

CITY OF REED CITY
REGULAR COUNCIL PROCEEDINGS
May 13, 2024

Mayor Meinert called the meeting to order at 6:00 P.M. in Council Chambers, 227 E. Lincoln Avenue, Reed City, Michigan.

Present Mayor, Roger Meinert. Council Members: Trevor Guiles, Russell Nehmer, Nicole Woodside, Dan Burchett, Brad Nixon and David Belden. The City Attorney, Michael Figiomeni was also in attendance. Department Heads attending were Kadee Kidd, Chris Lockhart and Curt Brackenrich. The meeting was opened with the pledge to the flag. There were citizens in the audience.

Public Hearing Mayor Meinert opened the Public Hearing at 6:01 P.M. to receive public comment on the proposed 2024/2025 City Budget.

There were no public comments and no written comments received.

The Public Hearing was closed at 6:02 P.M

Agenda Motion by Woodside, seconded by Guiles, **CARRIED**, to approve the agenda as presented Affirmed by voice vote.

Minutes Motion by Guiles, seconded by Belden, **CARRIED**, to accept the minutes of the April 8, 2024, regular meeting as presented. Affirmed by voice vote.

Minutes Motion by Nixon, seconded by Belden, **CARRIED**, to accept the minutes of the April 25, 2024 special meeting as presented with the addition of Trevor Guiles being absent. Affirmed by voice vote.

Bills Motion by Belden, seconded by Burchett, **CARRIED**, to approve paying total amount of \$1,312,764.60 as presented. Roll call vote. Voting yes were Woodside, Burchett, Meinert, Guiles, Nixon, Belden and Nehmer.

Presentation Renee Stieg, President of the Library Millage Committee came to thank the City for supporting the Library and to remind everyone there is a renewal millage that is going to be on the August ballot. Please get out to vote and support the library.

Reports Fire Chief Jeffrey Stein, Police Chief Christopher Lockhart, Rich Rehkopf, DPW, and Curt Brackenrich, WWTP, filed written reports. Kadee Kidd provided by email Financial Reports including a Revenue/Expenditure Report as of April 30, 2024. Motion by Woodside, seconded by Guiles, **CARRIED**, to approve the Department Head reports as submitted. Affirmed by voice vote.

Budget Motion by Belden, seconded by Nehmer, **CARRIED**, to adopt Resolution 2024-04, approving the 2024-2025 Budget Resolution for General, Special Revenue, Capital Projects, Debt Service, Enterprise, and Internal Service Fund for the City of Reed City Appropriations Act, set the millages and appropriate the funds as presented. Roll call vote. Voting yes were, Meinert, Guiles, Woodside, Nehmer, Belden, Nixon and Burchett.

CITY OF REED CITY 2024-2025
BUDGET RESOLUTION for GENERAL, SPECIAL REVENUE,
CAPITAL PROJECTS, DEBT SERVICE, ENTERPRISE,
AND INTERNAL SERVICE FUNDS FOR THE CITY OF REED CITY
APPROPRIATIONS ACT
Resolution 2024-04

At the regular meeting of the City Council of the City of Reed City, County of Osceola, Michigan, held in said City on May 13, 2024.

PRESENT: Burchett, Nehmer, Belden, Woodside, Guiles, Nixon and Meinert.

ABSENT: None

The following resolution was offered by Councilperson Belden and seconded by Councilperson Nehmer.

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WHEREAS, in accordance with Chapter 8 of the City Charter of the City of Reed City governing budget procedure and general finance, and in compliance with the requirements of the Michigan Uniform Accounting and Budgeting Act, a balanced budget has been set up for the City of Reed City for the fiscal year of July 1, 2024 through June 30, 2025; and

WHEREAS, a Public Hearing was held on May 13, 2024, on the proposed 2024-2025 City Budget in accordance with the City Charter provisions;

WHEREAS, the Council has determined the amount of money to be raised by taxation necessary for expenditures and liabilities for 2024-2025 fiscal year and has ordered that money to be raised by taxation within statutory and constitutional limitations; and

