

**BIRMINGHAM CITY COMMISSION MINUTES
APRIL 28, 2018 BUDGET PUBLIC HEARING
MUNICIPAL BUILDING, 151 MARTIN
8:30 A.M.**

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Andrew M. Harris, Mayor, called the meeting to order and opened the public hearing at 8:30 a.m.

II. ROLL CALL

ROLL CALL: Present,	Mayor Harris Mayor Pro Tem Bordman Commissioner Boutros Commissioner DeWeese Commissioner Hoff Commissioner Nickita Commissioner Sherman
Absent,	None

Administration: City Manager Valentine, Assistant City Manager Gunter, City Attorney Currier, Police Commander Albrecht, IT Director Brunk, Police Chief Clemence, Fire Chief Connaughton, Assistant Fire Chief Donohue, Planning Director Ecker, DPS Manager Filipski, Finance Director Gerber, Building Official Johnson, Library Director Koschik, City Clerk Mynsberge, City Engineer O'Meara, Museum Director Pielack, HR Manager Taylor, BSD Director Tighe, Deputy Finance Director Wickenhauser (SP), DPS Director Wood

III. BUDGET PRESENTATION

City Manager Valentine thanked Finance Director Gerber and his staff for their work on the budget. He presented highlights of the proposed 2018-2019 fiscal year budget:

- A 10% decrease from the prior fiscal year, primarily due to the Old Woodward project occurring in the 2017-2018 fiscal year.
- The equivalent of an additional 6.5 full-time positions based on strategic succession-planning initiatives.
- An additional contribution to address some of the City's outstanding liabilities to the retirement healthcare system, as it is currently approximately 50% funded with liabilities at \$28 million.
- A general fund which remains within the threshold of 17-40% -- it represents a 36% fund balance. This will reinforce Birmingham's Triple A Bond Rating as the City seeks bonding opportunities for new parking facilities in the future.
- \$9.2 million in capital improvements to address infrastructure needs.
- Adjustments to the water and sewer rates. The water rates will be increased by about 5%, and sewer rates will increase about 3.8%.

1. BUDGET VIDEO

Finance Director Gerber presented an introductory DVD to the proposed budget for fiscal year 2018-2019, highlighting the following:

- The proposed fiscal year 2018-2019 budget represents the seventh year of revenue growth for the City. The growth has been the result of reinvestment in the City as a result of low interest rates and favorable economic conditions.
- The estimated taxable value used for the proposed 2018-2019 budget is approximately 5% higher than 2017-2018.
- The total recommended fiscal year 2018-2019 budget, for all funds, including component units, is approximately 77.8 million dollars, which represents a 10 percent decrease from the prior year's budget.
- A significant portion of the decrease in expenditures for fiscal year 2018-2019 is attributable to large budgeted capital improvements in the prior year budget for road projects.
- The City's recommended fiscal year 2018-2019 General Fund Budget, which represents expenditures for major City operations, totals approximately 36 million dollars and represents an increase of approximately 1 percent over the prior year's General Fund budget.
- General Fund expenditures represent 47% of the City's total budgeted expenditures.
- Property taxes account for 68% of revenues within the City's General Fund.
- Within the proposed fiscal year 2018-2019 General Fund Budget, Police and Fire services account for 13.7 million dollars, or 38% of all expenditures.
- The recommended fiscal year 2018-2019 budget includes 9.2 million dollars in Capital Improvement projects. Of this amount, approximately 5.2 million dollars is budgeted for improvements to streets, sidewalks, sewers, and the water delivery system in residential neighborhoods.
- The recommended fiscal year 2018-2019 budget includes a recommended total property tax levy of 14.5411 mills, which represents a slight decrease from the prior year's levy.
- The City's Operating levy is proposed to decrease slightly from 11.2481 mills to 11.2099 mills.
- The Library operating levy is proposed to decrease from 1.41 mills to 1.3983 mills as a result of the Headlee Amendment cap.
- The City's refuse levy is proposed to decrease from 0.8252 mills to 0.8111 mills, as a result of an increase in taxable value.
- The City's debt levy is proposed to decrease from 1.1906 mills to 1.1218 mills as a result of an increase taxable value.
- The total average residential property tax bill for 2018-2019 is estimated to be \$9,074 based on an average residential taxable value of \$209,800 and estimated total tax levy of 43.25 mills.
- Of the total tax levy of 43.25 mills, the City accounts for 14.5411 mills or approximately 33%. This equates to approximately \$3,050 of the total tax bill of \$9,074. The remainder of the property taxes is remitted to Oakland County, State of Michigan, and Birmingham Schools.
- The water rate is recommended to increase 5.4% for 2018-2019 as a result of a 3% increase in the cost of water attributable the Great Lakes Water Authority and an 8% increase in city maintenance costs.
- The sewer rate is recommended to increase by 3.8% as a result of a 4% increase in the cost of sanitary sewage disposal attributable to the Great Lakes Water Authority and a 4% increase in city maintenance costs.

