

**THE SPECIAL BUDGET WORK SESSION OF THE FORTIETH COUNCIL OF THE CITY OF BERKLEY,
MICHIGAN WAS CALLED TO ORDER AT 6:00 PM ON MONDAY, APRIL 28, 2025 BY MAYOR DEAN**

PRESENT: Councilmember Steve Baker
Mayor Pro Tem Ross Gavin
Councilmember Dennis Hennen
Councilmember Gregory Patterson
Councilmember Jessica Vilani
Mayor Bridget Dean

ABSENT: Councilmember Clarence Black

OTHER STAFF PRESENT:

City Manager Crystal VanVleck
City Clerk Victoria Mitchell
Finance Director Carl Johnson
Deputy Finance Director Amy Zurawski
Deputy City Manager of Public Services Shawn Young
Community Development Director Kristen Kapelanski
Library Director Matt Church
Human Resource Director Jess Stover
Chief Innovation Officer Stan Lisica

APPROVAL OF AGENDA

Councilmember Baker moved to approve the Agenda
Seconded by Mayor Pro Tem Gavin
Ayes: Gavin, Hennen, Patterson, Vilani, Baker and Dean
Nays: None
Absent: Black
Motion Approved.

PUBLIC COMMENT

None.

REGULAR AGENDA

PRESENTATION: Matter of receiving a presentation summarizing the proposed FY 2025/26 budget.

City Manager Crystal VanVleck opened the presentation. She thanked the Finance Department and department heads. She said the budget team is already noting items for improvement to the budgeting process for next year.

City Manager VanVleck explained the evening's format as far as what information would be presented along with questions.

City Manager VanVleck explained directors would be presenting their department's bigger picture and deviations from what was already approved for 2025-26 last year.

Finance Director Carl Johnson presented the budget overview, including:

- Taxable Value v. Assessed Value
- Overview of Millages subject to Headlee Reductions
 - Operating
 - Public Safety

- Sanitation
 - Infrastructure
- Overview of FY 2024-25 GF
 - Revenue – Main Drivers
 - Movement of the HVAC grant (\$1.4 million)
 - \$500,000 in property tax revenue
 - Expenditures – Main Drivers
 - HVAC
 - Amendments made throughout the year
 - \$315,000 investment into Public Improvement Fund
- Overview of FY 2025-26: What Changed?
 - Revenue – Main Drivers
 - Estimating \$377,300 in property taxes
 - \$150,000 additional marihuana license revenue
 - Expenditures – Main Drivers
 - Strategic investment based on the priorities of the Strategic Framework
 - Renewed commitment to maintenance of city facilities
- Overview of General Fund
 - Revenue
 - Property Taxes 65.36 percent
 - Federal Grants 6.62 percent
 - State Sources .01 percent
 - Charges for Services 12.48 percent
 - Fines and Forfeitures 8.52 percent
 - Licenses and Permits 1.03 percent
 - Investment Earnings 1.92 percent
 - Other Revenue 4.06 percent
 - Expenditures – Main Drivers
 - Public Safety 42.01 percent
 - Animal Control 0.52 percent
 - Public Works 7.22 percent
 - Building & Planning 4.32 percent
 - Library 4.19 percent
 - Transfers Out 6.02 percent
 - City Council .26 percent
 - City Manager 1.75 percent
 - Finance 5.13 percent
 - City Clerk 2.15 percent
 - IT 2.16 percent
 - Communications 1.46 percent
 - Active Employee Benefits 9.92 percent
 - Retiree Benefits 8.33 percent
 - City Attorney .93 percent
 - Facilities 2.89 percent
 - Human Resources .75 percent
- Housekeeping
 - Two new Funds
 - Opioid Settlement Fund
 - Public Improvement Fund
 - Removal of Departments
 - Citywide Projects
 - Community Promotion
 - Addition of Department
 - Human Resources Department

BUDGET WORK SESSION: Matter of a discussion of the proposed FY 2025/26 City of Berkley Budget:

Mayor Bridget Dean stated she is suspending decorum as far as any member of Council could ask questions without going through the chair.

