

**CITY OF WIXOM  
BUDGET SESSION  
MAY 16, 2016**

This meeting was called to order at 6:00 p.m. with the Mayor and all members of City Council in attendance, as well as the City Manager, Department Heads and various Staff members.

**Changes or Additions to the Agenda** (None)

**Call to the Public**

There were no public comments at this time.

Deputy Mayor Ziegler commented that he spent some time reflecting on the Budget Sessions and reread the minutes. When he reviewed the items on this agenda, he didn't think that it captured what he thought the meeting was for. He believed the meeting was to wrap up the budget. After his review, he found there was unanimous consensus on 25 of the various funds and budgets. There were ten remaining budgets and funds that had to be finalized and that was what the focus should be on. Five of the remaining ten items were agreed upon by everyone as reflected in the minutes with the exception of Councilmember Kennedy. With the Fire and Police budgets, the minutes state "There was consensus by all except Councilmember Kennedy." The Major Roads, Local Roads, Safety Paths reflect the same thing with Councilmember Kennedy being the only one to vote "No." Deputy Mayor Ziegler thought that generally meant those budget items were accepted. He pointed out that he didn't recall hearing nor did the minutes reflect any particular problems that Councilmember Kennedy had with those budgets. There were no suggestions as to how to adjust those budgets to make them worthy of Councilmember Kennedy's acceptance. That left the five items that they should talk about. One item was the Clerk's Office budget. There was a consensus from everyone except Councilmembers Kennedy and Smiley. He thought that should be settled as five of the seven members were ready to approve it that night. The others were the Cultural Center, Senior Center, and the Parks & Recreation that haven't been finalized. There was also discussion about possible revamping of those various Departments. The last topic was the DPW as he thought that was due to a discussion between Mayor Hinkley and Councilmember Kennedy relative to a piece of equipment that was requested. He stated that he hoped the areas he mentioned would be addressed at the meeting tonight.

Councilmember Smiley said that he believed several items had temporary approval. He hoped that Mr. Goodlein would come back to Council with a 4% decrease in the budget. He didn't want to repeat what he said about why or the reasoning to look for a 4 or 5% cut from the budget. He hoped they could find 4% in the interest of preparing for years down the road while there was time so they didn't have to do the millage over again in another four years. Councilmember Smiley chalked it up to his newbie status, but throughout the course of the year he heard things like, "hey, we decided that at budget." He thought now would be the time to go through those items and they wanted to get it wrapped up so quickly. He added that he didn't want to be here until late. He questioned if now would be the opportunity to say let's not spend this or let's move it over here as he thought that what we were supposed to do.

Deputy Mayor Ziegler commented that he hasn't heard any suggestions. That would be helpful if he made some suggestions for the Council to consider.

Councilmember Smiley thought he made it pretty clear that he preferred the City Manager and the Department Heads choose. He promised there was nothing about getting rid of police officers or firemen in what he would like to see trimmed from the budget. He indicated that he looked at the tennis courts at Gilbert Willis Park. They were listed as a \$20,000 expense and although they looked pretty bad with big cracks going through them, he did not know what the tennis court version of a pacer rating would be but asked if it could just be tarred up. He thought that was something for Mr. Sikma to decide. He believed there were people who could look at these items

to decide whether or not it would kill somebody. He said if the Council wanted him to give a list, he found \$513,000, which was a little over 4% so there was a little wiggle room too but he didn't want to be the guy to say "here was your list of things to cut."

Mr. Goodlein asked if the items he had on his list were all off of the capital improvements. Councilmember Smiley said they were, and said he didn't understand why they were in the marriage hall business. Deputy Mayor Ziegler said that the reason we were in that business was because previous Councils built that place for a purpose. The purpose was to have a hall for City functions and to rent to people. It was the current Council's obligation to make sure that those visions were not thrown in the trash can. Councilmember Smiley said that it worked right now.

Mr. Goodlein commented that Councilmember Smiley said he had \$513,000 in capital improvement cuts. It was important to know that we only get 11% of any dollar that shows in a capital improvement column because of the way the money was attributed to the ten year capital plan. If there was \$513,000 that he had identified, the actual savings was only about \$55,000, not \$513,000. Councilmember Smiley had made the statement that his intent was not to cut any jobs, but Mr. Goodlein thought the reality was if he was to cut 4% of the budget, that would be \$422,000. It was difficult for the City to do that without cutting \$110,000 to \$160,000 in programs or other supplies.

Mr. Smiley said he read Mr. Goodlein's memo and it took a minute for it to register. He went back to look at page 134 and 135 of the budget and noted that those items weren't stretched out over ten years. They were all in the 2015-2016 fiscal year. Mr. Goodlein explained that each year the City deposits one-ninth of the amount of any item in any capital improvement year.

Councilmember Kennedy asked if they were going to spend \$120,000 on a front-end loader next year. Mr. Goodlein said that it was not approved by Council yet. Councilmember Kennedy understood but clarified that if they were to purchase equipment they would have to spend the entire \$120,000 to buy the equipment and he did not believe that it was being spread out over ten years.

