

**A BUDGET WORK SESSION OF THE THIRTY-NINTH COUNCIL OF THE CITY OF BERKLEY,
MICHIGAN WAS CALLED TO ORDER AT 6:00 PM ON TUESDAY, MAY 10, 2022
BY MAYOR PRO TEM BRIDGET DEAN**

PRESENT: Steve Baker
Jack Blanchard
Bridget Dean
Ross Gavin
Dennis Hennen
Natalie Price

ABSENT: Daniel Terbrack

**ALSO
PRESENT:** Matthew C. Baumgarten, City Manager
Mark Pollock, Finance Director/Treasurer
Laurie Fielder, Staff Accountant
Victoria Mitchell, City Clerk
Stan Lisica, Chief Innovation Officer
Shawn Young, Public Works Director
Theresa McArleton, Parks and Recreation Director
Dan McMinn, Manager of Senior Programs and Special Events

APPROVAL OF AGENDA

Councilmember Baker moved to approve the Agenda
Seconded by Councilmember Vilani
Ayes: Gavin, Hennen, Price, Vilani, Baker, and Dean
Nays: None
Absent: Terbrack
Motion Approved.

PUBLIC COMMENT:

There was no one present wishing to speak.

BUDGET WORK SESSION: Matter of a discussion of the proposed 2022-2023 City of Berkley Budget.

The following budgets were reviewed:

- A. City Clerk
- B. Building and Planning
- C. Parks and Recreation
- D. Public Works
- E. Finance and Treasury
- F. CDBG
- G. Debt Funds
- H. Capital Improvement
- I. Fringe Benefits Fund
- J. Public Safety Retirement

The following corrections were made to the budget:

- 101-191-934-000 Office Equipment Maintenance changed from \$3,618 to \$6,131.
- 101-191-982-000 Equipment changed from \$5,088 to \$2,977.

- 101-201-817-000 Consultant changed from \$40,000 to \$35,350.
- 614-105-811-000 Custodial changed from \$12,000 to \$15,000.

Finance Director/Treasurer Mark Pollock distributed updated proposed budget pages 106-118. Please see attached.

A recess was taken at 7:10 p.m. The work session reconvened at 7:16 p.m.

Mayor Pro Tem Dean thanked the Finance Department , Stan Lisica, Torri Mathes, and department directors for their hard work during a tough financial climate while continuing to deliver services to the residents of Berkley.

Mayor Pro Tem Dean reminded everyone about Berkley Days happening May 12-15, 2022 and thanked the Parks & Recreation Department for all of the employees hard work assisting with this event.

ADJOURN

Councilmember Baker moved to adjourn the work session at 8:34 PM
Seconded by Councilmember Gavin
Ayes: Gavin, Hennen, Price, Vilani, Baker, and Dean
Nays: None
Absent: Terbrack
Motion Approved.

Daniel J. Terbrack, Mayor

Attest:

Victoria Mitchell, City Clerk

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Fund: 592 WATER AND SEWER

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Calculations as of 04/30/2022

