

**CITY COUNCIL MINUTES**

City of Hillsdale  
City Council Chambers  
April 25, 2016  
6:00 P.M.

Special Meeting

**Call to Order and Pledge of Allegiance**

Mayor Scott Sessions opened the meeting with the Pledge of Allegiance.

**Roll Call**

Mayor Scott Sessions called the meeting to order.

Councilmembers present:	Scott M. Sessions, Mayor *Adam Stockford, Ward 1 Timothy Dixon, Ward 2 Bruce Sharp, Ward 3 Matthew Bell, Ward 4 Patrick Flannery, Ward 4
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Councilmembers absent:	Brian Watkins, Ward 1
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, Kay Freese (HR), Police Chief Scott Hephner (HCPD), Mary Wolfram (Economic Development), Fire Chief Kevin Pauken (HCFD), Bonnie Tew (Finance Director), Susan Kehn (Dial-A-Ride), Lee Ann Beckwith (Library), Kim Thomas (Assessing), and Jason Walters (Patriot Aviation),

**Council Member Excused**

Mayor Sessions reported Council Member Watkins wrote he would not be in attendance at the meeting due to a work obligation.

Council Member Bell, seconded by Council Member Flannery, moved to excuse the absence of Council Member Watkins from the meeting. By a voice vote, the motion passed unanimously.

**Approval of Agenda**

Council Member Bell, seconded by Council Member Flannery, moved to include an opportunity for public comment on the meeting agenda. By a voice vote, the motion carried unanimously.

Council Member Flannery, seconded by Council Member Bell, moved to approve the April 25, 2016 special meeting agenda, as amended. By a voice vote, the motion carried unanimously.

**Public Comment**

No public comments were received.

**Budget Presentations**

## 1. City Clerk's Office

City Clerk French presented the City Clerk's Office budget for FY2016-2017 to the City Council. Mr. French discussed the goals and priorities for the office including the August and November 2016 elections, the development of a new web-site and social media presence, and a continued review of the city's records. Finance Director Tew then reviewed the budgetary increases that resulted from the City Clerk's position becoming a full-time position in January 2016. Discussion was also held regarding the expected high participation in the August and November elections and the plans for efficiently processing voters within the polling location.

## 2. Dial-A-Ride (DART)

An amended DART budget was provided to Council Members at the meeting.

Susan Kehn, Dispatcher and Manager of DART, presented the department's budget for FY2017 to the City Council. Ms. Kehn reviewed ridership numbers about the program, which was staffed with three, full-time drivers and one manager/dispatcher. Ms. Kehn reported the program had projected to increase revenue by 5% and reduce expenses by 5% in the upcoming fiscal year. Ms. Kehn indicated the proposed budget included the purchase of two, new buses that would be funded with state and federal grant dollars.

Ms. Kehn noted DART averaged 40-75 calls for service and collected approximately \$150.00 in fares each day. Ms. Kehn stated average ridership included 75 school students, 15 senior citizens, 35 handicapped, 18 senior handicapped (those with wheelchairs & walkers), and 17 adult riders. Ms. Kehn stated the adult ridership had increased as residents were using DART for transportation to-and-from work.

City Manager Mackie stated a county-wide committee had been established to discuss solutions that could assist county residents with reliable transportation to-and-from their jobs.

Council Member Bell noted his preference to have DART become a financially, self-sufficient program within the City of Hillsdale.

Council Member Dixon questioned why the state and federal funding levels fluctuated drastically from year to year. Finance Director Tew stated those subsidies were percentages established at the state and federal level, and were based on specific, DART expenditures for the year.

Responding to a question from Council Member Sharp, Ms. Kehn reviewed the scheduling of the drivers and staff and discussed the constraints if a rotating lunch schedule was implemented.

Finance Director Tew discussed the restrictions that were associated with the DART building, as the facility was funded with federal transportation dollars. Ms. Tew noted the building could only be used for transportation purposes and not for unrelated, city needs.

Ms. Kehn also indicated the bus drivers were responsible for cleaning their buses and the DART building.