Mr. Goodlein said that he tried to explain that the City only received 11% of benefit in the budget year in which they made the cut from in regards to any capital purchase that they eliminated. He explained the way a ten-year rolling capital plan worked was money taken from the budget each year would be deposited into an unappropriated fund balance. When a purchase comes up, the money was removed from the unappropriated fund balance to make said purchase. That was why if they eliminated something in a future year, in this budget year they would only see one-ninth of that amount. Mr. Goodlein noted that this had nothing to do with trying to disparage anybody. It was only to provide an explanation and to try to clear up what he thought was a misunderstanding. If that was not the case, then he would apologize for taking up their time.

Councilmember Smiley said that he still did not understand. He asked if a \$100,000 purchase was made then the budget would only reflect \$10,000. He asked where the other \$90,000 came from. Mr. Goodlein replied that it came from contributions made to in account over the past years. He asked Councilmember Smiley to think of it like this. If you wanted to buy a truck for \$1 million dollars, you would put \$100,000 away every year for 10 years then cut the check. The City operated in the same manner and it was called the rolling Ten Year Capital Improvement Plan. Every year, they took one-ninth of the total amount and deposited it into the unappropriated fund balance.

Mayor Hinkley said the he didn't want to spend much more time on the subject but explained that it was opposite of buying a home. When you buy a home, even though you signed on the dotted line, it was not truly your home until all the payments were made. In City budgeting if they needed to buy a \$100,000 item they planned it out for five or six years. They put a certain amount of money away for that time and saved up the enough to make the purchase.

Mayor Hinkley stated that what he heard from three Councilmembers was 9% or 10%, and then he heard 2% or 3%. He wasn't sure where the 4% or 5% came from. He added that this was the time to debate on whether or not an item should be purchased.

Councilmember Rzeznik commented that nine years ago when the questioned on how deep to cut the budget as the economy was tanking, they had a foresight of doing a ten year rolling capital budget. Things were appropriated, debated and discussed. In times of great economic hardship, we maintained the current assets. He believed now was the time to make sure they maintained those assets by replacing the ones that needed to be replaced, and make investments in the age of the infrastructure items such as the sewer and water plant and roads. He believed they had a great DPW, a great Police and Fire Departments. He hoped people would read the Oakland County Prosper Magazine article about the community. It was about making it a real community so people wanted to come to Wixom and work and live. He agreed with Deputy Mayor Ziegler as they should stick to those five or six points and get those debated.

Councilmember Kennedy believed it was the City Manager's job to tell the Council what was needed however, if Council asked for a 4% decrease in the budget, that was something they should be allowed to do. When he asked the City Manager for a 4% budget decrease it was not specifically regarding the Police Department or the Fire Department or any other Department. He was asking the City Manager to come up with a 4% decrease in the budget. Plain and simple. He stated that when you budget out \$100,000 to put new carpeting in, that carpeting comes off the budget right away. It was not a nine year or ten year rolling asset. It was budgeted for the next year. He never spoke about cutting people instead of cutting capital improvements or assets because he would never see that. Councilmember Kennedy thought the City's first business was public safety. He noted that he asked the City Manager to take his expertise and cut 4% out of the budget as that would be the only way he would approve anything in this budget and his feeling still stands. He explained that he didn't see any 4% decrease in this budget; therefore, it didn't look like they would have a unanimous approval of the budget.

Councilmember Gottschall questioned that if they were only budgeting out for three years then how they would know it took one-ninth. Ms. Stamper explained that on page 136 it is indicated the Ten Year Capital Improvement Plan. Councilmember Gottschall stated they didn't know what they were going to buy in year 8 because they only looked through year 3. Ms. Stamper said they planned ten years ahead of what's expected in those Capital Improvements. She noted that they don't just plan for three years. They looked at a ten year rolling period of what they expect the Capital Improvements to be in that time period. Page 136 of the budget shows the Capital Improvement Plan and the annual contribution of \$878,000 each year throughout that ten year plan. They take the current year and the full nine years going forward. Whatever the grand total of those Capital Improvements were, the annual contribution was divided by nine. Councilmember Gottschall indicated that part of the confusion was earlier statements from the City Manager saying they were going to cut and even if they cut all of the Capital Improvements, it was only \$800,000. When that stated a month ago and since then the math had changed, it became confusing for people.

Mayor Hinkley became lost when he said the math changed. This had been a ten year rolling budget. He had been here 16 years and the math had never changed.

Councilmember Kennedy asked what they could do to cut out 4% from the budget.

Mayor Hinkley said the employees were ample to review the upcoming budgets for the upcoming year. He believed that there were no 4,5,6 or 7 hundred thousand dollars of fluff. He believed the Department Heads sat down with staff and went through the requirements, goals, equipment, staff, capital, rolling and determined what they needed for the upcoming year. He had never seen the mentality of asking for more thinking there would be cuts so they could come out ahead.

