

The budget work session of the City Commission was held in Commission Room of the City-County Building, 325 Court St., Sault Ste. Marie, Michigan on Tuesday, April 19, 2011 at 5:15 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn, and Munsell

Absent: Commissioner Stefanski

Also Present: City Manager Nebel, City Attorney Cannello, City Clerk Robin R. Troyer, and Acting Finance Director Kristin Collins

Moved by Commissioner Lynn, supported by Commissioner Munsell

That the absence of Commissioner Stefanski be excused.

Motion carried unanimously.

Comments from the Public:

Kevin Moher, City Employee in the Fire Department and Member of the Steelworkers Union, acknowledged that the City Commission has a tough job to do. Mr. Moher expressed concerns with the safety of employees with the proposed reduction in staff. Mr. Moher asked the Commission to review the budget line by line.

Mike Langendorf, Employee with the City Police Department for the past 17 years, indicated that the 2003 Task Force addressed these same issues and came up with some good ideas of reducing cost. Mr. Langendorf asked the Commission to act on those ideas. City employees care about their City! Please follow the recommendations and guidelines the Task Force came up with. Review efficiency's first before making cuts. Mr. Langendorf reminded the Commission of the concessions that the employees made back in 2003 as it relates to healthcare. Over the past couple years the City has added and/or created a new Human Resources Department and Information Systems Department. Mr. Langendorf also indicated that there is another potential full-time position being proposed in the IS Department for the 11/12 Fiscal Year. The tasks being completed in the HR and IS Department were previously handled by other departments within the City. Mr. Langendorf asked the Commission to review the revenue and expenses for the Fire Department. Suggested layoffs through attrition, suggested fairness and sharing of the financial burden, inquired why seasonal employees are being hired while full-time employees are being laid off. Why can't the full-time employees do the

work in which the season employees are being hired for? Indicated that several purchases made the prior evening at the April 18th City Commission meeting were unnecessary and that the furniture purchases for the Federal Building were not needed.

Bill Anderson, DPW Employee submitted a prepared statement “Things to Consider Selling” for the City Commission’s review and consideration. Mr. Anderson outlined some of the key points in his correspondence.

Therese Zaborowski, City Assessor, indicated that the City of Sault Ste. Marie hasn’t begun to hurt compared to the Cities down state. Mrs. Zaborowski indicated the actual overtime in 09/10 was at \$437,000.00 and the overtime budgeted for the 11/12 Fiscal Year is at \$437,000.00. Mrs. Zaborowski asked where the cuts are. Those that can work overtime can make up the difference in the 5% pay cuts. Mrs. Zaborowski suggested eliminating overtime with the exception of emergency services.

Jason Moorhouse and Tom Watchorn introduced themselves to the Commission. Mr. Moorhouse and Mr. Watchorn are the two DPW workers recommended for layoff.

City Manager Nebel outlined the budget process, reviewed the Department of Treasury Fiscal Indicator Scores for the City of Sault Ste. Marie, the Standard & Poor’s Credit Rating for the City of Sault Ste. Marie (A+), the Water Debt Service Reserve Analysis, and the Ideas/Suggestions to the Recommended Budget.

Mayor Pro-Tem Munsell provided the page by page review of the 2011-2012 Budget.

Individual City Commissioners had the opportunity to identify items for the discussion at the April 25th City Commission meeting from the budget. The Items identified as “Wish or Hit” items by City Commissioners are outlined on the attached excel spreadsheet.

Mayor Bosbous adjourned the meeting at 8:15 p.m.

