

Mayor Brown called the third meeting of the eighty-fourth Harbor Springs City Council to order at 7:00 p.m. in the City Council Chambers at the City Hall, 160 Zoll Street, Harbor Springs, Michigan.

1. Roll Call and Verification of Quorum

City Council:

Present: William M. Brown Jr, Matthew Bugera, John L. Cupps, Jeffrey V. James, and Pringle Pfeifer

Absent: None

Deputy City Clerk Main stated that a quorum was present.

Also Present: City Manager Thomas C. Richards, outgoing City Clerk Ronald B. McRae, incoming City Clerk Nick Whitaker, Deputy City Clerk Michelle R. Main, Department of Public Works Superintendent Lucas VanderZee, Electric Department Director Dennis Kruzel, Assessor and Planning & Zoning Administrator Jeff Grimm, and Police Chief Daniel J. Branson

2. Harbor Springs Middle School Awareness to Action Presentation

Mayor Brown thanked Molly Baker and the group of twenty three sixth grade students in attendance at tonight's meeting for their dedication to the study of storm water runoff. The group of sixth graders from Harbor Springs Middle School then came forward to present to City Council a summary of their findings and the steps they have taken to help reduce pollutants in storm water runoff and its potential effects on the Little Traverse Bay. The students thanked the City staff for including the installation of two storm water separators in the 2017 proposed budget and asked City Council to assist their efforts by approving the budget. The student group also asked Council, City staff, and community members, to consider signing the A2A (Awareness to Action) Storm Water Matters Pledge and recited their motto "We are all the solution to runoff pollution."

3. Presentation of the Proposed 2016 Budget Amendments and the 2017 Proposed Budget

City Manager Richards summarized the notable variations in revenues and expenses in each of the budgets for each of the operating funds within the 2016 Amended and 2017 Proposed Budget Documents. City Manager Richards included the General Fund, the Special Revenue Funds, and the Proprietary Funds, which include the Water/Sewer, Electric, Waterfront and Equipment Funds. The City is projecting an increase in property tax values of approximately \$2,400,000, which will increase our tax revenues by 1.3%. Due to the proposed increase in property tax revenues, the result is an additional funding of approximately \$20,600. City Manager Richards discussed projected cash balances and projected fund balances. In most cases the City plans to use only a small portion of cash reserves for the projects planned in 2017, or in some cases the City plans to add additional funds to our fund balances so that we can fund additional projects in future years.

4. Public Hearing on Proposed 2017 Budget

Mayor Brown opened the public hearing at 7:52 p.m. to receive public comment on the 2017 proposed Budget and invited any members of the public to come forward with their questions or comments.

Jim Bartlett, the Chairman of the Harbor Commission, expressed concerns about the allocation of expenses to the Waterfront Fund. Bartlett felt that the Waterfront Fund revenues were

adequate to fund the Waterfront activities, but did encourage a review of those expenses that don't directly relate to the marina, beach, and waterfront activities.

Mayor Brown closed the public hearing at 7:59 p.m.

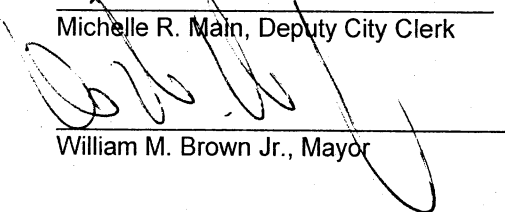
5. Adjournment

With no further business, Mayor Brown adjourned the meeting at 8:01 p.m.



Michelle R. Main, Deputy City Clerk

Approved: December 19, 2016



William M. Brown Jr., Mayor