

**Minutes, Paw Paw Village Council  
Budget Hearing, February 25, 2009**

1. The Special Meeting of the Village Council of Wednesday, February 25, 2009, convened at 7:03 p.m. at 114 S. Gremps, Paw Paw, Michigan. President Plaszczak presiding. **Meeting Convened**
2. Present: Plaszczak, Rohr, Wilhelmi, McIntosh, Larcinese, Pioch and Basinger. Also present: Village Manager, Larry Nielsen, Village Clerk, Christopher Tapper, Chief of Police, Patrick Alspaugh and Director, Department of Public Services, John Small. **Members Present**
3. Plaszczak opened the Public Hearing at 7:04 pm. **Open Public Hearing**
4. Nielsen presented to the Council notes regarding the amendments to the 2008-2009 fiscal year budget for all funds. Nielsen outlined the revenues of the 12 categories, 10 exceeded their projected revenues and only two required amending budget amounts. The two revenue funds were the Water and Wastewater Revenue. Nielsen noted the shortfalls are due to over projections in new services and connection fees. Nielsen also posed the shortfalls due to the decline in the US and State of Michigan economy. Nielsen continued outlining the expenses. Of the 12 categories, 9 recorded fewer expenses than projected. The three categories exceeding projections included: General Fund, Major & Local Streets and the Wine & Harvest Fund. Nielsen reported the overages to the General Fund can be attributed to transfers to establish the Natural Resources & Environment Fund and the Housing Improvement Grant Fund. Other overages include: Parks & Recreations, Police Department, Legal Services, Planning Commission and Fire Department Building Maintenance. Nielsen discussed the explanations of overages for the Major & Local Streets, including increased road projects and winter maintenance. The Wine and Harvest Fund exceeded to offset the increases in sponsorship revenues. **2008-2009 summaries for all funds.**
5. Nielsen presented to the Council notes regarding the proposals to the 2009-2010 fiscal year budget for all funds. Nielsen reported to the Council the budget key points for the new fiscal year. Items included: no new increased fees or rates, no increase in tax levies, no special assessment tax levies, changes in the Motor Pool equipment rate and how the equipment rate would reduce expenses in seven of the twelve funds. Nielsen noting the Downtown Development Authority and the Water Fund will be the only funds with a projected increase in expenditures. Nielsen concluded presenting the 2009-2010 proposed budget information stating with all changes asked by Council the proposed budget will have a deficit of \$88,557.00. **2009-2010 proposals**
6. Nielsen commented regarding the memorandum from Chief Alspaugh referencing the reduction of office staff time. Nielsen reported of the cost saving benefit with the reduction in staff time and proposed the option to Council. **Memorandum from Chief Alspaugh**
7. Craddock was in attendance to discuss the proposed budget for 2009-2010. Craddock asked Council and Nielsen questions regarding the DDA budget and also question the Village pledge to developing the properties south of I-94. **Public Comment  
Charles Craddock**
8. Flick was in attendance to discuss the proposed budget for 2009-2010. Flick posed several comments and question to the Council regarding the Police Department. Flick commented on the importance of the Police Department. **Marvin Flick**
9. Redmond was in attendance to discuss the proposed budget for 2009-2010. Redmond posed several comments and question to the Council regarding the Police Department. Redmond commented on the importance of the Police Department. **John Redman**
10. Plaszczak closed the Public Hearing at 7:44 pm. **Close Public Hearing**

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| 11. Plaszczyk offered to Council the proposal of altering non-union employee's salary increases for 2009-2010 to reflect 1 ½ percent. Plaszczyk commented with this proposal Council would not have to adopt the reduction in office staff time at the Police Department.   | <b>Council Comments<br/>Plaszczyk</b>   |
| 12. McIntosh offered to Council the proposal of reduction of one hour per officer per day. McIntosh noting with this reduction option staff time at the Police Department would not be affected.  | <b>McIntosh</b>                         |
| 13. A general discussion ensued regarding the different proposals for resolution 09-03. Nielsen noting the reduction in Police Department office staff can be amended in a separate motion. Council comments included: concerns regarding the deficits in the Water Fund, agreement with Plaszczyk proposal but still unsure about the non-union employees salary increase percent and concerns of short term fixes to a long term problem with borrowing from fund balances. |   |
| 14. Motion by Pioch, supported by Rohr to adopt the Budget Resolution 09-03 amending the 2008-2009 fiscal year budget of revenues and expenditures, establish tax levy rates for general operations and road improvements and maintenance and adopt the 2009-2010 fiscal year budget of revenues and expenditures for all funds. Roll call vote: Wilhelmi, McIntosh, Basinger, Plaszczyk, Rohr and Pioch voting yes, Larcinese voting no, motion carried.                     | <b>Adopting of Resolution<br/>09-03</b> |
| 15. Motion by McIntosh, supported by Rohr to amend and accept no reduction in Police Department office staff hours along with accepting a proposal of 1 ½ percent pooled non-union employee salary increase for 2009-2010. Roll call vote: Basinger (no), Plaszczyk (yes), Larcinese (no), Rohr (yes), Pioch (no), Wilhelmi (yes) and McIntosh (yes), motion carried.   | <b>Amending</b>                         |
| 16. Motion by Basinger, supported by McIntosh, to adjourn the meeting. All members present voting yes, motion carried. Meeting adjourned at 8:10 p.m.   | <b>Adjournment</b>                      |

Respectfully submitted:

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Village President  
Roman Plaszczyk

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Village Clerk,  
Christopher Tapper