ANTHONY G. BOUSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

2011-2012 Fiscal Year Budget Hit & Wish List

No.	Description	Staff	G/L Account Number	Decrease Revenue & Increase Expenses	Increase in Revenue & Decrease in Expense	Corrections
1	Add back two (2) positions in Police Dept.	Riley	101-53-300-7XX	\$ 117,900.00		
2	Add back two (2) positions in DPW	Atkins	661-64-441-7XX	\$ 103,600.00		
3	Voluntary Retirement Incentives for Buy-out	Nebel	Various		\$	
4	Reduce Overtime	ALL	XXX-XX-XXX-705		\$	
5	Evaluate Hiring	Nebel				
6	Time Studies for Departmental Efficiencies	Nebel				
7	Eliminate Time Clock	Povey	636-64-000-810		\$	
8	Freeze Spending (Travel/Training)	ALL	XXX-XX-XXX-860		\$	
9	Flexibility in Job Descriptions in DPW	Atkins				
10	Human Resources Travel Expense	Povey	101-52-270-XXX		\$ 3,200.00	
11	Eliminate Human Resources Department	Nebel	101-52-270-XXX		\$ 93,800.00	
12	Federal Building \$50,000.00 "other"	Nebel	101-52-601-956		\$ 50,000.00	
13	Non-Departmental Telephone (reduction from \$50,000 to \$40,000)	Grengs	101-52-896-850		\$ 10,000.00	
14	Eliminate SANE Position	Riley	101-43-542 (Revenue) 101-53-302-XXX (Expense)	\$ 35,800.00	\$ 92,200.00	
15	Eliminate Fire/Ambulance Food Allowance	Thorpe	101-53-336-706 & 101-54-347-706		\$ 34,200.00	
16	Cost Recovery from Soo Eagles for use of Pullar	Wyers	101-45-610		\$ 6,000.00	
17	Pullar Expense vs. Revenue	Collins	101-56-777-XXX & 101-45-610			
18	Property Liability Insurance (reduction from \$170,000 to \$155,000)	Troyer	101-56-865-913		\$ 15,000.00	
19	Safety Committee (pg. 18) \$ 2,000	Povey	101-56-895-894		\$ 2,000.00	
20	Recognition Dinner (pg. 18) \$ 2,000	Povey	101-56-895-896		\$ 2,000.00	
21	Other (pg. 18) \$ 2,500	Nebel	101-56-895-956		\$ 2,500.00	
22	Create a Public Safety Department	Thorpe/Riley				
23	Fireworks \$7,800 - \$11,500 (? Change in Cost)	Troyer	101-56-897-880			
24	Correction in Library Transfer Out	Collins				\$ 3,800.00
25	Eliminate Proposed New Position and Interns in IS Department	Grengs	636-64-000-702		\$ 40,000.00	
26	Remote Meter Reads	Moreau		\$ 650,000.00		

2011-2012 Fiscal Year Budget Hit & Wish List

No.	Description	Staff	G/L Account Number	Decrease Revenue & Increase Expenses	Increase in Revenue & Decrease in Expense	Corrections
27	Sell the Carbide Dock	Nebel				
28	Correction Remove Building Department Files	Collins	101-57-977-371			\$ (7,100.00)
29	Correction Remove Snowmobile Pavement Crossings	Collins	202-55-463-801 & 203-55-463-801			\$ (27,900.00)
30	E. Spruce phase 2 From Ashmun to Ord (pg. 91)	Basista	Capital Outlay Project E29	\$ 217,000.00	\$ 311,000.00	
31	Fund Doors/Windows at Fire Hall from TIFA (Capital Outlay Project F1)	Thorpe/Brown	246-86-000-402 (TIFA2) & 101-86-000-402 (General Fund)	\$ 14,500.00	\$ 14,500.00	
32	Ashmun Bay Dredging	Wyers	Capital Outlay Project Rec13	\$ 72,000.00		
33	Reduce EDC Budget Appropriation from \$100,000 to \$80,000	Claus	101-86-000-953		\$ 20,000.00	
34	Paperless and/or Electronic Billing for Water Bills	Collins	592-60-537\8-XXX	\$ 2,300.00		
35	Increase Airport Hanger Fees to cover debt	Claus	101-55-729-801		\$ 18,900.00	
36	Parks and Rec "B" fee 'Concession Stand, minimum bid per season from \$350 to Peddlers License plus 10%	Wyers				
37	Boat Launch Fee	Wyers			\$ 15,000.00	
38	Correction on Sprinkler Fee increase Revenue based on Water Rate increase	Collins	592-45-601			\$ 4,600.00
39	Citizen Survey	Nebel	101-56-895-956	\$ 6,300.00		
40	Correction on Pullar Parking Lot Reconstruction (Increase Project Cost to \$ 129,400)	Wyers	102-57-553-XXX			\$ 11,900.00
41	Charge for the Farmers Market	Brown	244-48-677		\$ 1,000.00	
42	Fingerprint fee increase from \$10 - \$15	Riley/Collins	101-45-651		\$ 50.00	
43	Taxi-cab Mechanical Inspections \$10	Riley/Collins	101-45-651		\$ 30.00	
44	Secretary of State Requested VIN Inspections \$10.00	Riley/Collins	101-45-651		\$ 50.00	
45	Background check (includes a clearance letter) \$10.00	Riley/Collins	101-45-651		\$ 750.00	
46	Handgun purchase permit processing fee \$10.00 (this includes an in-house background check, without a clearance letter)	Riley/Collins	101-45-651		\$ 600.00	
47	Notary service \$5.00 (Police/City Clerk)	Riley/Collins	101-45-651 & 101-45-650		\$ 240.00	
48	Traffic Citation correction sign-off - Resident \$0 ; Non-resident \$5.00	Riley/Collins	101-45-651		\$ 120.00	
49	Impounded vehicle administrative fee \$25.00	Riley/Collins	101-45-651		\$ 7,000.00	
50	Correction on DDA Wages (increase expense)	Collins	244-56-000-702			\$ 800.00
				\$ 1,219,400.00	\$ 740,140.00	\$ (13,900.00)

Note: 2003 Task Force to reconvene Fall of 2011 and when will Seal Investment Treasury Bills Mature