Councilmember Kennedy agreed as the Fire Department cut \$37,000 from their budget. He only asked to see something but he has not received or seen anything. Additionally, he stated that he thought they would have received this paperwork a lot sooner. He left for out of town at 11a.m. on Saturday and it still was not at his door. He only received this packet this morning therefore it was disheartening.

Councilmember Beagle noted the email they received said that it would be delivered on Friday evening or Saturday by noon. His packet was delivered was 11:45 a.m.

Mr. Goodlein explained there was dissatisfaction expressed mostly by Councilmembers Kennedy, Gottschall, and Smiley concerning the proposed budgets submitted. He thought Councilmember Kennedy and the other councilmembers believed that his thinking was inconsistent with the will and desire of the community. That caused him to believe that Councilmember Kennedy, Gottschall and Smiley believed they better understood what the community wanted of the City. That was why he delivered staff and program cuts that could be made and introduction and expenditures that would result with eliminating one or more staff positions or programs. While he was not an attorney, it was his understanding that it was the duty and responsibility of the Wixom City Council under the City Charter and Public Act 279 of 1909 to find and direct spending through approvals of budget and expenditures. The purpose of this authority was to provide elected officials with an ability to establish a scope of services consistent with the understanding of the elector's expectations as well available revenue and resources. In his humble opinion, they were unjustified at this time because of the current revenue and expenditures, and because of the reduction of \$300,000-\$425,000 would cause a significant and dramatic reduction in services to the community. Since personnel costs were about 63% of the City's budget, a reduction of 3-4% would require staff reductions valued at a \$190,000-\$268,000 or 3-6 staff positions, which were 6-13% of the City's workforce would have to be eliminated along with programs or supplies in capital expenditures valued at a \$110,000-\$160,000. His decision to present the City Council with alternatives from which they may select and eliminate was in the interest of transparency. The discussion to eliminate staff and programming was too important for the process to occur in the City Manager's Office alone. It deserved a public forum in which the public and the employees could absorb and note the thinking and decision making of the elected officials charged with those tasks and responsibilities so the residents and employees could better understand why decisions were made as they were. He did not believe a 3-4% reduction was justified. He provided the budget that he and the Department Heads worked on. The expenditures were consistent with the revenue. They thought it was a good budget for the next year based upon what they know. The buffet list of possible programs and staff eliminations were sent for the reasons he had said. It was City Council's responsibility to find where the cuts needed to be made patricianly after they comminute to him, and the rest of the Department Heads that staff was out of touch with what the community wanted. He thought that perhaps people on City Council had a better understanding.

Councilmember Kennedy thought the City Manager sounded exactly like a lawyer. He stated that it was great speech, possibly five pages that were already written up. He noted again, that he asked for a recommendation from the City Manager's Office and that was not what they received. The statement that Mr. Goodlein made was inflammatory about the City Council knowing better as he was only looking for a recommendation on where 4% could be found.

Deputy Mayor Ziegler said he supported the City Manager's position that he should not be placed in a position to make cuts like that. If they were in a position to make cuts it was up to the Council to develop the policy and framework to make the cuts. He had been given no direction by the Council. He was given orders by Councilmember Kennedy to cut 4% from the budget. He reminded everyone that Councilmember Kennedy was one person of seven.

Councilmember Beagle said there was no fluff in the budget. He asked if that they were supposed to tell the Police Department to drive only 40 miles per day then stop in order to cut the budget. If you listened to Chief Roberts at the last meeting the fire calls were up 20% and they

operated with less staff. He asked why they continued to beat a dead horse when you could not squeeze 4% from the budget. He believed, they needed to look into how they could strengthen the Police, Fire and DPW as they had the services that they offered to the citizens.

Councilmember Smiley said he was the one that brought up the 4% at the last meeting because they were going to want another millage. He believed a picture was painted of gloom and doom for Wixom if the millage wasn't passed. At that time, he was sold on that picture but he thought they should consider cutting a little bit so that four years from now they do not have to do the same thing over again.

Mayor Hinkley talked about how he had mentioned that the newer members of Council should not look at the budget and search for \$300,000 dollars because it was not there. He asked them if they hadn't thought that any of the other members of Council wanted to make cuts in the budget before. They had taken the budget from 12 million to where it was today by making cuts. You get to the point where you cannot cut your way out of disaster. They should continue to monitor what's been done and make the decisions. He hoped that promises were not made by any members of Council to cut or not raise taxes in order to become elected. He explained that when he campaigned, residents asked him if he was in favor of tax cuts. He would tell them that he couldn't guarantee that so maybe they should not vote for him. He thought they had a good solid budget that needed a millage renewal because personnel would be the only place they could cut. He told the story how he met with a business owner and they asked what they could do to help. Mayor Hinkley told him that he wished he could raise the business owners taxes because the City was not out of the woods and needed the money. If you are a business owner and understand the cycle of Michigan and the auto industry, then you know how it can go up and down. He suggested everyone look at the parking lot at the high school because they wouldn't see the clunker cars that were driven when he was 16 but you notice the newer cars because the economy had gotten a little better but it took time to reach the municipal government. The money had not come in from the County or State. They were 7.9 million dollars from the last 7-10 years from the State so they had to rely on the industrial and residential base of 50% to weather the storm. This budget gets us through another year and they need to renew the millage.

