May 27, 2014

Mayor Jenkins opened the regular meeting of the Gaylord City Council with prayer by Council Member Sharrard at 7:00 p.m. on Tuesday, May 27, 2014, in the City Council Chambers, located in the Gaylord City Hall, 305 East Main Street, Gaylord, Michigan. The Pledge of Allegiance followed the invocation.

Members Present: Campbell, Duczkowski, Jenkins, Mankowski, Sharrard and Wishart.
Members Absent: Johnson.

Motion by Wishart, supported by Duczkowski, to dispense with the reading of the minutes of the previous meeting and to accept them as presented.

Ayes: Unanimous. Motion carried.

Mayor Jenkins opened the public hearing for consideration of the 2014.15 Annual Budget and Millage Levies at 7:03 p.m. A summary of the proposed budget and millage levies was presented by City Manager Joseph Duff. Public comment was solicited.

Marie Kirt, 213 East Sheldon Street, asked the following questions:

1. Why is the line item expense for office supplies for the Department of Public Works being increased from $600 to $3,000.
2. Why is there an increase in the line item of the Tree Commission/Beautification, due to the fact that only $3,825 had been expended through the month of March in the current fiscal year?
3. Where is the account that shows the DDA's payback to the City?
4. Why is there an increase in the line item of the DDA for events and marketing?
5. Do you get money when the Pavilion is rented?
6. The DDA is asking for $3,000 for the New Year's event when it is believed that last year's event was unsuccessful?

Larry Corell, 116 West Third Street, asked about the Michigan Use and Community Stabilization Share ballot issue on the August ballot.

Jim Flint, 217 East Sheldon, asked if the salary line item for the Executive Director detailed in the budget of the DDA included an amount for the hiring of a Main Street Manager? Mr. Flint asked when was the DDA originally established and if any improvement had been seen.

Motion by Duczkowski, supported by Wishart, to accept the first reading of an amendment to the City of Gaylord Fireworks Ordinance, Section 20.353.

Ayes: Unanimous. Motion carried.

Motion by Mankowski, supported by Sharrard, to grant a request by the Alpenfest Committee to permit a fireworks display during the 2014 Alpenfest to celebrate the 50th year of the festival.

Ayes: Unanimous. Motion carried.

Motion by Duczkowski, supported by Sharrard, to approve the permit for a wine tasting tent during the 2014 Alpenfest to celebrate the 50th year of the festival.

Ayes: Duczkowski, Jenkins and Sharrard.
Nays: Campbell, Mankowski and Wishart.

Motion failed due to lack of majority vote.

Being there was no further public comment, Mayor Jenkins closed the public hearing for consideration of the 2014.15 Annual Budget and Millage Levies at 7:58 p.m.

Motion by Campbell, supported by Duczkowski, to adopt the 2014/15 Budget and Millage Levy as follows:

REVENUES

101	General Fund	$2,740,105
202	Major Street Fund	442,980
203	Local Street Fund	276,639
204	Municipal Street Fund	694,500
302	Industrial Park Debt Retirement Fund	75,000
305	WWT Debt Retirement #1 Fund	217,000
310	WWT Debt Retirement #2 Fund	565,065
315	City Hall/DPW Debt Retirement Fund	262,200
394	Edelweiss Special Assessment Debt Retirement Fund	80,000
494	Downtown Development TIF Fund	1,427,573
590	WWT Operations Fund	1,202,899
591	Water Operations Fund	602,500
661	Equipment Fund	427,300
711	Perpetual Care Fund	0
730	Sick Leave Fund	0
	TOTAL REVENUES	**$9,013,761**

EXPENSES

101	General Fund	$2,664,905
202	Major Street Fund	475,008
203	Local Street Fund	274,724
204	Municipal Street Fund	787,175
302	Industrial Park Debt Retirement Fund	73,331
305	WWT Debt Retirement #1 Fund	178,000
310	WWT Debt Retirement #2 Fund	546,400
315	City Hall/DPW Debt Retirement Fund	231,850

394	Edelweiss Special Assessment Debt Retirement Fund	78,220
494	Downtown Development TIF Fund	1,400,023
590	WWT Operations Fund	1,167,599
591	Water Operations Fund	604,823
661	Equipment Fund	482,771
	TOTAL EXPENSES	**$8,964,829**

And to approve a levy of 11.5869 mills for general operating purposes, .6000 mills for composting and curbside recycling purposes, 4.1513 mills for street/infrastructure improvements, 2.7500 mills for WWT Debt Retirement purposes, 1.6000 for City Hall/DPW Capital Improvement Debt Retirement purposes, and 1.8582 in the Downtown Development District; and, Furthermore, the Gaylord City Council, for the fiscal year 2014-2015 and subject to affirmance or modification following the public hearing required by MCL 41.801, does hereby set the amount of the special assessment heretofore imposed upon all properties within the special assessment district pursuant to MCL 41.801 in the amount of 1.0000 mills of the taxable value of each parcel within the special assessment district as heretofore created. The purpose of the special assessment is to defray some or all of the cost of police or fire motor vehicles, apparatus, equipment and housing and the maintenance and operation of the city police and fire departments.

