APPROVED

CITY OF YPSILANTI
COUNCIL BUDGET SESSION AGENDA
COUNCIL CHAMBERS - ONE SOUTH HURON STREET
TUESDAY, MAY 9, 2017
6:00 P.M.

I. **CALL TO ORDER –**

The meeting was called to order at 6:02 p.m.

II. **ROLL CALL –**

Council Member Bashert	Present	Council Member Robb	Present
Mayor Pro-Tem Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Absent
Council Member Richardson	Present		

Council Member Richardson moved, seconded by Council Member Vogt to excuse the absence of Mayor Edmonds.

On a voice vote, the motion carried, and the absence was excused.

III. **INVOCATION –**

Mayor Pro-Tem Brown asked all to stand for a moment of silence.

IV. **PLEDGE OF ALLEGIANCE –**

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. **AGENDA APPROVAL-**

Council Member Richardson moved, seconded by Council Member Vogt to approve the agenda.

On a voice vote, the motion carried, and the agenda was approved.

VI. **AUDIENCE PARTICIPATION -**

None

VII. **REMARKS FROM THE MAYOR -**

None

VIII. PRESENTATIONS OF DEPARTMENT BUDGETS –

Darwin D.P. McClary, City Manager Budget

- Budget overview and highlights

City Manager Darwin McClary provided a brief overview of the budget.

Council Member Murdock asked what the assessed value increase was for Ypsilanti properties. Mr. McClary responded he believes the assessed value increased 10%. Mr. Murdock asked if the Headlee cap is more generalized then the City's rate of inflation. Mr. McClary responded Headlee is based on inflation. Mr. Murdock asked on what inflation is it based. Mr. McClary responded the formula takes into consideration taxable value losses, additions to taxable value, and inflation rate. Mr. Murdock asked how the City is receiving a Headlee rollback considering its rate of inflation. Mr. McClary responded the State Department of Treasury issues the inflation rate every year.

Tony DeGiusti, Police Chief

- Police Administration – Page 132
- Police Field Services – pages 133-134
- Bullet proof Vest Grant – Page 135
- Parking Enforcement – Page 136
- Special Events – Page 149
- Police Special Revenue Fund (265) – Pages 237-240
- Capital Improvement Fund (414) – Page 284
- Motorpool Fund (641) – Page 337

Police Chief DeGiusti provided a presentation of the proposed Police Department Budget.

Council Member Robb stated the Downtown Development Authority has a contract with the City to supply the DDA Officer. If the officer is not supplied the City would be in breach of the contract, and he is not sure the Police Department can arbitrarily remove that officer. Chief DeGiusti replied the department only has 26 officers and they must be used effectively. Council Member Murdock interjected the DDA is paying for an officer. Chief DeGiusti replied he understands, however, the schools are paying for a School Resource Officer. Mr. Murdock responded he understands, however, he doesn't see the removal of the DDA officer being that easy. Chief DeGiusti responded then an officer would need to be removed from patrol and would add to overtime every single day. Mr. Robb stated if the City stops providing the services stipulated by the contract the DDA will stop paying for those services.

Council Member Murdock stated if this is adopted the City will have 26 sworn officers. Chief DeGiusti responded in the affirmative. Mr. Murdock asked what were the approved levels last Fiscal Year. Chief DeGiusti responded 32, however, the department only achieved 29 officers before the hiring freeze.

Council Member Bashert asked what budgetary savings will be seen if the City no longer uses, or maintains the body cameras. Chief DeGiusti responded around $14,000. Council Member Robb asked why not paying for upgrades would discontinue the program. Chief DeGiusti responded because of the maintenance and replacement costs. Mr. Robb asked what would be included in maintenance. Chief DeGiusti responded software, the server, and licensing. Mr. Robb asked if there is a server at the police station. Chief DeGiusti responded yes, the department purchased a server.

Council Member Richardson stated if the City is already budgeting for overtime why not use that money to hire additional officers. Chief DeGiusti responded some of the overtime budget is uncontrollable. Structural overtime, meaning officers on the street, can be controlled however when an officer needs to be in court that officer must be replaced or paid overtime.