Councilmember Kennedy appreciated the passion from the Mayor. He asked how much money was in the Budget Stabilization Fund. Mrs. Stamper said that it was 3.7 million. Councilmember Kennedy asked what it was projected by the end of the next year. Mrs. Stamper said that was 4.8 million. Councilmember Kennedy said that Plante Moran explained that 15% was a good deal. Those numbers put the City way above 15%. He asked Mrs. Stamper her opinion. Mrs. Stamper said that it did. Councilmember Kennedy believed they were taxing people more money just to put it in the bank account. His recommendation was cut the budget 4% or else cut the 3.5 millage as the City was socking away money and it was taxpayer money.

Mayor Hinkley noticed the packet included a memorandum that attached seven other memorandums. One memo was a reconfiguration of active employee retiree healthcare benefits. One memo concerned the savings through the elimination of capital purchase in FY 16/17 through FY 18/19. Another memorandum was in regards to savings from a personnel reduction and program elimination. There was a memo concerning the cost benefit analysis on repairing the CAT front loader. There was a memo concerning the senior program attendance and being open on Fridays. There was also a memorandum concerning the reconfiguration of the Parks and Recreation Department and a memo concerning the Cultural Center and their 10-year plan. It was his opinion that they covered all but the Clerk's Office and that was not a 100% consensus from the dais.

Mr. Goodlein said that was correct because there was a lengthy discussion on whether or not it was a salary adjustment vs. increase. He knew that Councilmember Kennedy wondered whether or not an adjustment like this would reflect to other Departments. Mr. Goodlein said that it would not as they were only following the recommendation from Mr. Rhomberg. He reminded everyone

of the discussion at the last meeting where he explained that Rhomberg and Associates performed an analysis of the salary grades in this Department. Their recommendation was the Clerk and Deputy Clerk's salary be adjusted because the Clerk's current salary range was outside of other communities and the Deputy City Clerk was paid less than a bargaining unit secretary.

Deputy Mayor noted that two of the members of Council were not in favor but five of the seven were. He thought this was pretty much wrapped up. He agreed with the adjustment.

Councilmember Rzeznik was part of the Wage and Salary Committee when Mrs. Kirby retired and there was a search for a new City Clerk. He remembered the Clerk's salary being on the low end or off the scale so he was in full support of the adjustment.

Councilmember Kennedy did not feel that it was in fair to the rest of the employees. He was not in favor.

Councilmember Gottschall was still in favor.

Councilmember Smiley was not in favor of the adjustment.

Mayor Hinkley said that he supported the adjustments, although he would like to see performance reviews on the non-union employees because it sets a president's bar as it allows us to set the bar on what the expectation were of the employees. He believed Councilmember Rzeznik was also in support of this ever since the City switched to what he called fair market value increase. When you had a fair market value increase of 2% or 3% doesn't set the bar of expectations on vary employees that do a lower or higher amount. In this particular case, he agreed.

Mr. Goodlein said that after the budget they hoped to get a performance review standard in place and an Employee Policy for all non-union employees.

Mr. Goodlein said that earlier this year looking into how they could drive down the health care costs. They were meeting with Bargaining Units regarding the restricting the HRA and AmeraPlan that acts which supplements the BlueCross PPO with a reduction of \$43,000 for active and retirees so stay tuned.

Councilmember Gottschall asked what was the impact of the retirees and current employees. Mrs. Stamper said the retirees pay 10% and active 20%. Mrs. Stamper said that they would be shifting to a higher-deductible plan after looking at the past HRA claims that they could increase the claims by approximately \$12,000 a year which takes a little off savings. Councilmember Gottschall asked if that was for the employee or City. Mrs. Stamper said that they were going to \$5,000 single \$10,000 family but the City covers that cost.

Mr. Goodlein said that he supplied that identified over the next three years each Capital Improvement that was planned and the amount of savings that you would realize from the elimination from the capital purchase. The totals showed that if you eliminated all the planned purchases for next year the effective savings was \$103,000. If you eliminated all the capital projects for the following year the savings was \$87,000. If you eliminated all of the capital projects for the next year it was result \$109,000. If you eliminated all capital purchases for the next 3 years you would save \$300,000. The purpose was to say how much a benefit would be if you eliminated the Cultural Center improvements. You would save \$15,944. He explained that you would not receive the reduction in the budget. Yes, you would not spend the money but your actual budget would not decrease as you only get 11% of any reduction that you made because that was all you would see in the budget for next year.

Deputy Mayor Ziegler recalled a discussion of a dance floor that was up in the air because the numbers didn't make sense as Councilmember Gottschall had some questions. He was ready to support this.

Councilmember Gottschall said that it wasn't just about the dance floor. He noted that it wasn't the dance floor at all really. The question was what they voted on in January was \$50,000 increase of things like carpet, kitchen hallway, back tile, furnishings, tables and scheduling software. He was still in favor of keeping the dollar amount as close to what they voted on in January. He hoped they would create a marketing plan and see an improvement in the number of bookings. He wanted to see them recoup the money that was put into the facility before they just went bull hog and crossed our fingers that bookings would go up.

