

**MEETING MINUTES
CITY COUNCIL SPECIAL BUDGET STUDY SESSION MEETING
CITY OF FARMINGTON HILLS
APRIL 30, 2014 – 6:30PM
CITY HALL – COMMUNITY ROOM**

The City Council special budget study session meeting was called to order by Mayor Brickner at 6:35p.m.

Council Members Present: Brickner, Bridges, Bruce, Knol, Lerner, Massey and Steckloff

Council Members Absent: None

Others Present: City Manager Brock, City Clerk Smith, Assistant City Manager Boyer, Assistant to the City Manager Geinzer, Directors Gajda, Gardiner, Schnackel and Deputy Fire Chief Panoushek.

BUDGET REVIEW FOR VARIOUS CITY DEPARTMENTS:

Planning and Community Development

Director Gardiner noted that his budget remained fairly consistent with the exception of a few staffing changes. He stated that he is requesting to promote the Staff Planner I in his office to a Staff Planner II. He noted that the budget should also be corrected to note that the Building Official is a part-time position at this time. He mentioned that the part-time Housing Rehabilitation Specialist staff person is retiring and that position will not be replaced due to the Consortium Agreement with the County where by they will be taking over much of the housing rehabilitation duties.

Mayor Pro-Tem Bruce inquired about the decrease in performance indicators for housing rehabilitation. Mr. Gardiner confirmed that this is due to the County picking up some of that responsibility through the consortium and that they are not necessarily decreasing activity in this area.

Assistant City Manager Boyer clarified that the funding is still there, some of it is just being done by the County and that money is coming from a different a different fund.

Director Gardiner mentioned that the other staffing change proposed is to promote a long-time Senior Inspector to the vacant position of Chief Building Inspector.

Councilmember Bridges inquired about the inspection process for foreclosures and homes damaged by fire. Mr. Gardiner responded that the City is notified by the County of foreclosures and a building inspector will then go out to check the status of the home and then check on it periodically. He noted that typically they are still occupied at the time. In the case of a fire, the Fire Department will keep his Department informed as to when the scene has been cleared for inspection and then an Inspector will evaluate the damage. He noted that often insurance companies are involved and if there is a discrepancy between the owners the insurance company then it can take some time before the scene can be cleared.

Mr. Bridges questioned if Mr. Gardiner felt the City was attracting new development and new investments. Mr. Gardiner stated that 3 developers have come in the last three months so there is new construction; however, commercial is still behind and there are still many vacant commercial buildings. He commented that the industrial areas seem to be doing well; and he is hoping that the merger between Botsford, Beaumont and Oakwood Hospitals will spur some new development.

Questions were raised regarding residential building permits decreasing and break down of blight inspections based on calls from other residents versus routine inspections. Mr. Gardiner responded that

building permits were estimated to decrease at this time as it would take the developers coming in a while before they would be in the position to pull permits. He commented that he believes the blight inspections are mainly generated through field observation but his Department does not have a breakdown of how many inspections were based on calls versus field inspections.

Mayor Pro-Tem Bruce commented that the number of inspections per Inspector per day totaled approximately 16 to 17 inspections, which seemed impossible to maintain.

Mr. Gardiner stated that the average is typically 16 per day, but that can include follow up inspections as well. He stated that the Zoning Inspectors have been able to keep up with current inspections and what is anticipated in the future.

City Manager Brock suggested adding single-family rental inspections as one of the goals under the Zoning Division and acknowledging the efforts of the City in this area.

Community Development Block Grant (CDBG) Fund

Mr. Gardiner commented that the requested funding outlines what was proposed at the Public Hearing meeting held by City Council at which they approved the funding and 5 Year Action Plan.

Councilmember Massey noted that City Council approved \$2,000 in funding to Common Ground at that meeting, which needs to be reflected in the budget document.

Dr. Massey inquired about the length of the loans through the CDBG Program. Mr. Gardiner answered that there was no limit. When the person sells or transfers ownership of the home, the loan has to be paid off in full at that time. He noted that the City could provide for a low interest loan in some cases and they are looking into this option

Corridor Improvement Authority (CIA)

Councilmember Bridges inquired if the Authority is progressing as expected when it was first developed and what have been some of the challenges.