IV. DEPARTMENT PRESENTATIONS AND DISCUSSION

2. GENERAL FUND

CITY COMMISSION

City Manager Valentine reported a 2% increase, primarily attributable to the computer equipment rental charge.

MANAGER'S OFFICE

City Manager Valentine reported a 5% increase, attributable to roll-up costs of new employees added last year.

CITY HALL AND GROUNDS

City Manager Valentine reported a 8% increase, attributable to some adjustments in contracted services and personnel, one of them being transitional employees.

PROPERTY MAINTENANCE-LIBRARY

City Manager Valentine reported a 15% decrease, attributable to projects completed in the current fiscal year.

LEGAL

City Manager Valentine noted that the wrong budget year was included in the budget document distributed to the City Commission, and a corrected page reflecting the 2018-2019 fiscal year legal budget was subsequently provided to the Commission.

City Attorney Currier explained:

- The legal budget includes \$13,000 a month in retainer fees for meetings, opinion writing, and any other non-litigation related tasks.
- For litigation, the City only responds to lawsuits, and prosecution is dependent on how contentious tickets become, therefore the legal budget includes some flexibility to plan for these contingencies.
- The City is requesting a \$5/hour increase for the prosecution pay-rate. The pay-rate has not changed in a number of years.

HUMAN RESOURCES

Human Resources Manager Yvonne Taylor reported a \$2,300, or .5% increase, attributable to the increase in computer equipment rental costs.

CITY CLERK

City Clerk Mynsberge reported a 4.6% increase primarily due to a one-time expenditure for reconfiguring the outer office to increase efficiency and provide appropriate protection of voter records which are displayed on computer screens.

City Manager Valentine explained to Commissioner Hoff that the Clerk will no longer budget \$1,500 for contractual Deaf and Hearing Impaired Services, since those services are infrequently used and remain available upon request. Commissioner Hoff voiced approval of that decision.

City Clerk Mynsberge explained to Resident David Bloom that Birmingham works with government at every level to guarantee the City has the most up-to-date security for voter records in place.

ELECTIONS

City Clerk Mynsberge reported an increase of \$10,000, due to two elections being held in FY 2018-2019, as opposed to one election held in the current fiscal year.

FINANCE DEPARTMENT

Finance Director Gerber reported a 1.7% increase, attributable to computer rental costs and a change in personnel hospitalization costs.

TREASURY

Finance Director Gerber reported an 8% increase, attributable to a transitional employee for succession training for the Deputy Treasurer position.

Commissioner DeWeese commended City staff on their attention to succession training.

ASSESSING

Finance Director Gerber reported very little change in the assessing budget, noting the contract with Oakland County is due for renewal in 2020.

GENERAL ADMINISTRATION

Finance Director Gerber reported an increase of \$285,000, or 25%, attributable to estimated costs for potential increases in compensation.

City Manager Valentine indicated the \$7,500 budgeted in the current fiscal year was for operating supplies, and the additional \$5,000 included in the 2018-2019 fiscal year budget includes changes that will result if a new City logo is approved.

TRANSFERS OUT

Finance Director Gerber explained an increase of \$1.5 million in the budget for transfers out. Half of that amount is budgeted to reimburse the sewage disposal fund's disbursements for the Wolf lawsuit. Other portions are for future road projects and the retiree health care fund.

