

**City of Marine City
City Commission
December 17, 2015**

A regular meeting of the Marine City Commission was held on Thursday, December 17, 2015, in the Fire Hall, 200 South Parker Street, Marine City, Michigan, and was called to order by Mayor Skotarczyk at 7:00 pm.

After a prayer offered by Commissioner Lovett, the Pledge of Allegiance was led by Mayor Skotarczyk.

Present: Mayor Raymond Skotarczyk, Commissioners Terrance Avery, Elizabeth Hendrick, Dianne Lovett, Raymond Meli, David Simpson, James Turner, City Manager Elaine Leven, City Clerk Kristen Baxter

Communications

No Communications were received.

Public Comment

Bill Gratopp, St. Clair County Commissioner, wished everyone a very Merry Christmas and Happy New Year. Mr. Gratopp commented on how crowded the downtown area was and said it was a good sign when no parking was available.

Approve Agenda

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to approve the Agenda, as presented. All Ayes. Motion Carried.

Approve Minutes

Motion by Commissioner Lovett, seconded by Commissioner Avery, to approve the City Commission Regular Meeting Minutes of December 3, 2015, as presented. All Ayes. Motion Carried.

Consent Agenda

The following Consent Agenda items were presented:

- Departmental Activity Reports
- MCAFA Agenda Packet
- Business License ~ The Sweet Tooth (Relocation)

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to accept the Consent Agenda and file, as presented. All Ayes. Motion Carried.

2014/2016 AUDIT PRESENTATION

Curtis McBride of McBride-Manley & Company, PC reported on the financial status of the city as of June 30, 2015, as follows:

Total Assets:	\$1,246,000
Total Liabilities:	<u>\$ 334,000</u>
Net Fund Balance:	\$ 912,000

Mr. McBride said the city received a clean/unmodified opinion with a fund balance that was in excess of the recommended minimum.

Mr. McBride presented comparisons between 2014 and 2015 and noted that in 2015, there was a slight decline in property tax revenues.

Major Street Funds and Local Street Funds were discussed with Mr. McBride stating that both had healthy fund balances.

In his opinion, Mr. McBride said the Water and Sewer Fund also had a solid net position with an unrestricted balance of \$360,000 and a total net position of \$4,896,069 (20% of operating expenses).

Mr. McBride spoke of the audit process and the focus on all accounting functions, which include:

- Purchasing (including electronic and credit cards, as applicable)
- Cash receipts

- Utility billing
- Adjusting journal entries
- Payroll
- Bank reconciliation

Mr. McBride said Mary Ellen McDonald and the Accounting Department should be commended for the great job they do.

***Full audit available on the City of Marine City website: www.marinecity-mi.org.**

Motion by Mayor Skotarczyk, seconded by Commissioner Hendrick, to take a five minute recess at 7:28 pm. All Ayes. Motion Carried.

The meeting reconvened at 7:34 pm.

UNFINISHED BUSINESS

Saw Grant Update

A Saw Grant Status Update, dated 12/10/2015, was provided for the purpose of updating the city on the progress of the Asset Management Project for the Wastewater Collection System and WWTP. City Manager Leven said an inventory and map of manhole covers was conducted with most receiving an average rating.

NEW BUSINESS

Board Appointments

Board of Review

An application was received from the following resident:

- Robert Beattie ~ 565 N. Main Street

Motion by Commissioner Hendrick, seconded by Commissioner Simpson, to approve the appointment of Robert Beattie to the Board of Review for a term expiring December 31, 2018. All Ayes. Motion Carried.

Zoning Board of Appeals

An application was received from the following resident:

- Gary Gabler ~ 544 Pearl Street

Motion by Commissioner Lovett, seconded by Commissioner Avery, to approve the appointment of Gary Gabler to the Zoning Board of Appeals for a term expiring December 31, 2018. All Ayes. Motion Carried.

Historical Commission

An application was received from the following resident:

- Kim Turner ~ 361 N. Main Street

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to approve the appointment of Kim Turner to the Historical Commission for a term expiring December 31, 2018. All Ayes. Motion Carried.

Water Distribution System

Department of Public Works Superintendent, Michael Itrich, provided the Board with a breakdown of water mains, including street names, pipe material utilized, and size and length of mains. Mr. Itrich reported that 52% of the water main system was built in 1950 or earlier.