Assistant to the City Manager Geinzer stated that he feels things are going remarkably well with the CIA. The Authority is in the process of developing a Tax Increment Finance Program Plan, which will require a public hearing meeting. He stated that the plan will be taken to the County next week to begin discussions, and at a previous study session Council was asked to consider what the City would be willing to contribute. Based on those discussions, the Authority is asking to capture 75% and this will go through the formal process probably this fall. Mr. Geinzer stated that the Planning Commission is moving forward and proposing an overlay district for Grand River and will be taking this issue to Public Hearing soon. He noted the proposed merger between Botsford, Beaumont and Oakwood Hospitals would account for a \$150 million dollar investment to that area along Grand River.

City Clerk's Office

City Clerk Smith stated that the majority of her budget is administration and staffing costs, which fluctuate based on the number of Elections for that fiscal year. She indicated that she was happy to report that some of the goals that have been included in her budget were coming to fruition such as the State Centralized Birth Certification System (MiCBCS) that her office has been piloting over the past year and the Electronic Death Registry System (ERS). She stated that the State is ready to move forward and fully implement the MiCBCS, which would come back to Council in the form of an agreement as well as some anticipated fee changes associated with that program. She added that her office is now piloting the EDRS that the State just got up and running in Oakland County. This will allow funeral homes to electronically file their death certificates with the city offices without having to travel to each of them. She has

discussed the ability to provide for credit card payments with the Finance Director who has indicated that his staff is currently looking into this matter.

Clerk Smith commented that she was requesting an increase to her education budget in order to send her Secretary to the Clerk's Training Institute. She commented that her Secretary has expressed an interest in remaining in the Clerk's Office and attending additional training, and she feels it is important to plan for succession within her office. She added that fluctuation in her sick/vacation budget was due to a retirement of one of her employees last August.

Councilmember Steckloff strongly urged the City to review the option of ACH transfers for on-line payments due to the expense of credit card fees for the City.

Special Services Department

Councilmember Bridges inquired if Director Schnackel was proposing to fill the position of the Cultural Arts Director who will be retiring. Director Schnackel responded that she is proposing to fill that position.

Councilmember Steckoff inquired about the part-time positions available as she is looking at possible options for work study students. Director Schnackel stated that the positions vary from clerical at the Jon Grant Center to seasonal openings; but she will keep the work study program in mind.

Councilmember Bridges complimented the Department on their after-school youth program for middle school aged children. He feels this is a benefit to a lot of families; and he appreciate the commitment to maintain that program.

Councilmember Lerner commented that the City keeps talking about the Ice Arena Debt falling off in the near future, but he feels it will take a lot of funding to maintain that facility and make some needed repairs.

Director Schnackel noted that the Parks and Recreation millage includes funding for repairs and then she will be requesting funding through the Capital Improvement Program budget for further funding.

Parks and Recreation Millage

Councilmember Lerner inquired if there were plans to increase fees to make up the loss in funding from the Parks and Recreation millage.

Director Schnackel stated that the millage is contributing less to the General Fund, but there are no plans to increase fees.

Further discussion was held on the current Parks and Recreation Millage, expiration for same and if there has been any impact on the senior programs.

Ms. Schnackel responded that they have been able to maintain the current level of services provided, including the senior programs, through millage funding rather than doing some other projects originally proposed. It was noted that the fund balance would be at approximately \$362,000 at the end of FY 14/15 and the millage expires in 2019.

Mayor Pro-Tem Bruce inquired about the operations at the Longacre House and maintenance required and how well the pervious parking was wearing.

Jeff Hotchkiss responded that general maintenance on equipment is required, but the Longacre House continues to be booked on weekends with weddings, showers, etc. He noted that there are 85 events annually through rentals alone. Director Schnackel added that they are breaking even as far as costs.

City Manager Brock commented that the parking lot was holding up well and the City is looking for other areas where that can be used.

Mayor Brickner noted that the archery range would be up and running this year.

