

APPROVED 05/18/2020
SPECIAL BUDGET WORKSHOP
MINUTES

MAY 6, 2020

THE MEETING WAS HELD VIRTUALLY

THE SPECIAL BUDGET WORKSHOP OF THE RICHMOND CITY COUNCIL WAS CALLED TO ORDER AT 5:30 P.M., ON WEDNESDAY, MAY 6, 2020, BY MAYOR RIX.

ROLL CALL

Present: Allen, Greene, LaFore, Misteravich, Reindel, Rix, Warn

Absent: None

Others: City Manager Moore, City Treasurer Hatfield

Visitors: City Clerk Stagl, City Assessor Cargo, DPS Director Goetzinger, Dan Pagel

AUDIENCE PARTICIPATION

None received.

ADOPTION OF AGENDA

Motion by **Warn**, seconded by **Greene**, to adopt the Agenda as presented.

All yeas

Motion carried

ITEMS FOR CONSIDERATION

1. Review of the Manager's Proposed FY2020-21 City Budget

City Manager Moore briefed Council on General Fund Revenues.

The FY2020-21 budget calls for a general operating ad valorem property tax levy of 16.0857 mills. The City's millage rate is lower due to a Headlee Millage Rollback of 0.1330. This is the fifth year in a row that the City has had to reduce its millage rate due to the Headlee Amendment.

State revenue sharing from sales tax, was projected to be just \$86,707 less than our all-time high number from FY2001-02, showing that the economy was getting closer to the

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pre-recession levels. However, administration has reduced the projected number by 20% for the next fiscal year due to the impact of COVID-19. This has reduced the projected revenue sharing number this year by \$119,000.

Although City Council and TIFA have discussed lowering the TIFA capture, due to the impact of COVID-19, the budget calls for extending this agreement another year and continuing to limit the TIFA capture by \$86,767 in FY2020-21 (15%).

The shortfall between revenues and expenditures in the City budget is \$309,931. The current proposed budget calls for a June 30, 2021, ending fund balance of \$1,239,092, which is 28.1% of total expenditures in the General Fund.

Some programs, such as the pool and Camp Richmond have been left in the budget, because at this time we don't know the effects of COVID 19. If the programs are not held, both the revenue and expense would be eliminated.

There are a lot of unknowns at this time due to COVID-19. Even with all of the uncertainty, the Manager is comfortable with presenting the FY2020-21 budget.

Review of the proposed FY2020-21 Budget began with:

101-001 – General Fund Revenues – The City will end the current fiscal year (2020-21) with a fund balance of \$1,239,092 which is 28.1% of total expenditures in the General Fund.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE REVENUES AS PRESENTED.

Council reconvened at 7:20 p.m.

101-101 City Council – COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-191 Elections - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-210 Legal Services – COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-215 City Clerk - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-209 Assessor - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

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101-247 Board of Review - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-253 City Treasurer/Finance Director - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-965 General Fund Transfers Out - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-441 Public Service Director - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

101-442 Department of Public Works – City Manager Moore informed Council that the 20-21 budget included \$50,000 for infrastructure work at the DPW yard in advance of a potential DPW Barn Expansion. The original budget presented by the Department Director showed the \$50,000 charged all to the General Fund. The City Manager is recommending that the cost be split between the General Fund (33%), Mayor Streets (8.25%), Sewer (8.25%) and TIFA (33%). By splitting the \$50,000 it will reduce the General Fund cost by \$33,250.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

202-ALL Major Street Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

203-ALL Local Street Fund – Funds are included for the reconstruction of Seymour Street.

Brief discussion on why Howard Street could not be reconstructed with curb and gutter – a lift station would have to put in to properly drain the water, since this area of the City was very flat. The cost for this project has been cost prohibitive.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

209-ALL Cemetery Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

237-ALL Mausoleum Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

402-ALL Wastewater Treatment Plan Equipment Replacement Fund – DPS Director Goetzinger informed Council that some expensive improvements that will need to be done to the plant in the next few years. This year funds have been budgeted for the

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update of the Return Activate Sludge Pumps, Grit Classifiers and Oxidation Ditch Motor Control Panel.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

404-ALL DPW Vehicle and Equipment Replacement Fund – The budget presented includes funds for the purchase of a commercial wood chipper. DPW staff trim trees, as time allows. Trimmed branches are currently taken to the cemetery for temporary storage and then chipped by Active Tree Trimming. This practice is very inefficient and costs the City between \$2,000 and \$3,000 annually in chipping costs.

Funds are also requested for the purchase of a new dump box on the 2004 F-350. A new dump box has been considered for several years and will coordinate with the purchase of a wood chipper. An enclosure will be fitted on the new dump box for holding wood chips.

Rix questioned if the new dump box would be able to be utilized for leaf pick-up. DPS Director stated that using this box would not be the most efficient for leaf pick-up, but it may be an option.

Rix stated that Council has discussed in the past, the possibility of the City vacuuming leaves in the fall. He would like for Administration to look into the possibility of dual use box that could be used for both wood chips and leaf pick-up.

DPS Director Goetzinger stated we can bring back the information on a leaf vacuum and discuss if it would be feasible for DPW to pick-up leaves.

Reindel questioned if the Fire Department should call DPW if there is a down tree within the City. DPS Director Goetzinger stated that the chipper they would like to purchase would only chip smaller trees – larger trees would still need to be removed by Active Tree.

Greene requested a full cost analysis for a leaf vacuum.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

405-ALL Street Improvement Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

409-ALL Sanitary Sewer Contributing Capital Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

499-ALL Water Contributing Capital Fund - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

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590-ALL Sanitary Sewer Fund – Funds were included in the FY20-21 budget for the replacement of the Combination Sewer Cleaner truck.

The budget also reflected a \$2.25 increase to the ready-to-serve charge. This is necessary to provide additional capital improvement funding for the WWTP.

Misteravich reminded Administration to have answers ready for those residents who request to have a separate water meter for watering their lawns.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

591-ALL Water Fund – Some discussion on whether there have been any more water main breaks on Ridge Road. DPS Director Goetzinger informed Council that DPW has been maintaining the lines and there haven't been any recent issues. If we needed to replace the water lines, the City would be required to increase the size of the lines, which would be quite costly.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

598-ALL SWIP Fund – City Manager Moore informed Council that originally the City had plans to require sidewalk to be installed in Richwood Lane in FY20-21, but due to COVID-19, this has been removed. It will be put in a future budget.

Rix suggested that letters be sent to the residents affected, letting them know that the requirement to install sidewalks would be coming in a future year.

The consensus of Council was to send a letter to the affected property owners on Richwood Lane.

COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

DPW Capital Improvement Sheets - COUNCIL WAS IN GENERAL AGREEMENT WITH THE BUDGET AS PRESENTED.

CITY MANAGER COMMENTS

None.

COUNCIL COMMENTS

Rix - Stated that he had heard the frame on the fire department's engine truck was bad.

Reindel – Confirmed this, the department just found out this information – but the

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engine should last for another five (5) years.

LaFore – Questioned the possibility of having the frame looked at and repaired.

Reindel – Stated that this was something the department would look into.

ADJOURNMENT

Motion by **Misteravich**, seconded by **Greene**, to adjourn the Special Budget Workshop at 6:41 p.m.

All yeas

Motion carried

Respectfully submitted:
Karen M. Stagl
City Clerk