GL NUMBER	DESCRIPTION	2019-20 ACTIVITY	2020-21 ACTIVITY	2021-22 ACTIVITY THRU 04/30/22	2021-22 AMENDED BUDGET	2021-22 PROJECTED ACTIVITY	2022-23 REQUESTED BUDGET	2023-24 REQUESTED BUDGET
Dept 001 - REVENUES								
ESTIMATED REVENUES								
FEDERAL AND STATE GRANTS								
592-001-539-000	STATE GRANTS	0	0	0	1,920	1,920	1,920	1,920
	(2022-23) WEST NILE REIMBURSEMENT - LARVICIDE PURCHASED FROM 592-536-758-000					0	1,920	0
FEDERAL AND STATE GRANTS		0	0	0	1,920	1,920	1,920	1,920
CHARGES FOR SERVICES								
592-001-642-000	WATER SALES	3,708,859	3,844,636	3,492,232	4,258,080	4,300,000	4,437,775	4,570,900
	(2022-23) WATER SALES					0	4,383,737	0
	(2022-23) WATER AND SANITARY GROSS SALES							
	(2022-23) SOCWA ESTIMATING FOR BERKLEY 0.98 MGD AND 3% RATE INCREASE							
	(2022-23) BERKLEY PROPOSING 4% WATER RATE INCREASE							
	(2022-23) WRC RELEASED RATE INCREASE FOR SANITARY 3.9%							
	(2022-23) BERKLEY PROPOSING 4.5% SANITARY RATE INCREASE							
	(2022-23) WATER (980,000/7.48 * 365) * 4.38 = \$2,094,553							
	(2022-23) SANITARY (980,000/7.48 * 365) * 4.90 = \$2,343,222							
592-001-642-001	NONRESIDENTIAL SURCHARGE (649)		35,951	36,857	37,468	37,800	39,464	40,640
	(2022-23) GLWA NONRESIDENTIAL TREATMENT COST					0	38,898	0
	(2022-23) GLWA RATE INCREASE OF 4.1% - BUDGET 4.5% RATE INCREASE							
	(2022-23) \$3,147.06 * 12 MONTHS * 1.045 = \$39,464							
592-001-642-002	FIXED WATER CHARGE	671,642	693,785	658,928	708,840	708,840	733,315	755,315
	(2022-23) FIXED WATER CHARGE/READY TO SERVE BY METER SIZE					0	733,315	0
	(2022-23) REPORT RUN BY METER SIZE ON 2/14/2022							
	(2022-23) BERKLEY PROPOSING 3% INCREASE							
	(2022-23) 3/4" \$24.48 X 6500 = \$159,120							
	(2022-23) 1" \$40.87 X 314 = \$12,833.31							
	(2022-23) 1.5" \$81.591 X 33 = \$2,692.47							
	(2022-23) 2" \$130.54 X 33 = \$4,307.82							
	(2022-23) 3" \$285.57 X 7 = \$1,998.99							
	(2022-23) 4" \$475.28 X 5 = \$2,376.40							
	(2022-23) TOTAL 6,892 METERS \$183,328.99 X 4 QTRS							
592-001-642-003	STORM UTILITY CHARGE	2,357,493	2,411,298	2,352,662	2,508,653	2,508,000	2,618,742	2,697,400
	(2022-23) STORM UTILITY CHARGE					0	2,618,742	0
	(2022-23) STORM SEWER GROSS SALES							
	(2022-23) WRC RELEASED RATE INCREASE OF 4.1%							
	(2022-23) BERKLEY PROPOSING 4.5% RATE INCREASE							
	(2022-23) ERU COUNT AS OF 2/14/2022 IS 8,681.68							
	(2022-23) 8681.68 * 75.41 * 4							

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Dept 536 - WATER & SEWER SERVICE								
APPROPRIATIONS								
SALARIES AND FRINGE BENEFITS								
592-536-704-000	FULL TIME EMPLOYEES	43,379	44,149	38,736	44,893	44,893	45,791	46,707
592-536-706-000	LABORERS (2022-23) INCLUDES WATER LICENSE STIPEND \$4,000	175,816	185,714	165,338	187,028	187,028	211,429	215,577
592-536-707-000	PART TIME EMPLOYEES	15,401	19,688	16,484	31,772	20,000	38,250	38,565
	(2022-23) PART TIME OFFICE STAFF					0	15,750	0
	(2022-23) PART TIME WATER & SEWER GL # FOOTNOTE TOTAL:					0	22,500	0
							38,250	
592-536-709-000	OVERTIME	30,037	28,489	27,373	40,000	35,000	35,000	35,000
	(2022-23) 3 YR AVG - WATER MAIN BREAKS, EMERGENCY MISS DIGS, WATER SHUT-OFFS, ETC					0	35,000	0
592-536-715-000	FICA	20,610	21,145	18,825	23,464	21,950	25,733	26,144
592-536-716-001	HDLO RETIREES	2,360	0	0	0	0	0	0
592-536-718-005	RETIREMENT - NET PENSION LIABILITY	(174,328)	(94,015)	0	0	0	0	0
592-536-721-000	ANNUAL LEAVE	6,428	(771)	0	0	0	0	0
592-536-722-000	SICK LEAVE	(1,559)	4,406	0	0	0	0	0
592-536-723-100	OPEB EXPENSE	105,392	(64,126)	0	0	0	0	0
592-536-725-000	WORKERS COMP	24,542	19,317	3,931	33,400	33,400	34,068	34,750
592-536-727-100	INTERNAL SRVC - LABOR & ADMIN	350,000	360,000	270,000	360,000	360,000	400,000	400,000
	SALARIES AND FRINGE BENEFITS	598,078	523,996	540,687	720,557	702,271	790,271	796,743
MATERIALS AND SUPPLIES								
592-536-728-000	OFFICE SUPPLIES	100	409	117	500	500	500	500
592-536-729-000	STATIONARY	3,264	5,804	3,659	5,000	6,000	7,000	7,000
	(2022-23) QUARTERLY UTILITY BILLING STOCK PAPER AND ENVELOPES					0	7,000	0
592-536-730-000	POSTAGE-PRINTING-MAILING	12,995	13,193	10,366	16,803	16,000	17,524	17,524

