

A Workshop Meeting of the Otsego City Commission was held Monday, March 7, 2022.

The meeting was called to order by Mayor Pro-Tem Withee at 5:30 p.m. with the following Commissioners present: Brent Milhiem, Dustin McNees and Lauri Krueger. Absent: Mayor Trobeck. Also present: City Manager, Aaron Mitchell.

Commissioner Krueger moved to excuse Mayor Trobeck, seconded by Commissioner Milhiem. CARRIED.

## **A. DISCUSSION ITEMS:**

### **1. CITY MANAGER REVIEW PROCESS**

Commissioner McNees and Commissioner Krueger will meet as a sub-committee for the City Manager Review Process and bring their suggestions back to the next meeting.

### **2. FUTURE BALLOT PROPOSAL OPTIONS**

Mayor Pro-Tem Withee stated that PA33 will not be an option because there is not a way to limit the twenty mills that potentially could be collected. City Manager Mitchell stated that in 2026 the Public Safety millage will be expiring. He commented that other options include changing the City's Charter language to increase the maximum Millage Rate to 15 Mills – which would allow for a capture of an additional 2.5 mills, adding to the 12.5 that is already being captured. Mayor Pro-Tem Withee commented that the millage rate of 12.5 Mills has not been changed in over one hundred years. It was explained that even if the maximum was raised to 15 Mills it would be immediately hit by Headlee. Commissioner Milhiem asked if Headlee can be re-set. City Manager Mitchell stated that it can be reset and a charter increase may reset it. He indicated that he would have the City's attorney prepare sample ballot language for the Commission to review. Commissioner McNees stated that if a proposal doesn't pass, it is very clear that the community doesn't want their taxes raised and he doesn't want to go back and ask again and he will not be a part of it. Mayor Pro-Tem Withee explained that the Public Safety Millage was on the ballot twice before it passed. Commissioner Milhiem commented that ways to make cuts and find things to cut will have to be looked at.

### **3. POTENTIAL 2022-2023 BUDGET CUTS**

The following items were discussed in relation to possible funding options to avoid cuts:

- Sinking Funds
- Elimination of the DDA/Main Street Program (LCSA Funds)

At this time, City Manager Mitchell gave a historical overview of the Downtown Development Authority and the addition of Main Street. He explained the LCSA funds and how they are dispersed. He stated that the City would retain seventy percent of the LCSA Funds (\$185,000) and thirty percent of the LCSA money would go to the County. City Manager Mitchell explained the functions of the DDA in regards to maintenance of the downtown. Mayor Pro-Tem Withee stated that in the twenty year DDA Plan that was approved by the County, they agreed to give up their funding portion, until the DDA Plan sunsets in 2025.

Commissioner Milhiem stated that balances from the sinking funds could be used, if the DDA/Main Street isn't cut. At this time, Police Chief Misner answered questions regarding the Police cars. City Manager Mitchell answered questions regarding potential infrastructure maintenance and replacement.

## **REMARKS FROM THE AUDIENCE**

At this time, the floor was opened up to the audience for an open discussion of potential budget cuts and thoughts on various ballot proposals. Each Department Head answered questions of the audience related to their respective department.

City Manager Mitchell stated that budget presentations are held at the City Commission Meetings from now through May. He stated that the Commission meets the 1<sup>st</sup> and 3<sup>rd</sup> Monday of each month, and we welcome all of you back for the meetings.

## **COMMISSIONERS' COMMENTS**

None.

The meeting was adjourned on a motion by Commissioner Krueger, seconded by Commissioner Milhiem. CARRIED – 6:57 p.m.

Angela M. Cronen, MMC  
City Clerk