City Manager Valentine stated that this is part of the effort to reduce the liabilities owed as part of the retiree health care fund. While a \$200,000 payment against those liabilities is currently being proposed to the Commission, City Manager Valentine explained that there may be an additional \$250,000 in taxable values available to the City. As a result, City Manager Valentine recommended using the extra income from taxable values, and budgeting a potential total of \$450,000 towards the retiree health care fund liabilities for the 2018-2019 fiscal year.

Commissioner DeWeese approved and stated he just wanted to be sure there would be enough money for the next leg of the Old Woodward project so as not to cause delays.

PENSION ADMINISTRATION

Finance Director Gerber explained this fund records pension costs, actuarial fees, and the costs of Comerica handling the processing of retirement checks. The fees are reimbursed to the general fund by the pension fund, so it has zero net effect on the general fund. Finance Director Gerber noted the proposed budget was approved by the Retirement Board.

COMMUNITY DEVELOPMENT PLANNING

City Planner Ecker reported a 10% decrease, attributable to less being budgeted for the master plan.

BUILDING

Building Official Johnson reported a 3% increase, attributable to the purchase of the 2018 editions of all building codes, a 15% increase in contracted services, and renewals of state licenses and registrations for staff. The 2019-2020 fiscal year will see a 19% decrease in contracted services, however, when the City decreases its use of McKenna's services.

Building Official Johnson stated the furniture budget is to increase efficiency and public service within the Building Department.

ENGINEERING

City Engineer O'Meara reported an increase attributable to a temporary increase in staffing to help manage the downtown project, other projects, and private demands.

SIDEWALKS

City Engineer O'Meara reported the sidewalk project will be progressing into the southeast corner of Birmingham – south of Maple and east of Adams and Woodward.

City Engineer O'Meara confirmed for Commissioner Hoff that improvements for Maple Road are budgeted in the 2018-2019 fiscal year.

City Manager Valentine told Commissioner Nickita that most flag maintenance occurs as the result of minor upheaval. Beginning in the current fiscal year, the City has taken a new approach to repair which entails grinding the risen parts of the flags in order to create a level surface, instead of replacing a whole flag which is in otherwise good condition. This approach will be monitored, and if continued, will lead to a decrease in the City's costs.

City Engineer O'Meara clarified that costs for concrete are actually on the rise due to demand, so this change in procedure will more likely allow the City to maintain its costs for this project, instead of yielding a decrease.

Commissioner Nickita said he is comfortable with a change in approach but wants to be sure that there is enough funding for sidewalk maintenance going forward.

Mayor Pro Tem Bordman noted that the City repairs unsafe sidewalk conditions expediently, and that citizens should report any unsafe sidewalk conditions they encounter.

City Manager Valentine concurred and stated that while maintenance costs may seem higher, they are significantly lower than the costs incurred by the City for trip-and-fall lawsuits.

ALLEYS

City Engineer O'Meara explained an allocated \$30,000 for alley maintenance and an additional amount budgeted with the goal of undertaking improvements to the Pierce Street alley between Pierce and S. Old Woodward.

City Engineer O'Meara told Commissioner Hoff that surface improvements in alleys are fully assessed to adjoining properties. An allotment for the surface alley upgrades is included in this budget, but will be fully reimbursed via assessments.

City Engineer O'Meara told Mayor Harris that sewer upgrades within an alley are funded by the sewer fund, which is separate from this fund.

Resident Jennifer Sterling stated she would like Birmingham to consider allowing second water meters on homes, which would allow residents to not pay costs of sewage on irrigation costs. Ms. Sterling stated that other municipalities routinely allow for second water meters.

City Attorney Currier replied that there is no need for a second water meter because the system of billing for storm water disposal changed to be based on property acreage, not on water usage, as the result of a lawsuit filed against Birmingham.

City Manager Valentine responded that the issue with such an approach is that the City is still billed a total amount for water usage, and therefore if a cost is removed from a property with a second water meter, the cost does not disappear, but is redistributed among neighboring properties.