Mr. Itrich reiterated that there was no quick fix for the aging water mains, but said that the problem needed to be addressed in the years to come.

FINANCIAL BUSINESS

Budget Amendment

Mary Ellen McDonald, Treasurer/Finance Director, explained that the budget amendments were necessary due to the petitions received, placing the PA33 issue on hold.

Commissioner Hendrick commended Interim Police Chief Heaslip for his budget and said he did a really good job taking it apart. She questioned several items on the budget amendment including the City Manager's budgeted salary, the allocation amounts of the City Manager's salary, police department and city office 2% pay increases, the payout amount of the former Deputy Treasurer, and the salaries of two new office personnel at city offices. She also questioned the adjustment for DPW's ATV purchase. Commissioner Hendrick explained that without current numbers, she doesn't know where the budget is.

Mary Ellen McDonald responded to Commissioner Hendrick's comments and said that the budget amendments only show the highlights of the amendments and that the bottom number is what should be looked at. She pointed out that the departmental budgets are monitored very closely by the department heads, herself, and the City Manager.

Mayor Skotarczyk commented that an audit review was just completed and that the city had a Treasurer who does an excellent job. He further said that the Board was just presented with budget amendments which gave the city a balanced budget, even after a severe decline in revenues.

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to approve Resolution No. 034-2015, to amend the fiscal year 2015/2016 budget to adjust for changes in anticipated revenues and expenditures, as presented. Roll Call Vote. Ayes: Skotarczyk, Avery, Hendrick, Lovett, Meli, Simpson, Turner. Nays: None. Motion Carried.

Disbursements

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to approve total disbursements, including payroll, in the amount of \$251,692.93, as presented. Roll Call Vote. Ayes: Skotarczyk, Avery, Lovett, Meli, Simpson, Turner. Nays: Hendrick. Motion Carried.

Preliminary Financial Statements

Motion by Commissioner Lovett, seconded by Commissioner Simpson, to approve the Preliminary Financial Statements, as presented. All Ayes. Motion Carried.

CITY MANAGER REPORT

City Manager Leven provided updates on the following:

- Attended the Board of Review statutory meeting.

- Ballot language delivered to County Clerk.
- Inn on Water Street application submitted to the MEDC.
- Met with a representative from the Service Line Warranty Program to discuss Marine City as a participating community.
- Little League started construction for restroom facility at King Road Park; will be requesting modification of fields/berm at future meeting.
- Working with City Attorney on ordinance revision for Ready-To-Serve fees.
- Conducted bid openings for DPW equipment.

COMMISSIONER PRIVILEGE

Commissioner Simpson wished everyone a very Merry Christmas and said we have a lot to be thankful for in Marine City.

Commissioner Avery wished the citizens of Marine City a joyous holiday season and thanked the city workers for their hard work. Mr. Avery noted the good job with the promotion of the business district on South Water Street. He said that time should be spent considering Broadway, Fairbanks, and South Parker Streets in the New Year.

Commissioner Hendricks wished everyone a Merry Christmas and Happy New Year and asked that everyone drive safely during the holiday season. She reminded citizens of the Public Hearing on December 29, 2015 at 7:00 pm.

Commissioner Lovett commented on all the recent events in Marine City, including Merrytime in Marine City and the Christmas Home Tour. Commissioner Lovett complimented Mary Ellen McDonald for excellent job on the city's budget and wished everyone a joyful and blessed Christmas.

Commissioner Meli wished residents a Merry Christmas and asked everyone to take notice and "pay it forward" if they see someone in need during the holiday season.

Mayor Skotarczyk wished everyone a Merry Christmas and a safe holiday season. He commended Mary Ellen McDonald for the excellent job she does keeping the city in line. He thanked Interim Police Chief Heaslip for his revised budget and said he appreciated the cuts the department made. He also complimented Michael Itrich for the great job he was doing with the Department of Public Works and said the new Christmas decorations make the town sparkle.

Adjournment

Motion by Commissioner Hendrick, seconded by Commissioner Meli, to adjourn at 8:28 pm.
All Ayes. Motion Carried.

Respectfully submitted,

Kristen Baxter

Kristen Baxter
City Clerk