

**FRANKENMUTH CITY COUNCIL  
WORK SESSION MEETING MINUTES  
Tuesday, April 11, 2017  
9:00 A.M.**

PRESENT: Ackerman, Cramer, Grossi, Reindel, Rupprecht, Schmitzer & Schoenow.

ABSENT: NONE.

ALSO PRESENT: City Manager Smith, City Treasurer Deterding, City Clerk Kerns, DDA Director Stamiris, DPW Superintendent Braeutigam, Parks & Recreation Director Kaschinske, Police Chief Mawer, Wastewater Treatment Plant Superintendent McKendree and Water Superintendent O'Brien.

The meeting was called to order at 9:00 A.M. by the Mayor in the Public Safety Training Room. He opened the meeting with the pledge of allegiance.

This work session also included a comprehensive review of the proposed 2017-2018 City Budget.

**PUBLIC COMMENTS**

There being no public comments, the Mayor proceeded with the agenda.

**APPROVAL OF AGENDA**

Moved by Reindel, seconded by Cramer, to approve the agenda as reviewed by the Mayor. Unanimously carried.

**HISTORICAL BUDGET PRESENTATION & FIVE YEAR FINANCIAL FORECAST**

City Manager Smith presented historical information on budgeted capital expenditures from the 2006-2007 budget to present, revenues and expenditures, property values, property tax millage levies, and capital projects budgeted and completed over the same time periods.

Discussion took place on the above information presented and the need for more available housing for today's families between \$175,000-225,000 in value based on average wages.

Additional discussion took place on the need to plan for future housing development options in City Zoning regulations such as setbacks and density.

City Manager Smith presented a five year financial forecast that depicted a trend for deficit spending in order to maintain a balanced budget and accomplish some capital improvement projects including some infrastructure improvements.

Discussion took place on the need for Council to provide staff with a sense of direction regarding future needs.

### **PROPOSED 2017-2018 CITY BUDGET**

The proposed 2017-2018 City Budget was presented by City Manager Smith. The general fund budget would increase by 1.21% compared to the current year's original budgeted expenditures. As introduced, the proposed budget will use a small portion of the fund balance; however, the fund balance is projected to increase from 3.6 to 3.7 months of expenditures in the current year.

The City Manager, department heads and staff reviewed specific information as to their respective department requests and the Council received the individual department budget requests.

Discussion took place on each specific departments' presentation; items needed but not budgeted; various issues and concerns such as the recent hacking of the City's website and the need to move to a more secure platform; the need for a millage increase to fund HVAC improvements at the City & Township Government Center, the future replacement of the elevator at the Center, and other critical infrastructure needs.

Further review took place on parks and recreations department's issues and recent DDA legislation and its impact.

### **ADJOURNMENT**

Being that the meeting was extending beyond the time allotted, the meeting was adjourned at 3:06 P.M.

Phillip W. Kerns  
City Clerk