Commissioner Sherman noted that when the aforementioned billing changes were implemented in January 2017, the Commission committed to reassessing the issue within the next couple of years. Commissioner Sherman then addressed Ms. Sterling and said that reassessment should be coming before the Commission within the next year or so.

City Engineer O'Meara explained that Birmingham's billing structure differs from surrounding communities because Birmingham's sewage fund is billed by how much water the City runs through a water meter. The whole east side of the City is billed accordingly, which means increases in water usage, even ones that result from irrigation, require increases in payments to the sewage fund. Thus, if some citizens get second water meters and some do not, the ones without will bear a heavier cost burden.

City Manager Valentine explained that these costs come from the Water Resource Commissioner in Oakland County, who has chosen not to undergo the costs of upgrading the system which would allow for the billing change being requested by Ms. Sterling.

The Commission agreed to look into the matter further.

Resident Zeo Windley stated that he and other neighbors have had issues with flooding in the neighborhood of his home, 921 Brookwood, dating back to at least 2000.

City Manager Valentine confirmed that this project is included in the 2018-2019 budget.

City Engineer O'Meara confirmed for Mayor Pro Tem Bordman that there is currently a lack of sewage capacity in that area's combined sewer district, so the City is working on building a new storm sewage system on neighboring Oak St. so that the water will be redirected.

3. SPECIAL REVENUE FUNDS

MAJOR STREETS

City Engineer O'Meara reported on upcoming street repair projects on Oakland, Park, Peabody and Bowers.

City Manager Valentine explained that:

- The City is putting escalators into these budget estimates in order to meet inflationary costs.
- Two grants, totaling approximately \$600,000, will be lost to the City if some of these repairs are not completed by 2020.

Commissioner Sherman stated:

- Money should be re-allocated towards these projects in this budget rather than have to increase taxes next year. He mentioned possibly delaying library construction by a year as an option.
- It is more prudent to have money set aside in order to cover potential cost increases with these projects.

City Engineer O'Meara confirmed for Commissioner Nickita that the City has written its current proposals based on increases incurred by recent projects and all information currently available.

Finance Director Gerber told Mayor Harris that he is not sure if the Governor has transferred the recently legislated funds from the General Fund to the Road Fund. As a result, Birmingham has structured its proposed major street budget assuming a lack of funding from the State, in order to make sure there is no gap in funding.

Resident David Bloom stated:

- He cannot see how Birmingham will meet its obligations to the retirement fund and liabilities with contributions of only \$450,000.
- While many people view the downtown construction as necessary, many people also view it as excessive and detrimental to retailers.
- The library has worked very hard to keep costs for their reconstruction low, and he would be disappointed to see money re-allocated from that project.

Finance Director Gerber clarified that the City is contributing \$3 million to retiree health care in this budget. Of that, \$2 million is addressing the unfunded liability. The \$450,000 City Manager Valentine mentioned earlier in the budget presentation was an additional estimated contribution towards the City's unfunded liability, on top of the proposed \$2 million.

City Manager Valentine added that the City is meeting its funding obligations to the retiree health care fund, and would be exceeding those obligations with the addition of the estimated \$450,000.

LOCAL STREETS

City Engineer O'Meara reported that the main focus this upcoming fiscal year will be some of the improved streets north of Oak Street and west of Chesterfield. The project will be Phase One of a two-phase project to remove pavement and put down new concrete, address sewage capacity, and replace the water mains. He added that there will be a small project on Elm Street that will be coupled with the work on Bowers Street.

City Engineer O'Meara confirmed that improved streets are only assessed to the adjoining properties once. Mayor Pro Tem Bordman reminded the public of the difference within Birmingham between an improved and an unimproved street.

City Manager Valentine announced the Ad Hoc Unimproved Streets (Ad Hoc) Committee anticipates its first meeting in June.

Resident David Bloom mentioned that Northlawn, west of Southfield, is in need of repair. Mayor Harris stated that repairs on an unimproved street can be commenced at the request of the street's residents.

COMMUNITY DEVELOPMENT BLOCK GRANT

Finance Director Gerber reported the normal allocation of funds. Money is set aside for barrier-free improvements, home chore money and senior outreach services. There is no City project currently proposed for the barrier free improvement, but City staff is on the lookout for a good use of the funding.