Deputy Mayor Ziegler wondered if that was something Ms. Magee could live with. Ms. Magee said that she could not live with not doing the upgrades as if you were going to market the facility the entire facility needed to be all updated. You don't want to see one room looking good while another did not.

Councilmember Gottschall stated they were asking for more money without having done the original work, a marketing plan being shown to Council, and without showing increased bookings. He understood the bookings would be done when the work was done (2017) so why were they putting more money into it. He understood they needed the carpet and if they wanted to add the carpet through the lounge so it all flowed. If the tables still worked they could just be covered up.

Mr. Goodlein suggested maybe there was a middle ground that could be reached in order to move forward. For example, they could do the floor covering because that would probably facilitate additional bookings then come back to Council with a marketing plan that would increase bookings. They may just have to cut out new furnishings for the Senior Lounge. They could consider not replacing the tables or scheduling software.

Councilmember Rzeznik thought the scheduling software went hand in hand with marketing. Mr. Goodlein agreed but was trying to figure out a way that Councilmember Gottschall would feel comfortable. Councilmember Rzeznik thought that the potential renter could see if the facility was available on a particular date with the new software and it would be a powerful tool in marketing the facility.

Councilmember Gottschall said that if the facility scheduling software would make life easier for everyone then he was comfortable with that, but the things that were not shown to the public or could be covered up to get some extra life out of them such as the furnishings, tables, back hallway tiles, kitchen, etc. could forgo. The other thing was when the work would be done. It was mentioned that it would be done when the bookings were low. Mr. Goodlein agreed but the problem was you had to clear up a wide spread of time in order to get the work done so you could do it all at once. The problem they faced was you had to cancel a lot of bookings. They thought the best thing to do was to put it off until January/February and get everything all set so that right after Christmas to do every improvement so bookings could resume at the end of February.

Mayor Hinkley asked what was a key point to why people choose to rent the Community Center. Mrs. Harrison said that one of the main reasons was the kitchen as people can bring their own catering in. Rentals were often booked through word of mouth. Mayor Hinkley thought Councilmember Gottschall may be more comfortable with the improvements if there was a marketing plan in place once the facility upgrades were finished. Councilmember Gottschall suggested that they could start marketing beforehand but hold off on taking the pictures until afterward. Mayor Hinkley said from a marketing standpoint it may be better to hold off on the marketing plan until the upgrades were done because they could market the facility as is. Mr. Goodlein said maybe they should develop a marketing plan outlined by methods they hoped to increase bookings. Mayor Hinkley supported this although it appreciated a marketing plan moving much faster than not.

All members of City Council were in favor of the improvements except Councilmember Smiley and Gottschall. Councilmember Gottschall indicated that he supported a marketing plan before additional money was put into the Center, and that he is in support but there needed to be a marketing plan in place.

Mayor Hinkley recommended they looked at the competition like who they use and why, whether it was another municipality or Lyon Oaks.

### Senior Citizen Activity

Mr. Goodlein said there were some questions about what the activity on Fridays specifically in the Senior Center. Staff recorded the attendance from March 28, 2016-May 6, 2016. He also noted that if you continued to fund the Senior Center on Fridays that would be approximately costs \$6,700 in additional \$4,000 cleaning services.

Councilmember Rzeznik said that Fridays started in April and for ten years they didn't have Fridays. His opinion was that attendance would pick up once people start reprogramming their schedule to go on Friday. He supported the Senior Center as he felt it's the fabric of that community.

Ms. Magee said they have scheduled some things like euchre games and parties.

Deputy Mayor Ziegler also supports it.

Mr. Goodlein said they had to displace some of the seniors to Council Room B for the euchre tournament as there was a wedding at the facility and they were unhappy at first but it did ultimately worked out.

Councilmember Kennedy wondered if the memo was for Council to decide if the Senior Center would stay open on Fridays. Mr. Goodlein said that it was and whether or not City Council would fund the Senior Center to stay open on Fridays. Councilmember Kennedy suggested that \$10,000 for only 9 people when they could just come into Council Room B. He remembered that Mr. Goodlein would rather market the facility to business so they could use it on Friday as they would get a much better return. Mr. Goodlein said the middle ground was that they go back and try to do everything they can to promote the placement of events there during the week and if they collide with a senior event they move the seniors to the Council Room B.

Mayor Hinkley mentioned that the cost would be the same whether the seniors had programs over at the Senior Center or in the Council Chambers. Mr. Goodlein agreed. Mayor Hinkley said that he was disappointed in the attendance numbers on Fridays. In addition he mentioned the calendar at the Community Center didn't say they were open on Friday. He thought every Friday there should be something going on for them to do. He thought the Senior Citizen Center looked like a morgue. He would be happy to come up with money because he didn't think that it would be that much to put flowers in there. He thought that you could get a lot of decorations at the dollar store. His point was just that it needed to be more welcoming. He would be more than willing to help secure donations because he believed that you could do a lot with \$500. Mr. Goodlein said that he would look at the calendar and make sure they advertised that they were open on Fridays.

