

**VILLAGE OF FRANKLIN
VILLAGE COUNCIL SPECIAL MEETING
MONDAY, APRIL 17, 2017, 5:30 PM
FRANKLIN VILLAGE HALL – BROUGHTON HOUSE
32325 FRANKLIN ROAD, FRANKLIN, MICHIGAN 48025**

BUDGET WORKSHOP

I. CALL TO ORDER

The meeting was called to order by President, Pam Hansen, at 5:33 PM at the Franklin Village Hall, Franklin, Michigan.

II. ROLL CALL

Present: Fred Gallasch, Brian Gordon, Pam Hansen, Judy Moenck, Mira Stakhiv

Absent: Tom Morrow, Mike Seltzer

Also Present: Jim Creech, Village Administrator
Eileen Pulker, Village Clerk

III. ADOPTION OF AGENDA

Motion by Moenck, seconded by Gordon to adopt the agenda, as presented.

Ayes: Gallasch, Gordon, Moenck, Stakhiv, Hansen

Absent: Morrow, Seltzer

Nays: None

Motion carried.

IV. BUDGET REVIEW, FY2017-2018

Hansen outlined the purpose of this meeting and asked the Finance Committee to proceed with its presentation, a copy (dated April 17, 2017) of which had been given to each Council member. Gallasch noted that he hoped that tonight's discussions would generate questions which would be referred back to staff, as well as questions for the Planning Commission. Moenck explained there were no changes to the numbers in Creech's DRAFT Village of Franklin Annual Budget document.

Gallasch prefaced the discussions by stating that in the past Franklin has been fiscally conservative and it needed to continue in the same vein in the future. He noted that the Police expenses have been increasing but the tax revenues have not and because the Police expenses were increasing, so has its share of the Village budget. There was a discussion about the current Police agreement between Franklin and Bingham Farms and possible future agreements. There was also a discussion of whether the payment percentage (35%) of the Police budget that Bingham Farms pays was accurate and adequate. Gallasch made note that Franklin needs to be conscious of the fact that when negotiating with Bingham Farms, Bingham Farms has other alternatives available to it. Gallasch added that without Bingham Farms, Franklin's police budget would be greatly reduced and Franklin's police service would be more expensive.

The Headlee override which expires at the end of 2020-2021 Budget was addressed.

Other Police budget issues discussed were: how the Police Services have been split with Bingham Farms over the past years; the increase of Franklin's share of Police expenses over the past years; and the increases forecasted over the next few years.

Moenck noted that all the charts and figures that the Finance Committee presented were informational and they were not an attempt to get Council to think about cutting back and/or changing the agreement with Bingham Farms right now. They were merely an awareness that the budget has more pressure on it from an area that we are firmly committed to finance and are firmly committed to fund. With these numbers Morrow, also a member of the Finance Committee, wanted to demonstrate that if we continued to have this commitment to our Police, Council needs to plan for the appropriate increases.

Crech reminded Council that when creating a budget there were key items included and a lot of variables. Gallasch also noted that Council has set a goal that a minimum of 25% of the budget would be set aside in reserved cash. If Council used the figures presented it would appear that the Village would have a smaller amount in reserve which might precipitate a possible Headlee override to get the reserve back up to 25%.

Moenck stated that multi-year budgets would demonstrate the funding for major projects like lighting. There was a discussion about the future of the Headlee amendment, the suggested long term projects, and the Village's funding of MERS with regards to the unsure futures of all.

Gallasch presented three possible proposals from the Finance Committee which it thought would accomplish the Council's goals: move funds allocated to Main Street Franklin to Planning Commission to implement some of the Master Plan goals, i.e. downtown lighting, sidewalks, parking, and (signage); have Planning Commission develop specific Village improvement proposals for the voters, and seek voter approval for a new operating millage to replace the existing millage and expiring Headlee override with a permanent funding solution to the rising police expenses and a desire to fund village improvements.

There were lengthy discussions about the proposals, including specific background and historic facts and possible solutions on each point, emphasizing the importance of achieving tangible and quantifiable results for the first two (2) proposals.

Hansen acknowledged that it appeared Council was interested in improving its infrastructure and questioned what the Council could support to make that happen. The Village has some great programs but no entity to take the lead; Planning could take the lead on these specific projects. Gordon suggested that monies for Main Street Franklin could be put in the proposed budget; whether it is allocated or not is another decision and that the budget could always be amended. The decision to move Main Street aside would be easier to do with some guidance from the Planning Commission. The focus is: what do we do with this situation and how is the Council going to achieve its goal. The decision was to leave Main Street's allocation in the budget, discussions to ensue with Planning Commission to hear their plans, fund it for part of the year, and amend the budget, if need be. Hansen was looking for an alternative for MSF and a commitment by the Planning Commission to do what they had discussed. Moenck suggested omitting the name "Main Street" from the committee's first proposal.

Creech updated Council on the Bond issue with regards to the actual numbers needed for the Budget. These would be available once the bids are received.

Moenck mentioned that salary increases should be addressed but felt the issue should be handled by the Personnel Committee. The proposed budget could always be amended and Gallasch noted there was money available.

Creech addressed Gordon's questions about the Pressure Sewer Fund.

V. PUBLIC COMMENTS AND COMMENTS

None

VI. ADJOURNMENT

Motion by Moenck supported by Gallasch, to adjourn the meeting.

Ayes: Gallasch, Gordon, Moenck, Stakhiv, Hansen

Absent: Morrow, Seltzer

Nays: None

Motion carried.

There being no further business, the meeting adjourned at 6:55 P.M.

Respectfully submitted,

Gail Beke, Recording Secretary

Eileen H. Pulker, Clerk

Pamela Hansen, President