Finance Director Gerber explained the monies are sometimes rolled over into the next fiscal year if not exhausted, which contributes to what looks like a larger fluctuation in funding than actually occurs.

Mayor Pro Tem Harris¹ reminded Birmingham seniors that they can contact NEXT to access any of the aforementioned services made available by the Community Development Block Grant.

SOLID-WASTE DISPOSAL

Finance Director Gerber reported very little change from the previous budget year.

4. ENTERPRISE FUNDS

AUTOMOBILE PARKING SYSTEM

City Engineer O'Meara reported:

- Operational parking structure and operational parking meter responsibilities are being transferred to Assistant City Manager Gunter.
- City Engineer O'Meara will remain involved in construction and the large capital maintenance of the buildings.
- There had been hope to rehabilitate two floors of the Pierce Street structure this year, but the City did not want to conflict with parking needs caused by the Old Woodward construction, so that will be delayed.

Finance Director Gerber explained:

- Increases in this area of the budget are due to more time spent by police monitoring parking meters and a significant portion of Assistant City Manager Gunter's time spent working on parking-related issues.
- There is a revenue source from the General Fund to cover the parking monitoring done by police that has been allocated to this budget.

¹ *As amended at the May 14, 2018 Commission meeting.*

City Engineer O'Meara stated the \$600,000 budgeted for public improvements under this section is for potential upgrades to Lot #6, which will be coming before the Commission soon.

Police Chief Clemence reported:

- The parking sensors have not yet been paid for because they are not currently functional.
- Police Chief Clemence and Assistant City Manager Gunter are working on developing an application that will allow potential Birmingham parkers to locate all available parking within the City at a given time on their phone. The sensors on the parking meters are an integral part of that vision.

City Manager Valentine explained payments for the system were allocated in a previous budget, and the money is available every year until the system is paid.

Police Chief Clemence told the Commission that utilization rates are about 47% coins, 26.5% ParkMobile App, and 26.5% credit card. Each month, credit cards are becoming incrementally more popular.

WATER SUPPLY SYSTEM

Finance Director Mark Gerber reported a 5% increase in water costs primarily due to increased fees from the Great Lakes Water Authority (GLWA), and an increase in Birmingham's own costs for personnel.

SEWAGE DISPOSAL

Finance Director Gerber reported the City is waiting for the Oakland County Water Resources Commissioner to finalize fees, but a large change is not anticipated between the projection and the final budget.

City Manager Valentine confirmed adequate funding is contained in the proposed budget for planned projects.

MUNICIPAL GOLF COURSES

DPS Director Wood reported an increase in the Lincoln Hills budget of approximately 7% due to wage increases for seasonal staff and planned public improvements. The Springdale course is currently undergoing a public improvement project, and is scheduled to open on Mother's Day.

Mayor Harris questioned the projected deficit for 2020. Finance Director Gerber explained both depreciation and capital costs are shown, so if capital expenditures are deducted the deficit is much smaller than what is shown.

5. GENERAL FUND (CONT.)

PUBLIC SAFETY

Police Chief Clemence and Police Commander Albrecht reported a 4.25% increase, attributable to wages, salaries and associated labor costs. Police Chief Clemence noted less than \$80,000 is budgeted for planned programs, six Tasers are being purchased for auxiliary officers, officers are due for new bullet proof vests this year and a federal grant will cover half the cost, and auxiliary officers are scheduled for new coats and uniforms. 3 desks for support staff are being replaced. They are from the 80s.

DISPATCH

Police Chief Clemence reported a 4.89% decrease, due to reduced annual maintenance fees because of the purchase of equipment.

LAW & DRUG ENFORCEMENT FUND

Fire Chief Connaughton and Police Chief Clemence reported planned purchases using drug forfeiture funds.

Resident David Bloom questioned the proposed increase for wages and labor costs. City Manager Valentine explained labor costs are driven primarily by the cost of health care coverage and wages are dictated by union contracts.