WHEREAS, the Uniform Budgeting and Accounting Act, Act No. 2 of the Public Acts of Michigan 1968, as amended ("UBAA"), requires that the Council enact a general appropriations act designed to meet City funded expenditures; and

WHEREAS, the Reed City Manager has examined the fiscal requests for 2024-2025 of the various departments, which it must be funded or assist in financing;

NOW, THEREFORE, BE IT RESOLVED that the City of Reed City Council hereby adopts the budget and appropriates the following sums for all Funds for the municipal purposes set forth below:

(101) General Fund

Legislative/Chief Executive/Financial & Tax Administration		
(101) City Council		\$ 58,210
(172) City Manager		\$ 62,750
(215) City Clerk		\$ 110,080
(223) Other Accounting Activities-Audit		\$ 4,300
(247) Board of Review		\$ 2,225
(253) City Treasurer		\$123,510
(257) City Assessor		\$ 26,800
General Government		
(262) Elections		\$ 9,400
(265) Building and Grounds		\$ 46,900
(269) City Properties - Other		\$ 26,375
Public Safety		
(301) Police Department		\$497,140
(332) Snow Mobile Enforcement		\$ 1,320
(336) Fire Department		\$680,783
Public Works		
(441) Dept. of Public Works		\$297,100
(448) Street Lighting		\$ 43,000
(528) Refuse		\$ 41,650
(567) Cemetery		\$ 82,145
Recreation/Culture		
(721) Planning Commission		\$ 10,800
(751) Parks & Recreation		\$ 88,705
Other Governmental Functions		
(851) Insurance/Bonds		\$ 80,140
Contingencies		
(990) Contingencies		\$ 0
Appropriations		
(958) Contributions (396 & 402)		\$ 28,400
	Total 2024-2025 General Fund Expenditures	\$2,321,733

(151) Cemetery Trust Fund

\$ 1,550

Special Revenue Funds

(202) Major Streets	\$1,081,974
(203) Local Streets	\$ 114,000
(208) Park Commission Fund	\$ 12,000
(267) Law Enforcement Training	\$ 1,000
(292) Small Business Revolving Loan	\$ 50,120
Total Special Revenue Funds	\$1,259,094

Debt Service Funds

(397) Fire Bldg. Dept.	\$ 36,400
Total Debt Service Funds	\$ 36,400

Capital Projects Funds

(402) Equipment Replacement	\$ 60,020
(446) Fire Equipment Replacement	\$ 5,300
Total Capital Projects Funds	\$ 65,320

Enterprise/Internal Service Funds

(590) Sewer Fund		
Dept.	(536) Administration	\$118,675
	(543) Operation & Maintenance	\$13,114,030
	(549) Collection System	\$873,880
	(564) Meter Reading	\$ 15,470
	(586) Depreciation	\$500,000
	(902) Construction-system	-0-
	(905) Debt Service	\$ 34,100
	(958) Appropriations-Contributions	\$ 59,800
	Total Sewer Expenditures	\$14,716,225

(591) Water Fund

Dept.	(536) Administration	\$ 107,230
	(542) Water Production	\$ 3,069,700
	(564) Meter Reading	\$ 15,270
	(566) Depreciation	\$ 200,000
	(902) Construction	\$ -0-
	(905) Debt Service	\$ 12,375
	(958) Appropriations-Contributions	\$ 39,800
	Total Water Expenditures	\$ 3,444,375

(661) Equipment Pool Fund

Dept.	(536) Administration	\$ 5,960
	(982) Maintenance repairs	\$ 233,865
	Total Equipment Expenditures	\$ 239,825

Grand Total 2024-25 Expenditures **\$22,084,522**

BE IT FURTHER RESOLVED that the City Council of The City of Reed City authorizes the levy of 13.9741 (2024) mills on real and personal property within the City of Reed City for municipal operating purposes.

BE IT FURTHER RESOLVED that the City Council of the City of Reed City hereby authorize the levy of .5800 mills on real and personal property within the City of Reed City for the Fire Department Building Debt Service Fund.

