

**CITY OF REED CITY
SPECIAL COUNCIL PROCEEDINGS
May 12, 2016**

Mayor Karen Lea McKinney, called the meeting to order at 6:00 P.M. in Council Chambers, 227 East Lincoln Avenue, Reed City, Michigan with the pledge to the flag.

- Present Mayor, Karen Lea McKinney. Council Members: David Bisbee, Marlene Fatum and Carol Tillotson. Trevor Guiles, Roger Meinert and Dave Scharlow were absent. City Manager, Ron Howell, Police Chief Chuck Davis, City Treasurer Barb Westerburg, Rich Rehkopf and Curt Brackenrich were also present. There were no citizens in the audience.
- ICE Grant Motion by Fatum, seconded by Bisbee, **CARRIED**, to authorize the City Manager to apply for the Michigan Economic Development Corporation ICE (Infrastructure Capacity Enhancement) grant. Affirmed by voice vote.
- Workshop Discussion and review of the Budget resolution for general, special revenue, capital projects, debt services enterprise and internal service funds for the City of Reed City Appropriations Act.
- David Bisbee left council chambers at 6:23 P.M.
David Bisbee returned to council chamber at 6:24 P.M.
- Questions were asked of the Treasurer i.e., what is the major impact on the general fund, the amount over budget to come out of fund reserve and how the current union negotiations could impact the budget.
- Budget Motion by Tillotson, seconded by Fatum, **CARRIED**, to adopt the 2016-2017 fiscal year Budget, set the millages and appropriate the funds. Roll call vote. Voting yes were, Bisbee, Fatum, Tillotson and McKinney.

**CITY OF REED CITY 2016-2017
BUDGET RESOLUTION for GENERAL, SPECIAL REVENUE,
CAPITAL PROJECTS, DEBT SERVICE, ENTERPRISE,
AND INTERNAL SERVICE FUNDS FOR THE CITY OF REED CITY
APPROPRIATIONS ACT**

At a special meeting of the City Council of the City of Reed City, County of Osceola, Michigan, held in said City on May 12, 2016.

PRESENT: David Bisbee, Marlene Fatum, Karen Lea McKinney and Carol Tillotson

ABSENT: Trevor Guiles, Roger Meinert and Dave Scharlow

The following resolution was offered by Councilperson Tillotson, and seconded by Councilperson Fatum.

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, 2016 through June 30, 2017; and

WHEREAS, a Public Hearing was held on April 28, 2016 on the proposed 2016-2017 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 2016-2017 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 Council has examined the fiscal requests for 2016-2017 of the various departments, which it must legally finance 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	\$32,343
(172) City Manager	\$29,400
(215) City Clerk	\$69,470
(223) Other Accounting Activities-Audit	\$ 4,900
(247) Board of Review	\$ 2,040
(253) City Treasurer	\$68,055
(257) City Assessor	\$25,240

General Government

(262) Elections	\$ 4,580
(265) Building and Grounds	\$23,450
(269) City Properties – Other	\$15,300
(276) Cemetery	\$43,695

Public Safety

(301) Police Department	\$408,536
(332) Snow Mobile Enforcement	\$ 2,200
(336) Fire Department	\$130,700

Public Works

(441) Dept. of Public Works	\$141,280
(448) Street Lighting	\$ 44,100
(528) Refuse	\$ 24,600

Recreation/Culture

(721) Planning Commission	\$ 300
(751) Parks & Recreation	\$ 53,900

Other Governmental Functions

(851) Insurance/Bonds	\$ 63,300
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Contingencies

(990) Contingencies	\$ 0
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Appropriations

(958) Contributions (396 & 402)	\$ 22,575
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Total General Fund Expenditures \$1,209,964

(151) Cemetery Trust Fund

\$ 400

Special Revenue Funds

(202) Major Streets	\$317,800
(203) Local Streets	\$ 67,800
(208) Park Commission Fund	\$ 3,025
(235) Downtown Development Authority (DDA)	\$332,154
(267) Law Enforcement Training	\$ 1,000
(292) Small Business Revolving Loan	\$ 20,300
Total Special Revenue Funds	\$ 742,079

Debt Service Funds		
(394) DDA Debt		\$265,125
(396) Fire Truck Debt		\$ 21,575
(397) Fire Dept. Bldg		<u>\$ 36,170</u>
	Total Debt Service Funds	\$322,870
 Capital Projects Funds		
(402) Equipment Replacement		\$ 3,125
(442) DDA Construction		\$175,431
(446) Fire Equipment Replacement		<u>\$ 0</u>
	Total Capital Projects Funds	\$178,556
 Enterprise/Internal Service Funds		
(590) Sewer Fund		
Dept.	(536) Administration	\$ 69,725
	(543) Operation & Maintenance	\$886,740
	(549) Collection System	\$ 51,470
	(564) Meter Reading	\$ 10,610
	(586) Depreciation	\$450,000
	(902) Construction-system	-0-
	(905) Debt Service	\$ 55,100
	(958) Appropriations-Contributions	<u>\$ 41,000</u>
	Total Sewer Expenditures	\$1,564,645
 (591) Water Fund		
Dept.	(536) Administration	\$ 73,955
	(542) Water Production	\$ 229,850
	(564) Meter Reading	\$ 11,161
	(566) Depreciation	\$ 110,000
	(902) Construction	\$ 150,000
	(905) Debt Service	\$ 26,000
	(958) Appropriations-Contributions	<u>\$ 21,000</u>
	Total Water Expenditures	\$ 621,966
 (661) Equipment Pool Fund		
Dept.	(536) Administration	\$ 4,450
	(982) Maintenance repairs	<u>\$ 177,190</u>
	Total Equipment Expenditures	\$ 181,640

BE IT FURTHER RESOLVED that the City Council of The City of Reed City authorizes the levy of **14.5366** 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 **.7000** 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/departmental 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, 2016. 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 2016-2017 General Appropriations Act of the City of Reed City, Osceola County, Michigan.

BUDGET ADOPTED WITH APPROPRIATIONS: May 12, 2016

YEAS: David Bisbee, Marlene Fatum, Carol Tillotson and Karen Lea McKinney

NAYS: None

Adjourn Motion by Mayor McKinney to adjourn at 6:38 P.M.

Jacalyn R. Beam
City Clerk