## 3. Hillsdale Community Library

A revised spreadsheet of the projected revenue for the library was distributed to Council at the meeting.

Library Director Beckwith provided a general review of the library's budget for FY2017, which included the funding for one (1) full-time and nine (9) part-time employees.

Responding to a question from Council Member Bell, Ms. Beckwith stated the library chose books to purchase by reviewing popular authors, book reviews, and customer requests.

Ms. Beckwith stated library had recently repaid all of the original construction costs of the building, which would allow staff to concentrate on some maintenance projects that had become necessary.

Finance Director Tew reviewed the library's funding that included a 1-mil property tax levy, receipt of penal fines, inter-governmental service contracts, and state revenue sharing. Ms. Tew noted the library did not utilize any General Fund dollars.

Council Member Flannery noted the increase of grant and contribution receipts from previous years. Ms. Beckwith reviewed the grant writing efforts of the staff, as well as the limited use of the library's endowment fund.

Council Member Dixon questioned the increase funding for wages within the library's budget. Director Beckwith noted the reliance on part-time employees increased the overall wages; however, savings were realized in the reduction of health and life insurance costs.

#### 4. Assessing, Code Enforcement & Planning

City Assessor Thomas provided a review of the Assessing Office responsibilities and budget summary for FY2017. Ms. Thomas noted the Consumer Price Index (CPI) had a negligible increase for the upcoming year, which would severely limit the increase of taxable value of properties within the City of Hillsdale. Ms. Thomas stated some new, residential construction had started, which helped increased the residential values in the city.

Responding to a question from Council Member Dixon, Ms. Thomas discussed the internal changes to the department in FY2012 that separated the personnel costs of the assessing, code enforcement, and planning offices.

#### 5. Airport

Airport Manager Walters summarized the many improvements that had been completed at the airport in recent months and the cost savings implemented by staff in areas, such as the crack-sealing of the runway. Mr. Walters indicated the most costly maintenance issues had been completed and changes to the management agreement would not require the City of Hillsdale to purchase aviation fuel for the facility in FY2017. Mr. Walters noted the expansion of the airport would require additional costs for mowing and grounds maintenance during the non-winter months of the year.

#### 6. Fire Department

City Manager Mackie noted the Capital Fund purchases of hand tools, firefighting foam, and the like, requested by Chief Pauken, had been removed from the Capital budget and included in the Operational budget of the department.

Chief Pauken presented the FY2017 budget and noted the department had four, full-time employees and approximately 23 part-time employees. Chief Pauken discussed the costs associated with each departmental employee including protective fire-fighting gear, immunizations, and training. Chief Pauken reported the department continued to apply for grants to aid in the purchase of equipment, including turn-out gear and new apparatus.

Council Member Sharp noted the department's responses to emergency medical calls had drastically increased in recent years, which put a financial strain on the budget. Council Member Sharp discussed the pressing needs of the department for new apparatus, including a new fire engine and ladder truck.

Chief Pauken noted the responses by the department to emergency medical service calls were saving lives, as recent calls for service included many, critical injuries.

Finance Director Tew discussed the city's practice of setting aside a certain amount of General Fund dollars each year for the planned purchase of fire apparatus. Ms. Tew noted, however, this practice stopped when the recession began and expenses were directed to more immediate needs of the city.

#### 7. Police Department

Council Member Stockford recommended the City of Hillsdale review the possibilities of implementing a K-9 program within the Police Department, due to trained personnel and the increase of narcotic investigations by the department.

\*Council Member Stockford left the meeting at 7:25 p.m. due to a family obligation.

Police Chief Hephner presented the FY2017 Police Department budget to City Council. Chief Hephner stated the number of complaints received by the department had increased from 8,029 in 2014 to 9,178 in 2015. Chief Hephner also reported there was a 22% increase in narcotic-involved cases and investigations during the same time period.