BE IT FURTHER RESOLVED that the City Council of the City of Reed City does hereby direct the Assessor for the City of the City of Reed City to spread upon the tax roll the levies necessary for municipal purposes and does hereby authorize the City Treasurer to collect such taxes.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to make budgetary transfers within the funds/departments in accordance with the fund/departamental totals established through this budget, and that all other transfers may be made only by further action of the City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.

This Resolution shall become effective July 1, 2024. This Resolution may be amended by the City Council at any time and any appropriations made hereunder may be increased or decreased in the Council's decision.

The Resolution and attachments as incorporated by reference herein and all amendments hereto shall constitute the 2024-2025 General Appropriations Act of the City of Reed City, Osceola County, Michigan.

BUDGET ADOPTED WITH APPROPRIATIONS:

YEAS: Burchett, Nehmer, Belden, Woodside, Guiles, Nixon and Meinert.

NAYS: None

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Reed City, County of Osceola, Michigan, at a meeting held on May 13, 2024, the original of which is on file in my office and available to the public. Public notice of said meeting was given pursuant to and in compliance with Open Meetings Act, Act No. 267 of the Michigan Public Acts of 1976, including in the case of a special or rescheduled meeting, notice by posting at least 18 hours prior to the time set for said meeting.

DATED: May 13, 2024

Amye Hensel, City Clerk

- RCYL** Phelps Rental did not receive a positive assessment for putting in a well or septic at the property to the south. Due to this, they did not purchase the property. The property went back on market and the Rocket facility closed on the property this past week. Rich Saladin talked with Christi Waldman and she said they may still be interested in purchasing the city parcel that was discussed. Mr. Porteous did a review and there are no restrictions for the city to sell. Rich Saladin would recommend that we continue to lease it to them since their need for a practice field has been met. Council stated that we do have a lease and it will continue.
- Social District** Motion by Woodside, seconded by Nixon, **CARRIED**, to approve the Summer Social District request to close down 100 block West Upton Street from 4pm – 10pm. and noise variance for speakers and amplifiers/music from 5pm- 10pm on June 29, 2024, and August 3, 2024 and to open the Social District as presented. Voting yes were Belden, Meinert, Guiles, Burchett, Nixon, Nehmer, and Woodside.
- CD** Motion by Guiles, seconded by Nehmer, **CARRIED**, to approve to end CD number 4859 and get a higher rate CD as presented. Voting yes were Woodside, Meinert, Nehmer, Guiles, Belden, and Nehmer.
- MERS** Motion by Guiles, seconded by Woodside, **CARRIED**, to approve both the amended and new MERS HCSP savings program as presented. Voting yes were Belden, Nixon, Meinert, Guiles, Burchett, Nehmer, and Woodside.
- DDA Toland** Motion by Guiles, seconded by Burchett, **CARRIED**, to approve moving forward with DDA and contract with Robert Toland with the contingency of the support of Osceola County and contacting city attorney for contract. Voting yes were Nixon, Meinert, Guiles, Burchett, Nehmer, and Woodside. Voting no was Belden.
- Budget Admen** Motion by Guiles, seconded by Nehmer, **CARRIED**, to approve and adopt the four budget amendments as presented. Voting yes were Meinert, Guiles, Burchett, Belden, Nixon, Nehmer, and Woodside.

RESOLUTION FOR BUDGET AMENDMENTS

DATE: May 10, 2024

Resolution by the City Council to Amend the 2023/24 fund/department budgets as follows:

<u>FUND/ACCOUNT DESCRIPTION</u>	<u>PRESENT BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>ESTIMATED YEAR END</u>	<u>AMENDED BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>Fund #208 Park Commission Fund</u>					
<u>Expenditures (by Department)</u>					
Dept 774 Summer Music	8,310	4,500	15,810	15,810	7,500
Dept 775 Art in the Park	450	903	3,250	3,250	2,800
				-	-
Total Increase in Expenditures					\$ 10,300
<u>Revenues (by account)</u>					
#773-675.3 Contr. - Private	-	10,301	10,300	10,300	10,300
				-	-
Total Increase in Revenues					\$ 10,300

Reason:

Record the grant from Osceola County Community Foundation for the 2024 summer schedule.