FIRE

Assistant Fire Chief Donohue reported a 9.6% increase, primarily attributable to the succession plan for the retiring Fire Chief, step increases, and retiree health care increases.

City Manager Valentine explained the addition of three employees is due to increasing medical runs. He noted only 2% of runs are for fires, with the rest typically being medical runs.

EMERGENCY PREPAREDNESS

Assistant Fire Chief Donohue reported no change from the current year.

Resident David Bloom asked if increased tax revenue from new assisted care facilities covers the cost of increased medical runs. City Manager Valentine noted that emergency services are available for everyone equally, so the City doesn't budget in the way Mr. Bloom suggests.

PUBLIC SERVICES

DPS Director Wood and DPS Manager Filipski reported a 9% increase, primarily attributable to computer rental cost increases and planned building maintenance.

PROPERTY MAINTENANCE

DPS Director Wood reported a less than 1% increase.

WEED/SNOW ENFORCEMENT

DPS Director Wood reported the enforcement budget remains relatively flat.

ICE SPORTS ARENA

DPS Director Wood reported a 2% decrease. City Manager Valentine reported the City is looking at having an assessment done to determine future needs and noted a complete replacement of the ice arena sheets and underlying mechanicals may be needed. City Manager Valentine indicated that projects for parks and facilities were identified in the Parks and Recreation Master Plan, and that a discussion is forthcoming about the possibility of issuing parks bonds in order to make the improvements in a more financially stable way.

DPS Director Wood reported on the status of the infrastructure audit, noting the proposal is currently being reviewed. Discussion ensued focused on the future of the ice arena, the City's ability to address infrastructure repairs and replacements as soon as possible and repurposing the facility for additional off-season uses.

COMMUNITIY ACTIVITIES

DPS Director Wood reported a 12% increase, primarily attributable to a one-time additional purchase of holiday lights.

PARKS & RECREATION

DPS Director Wood reported the budget is relatively flat.

Commissioner Hoff questioned why the cost for city logo changes is included in the Parks and Recreation budget but not in other departments. City Manager Valentine explained costs for logo changes that apply across the organization, such as stationary, have been budgeted centrally, with specific areas, such as parks signs, budgeted to the appropriate department.

DPS Director Wood agreed that lily pad treatment in Quarton Park is a continuing maintenance issue. Mayor Pro Tem Bordman noted the runoff of nitrogen and silt provides grounding for lily pads and asked if any thought to fixing the runoff has been considered. DPS Director Wood indicated the MDEQ permit does not allow mitigation along the shoreline.

Resident David Bloom suggested lawn care services be educated about reducing fertilizer applications.

6. INFORMATION TECHNOLOGY

IT Director Brunk reported a 2% increase attributable to increasing connectivity speed to City facilities and to departmental requests for machinery and equipment.

IT Director Brunk confirmed appropriate measures have been taken to guard the network, and backups of all servers are run daily and kept independently. City Manager Valentine confirmed the intent to continue using an IT consultant rather than bringing the function in-house.

7. BIRMINGHAM HISTORICAL MUSEUM

ALLEN HOUSE

Museum Director Pielack reported a 2.6% decrease, attributable to the completion of one-time projects.

In response to Commissioner Hoff's question about the increase in labor burden, Finance Director Gerber and City Manager Valentine explained federal requirements regarding hospitalization has necessitated the implementation of a third tier of health coverage for a few City employees, including the Museum Director.

Museum Director Pielack explained the contractual services budget includes complete refinishing and repair of exterior mahogany doors, three-quarters of the fencing around the side, repair of brick siding, foundation repair, and repair of steel rails.

Commissioner Hoff noted she understands the Museum has delayed the replacement of signage in anticipation of a new city logo, but commented the unattractive state of the Museum signage is not appropriate for Birmingham.

HUNTER HOUSE

Museum Director Pielack reported a 29% increase, representing approximately \$4,000, attributable to needed work, including replacement of the roof and possible repair of paint. The budget increase for this work is reflected in the capital projects line item.

Mayor Harris recessed the meeting at 12:17 p.m. and reconvened the meeting at 12:48 p.m.

