

CITY OF SAINT MARYS COUNCIL BUDGET WORKSHOP

NOVEMBER 8, 2016

CALL TO ORDER

A Council Budget Workshop of the City of Saint Marys was called to order by Mayor Robert Howard on Tuesday, November 8, 2016 at 6:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on November 3, 2016, posted at City Hall, and published in the Daily Press.

PLEDGE TO THE FLAG**ROLL CALL**

Present: Mayor Robert Howard, Gregory Gebauer, Nedward Jacob, Gary Anderson, Lou Radkowski, Andrew Mohney, Bob Mohr, Manager Timothy Pearson, Finance Director Carol Muhitch, Public Works Director Timothy Brennan, Public Works Deputy Director Travis Skrzypek and Chief of Police Tom Nicklas.

VISITORS

Visitors included: Amy Cherry and Richard Sadley.

BUDGET DISCUSSION:

Budget Review

Manager Pearson explained a summary of the budget is provided to Council and was contained in the budget packet of information. No tax increase was being proposed for the funds being discussed tonight. Shortfalls in the budget would be covered which would be discussed later on in the agenda and a last minute request that was received from the Elk County Fair for capital improvements which was not included in the budget and a request from the Chamber of Commerce for an increase in the Christmas light fund.

The General Fund was the focus for tonight's workshop. The general fund budget was balanced since there is some discretion on what amount goes to the capital fund. The goal was to take ten percent of the budget to be sent to capital. \$334,000 was sent which makes a \$321,000 shortfall for 2017. The unrestricted fund balance was set to be eighteen percent for the unassigned balance, The leftover for 2016 was approximately \$1.1 million. Council will set the amount to be sent to capital. It was the Manager's recommendation that Council use a portion of the 2016 leftover to cover the shortfall in 2017. The reason for the leftover amount was due to the PIB loan and the City not receiving the proceeds until 2016. The paving project was paid for in 2015 before the City received the proceeds from the PIB loan.

Manager Pearson explained since the 2015 audit was completed, Council would now need to assign the 2015 leftover amount of \$377,000 before the end of this year.

Motion

Gary Anderson made a motion to move \$377,000 from 2015 into the 2016 Capital Reserve Fund, seconded by Gregory Gebauer.

Roll Call Vote -Motion Passed

On a roll call vote all were in favor to move the funds.

Manager Pearson noted an interfund operating transfer of \$219,000 was made into the general fund from the savings of the bond refinance.

Manager Pearson and Finance Director Carol Muhitch explained the general format of the budget and requested Council notify either of them if they had any preference in changes to the format presented.

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Public Safety

Chief of Police Tom Nicklas explained the various line items contained in the Public Safety portion of the budget. The vehicle repair line item and program supplies line item were increased but other line items were decreased to offset the increases. The Animal Control Officer had requested an additional \$50.00 a month increase and he requested Council's approval. The increase in program supplies line item was for a traffic study program which would include the purchase of a semi-permanent speed sign near the Vine Road intersection along S. St. Marys Street which was 25 mph. Details of the sign were discussed. Councilman Gebauer requested the vehicle repair line item be reduced by \$3,669 since he believed the past history did not warrant an increase. After some discussion it was determined to leave the line item as presented.

Manager Pearson explained under the Code Enforcement budget showed a reduction of \$4,000. The line item amount was transferred to the Manager's budget for summer workers, which the Manager will distribute the work to various departments as needed.

Code Enforcement vehicle maintenance line item was added.

Councilman Anderson commented the inspection revenues in the budget seem to cover the inspection costs. He questioned if there was a specific line item for code enforcement revenue other than inspections and it was determined there was not.

Manager Pearson explained Planning- Professional Services increased 900 percent due to outside counsel needed for the Zoning Hearing Board appeals with Seneca Resources and any other appeals.

Training, travel and conference expenses increased to allow the Manager to encourage additional training in 2017.

Emergency Management had no change in the total budget.

Capital Improvement items with a value of over \$5,000 were transitioned into the capital improvement plan.

Carol Muhitch stated this would assist with determining true operating costs in the future. The summary page provides the total operating costs and capital improvement costs for each department.

Code Enforcement employee's breakdown of wages was discussed.

Public Works

Manager Pearson and Finance Director Muhitch explained the change to Public Works Deputy Director's breakdown of wages.

Training, travel and conference expenses increased to allow the Manager to encourage additional training in 2017.

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Tim Brennan, Public Works Director/City Engineer, explained the Public Works portion of the budget. Increases for uniforms were due to the new employees. Program supplies were increased due to more getting done with the additional employees.

Bridge inspections are done by the County for anything over 20 feet every two years. Anything else is done by staff. It was being proposed to have an independent consultant inspect some of the smaller bridges as the City moves forward with any necessary replacements or upgrades.

Travis Skrzypek, Public Works Deputy Director, explained a year-end report on I & I would be presented through the Chapter 94 report.

The leaf collection program was briefly discussed.

Equipment purchases will be reviewed under Capital Improvement Fund discussion.

Special Revenue Funds

Street Lighting Fund, Fire Protection Fund, Library Fund Ambulance Fund, Fire Hydrant Fund, Debt Fund which are all set millage funds had no changes.

The Shade Tree Commission had submitted a letter requesting an increase to their budget.

It was determined to discuss their budget at the next workshop.

Council, the Manager and Public Works Deputy Director had a discussion regarding Street lights, their replacement, a policy for placement, removal of unnecessary overlaps, responsibility of payment, inventory of all street lighting and upgrades to LED lights.

The Manager will follow up on the conversation with Council after obtaining additional information.

The fire hydrant fund was discussed and it was determined an increase was not needed for 2017.

The placement of hydrants was also discussed.

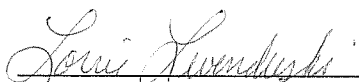
ANNOUNCEMENTS

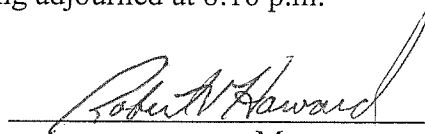
Mayor Howard made the following announcement:

- The next Budget Workshop will be held Thursday, November 10, 2016 at 6:00 p.m. at City Hall.

ADJOURNMENT

Gary Anderson made a motion to adjourn the meeting. Meeting adjourned at 8:16 p.m.


 Recording Secretary


 Mayor