

## CITY OF SAINT MARYS COUNCIL BUDGET WORKSHOP

NOVEMBER 9, 2017

**CALL TO ORDER**

A Council scheduled budget workshop of the City of Saint Marys was called to order by Mayor Robert Howard on Thursday, November 9, 2017, at 6:02 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on November 2, 2017, posted at City Hall, and published in the Daily Press.

**PLEDGE TO THE FLAG****ROLL CALL**

Present: Mayor Robert Howard, Lou Radkowski, Bob Mohr, Andrew Mohney, Nedward Jacob, Gregory Gebauer Gary Anderson and Manager Timothy Pearson.

**VISITORS**

Visitors included: City Staff – Tom Nicklas, Chief of Police, Tim Brennan, Public Works Director, Travis Skrzypek, Public Works Deputy Director and Carol Muhitch, Finance Director.

**BUDGET DISCUSSION:  
2018 Budget Overview**

Manager Pearson explained he intends to provide a summary of the budget, but suggested Council read the Budget Message which explains most of the items and provides a history of increases and/or millage rates.

Items with increases or changes of over \$4,000 and new or significant items were highlighted for Council's review.

He noted although Council was being presented a balanced budget for 2018, it was not balanced per the City's goals of annually transferring 10 percent to the Capital Reserve Fund, a shortfall of \$636,000. Council had already committed \$1.2 million based on the unrestricted fund balance to go to Capital Projects, which will provide funds for the next few years. He believed there is a revenue issue that will eventually catch up to the City and a need to fill that gap.

**General Fund**

A \$4,000 increase for the City's audit costs is in the budget. If the City expends more than \$750,000 in federal funding next year, a single audit will be required.

The City will be changed from GASB 45 to GASB 75 rules as a requirement, which the budget shows an increase of \$4,500.

The Payroll system monthly maintenance cost was a new item. The new payroll system and costs were discussed.

Finance Department wages and expenses were clarified.

Professional services was increased for pending arbitration and contract negotiations.

Council had a lengthy discussion regarding the need for the current Human Resource service, the labor law attorney and the costs for both.

**Motion**

Nedward Jacob made a motion to increase Professional Services line item number 405.310 to \$23,000 and remove Human Resources Group line item number 405.315 in the amount of \$6,000, seconded by Lou Radkowski.

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## Roll Call Vote – Motion Passed

On a roll call vote all were in favor to approve the above noted changes.

Workers Compensation increased \$10,000 which was based on the quote received for those services.

Repair and Services increased to assist with preventative maintenance for buildings etc.

An increase for Industrial Appraisal for a full appraisal of the City's assets on line item number 409.311.

The Emergency Management revenue and expenses reflect a \$4,600 leftover amount from grant funds.

## Public Works

Increases in employee wages due to contractual requirements.

Health insurance increases and costs were discussed.

A new line item in the amount of \$4,000 for Christmas lights was added, since the City is now working in a joint effort with the Chamber of Commerce to put up the lights and decorations.

Council discussed the costs and it was noted \$4,000 did not include the labor costs and equipment use to install the Christmas lights.

Sidewalk program was increased \$10,000 as was presented at the last Council meeting by Tina Gradizzi and Ted Polinski.

There was a question of increased liability to the City due to the new sidewalk program and the Solicitors' opinion was requested.

Line painting was increased \$7,000 to assist with the proper painting of current crosswalks.

## Public Safety

Police Chief Tom Nicklas explained the main reasons for his request for an additional Police Officer in the 2018 budget. The cost for a full time officer was \$90,000. He believed it was good succession planning and an investment in safety and security for the City.

Council discussed the request and the possibility of utilizing part-time officers.

## Special Revenue Funds

- Fire Protection
- Recreation Fund
- Other (Street Lighting, Library, Ambulance, Fire Hydrant, Debt and Shade Tree)

Manager Pearson noted the only change under Special Revenue Funds was the Recreation Board request for a .3 tenths millage increase to the Recreation Fund.

Recreation Fund  
Motion

Gary Anderson made a motion to move .3 tenths of millage from the Street Lighting Fund to the Recreation Fund, seconded by Greg Gebauer.

## Discussion

Manager Pearson stated he believed in sending funds to the Recreation Board, but in addition they need a dedicated

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person to plan, organize and design their projects, instead of the volunteer board members being randomly assigned to different projects. He agreed with anticipated savings in the Street Lighting Fund due to the LED upgrades, but those savings have not been documented yet on the electric bills. The removal of the funds from the street lighting fund could create a possible shortage in that fund, since it is used for more than just street lighting expenses. He believed a long term solution was needed.

Council discussed the possibility of a tax increase for the future and the need for other possible revenue streams.

Roll Call Vote- Motion Failed

On a roll call vote, Andrew Mohny, Bob Mohr, Nedward Jacob and Lou Radkowski voted in the negative and Gary Anderson, Gregory Gebauer and Mayor Howard voted in the positive. Motion failed 4 to 3.

Motion

Lou Radkowski made a motion to leave the Recreation Fund as stated in the budget, with the .3 tenths millage increased (.9 to 1.2), seconded by Gregory Gebauer.

Roll call vote – Motion Passed

On a roll call vote Gregory Gebauer, Andrew Mohny, Lou Radkowski and Mayor Howard voted in the positive and Nedward Jacob, Bob Mohr and Gary Anderson voted in the negative. Motion Passed 4 to 3.

Additional Items (if time permits)

There were no additional items discussed.

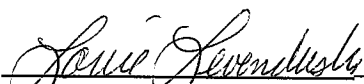
#### ANNOUNCEMENTS


Mayor Howard made the following announcements:

- The next Budget Workshop will be held on Tuesday November 14<sup>th</sup>, 2017, at 6:00 p.m. at City Hall.

#### ADJOURNMENT

Nedward Jacob made a motion to adjourn the meeting. Meeting adjourned at 8:17 p.m.

  
Recording Secretary

  
Mayor