Unspent grant amounts at 6-30-23 will automatically roll into fiscal year 2023-24 budget without further action of Council.

Date Motion made Byiles 5-13-24 and Passed by a vote of 7 to 0
 ATTESTED BY [Signature] DATE 5-13-24

RESOLUTION FOR BUDGET AMENDMENTS

DATE: May 13, 2024

Resolution by the City Council to Amend the 2023/24 fund/department budgets as follows:

<u>FUND/ACCOUNT DESCRIPTION</u>	<u>PRESENT BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>ESTIMATED YEAR END</u>	<u>AMENDED BUDGET</u>	<u>INCREASE (DECREASE)</u>
<u>4. Fund #591 Water Fund</u>					
<u>Expenditures (by Department)</u>					
Dept. 902. Construction - Water System	-	-	-	-	-
Design Engineering			548,000	548,000	548,000
Contractual - Water Line Replacement			1,000,000	1,000,000	1,000,000
Construction - Well			750,000	750,000	750,000
Construction - Water Mains			1,202,000	1,202,000	1,202,000
				-	-
Total Increase in Expenditures					\$ 3,500,000
<u>Revenues (by account)</u>					
Federal Grant - DWSRF	-		3,500,000	3,500,000	3,500,000
Total Increase in Revenues					\$ 3,500,000

Reason:

To enter Water System projects budgets to a separate department within the fund for better tracking and recording.

Budget amounts unexpended as of June 30, 2024 will be rolled into next fiscal years' budget without further council action.

Date Motion made 5-13-24 and Passed by a vote of 7 to 0
 ATTESTED BY [Signature] DATE 5-13-24

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RESOLUTION FOR BUDGET AMENDMENTS

DATE: May 13, 2024

Resolution by the City Council to Amend the 2023/24 fund/department budgets as follows:

FUND/ACCOUNT DESCRIPTION	PRESENT BUDGET	ACTUAL TO DATE	ESTIMATED YEAR END	AMENDED BUDGET	INCREASE (DECREASE)
Fund #590					
Expenditures (by Department)					
Dept. 902.500 Construction - Sewer Sys					
Legal Fees/admin. Costs			134,665	134,665	134,665
Design Engineering			2,586,186	2,586,186	2,586,186
Construction Administration			415,000	415,000	415,000
Onsite Observation			425,000	425,000	425,000
Construction			22,415,664	22,415,664	22,415,664
Total Increase in Expenditures					\$ 25,976,515
Revenues (by account)					
#539 State Grant - MI Enhancement		23,485	9,976,515	9,976,515	9,976,515
CWSRF Grant			14,000,000	14,000,000	14,000,000
CDBG Block - WRI			2,000,000	2,000,000	2,000,000
Total Increase in Revenues					\$ 25,976,515

Reason:

To enter WWTP projects budgets to a separate department within the sewer fund for better tracking and recording.

Budget amounts unexpended as of June 30, 2024 will be rolled into next fiscal years' budget without further council action.

Date Motion made 5/13/24 and Passed by a vote of 7 to 0
 ATTESTED BY [Signature] DATE 5/13/24

RESOLUTION FOR BUDGET AMENDMENTS

DATE: April, 2024

Resolution by the City Council to Amend the 2023/2024 fund/department budgets as follows:

FUND/ACCOUNT DESCRIPTION	PRESENT BUDGET	ACTUAL TO DATE	ESTIMATED YEAR END	AMENDED BUDGET	INCREASE (DECREASE)
Fund #101 General Fund					
Expenditures (by Department)					
Dept. 223 Treasurer	80,000	65,333	85,000	85,000	5,000 Additional part-time
Dept. 202 Elections	3,225	4,410	8,825	8,825	3,600 Additional election reimbursed from MDTA
Dept. 283 City Assessor	23,800	17,737	26,200	29,220	2,800 Higher cost for County services
Dept. 301 Police	542,283	325,283	606,283	598,283	192,000 - equal wages for loss of school bus less increase in pt
Dept. 348 Fire Dept.	500,220	236,228	509,220	509,220	3,000 Increase in insurance and repairs
Dept. 215 City Clerk	25,755	61,979	108,025	108,025	11,110 Record account move for retiring employee
Dept. 831 Ins., Bonds, Treas.	76,140	23,505	66,140	66,140	10,000 Housing pension increase - raise
Total Increase in Expenditures					\$ 22,110
Revenues (by account)					
2264 Interest Income	7,900	17,720	33,000	33,000	25,000
#601 Rehab - Sch. Leasing	30,000	300	300	300	(29,700)
#402 Real Prop. Tax	625,600	555,080	620,000	620,000	(20,000)
#110 Buss Prop. Tax	40,000	93,400	83,500	83,500	(20,000)
#437 City Tax	-	6,900	6,900	6,900	6,900
#443 Perm & On Taxes	7,200	8,450	8,200	9,420	2,220
#824 Fire Contracts	145,750	152,850	153,850	152,850	1,100
#907 200 Rent - Dept	13,000	14,165	14,165	14,165	1,165
#918 Reimbursments - MDTA	-	2,864	2,864	2,864	2,864
#665 Misc - Other	150	2,430	2,520	2,520	2,370
#896 714 Fringe Reimb.	66,950	35,751	76,650	76,650	10,000
#539 Fund Retains	798,748	-	300,000	300,000	1,252
#501 Federal Grant	39,450	-	-	-	(39,450)
Total Increase in Revenues					\$ 22,110

Reason:

Adjust budgets as needed to cover anticipated costs thru June 30, 2024.

Date Motion made 5/13/24 and Passed by a vote of 7 to 0
 ATTESTED BY [Signature] DATE 5-14-2024

- Emergency Repair Motion by Woodside seconded by Guiles, **CARRIED**, to approve the emergency repair quote that was needed for the water system according to emergency expenditures policy as presented and reported to council by email. Voting yes were Nixon, Meinert, Guiles, Burchett, Nehmer, and Woodside. Voting no was Belden.
- Bond Counsel Motion by Guiles, seconded by Nehmer, **CARRIED**, to accept engagement letter to provide bond counsel services for DWSRF 24' and authorize City Manager to sign as presented. Voting yes were Meinert, Guiles, Burchett, Belden, Nixon, Nehmer, and Woodside.
- Consent Agenda Motion by Nixon, seconded by Burchett, **CARRIED**, to approve consent agenda as presented. Affirmed by voice vote.
- City Manager Rich Saladin submitted a written report.
- Mayor Report Dan Burchett has bills next month.
- Attorney Report Scott Rasmussen, Fleis & Vandenbrink, submitted the report concerning East Todd Street to get moving on the special assessment for it.
- Council
Russ Nehmer: Car show 7/13/2024 it is the 5th year with so many sponsors.
David Belden: Emergency management is looking for people to participate in a hazmat incident training exercise, an email was sent out.
Trevor Guiles: Congratulations to the graduates. On May 18, 2024, Liberty Baptist Church is having classes 9-12 for depression era preparedness on. Bullets and BBQ after at 12:30.
- Audience , Sally Momany, County Representative, wanted to let Council know about the future new county complex that they purchased, people are worried about inmates close to the school, they won't be putting a jail there it will be a courthouse complex. They are looking at some alternative solutions to improve things, there are some issues at the jail with the structure, with a leaky roof. Looking at two different budgets because Ax my tax may be on the ballot. Decisions will need to be made. They want to be prepared. Things are running very smooth at the County. Stop into the County Administration Building on West Upton, it is all renovated. David Belden, shouted out to Sally on her great job on the balanced budget for the county.
- Adjourn Mayor Meinert adjourned the meeting at 6:53 PM.

Amye Hensel, City Clerk