Fire Department

Councilmember Massey inquired about the success of the Paid-On-Call (POC) recruitment. Deputy Chief Panoushek responded that they have 48 recruits with a large diversity of candidates. He noted that they currently have 77 applications on file and 11 new hires that have not been assigned to stations yet. Deputy Panoushek added that they continue to have a 100% pass rate.

Councilmember Knol inquired about background checks. Deputy Panoushek responded that background checks are conducted in advance of recruits applying for their EMT license.

Mayor Brickner inquired if the City is losing recruits to full-time or to other Departments after the City has paid for their training. Deputy Panoushek stated that they have lost 3 recruits to other Departments. He confirmed that recruits are paid at a lower rate of pay during training, but there is no reimbursement to the City if they decide to leave for another Department.

Councilmember Lerner commented that Council discusses this every year with staff on what can be done to retain the recruits. While he feels they agreed the numbers are okay, it doesn't mean the City can't do more to retain its employees.

City Manager Brock stated that staff is open to ideas but opportunities come up and there is not much the City can do about that. He added that it is similar to paying for education for other staff, but there is always the possibility they may leave for another opportunity.

Councilmember Bridges felt that Councilmember Lerner had a valid point and inquired what other communities with similar Departments are doing to retain their employees.

Deputy Panoushek commented that this is a nationwide issue.

Councilmember Massey commented that it is a trade off with having the joint system with Full-Time and Paid-On-Call employees, but he feels it is worth it.

Councilmember Lerner added that Council and staff has discussed reducing the amount of calls to which a POC would have to respond based on longevity as an option of retaining those employees; but nothing has been done.

City Manager Brock stated that they continue to discuss these options all of the time.

Councilmember Massey pointed out that EMS generates 1.4 million dollars for the City; and he inquired what it cost the city.

Fire Marshal Olszewski responded that medicals account for 2/3 of all calls. City Manager Brock stated that it would be hard to put a value to that but he could see about breaking down the number of ALS runs and try to quantify that.

Mayor Pro-Tem Bruce inquired about the cost for consultants. Fire Marshal Olszewski responded that this line item is for 3rd party consultant for plan reviews for fire alarms, suppression systems, etc which his done by a 3rd party so that the Fire Department can utilize staff for on-site inspections.

Councilmember Bridges stated that several residents have commented to him about the number of vehicles that respond to a call. Deputy Panoushek explained the protocol and needs for more than one vehicle to respond based on the type of call.

Councilmember Knol inquired what type of calls fall into the "other" category and what type of medical runs are increasing. It was noted that the "other" category would include false alarms, citizen assists, etc.

Deputy Panoushek responded that both basic and transport medicals have increased, which can be attributed to an older population as well as the lack of insurance so people call the Fire Department for transport services.

GENERAL WRAP-UP OF THE BUDGET REVIEW:

City Manager Brock stated that he spoke with Public Services and DPW staff to ask them about additional funding needed for major and local roads based on Council discussion during the budget review. He stated that staff felt \$75,000 for both the major and local road funds for a total of \$150,000 would help them to do what was needed for this next FY to maintain the road conditions. This money would be used for preventative maintenance where it would add value and would not be sufficient to address all of the road conditions. He stated that the City could use Undesignated Fund Balance money for this purpose.

Mr. Brock cautioned that the SAD Revolving Fund could be depleted if several big Special Assessment District projects came in with a majority of the residents in favor.

Discussion was held on converting roads to asphalt that were previously concrete for SAD projects or at least having the District pay the difference in what the cost would be between concrete and asphalt.

City Manager Brock commented that if there is a commitment for the City to initiate SAD projects that are needed and don't come in on their own, the City will eventually have to make decisions on where that funding will come from in order to address those projects.

City Council concurred with the additional \$150,000 in funding to go towards major and local roads.

Councilmember Bridges stated that he did not recall a lot of discussion on this last year and asked for any information that was previously provided.

City Manager Brock stated that he would report back on which undesignated fund the funding would be coming for roads.

ADJOURNMENT:

Mayor Brickner adjourned the study session meeting at 8:55 p.m.

Respectfully submitted,



Pamela B. Smith, City Clerk