downtown master plan. She noted that the City-wide master plan is proposed in the 15-16 fiscal year.

Commissioner Hoff questioned whether any funding has been budgeted for the Historic District Study Committee. Mr. Valentine explained that the City has not received any requests for funding of any projects yet. He noted this will come before the Commission in the next few months.

Ms. Ecker confirmed for Commissioner Nickita the funding for alley improvement was included in the original request but was removed from this fiscal year. She noted that the request will be made in the next budget cycle.

## **BUILDING**

Building Official Johnson explained the addition of a full-time code enforcement officer and part-time inspector. He explained the fluctuation in membership and dues is due to the certifications of the inspectors coming due in opposite years.

In response to a question from Commissioner Dilgard regarding the amount of staff, Mr. Johnson explained that it is a struggle to keep up with the amount of construction with only the two part-time positions. He noted that more permits have been issued in this fiscal year than was issued in 2000. He noted that the initial request was to add a part-time clerical position as well.

Dorothy Conrad expressed concern that there is not adequate staff to monitor and police the construction sites.

## **POLICE**

Police Chief Studt explained the creation of the account for the pistol range maintenance track the operating cost and maintenance of the range. He noted that lead removal of the range is done every three to five years. Chief Studt confirmed for Commissioner Hoff that Beverly Hills pays a stipend to use the pistol range.

Commissioner Nickita questioned street striping. Chief Studt confirmed that the Central Business District is done twice a year and the outer areas are done once a year.

David Bloom questioned if the current staffing level is appropriate. Chief Studt responded that the officers are providing excellent service. If he could add more officers, he would add them to the afternoon and midnight shift and the detective bureau.

In response to a question from Commissioner McDaniel regarding moving the drug enforcement officer from the federal level to the county level, Chief Studt explained that the County narcotics team brings in more consistent funds, plus if the City is in need of assistance, the County will provide experienced officers for support.

## **FIRE**

Fire Chief Metz explained the budget decreased in personnel services due to overtime cut. Mr. Valentine noted that one-third of the employees are in the defined contribution plan. Chief Metz explained the decrease in other charges is due to the hydrant rental fee being moved to the water fund. He noted that funds were moved from the capital outlay fund to the capital projects fund.

In response to a question from Commissioner Hoff regarding the EMS transportation, Chief Metz explained that the revenue exceeded the estimated amount.

Mr. Valentine confirmed for Commissioner Hoff that the Chesterfield Fire Station construction is anticipated to begin in the 16-17 fiscal year to avoid the scheduled construction on Maple Road in fiscal year 15-16.

## **ENGINEERING**

City Engineer O'Meara explained that the field coordinator position was increased from seasonal to full-time.

Mr. O'Meara explained that the southwest corner of the City and part of the Central Business District will be the focus of the sidewalk program. He noted the cost for sidewalk replacement is increasing. Commissioner Nickita commented on the safety of the loose bricks. Mayor Pro Tem Sherman questioned the cost to replace the bricks with concrete. Mr. Valentine noted that staff can review the entire area and determine an estimated cost.

Commissioner McDaniel suggested the Hamilton alley be fixed. Mr. O'Meara explained that a request for a special assessment district would come from the Commission or the property owners.

Mr. Valentine noted that staff can gather a cost estimate. Mayor Pro Tem Sherman noted that the Willits alley near Bates is in need of repair.

## **PUBLIC SERVICES**

DPS Director Wood confirmed for Commissioner Hoff that the conference and workshop fund increased as there are more managers in the department and more opportunities for training.

Ms. Wood explained the funds budgeted for split trash/recycling receptacles to be placed in strategic locations downtown. She confirmed that the containers will look like the existing trash receptacles.

Ms. Wood explained that there is a slight decline in the Ice Arena revenues. She noted that the number of teams renting the ice fluctuates due to other competitors in the area. Commissioner Nickita suggested the area could be used as exhibition space in the off-season.

Brad Coulter commented that there are additional revenue opportunities for the ice area.

## **SPECIAL REVENUE FUNDS**

Ms. Ostin explained that expenditures on major streets are projected to decrease due to a decrease in expenditures in capital improvements which were completed in the prior year. Commissioner Hoff questioned the funds allocated for Maple Road. Mr. O'Meara explained that when the budget was first written, the project was to be done in 2015. The project has been postponed to the 15-16 fiscal year. Mr. O'Meara confirmed for Commissioner McDaniel that Oak will be done in 2015 instead.

## **ENTERPRISE FUNDS**

Mr. O'Meara explained that in 2015 the Chester and Peabody structures will be waterproofed and patched. He noted that funds are budgeted to reconstruct Martin Street in front of the Chester Street Parking Structure.

Assistant Finance Director Gerber explained the increase in cost for the water rates is due to an increase in personnel costs, retiree health care and pension costs, operating supplies and equipment rental. He explained the increase in the sewage disposal. He noted that the Detroit Water and Sewer Department will go to a fixed cost methodology to have some stability in the rates.

## **INFORMATION TECHNOLOGY**

IT Manager Gemmell explained that the decrease in the capital outlay account is due to the computer replacements in the current fiscal year. He stated that a shift toward mobility devices will reduce the cost for workstations and make them more efficient.

The Commission recessed at 12:21 PM.

The Commission reconvened at 12:25 PM.

## **HISTORICAL MUSEUM**

Museum Director Pielack explained the plan to create an archival room which would be less costly than purchasing fire-rated cabinets for the collections. She noted that the request for increase in personnel was removed.

Commissioner Hoff commented that the facility should have a permanent sign since the facility has been enhanced.

### **PRINCIPAL SHOPPING DISTRICT**

PSD Director Heiney explained the new planter displays, additional hanging baskets, and placement of recycling bins. He also discussed the special events sponsored by the PSD. Mr. Heiney noted that the overall effort of Ms. Fielder to bring in a variety of stores has been successful.

Mr. Heiney confirmed for Commissioner Hoff that the Farmers Market hours are being reduced back to 2:00 PM as the extra hour was not beneficial to the shoppers or the vendors.

### **BALDWIN PUBLIC LIBRARY**

Library Director Koschik explained that the millage rate will stay at 1.1 mils. He noted that the budget includes a new website and technology upgrade including wireless upgrade, virtualization, and a switch replacement. He noted that the pension and retiree costs will increase slightly. He noted that the contract with Bloomfield Hills will expire in November, 2014

Commissioner Hoff questioned what effect the bond will have on the budget if it passes in May. Mr. Koschik explained that it would have no effect on the 14-15 budget, but the 15-16 budget would have to be reviewed. He noted that the personnel and energy will not increase, however the janitorial services would likely increase as the building would be larger.

### **CAPITAL PROJECTS FUND**

Ms. Ostin reviewed the capital projects which include painting at the Adams Fire Station, irrigation system upgrade, improvements to the Allen House and Hunter House, rebuild the compressor at the ice arena, Woodward crossing improvements, streetscape improvements, DPS garage roof, DPS parking lot repairs, park improvements.

### **PUBLIC COMMENT**

There was no public comment.

The Mayor closed the public hearing and adjourned the meeting at 1:28 PM.

Laura M. Pierce  
City Clerk