A. City Clerk

- Elections:
 - Purchase five new election tablets, "line-chasers"
 - New signage for Precinct 3 and temporary precinct signage
- Clerk's Office Efficiencies:
 - Software Suite automating City Council management, Boards & Commissions, website document storage, and FOIA
- Administrative changes to reclassify expenditures:
 - Budgeted election supply expenses moved from Stationery to Election Supplies accounts
 - Computer software and maintenance fees moved from Consultant to Computer Software account

B. Information Technology

- Expense reallocation from Citywide Projects
 - Mailing Machine
 - Copier
 - Desk phone circuit and services
 - All GF cell phones (previously allocated to each dept.)
- Software subscription increases due to Windows 11 upgrades
- Continued cybersecurity upgrades
- Computer replacement over 26/27 27/28 and server replacement

C. City Manager

- Removal of HR related costs
- Removal of contractual services
- Movement of Citywide supplies form the citywide department

D. City Council

- Movement of some items that were in City Wide or Community Promotions Departments:
 - Memberships and dues
 - Youth Assistance & Tri Community Coalition – needs discussion
 - City Manager VanVleck discussed contributions to Youth Assistance and Tri Community Coalition – staff will need direction before the budget is finalized. There is \$2k budgeted for this. The majority of Council stated they would like to donate to Youth Assistance and HAVEN. Not Youth Assistance and Tri-County Coalition.
- \$70k in FY 26/27 for Strategic Plan Process (includes \$20k community survey)

E. City Attorney

- Labor
- Primary Attorney fees (prosecution, general City, copyright/trademark)

- General Liability (MML Claims)
- City Manager VanVleck discussed legal fee rates. She reiterated an RFP for legal services was issued
- She discussed the Copyright attorneys and fees, and general liability.

F. CDBG Fund

- Revenue/Expenditure set annually based on the award
 - Historically – approx. \$35,000/year
- Group 2-3 years' worth of funding into one project – various architectural barriers
- \$2,500 – Yard Services
- \$2,500 – Large Print Books

G. Human Resources

- First Year HR has its own budget. Relevant line items were moved from the Finance and City Manager budgets.
- Advertising budget for recruitment factors including the cost of MML and Oakland Press job boards.
- Professional development includes funds for citywide staff training
 - Will be working on a larger organizational development strategy

H. Building and Planning

- Planning
 - Contractual Services includes funding for an Economic Development Strategy
 - General planning consulting budget reduced based on actual usage
 - Ms. Kapelanski discussed Redevelopment Ready certification and the benefits
 - Reducing reliance on professional contractors.
- Building
 - Cellular laptop added for code enforcement
 - Contractual inspections separated from code enforcement costs for easier tracking
 - CIP Item:
 - Upgraded vehicle

I. Communications

- Some of the money previously allocated to Contractual Services line item has shifted to full time employees to cover the cost of an intern
 - Less help will be needed from PR firm with help from an intern
- Community Promotions budget items have been moved to Communications to avoid redundancy
 - Postage-Printing-Mailing
 - Advertising
- Professional Development budget has increased to cover cost of networking organizations and attendance at Government Social Media Conference
 - ICCA
 - Inforum
- Berkley Buzz and community survey – survey will show how people like to

communicate and if the Buzz is something they utilize. The Buzz may or may not come back and could be in different iterations.

J. Library

- Copier replacement and reupholstery of chairs pushed out to future fiscal years
- Cabling for all security camera replacements and three-five cameras for next three fiscal years
- CIP Item:
 - Biggest and most exciting project is addition of two study rooms at the library
- Could the hours that were cut from the library be reinstated? City Manager VanVleck said right now we have a balanced budget and any additions would rock that.

K. Finance and Treasury

- Finance
 - Increase in Salaries & Wages
 - Expense reallocation form Citywide Projects to Finance (~ \$85k)
 - Postage
 - Annual memberships
 - Liability Insurance
 - Utilities
 - Mr. Johnson addressed investment strategy/policy including OPEB.
- Treasury
 - Aligns with current fiscal year projections
 - Discussed outsourcing Assessing considering the current state of the rising Oakland County prices. It could be an opportunity to bring treasury/taxes in house.

Ms. VanVleck closed the meeting with a preview of the next budget hearing and the CIP.

Mayor Dean thanked everyone for their hard work, especially the finance department and communications for creating the new budget document.

ADJOURNMENT:

Councilmember Baker moved to adjourn the Special Meeting at 8:36 PM

Seconded by Councilmember Patterson

Ayes: Gavin, Hennen, Patterson, Vilani, Baker and Dean

Nays: None

Absent: Black

Motion Approved.

Bridget Dean, Mayor

ATTEST:

Victoria Mitchell, City Clerk