Ayes: Unanimous. Motion carried.

Motion by Wishart, supported by Campbell, ***BE IT RESOLVED***, that expenditures for the fiscal year beginning July 1, 2014, and ending June 30, 2015, are hereby appropriated as follows:

GENERAL FUND, 101		
Fringe Benefits/General Expenditures	$	12,000
City Council		17,550
City Manager		58,142
Elections		22,300
Accounting & Auditing		16,000
Assessor		90,150
City Attorney/Legal Fees		42,000
City Clerk		49,900
Board of Review		2,345
Administrative Supplies		32,000
City Treasurer		30,850
City Hall and Grounds		37,153
Rental/Other City Property		104,760
Cemetery Operations		75,400
City Police Department		1,107,270
Fire Services		61,325
Planning Commission		4,105
Department of Public Works		198,950
Sidewalk Fund		16,040
D.D.A. District		40,700

Curbside Recycling	99,850	
Contributions to Other Funds, Streets and Debt Retirement	182,850	
Street Lighting	89,950	
Parking System	78,300	
Parks and Recreation	41,750	
Insurance and Bonds	20,500	
General Administration	38,240	
Health Insurance Premiums	30,000	
Promotional	64,525	
GENERAL FUND TOTAL, 101		**$ 2,664,905**
MAJOR STREET FUND, 202		**$ 475,008**
LOCAL STREET FUND, 203		**$ 274,724**
MUNICIPAL STREET FUND, 204		**$ 787,175**
INDUSTRIAL PARK DEBT RETIREMENT FUND, 302		**$ 73,331**
WWT DEBT #1 DEBT RETIREMENT FUND, 305		**$ 178,000**
WWT DEBT #2 DEBT RETIREMENT FUND, 310		**$ 546,400**
CITY HALL/DPW DEBT RETIREMENT FUND, 315		**$ 231,850**
EDELWEISS SPECIAL ASSESS DEBT RETIRE FUND, 394		**$ 78,220**
DOWNTOWN DEVELOPMENT TIF FUND, 494		**$ 1,400,023**
WWT OPERATIONS FUND, 590		**$ 1,167,599**
WATER OPERATIONS FUND, 591		**$ 604,823**
EQUIPMENT FUND, 661		**$ 482,771**

BE IT FURTHER RESOLVED that the revenues for the 2014/15 fiscal year are estimated as follows:

GENERAL FUND, 101		
Property Taxes – 11.5869 Mills	$ 1,985,388	
Property Taxes – 0.6 Mills for Composting/Curbside Recycling	100,000	
Special Assessment Levy – 1-Mill, Police and Fire Services	143,620	
State Revenues	323,564	
Licenses & Permits	1,350	
Interest	1,000	
Other Revenue	20,000	
Franchise Fees	60,000	
Transfers f/Other Funds	37,833	
Royalties	5,100	
Cemetery Operations	22,300	
City Police Department	7,600	
DDA District	20,350	
Parking System	12,000	
Estimated Surplus Over Expenditures	(75,200)	
TOTAL		**$ 2,664,905**
MAJOR STREET, 202		
Revenues	$ 347,766	

Contributions From Other Sources		95,214		
Accumulated Surplus From Prior Years		32,028,		
TOTAL			**$**	**475,008**
LOCAL STREET, 203				
Revenues	$	85,000		
Contributions From Other Sources		191,639		
Estimated Surplus Over Expenditures		(1,915)		
TOTAL			**$**	**274,724**
MUNICIPAL STREET FUND, 204				
Property Taxes – 4.1513 Mills	$	694,500		
Accumulated Surplus From Prior Years		92,675		
TOTAL			**$**	**787,175**
INDUSTRIAL PARK DEBT RETIREMENT FUND, 302				
Revenues	$	0		
Contributions From Other Funds		75,000		
Estimated Surplus Over Expenditures		(1,669)		
TOTAL			**$**	**73,331**
WWT DEBT#1 DEBT RETIREMENT FUND, 305				
Revenues	$	217,000		
Estimated Surplus Over Expenditures		(39,000)		
TOTAL			**$**	**178,000**
WWT DEBT #2 DEBT RETIREMENT FUND, 310				
Property Taxes – 2.7500 Mills	$	453,385		
Revenues		111,680		
Estimated Surplus Over Expenditures		(18,665)		
TOTAL			**$**	**546,400**
CITY HALL/DPW DEBT RETIREMENT FUND, 315				
Property Taxes – 1.6000 Mills	$	262,200		
Revenues		0		
Estimated Surplus Over Expenditures		(30,350)		
TOTAL			**$**	**231,850**
EDELWEISS SPECIAL ASSESSMENT DEBT RETIRMENT FUND, 394				
Special Assessment Collections	$	80,000		
Revenues		0		
Estimated Surplus Over Expenditures		(1,780)		
TOTAL			**$**	**78,220**
DOWNTOWN DEVELOPMENT TIF FUND, 494				
Property Taxes, TIF Capture	$	104,850		
Property Taxes, 1.8582 Mills		31,000		
Revenues		1,291,723		
Estimated Surplus Over Expenditures		(27,550)		
TOTAL			**$**	**1,400,023**
WWT OPERATIONS FUND, 590				
Revenues	$	1,202,899		