Councilmember Gottschall said that he was weary about the Senior Citizen Center being open on Fridays because of the costs. He wondered if they could just do a Friday event outside of the Center that they got a bus and pick a restaurant or location to go. That way they wouldn't have to use the additional \$4,000 that was not in the budget to hire a cleaning service.

Mayor Hinkley did not disagree with the idea but hoped they would give it some time to see how the use comes along. He thought that type of thing could be planned by the program director.

Councilmember Gottschall understood the lifestyle as the attendance for exercise was huge but because there was no event and attendance was dropped off.

Mr. Goodlein said the best thing to do was to look at the programming for the entire week and lay it out on a grid, talk to other senior centers and find out what's popular and how much it costs. Maybe they could move forward and deliver those same services. They could also try and make it a better and more welcoming place to be.

Recessed at 8:00 p.m. and reconvened at 8:16 p.m.

### **Parks and Recreation**

Mayor Hinkley said that Mr. Goodlein produced a plethora of different scenarios on the staffing for the Parks and Recreation Department.

Mr. Goodlein said that there was some interest in reducing the budget by 4% as an alternate he celebrated some staffing configurations. He gave 11 different staffing alternatives and the costs as to such. What there was right now was the director worked 37.5 hours per week, the supervisor also worked 37.5 hours per week, Parks and Rec staff was 29 hours, 16 hours and 29 hours for the Senior Coordinator and 7.5 for the Senior Monitor.

Deputy Mayor Ziegler supported the original plan that was given to Council last month. He had no problem with reorganization, however he thought it should be timed properly. What he meant by that was in the past for the most part any reorganization had been through attrition as he thought that was the best way to approach it. When the opportunity presented itself, the City Manager could make the decision and think about the desire the Council had on cost cutting. He supported what was presented before the Council on the initial submission.

Councilmember Rzeznik said that all the way they used to have four full time and now they had two. He thought the new housing, young families and he was inclined to increase the staffing as he saw the demand for more events and community services. He thought that Council should think about that. He supports what was budgeted for this year but he thought that should be kept in the back of everyone's mind for the budgets to come.

Councilmember Gottschall was not in favor of any of the plans presented as he found it odd that only two positions were removed or decreased and the rest of them remained unchanged. If they wanted to chalk it up to try and find 37.5 hours per week but it didn't read that way. If they were going to do any reconfiguring he would have liked to see job descriptions on each job. He didn't think this gave all the information on what exactly they should do so he could not make a decision and was not in favor.

Councilmember Smiley echoed Deputy Mayor Ziegler.

Mayor Hinkley said that the two positions that were cut a few years ago were not through attrition as they made cuts and that was the plan to continue on making cuts. Based on what he'd seen for the last five years events were just cut and pasted from this year to the next. He agreed there was a reduction of hours being supported but knew they didn't have soccer to deal with, WOCCCA, and some of the functions had not shown growth. He felt he was the biggest advocate for Parks and Recreation and it was a sad day when they let the Farmers' Market go in the direction that it did. He particularly liked Scenario #7 as he thought that they started reducing numbers in Parks and Recreation. He did not want to force anyone out of a job but if there was a

particular department, and in this case its Parks and Recreation that was supposed to showcase the community, he was not seeing that happening at the moment.

Councilmember Beagle echoed some of the comments as the concert was the first newer event they had seen in a few years. He was not sure if they were taxing one person too much that they couldn't do the job properly or they needed to increase hours of the PR Staff #1 so that could maybe ease up the responsibility of the other staff members.

Mr. Goodlein said that it was his opinion that the Parks and Recreation did not have enough operational capacity. They just don't have enough staff hours. He thought what happened was when you had a lot of things to do you have to cut corners so you end up with cut and paste causing things to not be fresh and new. He thought you would see somewhat of a difference if you increased the operational staffing. He thought you also needed a plan in place for programming and promotional plan.

Mayor Hinkley thought Councilmember Beagle was referring to Staffing Alternative #3 with the increase of hours in staff position PR#1. Mrs. Stamper thought it was more like option Staffing Alternative #2. Councilmember Beagle said that he would support Staffing Alternative #2 along with sometime of promotional plan in place. He thought a lot of the events were time consuming and when staff worked a limited number of hours that did not help the situation out very much. He would like to see some new creative ideas and he had a few that he could share. Mr. Goodlein said he would like to see the ideas as he had not heard any of them. Councilmember Beagle said food trucks were big in other areas and hoped the Wixom would bring them to concert nights. He offered to come and talk to the City Manager sometime. Mr. Goodlein said that if anyone had any ideas for events he would like to hear about them.

Mayor Hinkley thought that it should come from the Parks and Recreation Commission.