Council Member Murdock stated the budgeted amount for overtime has stayed static for the past couple of years. Chief DeGiusti responded because the department is pealing everything back but patrol.

Council Member Robb stated as the force is reduced the department is becoming very top heavy in management. He asked if there will be an opportunity to reorganize the department in a different model. Chief DeGiusti responded the patrol sergeants are currently working at a dual capacity. Mr. Robb stated if the Water Street Debt millage passes it would not impact the department is FY 2019, but if it is will the department regain its three officers. Chief DeGiusti responded he hopes that is the case. Mr. Robb responded it depends on if there are funds to pay for those officers. He said the price of three officers is $360,000. Chief DeGiusti replied slightly less than that, at around $100,000 per officers. Mr. Robb responded that Council should convey that if the millage is passed it will free up funds to allocate to the replacement of these officers.

Council Member Robb stated under the new organization each shift will have one lieutenant, one sergeant, and three patrol officers and if one patrol officer is out their replacement will create overtime. Chief DeGiusti responded no, the sergeant would assume the road patrol position. Mr. Robb asked it what point only two patrol officers would be on the road to avoid additional overtime. Chief DeGiusti responded he does not believe a shift, no matter the time or day, can function with only two patrol officers because of the workload. Mr. Robb responded he is not saying it would be permanent change, but explained overtime cannot increase to over $400,000. He asked how to manage the department to eliminate the possibility of an increase. Chief DeGiusti responded the reason overtime was at $400,000 was structural and does not see it increasing to that level, however, at the proposed staff levels it will be difficult to keep it at $250,000. Mr. McClary added staff is preparing to meet with SEMCOG to discuss organizational efficiency and effectiveness. He added the same analysis needs to be applied to every department in order to understand how best to allocate resources including staff. Chief DeGiusti has spoken with other Chiefs whose departments have gone through similar cuts and some have reduced beyond on service staff. He explained those departments are starting to decide what calls would the department not respond, and he does not want Ypsilanti to get to that point.

Council Member Robb stated the proposed plan would is to take a fulltime officer and use them as a property room clerk. Chief DeGiusti responded it would be for the property room and for court. Mr. Robb explained the department asked for $33,000 to be budgeted for a property room clerk and this plan calls for an officer making $100,000 to do the same job. He asked if that $33,000 were budgeted for a clerk how where would that officer be allocated. Chief DeGiusti responded the reduction in the staffing leaves the department trying to relieve the day to day burdens of the other officers. This officer would fulfill much the duties needed to prepare for court as well as maintain the property room. Mr. Robb responded he is not questioning the amount of work, or necessity of the job. He asked by this officer completing this job it would make the road patrol more efficient. Chief DeGiusti responded in the affirmative. Mr. Robb asked if budget were no issue would the department be better suited with the part time clerk and the other officer on the road, or the officer being used in the property room. Chief DeGiusti responded there is a major difference between the request of last year and this year. He explained last year the department was budgeted for 32 officers and this year 26, which allows six more officers to spread around the court work. With only 26 officers having an officer do that work creates a more efficient rather than a part time property room clerk.

Council Member Bashert asked what the diversity mix of the department is. Chief DeGiusti responded seven female officers, one Hispanic officer, and five African American officers. Ms. Bashert asked how many of those officers have low seniority. Chief DeGiusti responded most of them. Ms. Bashert asked how many sergeants and lieutenants are in that group. Chief DeGiusti responded none. Council Member Murdock asked if this mix in the current budget, or the proposed budget. Chief DeGiusti responded the current budget. Mr. Murdock stated under this scenario one officer would be leaving, and asked if they would come from this group. Chief DeGiusti responded in the affirmative, and explained his fear is the younger officers will be looking to leave given the possibility of these cuts.

