

CITY OF SYLVAN LAKE
PUBLIC HEARING
MAY 10, 2006

A Public Hearing was held by the Sylvan Lake City Council on Wednesday, May 10, 2006, Sylvan Lake Lutheran Church, 2399 Figa, West Bloomfield Twp., opening at 7:03 p.m. with Mayor Lorenz presiding.

Present: Conkey, Eriksen, Hunger, Hungerman, Lorenz

PH-004-05

Absent: None

B-005-05

Also Present: City Manager Martin, Clerk Clippert and City Attorney Bibeau

The public hearing was scheduled to receive public input regarding the proposed 2006/2007 Budget.

Martin made available copies of the proposed millage rates and graphs of the proposed revenues and expenditures and explained the proposed millage rates and budget, showing revenues and expenditures. The proposed total millage to be levied for fiscal year 2006-2007 will be 14.5655. Rates are down quite a bit from last year.

Mayor Lorenz opened the meeting to the public.

There were no comments from the audience.

Conkey would like to see a more realistic budget showing where the city would be without funding from the two project funds. He feels spending another \$100,000-\$150,000 on the two projects is excessive.

Eriksen explained charges for services rendered for City employees doing work in those projects are being charged to them.

Lorenz believes Conkey is asking to see how much the city is going to have to make up when the millage funds runs out.

Conkey agreed if the general fund didn't have that revenue from the projects then the budget would have a shortfall. Conkey is questioning if the employees are really working on these projects. Eriksen believes Martin can justify where the employees are working.

Eriksen agrees the project funds are going to run out soon and they are going to have to go for a millage because the general fund.

Conkey stated last month they had a paper which showed a \$50,000 surplus and he doesn't believe they should find somewhere to spend it. It should be put into the correct department. If there is an excess in the bond, they should pay down the bond. They shouldn't spend it, just to spend it.

Martin took exception to the insinuation that he is charging funds to a department that is not correct. He explained there is still a lot of work to be done in both projects. The bridge has to fixed, dead end on Pontiac Drive, restoration, gate valves, curb stops, catch basins, sump pump & footing drains, mailboxes and signs. They re still doing ditch enclosures and responding to complaints. He is still in meetings with the contracts and engineers 20 hours a week. He explained when the projects are done, the time that is charge to that funds, won t all be charged back to the general fund. It will be charged to the Major and Local Streets, Water and Sewer departments and some to the General fund.

Eriksen stated they are assuming the surplus is spendable money, but they committed to earmark \$30,000 or more to Parks and Recreation. In terms of funding all the City operations they are looking at what he calls a false surplus. The dock money help create that cash flow, which is committed already.

Eriksen thanked the Chief for his efforts on cutting his budget. He acknowledged the Chief has done a lot of restructure with employees to help reduce costs.

Conkey would still like to see a more realistic budget.

He recalled a budget was presented to City Council last year that didn t include the millage funds. Martin stated this a realistic budget for this year.

Hunger stated they all knew when these projects started that there was an expectation that city employees were going to be involved in these projects. He knows Martin is under legal obligations on how that money is accounted for. He expressed they need to be careful on their language and how they are posing things.

Lorenz questioned what makes up the revenue in the general fund from the projects. Martin explained it is a portion of salaries and benefits for city personnel to work on the projects.

There were no other comments.

Mayor Lorenz closed the Public Hearing at 7:18 p.m.