Councilmember Kennedy hoped to clarify about some statements made earlier. He asked who was forced out of the Parks and Recreation Department. Mayor Hinkley said it was Ms. Gallo and Ms. Hinkley. Councilmember Kennedy noted that it would be hard to cut and paste events as he heard that after one of those employees left they deleted all the files in the computer and eliminated the paper files. It was his understanding that the Director had to rebuild everything from scratch. He believed the Director did a great job from that aspect. Mayor Hinkley said that he wasn't going to talk about that and that Councilmember Kennedy was barking up the wrong tree. Councilmember Kennedy said there was no reason for the Council to have to eliminate any staff as he didn't see that as a situation that needed to be addressed. He explained that if the Mayor believed that Mrs. Hinkley was forced out of her job then it appeared that it may have been a retaliatory issue. Mayor Hinkley said that it was not. Councilmember Kennedy stated when most of the staffing options had to remove the Director from her position it seemed like it could come back and bite us.

Mr. Goodlein wondered what the status was on the Parks and Recreation staffing. Councilmember Kennedy asked the City Manager for recommendations in what he thought needed to happen in regards to the staffing. Mr. Goodlein said they needed more people. It was his recommendation that they increased Parks and Recreation Staff #1 to full time and then you take Parks and Recreation Staff #2 to 29 hours.

Councilmember Gottschall wondered if it was a matter how things were delegated within the Department. Instead of having Director, PR#1, PR#2, Facility Coordinator, Senior Coordinator, Programs Coordinator doing everything maybe they should only do what their job was. Mr. Goodlein said that everyone had to help with everything because the staffing was so low. Councilmember Gottschall asked if there was an employee that knew exactly what they did once they walked into the door or did everyone feel like they were all doing the same thing. Mr. Goodlein said no. Councilmember Gottschall said he heard that Council wanted to see fresh ideas

and he believed that if everyone felt like they had to fill in at every position you may not get the fresh ideas because they were just learning how to do everything. If there was a specific program to an employee, that employee may come up with newer ideas. He thought that was the reorganization direction they should go toward as it won't cost money by increasing a position by adding benefits or hours and it won't be eliminating any position. He asked why they couldn't move in that direction. Mr. Goodlein said that they simply don't have enough hours. He was not trying to put pressure on anybody to go that route he was just trying to tell the Council what he thought the issue was. As the Mayor said they went from having 4 full-time employees to 1.2 full time employees. When they had 4 employees they were capable of delivering that service and doing it well. At 1.2 full time equivalents they were only keeping the boat afloat. Everyone wanted Parks and Recreation to do more but that was hard when you only had two employees working at 45 per week. Councilmember Gottschall said they maybe it was not just adding more but looking at events that were not well attended and reducing them in hopes to free up some time on new projects.

Deputy Mayor Ziegler supported the budget item that was proposed by the Administration and would like to call a vote. All members of Council were in favor except of Councilmember Beagle, Rzeznik and Mayor Hinkley.

Mayor Hinkley said for his own personal reason to support this was after he heard about more time and more hours he thought PR#7 was the best option as that would increase the employee to full-time and adding more hours to the part-time person. From what he heard was that the people doing the work, PR#7 would best support them.

## DPW

Mr. Sikma said they initially looked at a complete overall with the refurbishment of the motor, and get new hydraulics, electrical, fender, etc. They took the loader to MichiganCAT to make sure that it was safe to drive and they looked at the equipment to make sure it was also safe. MichiganCAT said it would roughly cost \$33,000 to make the repairs. He believed it was a matter of risk as he could not guarantee the \$33,000 in repairs would get the 3-5- years of life on the equipment. He added that if they went for the \$33,000 in repairs it would impact his operational budget. He explained that he had looked at the conveyer systems and thought there was some potential there. The cost was roughly \$40,000-\$80,000 to have a conveyer system move the salt back and forth. One of his concerns was having a salt barn. If they were to do it over again, maybe they would erect a salt dome as they were designed for a conveyer system so they could load and unload inside. There were storm water concerns if the load or use a conveyer system outside of the barn. It would be a matter of getting another piece of equipment as they would need one to load the conveyer and one to load the truck. It all needed to be inside the barn in order to maintain the pollution control and storm water control. If they were to design a new system they could do things to improve potentially. He just hadn't found the right conveyer system that would benefit the current use.

Councilmember Rzeznik just wanted to confirm that the \$40,000 - \$80,000 did not include a new dome. Mr. Sikma said no, the barn was designed to have the salt pushed up to 12' inside the barn. The domes were made so that the conveyer drops the salt in the center and it expands though the center as a salt stack. Councilmember Rzeznik said he thought with all information they've learned regarding the upgrades to the front loader to bring it to compliance and safe, he supported the \$120,000 proposal.

Councilmember Smiley thanked Mr. Sikma for looking into the conveyer belt as he always hoped the City would look into the unique and creatives solutions.

Councilmember Kennedy wondered if the loader obtains a safety certification and if he understood correctly that \$33,000 would bring it up to safer standards according to MichiganCAT. Mr. Sikma apologized if he misspoke. He said that the steering column was one of the items they identified

as a concern along with the sticking gas pedal, etc. Councilmember Kennedy thought they didn't need a new front loader and if it did break down they could go back for a budget amendment at that time. He was against this.

