

**PROCEEDINGS VILLAGE OF FRANKLIN
VILLAGE COUNCIL
FY 2008-2009 BUDGET PUBLIC HEARING
MAY 19, 2008, 8:00 PM
VILLAGE HALL – BROUGHTON HOUSE
32325 FRANKLIN ROAD, FRANKLIN, MICHIGAN**

I. CALL TO ORDER

The meeting was called to order by President Gallasch at 8:06 p.m. at the Franklin Village Hall, Franklin, Michigan.

II. ROLL CALL

Present: Alan Harnisch, Mark Jahnke, Bill Lamott, Dominick Schiano, Fred Gallasch

Absent: Brian Coyer, Amie Saltzman

Also Present: Jon Stoppels, Administrator
Eileen Pulker, Clerk
Patrick Browne, Police Chief

III. ADMINISTRATOR'S BUDGET PRESENTATION

Stoppels presented his executive summary of the FY2008-2009 Village Budget, noting that the version provided contained the recommendations of the Finance Committee as a result of their meeting the previous Friday. Stoppels continued stating that the remaining Fund Balance for the General Fund will be 27 ½ % of the Annual General Fund Budget, at \$487,058, which is equal to three (3) months of expenditures and that the Millage Reduction Fraction is 1.00 for the upcoming year. He also explained the Headlee amendment and how that has impacted the millage rates of the Village.

Stoppels reported on the Local and Major Road funds, stating that the fund balance is growing each year, as he had intended in order to prepare for future road repairs in around 2014. Stoppels also reviewed the Fire and Library Funds citing the 9% increase for the Fire Fund which had been explained by Chief Averbuch at the recent Village Council meeting, and the Library increase totals 3% as they usually request. The Rubbish Fund was discussed in light of the recent additional charges for fuel, which while capped by the contract, have necessitated additional funding to be provided for their service. Stoppels reminded the Council that there is still a small fund balance in the Debt Service Fund and that there remains a balance in the Sewer Fund which is currently being used to pay the debt service for the sewer system entirely each year, however, in the next year or two he would anticipate a millage increase of 0.4 once the fund balance is appropriately reduced.

Stoppels explained the Village taxes for a typical home in the Village, as for example a \$500,000 home, which would have a taxable value of around \$250,000, would have Village taxes of about \$1,533.73, which is a similar amount to what a homeowner would pay for electric service for a year. He also commented that while Villagers receive tax bills for other services for the County and State from Southfield Township, those that the Village provides are a good deal, including: Fire, Police, Library, Roads, Rubbish, Debt Service and Village Hall services.

IV. FISCAL YEAR 2008-2009 BUDGET PUBLIC HEARING

A. Open Public Hearing

Gallasch opened the public hearing.

B. Public Comments on Budget

There were no comments made at this time.

C. Council Comments

Schiano stated that while there were many things about Franklin for which he was proud including the character of the Village, the rural nature, and the entire Council for keeping the taxes low, having even lowered them in recent years, and with a balanced budget that is adding to the Fund Balance. Schiano added that his colleagues and staff had done a great job especially in light of the other costs rising for Villagers.

Jahnke stated that he echoed Schiano's comments, and added his concern for the tough years ahead as the home values drop, more homes become vacant, and the millage rates increase to continue to pay the debt service for the pressure sewer system after the surplus is used up. Jahnke added that everything is going grate, but cautioned that vigilance will be necessary as the Village goes forward.

Schiano added that the Village's funding of the Retiree Health Care is another item that the Village is certainly forward compared to other communities.

Jahnke asked Chief Browne if Bingham Farms was in good communication with the Village, and was assured by Browne that Bingham Farms had a good understanding with Franklin. Jahnke offered his help should it be needed.

Harnisch stated that he appreciated the job that Stoppels had done and added that the Police, Fire, garbage services are all good and the streets are in great shape, and hears no complaints from residents, and realizes how fortunate we are as we here what other communities are going through.

Lamott stated that the spending on trees and shrubs was less in the new budget, but knew that was because so much work had been completed in the past couple of years. Lamott added that he would like to see the electric speed sign either refitted to be permanently installed or purchase a new one, install it, and use the old one in another location within the Village.

Stoppels agreed to obtain pricing for both options, refitting or purchasing new and would advise Council.

The renovation work on Village Hall was discussed and Stoppels stated that his scaled back plan for the new budget year would include only exterior painting where necessary and the completion of the upstairs room.

Discussion ensued regarding no desire to raise taxes, but the speed sign would be seriously looked at, having been discussed at the Finance Committee meeting also. Gallasch noted three (3) questions: 1) the Fire millage, how close is the Village to running out of money available through taxes due to Headlee, how much cushion is there currently in the Fire Fund, and how many extra mills would be required if the Village were to request an increase?; 2) the General Fund fund balance, is it correct on the worksheets provided; and 3) why does the Road Fund showed a reduction in the transfer to General Fund?

Stoppels replied that the L-4029 form that is to be completed will show the Fire millage rate and how much more it can be increased, the General Fund fund balance is correct on the form provided, and the transfer from the Road Fund to the General Fund needed to be adjusted to include the auditing and accounting costs already listed as expenses, as they needed to be included in the percentage allowed.

D. Public Hearing Closed

The public hearing was closed.

V. PRESIDENT'S COMMENTS

Gallasch thanked the staff – Stoppels, Pulker, Chief Browne and Andrea Paulsen; and thanked the Finance Committee – Schiano, Jahnke and Treasurer Tom Morrow for their work on the Budget and Finances of the Village.

**VI. CONSIDER ADOPTION OF FISCAL YEAR 2008-2009 BUDGET
#2008-29 Motion by Schiano supported by Jahnke to approve the Fiscal Year 2008-2009 Budget as presented and recommended by the Finance Committee with a Village millage rate of 6.1349.**

Ayes: Harnisch, Jahnke, Lamott, Schiano, Gallasch

Nays: None

Absent: Coyer, Saltzman

Motion carried.

VII. ADJOURNMENT

Motion by Harnisch supported by Lamott to adjourn the meeting.

Ayes: Harnisch, Jahnke, Lamott, Schiano, Gallasch

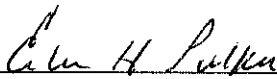
Nays: None

Absent: Coyer, Saltzman

Motion carried.

There being no further business, the meeting adjourned at 8:33 p.m.

Respectfully submitted,



Eileen H. Pulker, Clerk

H. Frederick Gallasch, President