Council Member Bashert asked for an explanation of the staffing for the Elvis Fest, and asked if the police presence is billed to the festival. Special Events Coordinator Amanda Holsinger responded a few of the summer festivals are more maintained and organized, the Elvis Fest being one of them. She said last year the festival incurred a police charge of $3,000, which would include one supervisor and two officers. Festivals that require payment for entrance have a decreased need for police presence. She said the Heritage Festival used to have a heavy police presence in the park as well as overnight services. Last year's event had a $10,000 to $12,000 charge for police presence, which included a supervisor on each day and different shifts for the festival. Ms. Bashert asked if all of that time is overtime. Ms. Holsinger responded in the affirmative. Ms. Bashert asked if it is billed to the festival. Ms. Holsinger responded in the affirmative. Ms. Bashert asked if the overtime is being billed to the festival why is there a recommendation to cancel festivals. Chief DeGiusti responded because with a reduced police force every single officer that is scheduled to be off will be required to work that weekend. Ms. Bashert stated the reason is stress on staff and not expense. Chief DeGiusti responded in the affirmative. Mr. McClary asked if it would be possible to bring in County Deputies to work the festivals. Chief DeGiusti responded that could be explored, but that would be charged back to the festival and he believes a County Deputy would come at a higher cost. Council Member Richardson asked if the Eastern Washtenaw Safety Alliance could assist with staffing festivals. Chief DeGiusti responded other agencies can be asked to assist, but that will come at a cost. Ms. Bashert asked what festivals will need a police presence. Ms. Holsinger responded the Color Run, Elvis Fest, Beerfest, and the Heritage Festival. She added these festivals are what the department is reimbursed for and does not include the Memorial Day and Fourth of July Parades.

Council Member Richardson stated in the past there was an issue with the Heritage Festival and Parkridge Festival begin held on the same day, and asked if it will be a problem this year. Ms. Holsinger responded she has received applications for both events and they will be held on the same weekend. There is nothing she can do to prohibit events from happening on the same day if they are at different locations.

Council Member Bashert asked how many patrol officers will be with the department under the proposed cuts. Chief DeGiusti responded sixteen.

Council Member Murdock asked if the replacement patrol car would be hybrids. Chief DeGiusti responded not for patrol cars but possible other vehicles in the department.

Council Member Robb stated the proposed budget eliminates three officers and the field services budget is increasing by $47,000. He said the police and fire millage increased by $65,000 but is just passes through the budget. He said Other Post-Employment Benefits (OPEB) cost are increasing by $165,000 and he is not seeing what savings are being created by eliminating three officers. Fiscal Services Director Marilou Uy responded the increase in OPEB costs are determined by the actuary and is a fixed amount. Council Member Murdock stated it is also a pass through cost. Mr. Robb responded if it is a pass through where are the savings. Council Member Bashert added the uniform and gun allowance increases even with fewer officers. Council Member Murdock stated if both this year and last year's pass through were zeroed there would be savings in police costs. Mr. Robb responded last year's budget was all pass through, and would need to be compared to this budget to realize the savings. Ms. Uy added the step increases in salary were also factored into the budget. Mr. Robb stated he assumed removing three officers from the budget would produce greater savings. Mr. McClary stated the savings would be in wages and healthcare costs, and to understand the savings it would need to be compared to the original budget prior to the cuts. He explained the wages dropped from $1.8 million to $1.5 million and healthcare costs decrease from $325,000 to $245,000. Mr. Robb stated the adjustments assumed the three officers and two part-time positions that were never hired. Mr. Murdock explained if the pass through costs are removed the savings are around $180,000. Mr. Robb responded that great of a reduction should produce greater savings. Mr. McClary explained the direction given to staff was to balance this coming year's budget and each department request needed to be reduced by 4%, and to meet that goal the Police Department needed to reduce its budget by $180,000.