Chief Hephner presented the department's goals and objectives for FY2017 which included the continuation of narcotic enforcement, an increased presence in the city's school buildings, new fitness-for-duty incentives, and training for an officer to be a certified TASER instructor. Chief Hephner noted new mobile computers and wireless modems had been installed in two of the police cruisers and the department continued to review grant & funding opportunities for technological advances including in-car cameras, body cameras, and electronically-generated citations.

Chief Hephner stated many of the city's officers served on various boards and committees for such issues as elderly abuse and child death review boards. Chief Hephner also reported the city did not provide certain equipment for the officers that were provided to other officers in most municipalities. Chief Hephner stated each officer received \$50.00 per year that could be used towards the purchase of firearms, boots, and flashlights that were not provided by the city. Chief Hephner stated each officer expended approximately \$1,500 for service weapons and \$150.00 for boots when needed.

Chief Hephner then provided an update on the on-going grant application with the United States Department of Agriculture (USDA) for a new patrol vehicle, as well as funding for replacement ammunition in FY2017.

Responding to a question from Council Member Bell, Chief Hephner discussed the importance of communication between Council Members and the city's department heads, which had improved in recent months. Council Member Sharp also noted the importance of a police officer presence in the school buildings.

#### 8. City Manager's Office

City Manager Mackie presented the City Manager's Office budget and noted the many, personnel changes to the city's team, including new leadership at the BPU, DPS, DART, City Clerk's Office, and the Recreational Department. City Manager Mackie stated the FY2017 goals included on-going team development, the Strategic Plan/Action Plans, review of the city's personnel policies & procedures, economic development, PILOT changes, improvements to the city's web-site, MEDC marketing, and efficiencies between the BPU and the city's General Fund.

Council Member Sharp commended the City Manager for his efforts during the past year and direction for the future.

Council Member Bell discussed the percentage of General Fund expenses that were utilized for payroll, and its comparison from previous years. City Manager Mackie stated he would review this information.

City Manager Mackie discussed the fund balance of the General Fund and the need to carefully monitor this amount, especially in light of unfunded liabilities, such as pension obligations.

9. City Council

Mayor Sessions reviewed the FY2017 City Council budget and the Council goals of:

1. Infrastructure improvements
2. Strengthen sense of community
3. Destination – Vibrant downtown
4. Economic Development

Mayor Sessions commended the Council Members and city staff for their dedication and support of the City Council throughout the past fiscal year.

10. Finance & Treasurer's Office

Finance Director Tew presented the FY2017 budget for both offices. Ms. Tew noted the "Contractual Services" line-item in the amount of \$4,500 was designated for software support of the city's financial software package. Ms. Tew also provided detail for the "Refunds and Rebates" line-item in the General Fund, which was used for PILOT (payment in-lieu of taxes) and PA-425 agreements with neighboring townships.

11. Transfer Budgets

Finance Director Tew reviewed the Transfer budget, which detailed the General Fund allocations to the Local Streets Fund, the Recreation Department, the Capital Improvement Fund, and to Dial-A-Ride (DART).

Council Member Flannery noted the city's Recreation Department and Dial-A-Ride service each received approximately \$50,000 per year from the city's General Fund.

12. Miscellaneous Funds

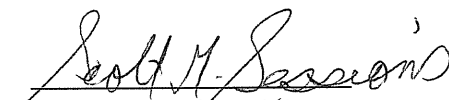
Finance Director Tew reviewed the Special Revenue Funds (Police OWI Enforcement & Drug Forfeiture Funds) Internal Service Funds (Public Service Inventory, DPS Leave & Benefits, Unemployment Insurance), and Fiduciary Funds (Cemetery Care, RL Owen Park Memorial, and Stock's Park Perpetual Maintenance).

Responding to a question from Council Member Flannery, Ms. Tew noted city staff continued to review each of the Fiduciary Funds to determine if another entity would be better suited for administration of those investments.

**Adjournment**

Council Member Bell moved, seconded by Council Member Flannery, to adjourn the meeting. By a voice vote, the motion passed unanimously.

The meeting adjourned at 8:45 p.m.

  
 Scott M. Sessions, Mayor

  
 Stephen M. French, City Clerk