8. BIRMINGHAM SHOPPING DISTRICT (BSD)

BSD Director Tighe highlighted three line items, noting the current fiscal year's budget was higher than usual due to support services and marketing to address challenges faced due to the Old Woodward construction project. Decreases in FY 2018-2019 are due to the completion of the Old Woodward construction project.

Highlighting the tenant recruitment line item, BSD Director Tighe noted a proposed increase to support tenant recruitment and retention following the construction project.

BSD Director Tighe reported an overall decrease of 8% from the current fiscal year.

Commissioner Nickita asked if Buxton has analyzed rental rates. BSD Director Tighe explained their scope of work entails analyzation of customer profiles, not rental rates. Commissioner Nickita stated he would like a clear analysis of Birmingham's rents in comparison to other communities.

9. BALDWIN PUBLIC LIBRARY

Library Director Koschik introduced Library Board Members Frank Pisano, Jim Suhay, Melissa Mark, and Bob Tera.

Library Director Koschik presented highlights of the Library's proposed budget:

- Continuation of the current 1.1 mills for operating expenses.
- An additional 0.2983 mills in FY 2018-19 to start pre-funding the Youth expansion and renovation, for a total millage request of 1.3983 mills.
- An additional 0.2819 mills in FY 2019-20 for continued funding of the expansion and renovation, for a total millage request of 1.3819 mills.
- An increase in the operating budget for two new part-time librarians, expansion of electronic resources, the Idea Lab and replacement of computer system, and building improvements in the Grand Hall, second floor and lower level, including furniture, carpet, paint, electrical and cleaning.

Library Director Koschik noted features of the proposed youth room project:

- Expansion of the youth room.
- Increase in size of story room, play area, and study and collaboration spaces.
- Updates of lighting, acoustics, and wiring.
- Improved wayfinding.
- Updates of paint, furniture, and carpeting.
- Renovation and modernization of restrooms.
- Exposing the brick on the 1927 building.
- Creating a building exterior that complements the existing building as well as Shain Park.
- Projected cost is \$2.348 million in 2019 dollars, with proposed construction occurring July 2019 – April 2020.

Library Director Koschik reported the projected fund balance for FY 2018-19 is \$1,672,764.

10. BROWNFIELD REDEVELOPMENT AUTHORITY

Finance Director Gerber explained the increase in expenditures is attributable to reimbursements for environmental costs being paid to Brownfield projects.

11. TRIANGLE DISTRICT CORRIDOR IMPROVEMENT AUTHORITY

Finance Director Gerber explained there is currently no tax capture. The City is working with various entities to develop a site in the triangle area for parking.

12. GREENWOOD CEMETERY PERPETUAL CARE FUND

Finance Director Gerber reported no expenditures are planned for next year, over half a million dollars is invested in the fund, and the fund is generating about \$12,000 in investment income.

City Manager Valentine noted the need to make the availability of cemetery plots known.

Regarding the cemetery master plan project, City Manager Valentine explained \$20,000 from the general fund was expected to be expended in the current fiscal year, but the RFP will likely need to be refined to more clearly align the scope of work with the Greenwood Cemetery Advisory Board's intent. The \$20,000 slated for the master plan, if not expended in the current fiscal year will be moved forward to the FY2018-2019 budget

Finance Director Gerber confirmed the City is taking advantage of the new law allowing more investment possibilities for the fund, and as a result higher returns are being realized than for general City investments.

13. DEBT SERVICE FUND

Finance Director Gerber explained the amount being requested for property taxes for the bonds is slightly less than the previous year. The bonds fluctuate depending on how each was structured when issued.

Referring to the previous mention of a possible Parks and Recreation bond issue, Finance Director Gerber noted an opportunity in coming fiscal years to replace retiring debt with a new bond issue.

14. CAPITAL PROJECTS FUND

Finance Director Gerber noted major planned expenditures including replacement of boilers at City Hall, installation of street lights in the Old Woodward project area, and work on the Kenning Park baseball fields.

15. PUBLIC COMMENT

None.

The Mayor closed the public hearing and adjourned the meeting at 1:36 p.m.

J. Cherilynn Mynsberge
City Clerk