

**VILLAGE OF GRAND BEACH
BUDGET WORK SESSION
MARCH 23, 2019**

Council President Deborah Lindley called the Budget Work Session to order at 9:10 a.m. EST in the Council Meeting Room at 48200 Perkins Blvd., Grand Beach, Michigan 49117 to discuss the November 1, 2019–October 31, 2020 Fiscal Year Budgets.

Present in addition to Lindley were council members James Bracewell, Paul Leonard Jr, Steve Slater and staff members Superintendent Robert Dabbs, Clerk-Treasurer Mary Robertson and Interim Police Chief Jamie Flick. Council member Blake O’Halloran was not in attendance.

ADOPT AGENDA

Leonard moved, seconded by Bracewell to adopt the agenda as presented. Motion carried unanimously 4-0.

NEW BUSINESS

The draft budgets for fiscal year 2019/2020 were discussed. Clerk-Treasurer Mary Robertson told those in attendance that the General Fund has a fund balance on October 31, 2018 of \$857,397 which is equal to 10.6 months of operating expenses.

General Fund: Lindley said that the proposed General Fund budget for the last few years has been in the red, but we have put a lot of money into beaches, roads and also paid off a \$135,000 water bond. The 2019/2020 proposed budget shows revenue over expenses for the year. Lindley attributed part of that to passing the cost of trash and recycle onto residents and a reduction in police officers with the retirement of Officer George Keeler in 2018.

There was much discussion regarding a suggestion by Slater to cut the police department budget by at least half in order to make needed improvements to the Village. Lindley said that she and Jim Bracewell will meet with Michiana’s Police Commissioner, Police Chief and Interim Chief Jamie Flick to discuss the possibility and the associated savings of forming a Police Authority.

Clerk-Treasurer Mary Robertson went over each of the proposed budgets. The General Fund ended up with revenue over expenditures of \$ 23,887. Included in the budget is a transfer to the Capital Projects fund in the amount of \$113,800 for future purchases and projects, and \$20,000 set aside in both parks and beaches for matching funds in the event that the Village receives grant funding in 2019/2020 that requires matching funds.

Water Fund: There was discussion regarding future needs in the Water Fund including replacing water meters that are approximately 20 years old. There was a suggestion to add a line item on the water bills to pay for the new meters that are expected to cost approximately \$160,000 installed. The subject will be discussed at the April Council Meeting. Robertson suggested an annual increase of 3% on the water rates to keep up with the rising expenses.

The budget includes setting money aside to paint the water tower, move water lines on Ely and purchase new water meters. The budget shows a deficit of \$78,985 for 2019/2020.

Golf Fund: Blake O’Halloran was not in attendance, but spoke to the Council at the March 20, 2019 meeting about the proposed Golf Fund budget and expressed the need for a trim/finish mower and a rental golf cart. With these two items included in the proposed Golf Fund budget, the Golf Fund will end up with a deficit of \$17,575.

Budget Work Session March 23, 2019

Local & Major Street Funds: There was discussion regarding paving and the possibility of receiving grant funds from the State of Michigan and the possibility of building a non-motorized path along Royal Avenue from the arch to Station Road. Robertson explained the need to spend 1% per year or 10% over a 10-year period of ACT 51 funding on non-motorized facilities which could include this path. She said the 2017/2018 audit will show what has been spent over the last 10 years to see what is required to be spent in the future. The Local Street Fund shows a deficit of \$3,218 and the Major Street Fund shows revenue over expenses of \$7,782 for the 2019/2020 budget year.

Building Inspection Fund: With no changes to the proposed budget, it shows a deficit of \$2,900.

AUDIENCE RECOGNITION:

Ed Brandis spoke about allocating more funding for beaches. He also said that the Police Department is a big part of the budget and is not sustainable.

John Deaner suggested having landscapers register with the Clerk's office each year and check in each time they work in the Village. He talked about the need to have funding available in the budget for repairs to golf course irrigation and explained the cost of a test well on the golf course.

Brian Byrnes thanked the Council for all that they do and updated the Council on a recent meeting in Detroit in regards to the beaches and the New Buffalo Shoreline Alliance.

Ed Sebastian thanked the Council for all of their work on the budgets and told them that the beach is critically important and the budget should reflect that.

Joe Farwell thanked everyone for all that they do and said that he felt Steve Slater's memo was dead on and highlighted the way that the Council should think. He said that the golf course and beaches need to be separated in discussions and that one is not more important than the other.

Lindley moved, seconded by Bracewell to adjourn the work session. Motion carried unanimously 4-0.

With no further business, the work session was adjourned at 12:28 p.m. EST.

Respectfully Submitted,

Mary J. Robertson
Clerk-Treasurer