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Dept 536 - WATER & SEWER SERVICE								
APPROPRIATIONS								
CONTRACTUAL SERVICES								
	(2022-23) RADIO READ METER ASSISTANCE					0	7,000	0
	(2022-23) MDEQ COMMUNITY WATER SUPPLY ANNUAL FEE IN NOV					0	5,900	0
	(2022-23) RCOC ANNUAL ROW PERMIT FEE FOR UTILITY WORK					0	1,300	0
	(2022-23) EGLE REQUIRED LEAD SERVICE LINE REPLACEMENTS 7,000 * 15 * 8 MONTHS					0	840,000	0
	(2022-23) EGLE REQUIRED LEAD SERVICE LINE VERIFICATIONS 350 * 1,000					0	350,000	0
	(2022-23) VACTOR RENTAL FOR CB CLEANING (EVERY 2YEARS)					0	30,000	0
	GL # FOOTNOTE TOTAL:						1,259,200	
592-536-821-000	ENGINEER	42,462	28,811	105,356	426,000	426,000	335,000	335,000
	(2022-23) WATER MAIN PROJECT-NO ROADWORK					0	300,000	0
	(2022-23) ARCGIS PROGRAMS, APEPLICATIONS AND ASSISTANCE					0	25,000	0
	(2022-23) CITY WIDE ROAD & WM IMPROVEMENTS-PLANNING, ESTIMATES, ETC					0	5,000	0
	(2022-23) WATER MAIN ASSET MANAGEMENT PLAN UPDATES					0	5,000	0
	GL # FOOTNOTE TOTAL:						335,000	
592-536-822-000	CROSS CONNECTIONS	19,896	21,121	15,242	28,000	24,000	24,400	24,400
	(2022-23) THIRD PARTY ASSISTANCE WITH REQUIRED CROSS CONNECTIONS CONTROL PROGRAM \$1,700* 12					0	20,400	0
	(2022-23) BACKFLOW/CROSS CONNECTION SUPPLIES, TESTING EQUIP., FLYERS, ETC					0	2,000	0
	(2022-23) CROSS CONNECTION TESTING OF CITY FACILITIES					0	2,000	0
	GL # FOOTNOTE TOTAL:						24,400	
592-536-830-000	DEW CONTRACTUAL	46,792	48,390	30,315	40,000	45,000	50,000	50,000
	(2022-23) HAULING AND DISPOSAL OF SPOILS AND CONCRETE FROM WATER MAIN AND PUBLIC UTILITY REPAIRS					0	50,000	0
	(2022-23) PURCHASE OF SAND, GRAVEL, CRUSHED CONCRETE AND LIMESTONE							
592-536-835-000	MEDICAL EXPENSES	514	541	793	800	800	800	800
	(2022-23) MEDICAL EXPENSES SPLIT WITH 101-441-835-000							
	(2022-23) PRE EMPLOYMENT PHYSICALS \$200							
	(2022-23) DOT PHYSICALS 5 * \$200 = \$1,000							
	(2022-23) MISC. INJURY VISITS \$200							
	(2022-23) RANDOM DRUG TESTS \$200							

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Dept 536 - WATER & SEWER SERVICE								
APPROPRIATIONS								
UTILITIES								
		7,146	10,038	9,218	11,110	11,060	11,660	11,660
OTHER CHARGES								
592-536-939-000	VEHICLE MAINTENANCE	25,237	24,453	23,943	40,000	25,000 0	25,000 25,000	25,000 0
	(2022-23) OUTSIDE REPAIRS FOR VACTOR AND SEWER CAMERA - 3 YR AVG							
592-536-940-001	EQUIPMENT RENTAL - VENDOR	332	3,200	625	2,000	2,000 0	2,000 2,000	2,000 0
	(2022-23) CONTINGENCY FOR RENTAL OF EQUIPMENT (GENERATORS, LIGHTS, EXTRA ARROW BOARDS, ETC)							
592-536-946-000	OFFICE EQUIPMENT RENTAL	3,904	4,120	3,202	4,380	4,220 0	4,220 4,220	4,220 0
	(2022-23) OFFICE EQUIPMENT RENTAL 50/50 WITH 101-441-946-000							
	(2022-23) ESTIMATE FOR COPIER IS \$80/MO - \$80 * 12 = \$960 USE \$480 HERE							
	(2022-23) 100 % OF FOLDER/INSERTER TERM RENTAL \$930 * 4 QTRS = \$3,720							
592-536-960-000	PROFESSIONAL DEVELOPMENT	4,425	105	2,349	4,900	4,900 0	6,900 4,000	6,900 0
	(2022-23) DIRECTOR AND CERTIFIED OPERATORS (PROJECT 8 TOTAL)- ANNUAL RENEWAL CHARGE							
	(2022-23) AND TRAINING NECESSARY TO MAINTAIN WATER LICENSES							
	(2022-23) ANNUAL STATE APWA CONFERENCE IN MAY					0	900	0
	(2022-23) NASSCO SEWER TRAINING COURSES - 2 EMPLOYEES					0	2,000	0
	GL # FOOTNOTE TOTAL:						6,900	
OTHER CHARGES		33,898	31,878	30,119	51,280	36,120	38,120	38,120
CAPITAL OUTLAY								
592-536-968-000	DEPRECIATION	476,420	525,003	0	600,000	600,000	600,000	600,000
592-536-975-000	CONSTRUCTION	0	0	0	750,000	1,550,000 0	1,550,000 1,550,000	1,550,000 0
	(2022-23) WATER MAIN PROJECT-NO ROADWORK							
	(2022-23) WATER MAIN PROJECT- TO BE COMBINED WITH ROAD MILLAGE							
592-536-976-000	BUILDING IMPROVEMENTS	0	0	9,004	1,077,000	1,050,000	0	0
592-536-982-000	CONCRETE REPAIR	0	0	128,862	130,000	150,000 0	100,000 100,000	100,000 0
	(2022-23) HARDSCAPE RESTORATION FROM UNDERGROUND UTILITY WORK							
592-536-982-592	EQUIPMENT	119,878	47,221	236,148	410,000	410,000	195,000	195,000