Estimated Surplus Over Expenditures		(35,300)		
TOTAL			**$**	**1,167,599**
WATER OPERATIONS FUND, 591				
Revenues	$	602,500		
Accumulated Surplus From Prior Years		2,323		
TOTAL			**$**	**604,823**
EQUIPMENT FUND, 661				
Revenues	$	427,300		
Accumulated Surplus From Prior Years		55,471		
TOTAL			**$**	**482,771**

AND BE IT FURTHER RESOLVED that 11.5869 mills be levied on the taxable valuation for the purpose of paying the General Fund operating expenses for the 2014/15 fiscal year; and, BE IT FURTHER RESOLVED that 0.6000 mills be levied on the taxable valuation for the purpose of providing funds for composting and curbside recycling within the City of Gaylord; and, BE IT FURTHER RESOLVED that 4.1513 mills be levied on the taxable valuation for the purpose of providing funds for improvements to the streets and related infrastructure within the City of Gaylord; and, BE IT FURTHER RESOLVED that 2.7500 mills be levied on the taxable valuation for the purpose of meeting 1999 General Obligation Debt Fund requirements (Wastewater Treatment Plant Expansion Project) for the fiscal year; and, BE IT FURTHER RESOLVED that 1.6000 mills be levied on the taxable valuation for the purpose of meeting 2006 General Obligation Debt Fund requirements (City Hall/DPW Capital Improvement Construction Project) for the fiscal year; and, BE IT FURTHER RESOLVED that 1.8582 mills be levied on the taxable valuation in the Downtown Development District for the purpose of paying Downtown Development Administration expenses for the fiscal year; and, BE IT FURTHER RESOLVED that, subject to affirmance or modification following the public hearing required by MCL 41.801, that the amount of the special assessment heretofore imposed upon all properties within the special assessment district pursuant to MCL 41.801 for the fiscal year 2014-2015 shall be in the amount of 1.0000 mills of the taxable value of each parcel within the special assessment district as heretofore created. BE IT FURTHER RESOLVED that the City Treasurer is hereby authorized to collect 11.5869 mills for general operation purposes; .6000 mills for composting and curbside recycling purposes; 4.1513 mills for street and infrastructure improvements; 3.000 mills and 1.6000 mills for debt retirement purposes, 1.8582 mills be collected on the taxable valuation in the Downtown Development District for administration purposes and a Special Assessment equal to 1.0000 mills of taxable value of each parcel subject to the Special Assessment be levied for the purpose of defraying some or all of the cost of police or fire motor vehicles, apparatus, equipment and housing and the maintenance and operation of the City Police and Fire departments. BE IT FURTHER RESOLVED that the City Manager and City Clerk are hereby authorized to make budgetary transfers within the appropriations established in this budget, and that all transfers between appropriations may be made only by further action of the Gaylord City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.

Ayes: Unanimous. Motion carried

Motion by Duczkowski, supported by Sharrard, WHEREAS, the Gaylord City Council, does hereby resolve that it is its intention in regard to the special assessment district heretofore created for the purpose of defraying some or all of the cost of the operation of the City Police and Fire Departments, that the

special assessment for the fiscal year 2014.15 shall be in the amount of 1.0 mills of the taxable value of each parcel subject to the special assessment. It is further resolved that the City Manager shall prepare a special assessment roll. It is further resolved that the City Council shall hold a hearing on the costs and expenses of police and fire protection and on the aforesaid proposed amount of the special assessment and on the special assessment roll and the City is directed to give notice of said public hearing as required by MCL 41.801.

Ayes: Unanimous. Resolution declared adopted.

Motion by Mankowski, supported by Duczkowski, to award the bid in the amount of $80,105 to Payne and Dolan for the reconstruction of the parking lot at the Department of Public Works. The bid of Payne and Dolan was the lowest received.

Ayes: Unanimous. Motion carried.

Motion by Wishart, supported by Campbell, to approve a request by the Leathernecks MC for a Charitable Solicitation Permit for solicitation activities to occur July 3-4, 2014. The proceeds will benefit Patriot Place.

Ayes: Unanimous. Motion carried.

Motion to adjourn.

Meeting adjourned at 8:10 p.m.

Rebecca Curtis, City Clerk
John Jenkins, Mayor