Council Member Vogt asked for an explanation of the Police Department's motor pool, and how is the City maintaining vehicles to ensure they operate. Chief DeGiusti responded a couple of years ago the decision was made to not lease vehicles for parking enforcement and now the two vehicles are past repair. The plan is to purchase two new police cruisers and repurpose two current vehicles as parking enforcement. The rest of the fleet is aging but is being maintained very well by the officers and the Department of Public Services. Council Member Bashert asked for clarification of the state of the current parking enforcement vehicles. Chief DeGiusti replied the vehicles no longer have heat and there are holes in the floorboard. Ms. Bashert asked for years and miles of the vehicles. Chief DeGiusti was not certain the exact year but in excess of 150,000 miles. Ms. Bashert responded that does not seem that high. Chief DeGiusti responded the 150,000 miles does not account for the idling time and the manner of which the vehicles are driven.

Council Member Vogt stated it is very obvious the Police Department is taking a very hard hit with the needed cuts to this budget, even after several years of cuts.

Max Anthouard, Fire Chief

- Fire Administration – Page 139
- Fire Suppression - Page 141-142
- FEMA Grant EMW-2015-FR 00513 - Page 143
- Capital Improvement Fund (414)
    - YFD Solar - Page 276
    - Apparatus Room Drain & Grates - Page 278
    - SCBA & AED Training Equipment - Page 284
- Motorpool Fund (641) – Page 338

Fire Chief Anthouard provided a presentation of the proposed Fire Department budget.

Council Member Richardson asked for clarification of department at full staffing. Chief Anthouard responded twenty-one fire suppression, one captain, on lieutenant, and five firefighters per shift for three shifts, the fire chief, a fire marshall, and a fulltime secretary. Chief Anthouard responded the department has not been at that level since 2008.

Council Member Bashert asked for a definition of Tier 1 and Tier 2. Chief Anthouard responded Tier 2 begins with six vacation days and a beginning salary at $32,000 they will not receive top pay for six years. Council Member Murdock add there is also a difference in pension contribution. Council Member Robb explained Tier 2 employees are anyone hired after July 1, 2012.

Council Member Richardson asked what the issues were for the aerial platform. Chief Anthouard responded there is an issue with the electronics and a crack in the main chassis.

Council Member Murdock asked what the City doing for cost recovery on non-fire calls. Chief Anthouard responded he has tried for EMS calls, but it has been difficult. He explained there is technical writing involved in the reports and he trained an officer on how to prepare said report creating additional revenue. He said the department can only bill when a person is extricated from a crash, provide fire safety, or use an absorbent in a crash. Mr. Murdock asked why the City can't turn those over to a collection agency. Mr. Anthouard responded when the ambulance does not reimburse he would have to bill citizens. Mr. Murdock responded this is supposed to be for non-residents. Chief Anthouard responded the department does not have the staffing to perform these duties.

Council Member Murdock stated he believes the state increased funding for fire protection. Chief Anthouard responded the state increased funding by 9% for the whole state.

Council Member Richardson stated the City won an award for its solar power program. She explained Mr. Strenski and former Council Member Anne Brown went to New York yesterday to be presented the award.

Council Member Vogt asked the cost of the solar paneling on the fire station. Chief Anthouard responded the City spent around $33,000 and total cost with installation was $88,000. Mr. Vogt asked if the projected savings per year was around $10,000. Chief Anthouard responded no, the savings would be slightly less than $6,000 per year. Council Member Murdock interjected the City received a significant anonymous donation for its solar program. Chief Anthouard responded in the affirmative.

Council Member Murdock stated the organizational flow chart of the department indicates seventeen and a half personnel. He asked how that will affect the "two in two out" practice for employee leave. Chief Anthouard responded the department already runs a four person shift at times. He added the City has a mutual aid contract with Ypsilanti Township to compensate for lack of personnel. Mr. Murdock asked if two people from a shift are off with another person be staffed from another shift. Chief Anthouard responded there must be at least four on a shift. Mr. Murdock asked what will happen if the City is approved for a SAFER grant. Mr. Murdock asked if the grant would cost the City $300,000 for the match if it is not waved. Chief Anthouard responded in the affirmative. Mr. Murdock asked if the SAFER grant is for three years and the City would be obligated to pay a fourth year. Chief Anthouard responded no. Mr. Murdock stated the employees hired if approved for the SAFER grant are not included in this budget. Mr. McClary responded in the affirmative.