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Dept 536 - WATER & SEWER SERVICE								
APPROPRIATIONS								
CAPITAL OUTLAY								
	CAPITAL OUTLAY	611,302	583,933	687,507	3,339,800	4,232,800	2,962,800	2,942,800
	TOTAL APPROPRIATIONS	3,378,349	3,348,181	3,048,795	7,167,358	7,899,362	7,614,716	7,333,740
	NET OF REVENUES/APPROPRIATIONS - 536 - WATER & SEWER	(3,378,349)	(3,348,181)	(3,048,795)	(7,167,358)	(7,899,362)	(7,614,716)	(7,333,740)

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Dept 537 - STORM SEWER SYSTEM								
APPROPRIATIONS								
CAPITAL OUTLAY								
	CAPITAL OUTLAY	0	0	0	0	0	100,000	100,000
DEBT SERVICE								
592-537-992-000	INTEREST EXPENSE	55,869	44,470	35,709	35,677	35,677	23,800	14,110
592-537-993-000	DEBT PRINCIPAL	0	1	492,761	492,759	0	0	0
	DEBT SERVICE	55,869	44,471	528,470	528,436	35,677	23,800	14,110
	TOTAL APPROPRIATIONS	2,216,308	1,908,946	2,038,806	2,472,527	1,979,548	2,150,197	2,199,526
NET OF REVENUES/APPROPRIATIONS - 537 - STORM SEWER SY		(2,216,308)	(1,908,946)	(2,038,806)	(2,472,527)	(1,979,548)	(2,150,197)	(2,199,526)

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Dept 952 - ACTIVE EMPLOYEE BENEFITS								
APPROPRIATIONS								
SALARIES AND FRINGE BENEFITS								
592-952-716-000	DENTAL/VISION/LIFE-LTD/RHCS	10,679	8,120	11,396	13,500	13,500	14,000	14,500
592-952-716-500	HEALTH CARE COSTS - BC/BS	88,020	170,832	141,215	210,000	210,000	210,000	210,000
592-952-716-718	HEALTH BENEFITS-MERS RHEV RETIREES	18,000	5,000	0	0	0	10,000	10,000
592-952-718-000	RETIREMENT-DB MERS	29,099	25,596	19,757	30,200	30,200	31,700	32,900
592-952-718-003	PENSION EXPENSE - MERS RETIREMENT-	204,373	235,883	140,654	215,000	215,000	220,000	225,000
SALARIES AND FRINGE BENEFITS		350,171	445,431	313,022	468,700	468,700	485,700	492,400
TOTAL APPROPRIATIONS		350,171	445,431	313,022	468,700	468,700	485,700	492,400
NET OF REVENUES/APPROPRIATIONS - 952 - ACTIVE EMPLOYEE		(350,171)	(445,431)	(313,022)	(468,700)	(468,700)	(485,700)	(492,400)
ESTIMATED REVENUES - FUND 592		6,940,459	7,154,379	6,749,329	7,769,751	7,803,060	8,083,007	8,318,262
APPROPRIATIONS - FUND 592		5,944,828	5,702,558	5,418,133	10,508,585	10,747,610	10,650,613	10,475,666
NET OF REVENUES/APPROPRIATIONS - FUND 592		995,631	1,451,821	1,331,196	(2,738,834)	(2,944,550)	(2,567,606)	(2,157,404)
BEGINNING FUND BALANCE		16,686,983	17,682,614	19,134,433	19,134,433	19,134,433	16,189,883	13,622,277
FUND BALANCE ADJUSTMENTS		0	(1)	0	0	0	0	0
ENDING FUND BALANCE		17,682,614	19,134,434	20,465,629	16,395,599	16,189,883	13,622,277	11,464,873