

**CITY OF ROOSEVELT PARK
CITY COUNCIL WORK SESSION
MEETING MINUTES**

September 21, 2009

A Work Session of City Council was held on September 21, 2009 at 6:15 p.m. in the City Council Chambers located at 900 Oak Ridge Rd.

PRESENT: Mayor Jeff Lenartowicz, Mayor Pro Tem Rod Buikema, Council Members Laura Fitzpatrick, Eric Grimm, Al Lowe, David Martin and Judy Van Westen

ABSENT: None

STAFF: City Manager Dave Boehm, Police Chief Bill Regan, Assistant to the City Manager Anthony Chandler and Treasurer/Clerk Tammera Harmsen

BUDGET 2010

City Manager reviewed the draft for the 2010 Budget.

- 1.) The Big Picture:
 - 2010 Budget will be balanced.
 - 2010 Draft Budget will probably change before December 1st.
 - Current services will be retained.
 - General Fund support needed for Local Streets (Post Road Project).
 - Sewer Fund shortfall (\$173,000) will be the biggest issue of 2010.
 - No new programs. No additional staff.
 - Need to recover from 2009.

- 2.) 2010 vs. 2009 Budget
 - Total revenues increased by \$112,500 due to use of \$121,800 DDA Fund Balance.
 - Total expenses are down \$195,600 from 2009 (Glenside Project and Truck Purchase).
 - General Fund expenses decreased by \$20,850 or 1%
 - Local Street Fund expenses increased by \$57,550 or 78%.
 - Sewer Fund expenses increased by \$75,520 or 10% (10% is probably the floor).

- 3.) General Fund
 - Tax revenue down slightly (.6%).
 - State Shared Revenue is in flux.
 - Statutory Revenue Sharing = \$62,000. Contingency plan may be needed.
 - Capital equipment: 1 police cruiser, smaller park equipment.
 - Public safety costs = just under \$1 million.
 - Staffing costs are down in DPW and Police.

4.) Major Streets

- 4.7% decrease in Act 51 funding (-3.9% in 2009)
- Decreases work against small (population) units with no growth and no new roads.
- Status Quo Budget for 2010.
- Example: 1st Quarter Labor = \$28,554.43 (Dec., Jan., Feb.) 2nd Quarter Labor = \$4,778.22 (March, April, May).

5.) Local Streets

- 4.6% decrease in Act 51 funding (-3.9% in 2009).
- Grants need to have matching local funds.
- Transfer from Major Streets and Fund Balance.
- Same issues as Major Streets (snowplowing and pothole patching).
- Example: 1st Quarter Labor = \$23,764.82, 2nd Quarter Labor = \$833.48.

6.) Downtown Development Authority

- Very little flex in 2010 Budget
- 1st year payment on DPW Building used fund balance.
- Debt costs will jump substantially.
- General Fund support continues.
- Design/planning services for redevelopment of DPW site will be a priority.

7.) Sewer Fund

- No good news.
- Will need to carefully monitor expenses vs. revenues.
- Sewer Fund will most likely operate at a loss in 2009.
- Glenside Phase II Construction in 2009 and Post in 2010.
- Bond payments on the 66" Force Main kick-in in 2010. Maybe \$50,000 but probably higher.
- Debt tied to flow.
- Most Sewer Fund revenue is a pass through to Muskegon County.

8.) Water Fund

- Expect 2010 to almost be a mirror of 2009.
- Water sales have been stable.
- Cost of water purchased has remained stable.
- No construction planned for 2010.

ADJOURNMENT

The work session was adjourned at 7:05 p.m.

Tammera K. Harmsen, Treasurer/Clerk