Council Member Bashert asked if a non-fire call is made and part of the shift leaves what would happen if a fire call is made. Chief Anthouard responded there would only be a two to three person response to prepare for the fire attack and wait for the Township to respond.

Council Member Richardson asked if the City is still allowing use of the aerial truck. Chief Anthouard responded in the affirmative.

Council Member Bashert asked is the diversity of the Fire Department. Chief Anthouard responded 43% of the department are minorities. Ms. Bashert asked how many of the 43% hold command positions. Chief Anthouard responded one African American.

John Barr, City Attorney

- Legal Services – Pages 128 – 129

City Attorney John Barr provided an overview of the Attorney's Office budget.

Frances McMullan, City Clerk

- City Council Budget – Page 115
- Clerk's Office – Pages 120-121
- Treasurer – Page 122
- Voter Registration – Page 124
- Administration Hearing Bureau – Page 147
- City Insurances – Page 59

Deputy City Clerk Andrew Hellenga provided an overview of the Clerk/Treasury Department.

Council Member Murdock asked what memberships the City will maintain. Mr. Hellenga responded he did not have that information but will have City Clerk McMullan forward that information to Council.

Council Member Murdock stated it was his understanding the state would be financing the purchase of new voting equipment. Mr. Hellenga responded in the affirmative, and said the additional amount is to purchase replacement machines in case of malfunction on Election Day.

Council Member Robb asked for a rationalization for not filing liens on properties that owe Administrative Hearings Bureau fines. Mr. Hellenga responded it is an attempt to keep operating cost down, but if Council wishes to pursue that staff is more than willing. Mr. Robb clarified the purpose of the lien is property owners would be required to pay fines when the property sells and he does not understand why staff would not file a lien. Mr. Hellenga responded staff time is at a minimum and does not have time to process the liens. Mr. Barr stated the Attorney's Office has examined the possibility of sending owned fines to a collections agency, and will examine that possibility at the direction of Council.

Council Member Bashert stated the outstanding fines are $96,000 and the cost of filing the liens would be $5,460, and feels it would make sense to file the liens.

Mr. McClary asked if in the current year staff is anticipating $44,000 in revenue and $19,000 in expenditures. Mr. Hellenga responded in the affirmative. Council Member Robb stated there are access in fines of nearly $100,000, which is not okay because the court pays for itself. Mr. McClary replied his point is the court is not losing money.

Council Member Robb asked if the $20,000 for software was ever expended. Mr. Hellenga responded no.

Council Member Richardson asked if the City receives a payment from MML for insurance. Mr. Hellenga responded the City is paid its dividend when it renews its insurance in August.

Council Member Murdock asked why the liability limit was reduced to $2 million. Mr. Hellenga responded he believes that matter came before Council but we would need to ask City Clerk McMullan for clarification.

Council Member Robb stated the Parking Bureau is housed in the Clerk's Department and asked if it would be discussed as a part of the budget. Mr. Hellenga responded a committee has been formed to respond to Council goals and the matter will be brought to Council in either the first or second meeting in June. Mr. Robb asked what the plan is to collect the $150,000 in owed parking tickets. Mr. Hellenga responded staff is working toward that solution and added a default must be entered by the court in order to send tickets to collection.

Council Member Murdock asked about possible staff reductions specifically eliminating a supervisor from the Department of Public Services and combining the Clerk and Treasurer positions. Mr. McClary responded those are issues that are being looked at now and beyond the adoption of this budget.

IX. __AUDIENCE PARTICIPATION__ –

None

X. __REMARKS FROM THE MAYOR__ -

None

XI. __ADJOURNMENT -__

Resolution No. 2017-110, adjourning the City Council Meeting.

RESOLVED BY THE COUNCIL OF THE CITY OF YPSILANTI:

That the City Council Meeting be adjourned, on call, by the Mayor or two (2) members of Council.

OFFERED BY: Council Member Richardson
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the meeting adjourned at 8:35 p.m.