Councilmember Beagle said they just went through with this for the boom truck. Even if you put in \$33,000 you still had a 19 year old front end loader. To bring it up to code and make sure it's at the safest standard was \$100,000 but for another \$120,000 they could purchase a brand new piece of equipment. He supported a new loader.

Deputy Ziegler supported as what was proposed in the budget and agreed with the total budget of the DPW.

Mayor Hinkley did not support a new front loader as it was not a machine that was used on a regular basis. He disagreed with Councilmember Beagle as there was not a safety issue. He thought Mr. Sikma was trying to say for \$33,000 the machine would be operational. Mr. Sikma confirmed. Mayor Hinkley didn't think the report they received was comprehensive as they would be spending \$33,000 without any warranty information given. He thought \$33,000 would mean they would be postponing a purchase because he thought it would get a couple of years' worth as they don't use the truck often. Mr. Sikma said that it was used for five months out of the year.

Councilmember Gottschall asked if there was any thought on renting a front end loader. Mr. Sikma said they were roughly \$1,500 a month but there was trouble with renting equipment because of the waiting lists. There were other alternatives and the DPW was adaptive to make other things work. Councilmember Gottschall said he was in favor of looking into renting.

Councilmember Rzeznik reminded everyone that this front end loader served the City for 19 years. He suggested they look into that math also.

Councilmember Kennedy agreed with the Mayor.

Deputy Mayor Ziegler thought they may consider adding more money into their Operational Budget in case it needed additional repairs.

Councilmember Beagle asked how much the City would get for an old front end loader. Mr. Sikma thought around \$20,000.

Deputy Mayor Ziegler said the \$20,000 the City received for selling the old front loader could go toward the \$120,000 for a new one.

DPW Operator said that he physically had to turn the key and shut the front loader off otherwise he would have crashed into the building. Deputy Mayor Ziegler said that it sounded like a safety issue.

Councilmember Gottschall clarified they were going to spend \$33,000 to save \$13,000 or spend \$120,000 but they would really only be spending \$13,300. Mr. Goodlein said that you spent \$120,000 but you only decreased the budget by \$13,000 as its spending and budgeting. Councilmember Gottschall said that he was in favor of a new front loader as it was only costing \$13,000 per the City math.

All Councilmembers were in favor of purchasing a new front loader truck except Mayor Hinkley and Councilmember Kennedy.

Mayor Hinkley said there still may be an issue upon his consensus when they covered Police and Fire as Councilmember Kennedy did not approve those budgets.

Councilmember Kennedy said he did not approve the entire budget as it stood because he asked the City Manager to give some input on how to lower the budget.

Councilmember Gottschall wondered how the money would be saved if they eliminated the \$75,000 subdivision leaf collection. Mr. Goodlein said that figure came from the equipment costs and personnel cost. He thought it was a guess because despite the schedule the residents had for leaf collection they often call the DPW asking them to go to their homes. Councilmember Gottschall wondered if the amount of residents was below 50%. He asked for a report to be given after this fall. Depending on the results, they could look at maybe having it be an opt-in program. Mr. Goodlein said they would provide that information.

Mayor Hinkley asked the dais if he could get a general consensus on the Budget as a whole. Councilmember Kennedy, Gottschall and Smiley said that were not if favor of the budget however, Deputy Mayor Ziegler, Councilmember Beagle and Rzeznik expressed their support.

Councilmember Rzeznik suggested everyone go through and look at the 10-Year Capital Plan. He understood in 2007-2008 they used bandaids to keep things going but in years like this they should be consider replacing 20-year assets. They needed to be realistic and consider that 11 mills was the new 7.54 mills.

Councilmember Gottschall said the reason he said no to the budget as a whole was that when they took into consideration that Budget Stabilization was 1.1 million at the end of the year. He was trying to see if there was a pattern or planning on putting that much. He thought there had to be some room to tighten things up. He knew that it was all banking on overage but it was part of his questions throughout if they were not using the entire budget why couldn't they reduce it.

Councilmember Kennedy said riding on what Councilmember Gottschall said that spending money on things they needed would be alright but just taking money and putting it into an account was excessive as even the experts said that they had 15%.

Mayor Hinkley thought that 15% was not on the high end and at any given day they would receive a phone call that a piece of equipment could go at the Waste Water Treatment Plant and if that day came they could hopefully take care of it. It's just a matter of having unforeseen things that they know would happen and he was happy they had the money in the Budget Stabilization Fund. He gave the example that they would not have been able to repair the pond if they had not had money in the Stabilization Fund. He thought putting off the parking lot was an accident waiting to happen as he felt that the money in Budget Stabilization should be used to pave the parking lot.

Deputy Mayor Ziegler said his recollection was the advice was to have the Fund Balance at 15% or above if you could. He believed the budget had it about 15%.

Councilmember Smiley thanked everyone and realized that everything in the budget was important to someone. To him it became it a matter of priority.

The meeting was concluded at 9:37 p.m.

Catherine Buck  
City Clerk

Approved 06-14-2016
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