

OWOSSO CITY COUNCIL

MAY 10, 2010

7:00 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch, Councilpersons Thomas B. Cook, Michael J. Erfourth, Joni M. Forster, and Gary W. Martenis.

ABSENT: Councilperson Christopher T. Eveleth

DISCUSSION - GENERAL BUDGET CONSTRUCTION AND THE 2010-2011 PROPOSED BUDGET

Interim City Manager Donald D. Crawford gave an overview of the various account types as well as the structure and numbering of accounts. He indicated that some funds are consistent from one municipality to the next while others are specific to one particular organization. Some funds work like a business entity and are intended to be self supporting while others are more of a pass through account.

Finance Director Richard C. Williams noted the continued drop in property values and detailed how Proposal A and the Headlee Amendment have effectively decreased the amount that citizens pay in taxes year over year. He pointed out that the longer a homeowner lives in a home and enjoys paying taxes lower than the market value of the home the longer it will take for the taxable value to reach the state equalized value when property values decline.

Mr. Crawford went on to detail all of the revenue accounts. He indicated that there is an effort underway to restructure the fee schedule for all of the fees charged in the City. He said he hoped to have a proposal for Council prior to their adoption of the budget. The City has budgeted for State shared revenues based on the last predictions handed down in January. There will be further talks at the State level on shared revenue in May so further adjustments may be needed.

The Council went on to review the budget for each department, noting increases and decreases in various line items and the overall decrease in personnel. It was noted there is a proposed 1 mill tax increase budgeted to pay for brush and leaf pick up. Staff is exploring grant options for filling a couple of the vacant personnel positions as well as grants for energy efficiency upgrades and housing maintenance. Council expressed a desire to continue exploring Public Safety reform options.

CITIZEN COMMENTS AND QUESTIONS

Michael Cline, 621 Wright Avenue, indicated he felt the Interim City Manager should be paying rent on the apartment he stays in rather than it being included as part of his compensation.

Mayor Pro-Tem Popovitch thanked Interim City Manager Crawford and City Staff for conducting this educational session.

ADJOURNMENT

Motion by Councilperson Martenis for adjournment at 9:52 p.m.

Motion supported by Councilperson Erfourth and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Amy K. Kohagen, City Clerk