

**SUMMARY REPORT OF THE CITY MANAGER**  
for City Council Meeting of January 30, 2012

**SUBJECT: REPORT ON THE 2012 CITY COUNCIL PLANNING RETREAT**

**RESOLUTION SUMMARY:** This resolution receives and files a staff report to the City Council regarding outcomes of the 2012 City Council Planning Retreat.

**ITEMS ATTACHED:**

1. Letter of Transmittal
2. Report to the City Council
3. Resolution

**COUNCIL ACTION:**

1. 3/5 vote required to approve resolution

Jon Lynch, AICP  
City Manager



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January 24, 2012

Honorable Mayor and City Council  
City of Midland  
Michigan

Dear Councilmen:

On Saturday, January 28<sup>th</sup>, the City Council will conduct its annual planning session. Topics to be addressed include demographic and economic trends, FY 2012-2013 budget projections and the budget development process, economic development incentives and tax abatement policy, results of the most recent citizen survey, funding for streets maintenance, and the City of Midland transparency center “City Government At A Glance”. One important aspect of this annual exercise involves Council providing staff with general directives that will serve as a foundation on which the upcoming fiscal year budget is constructed.

Based on citizen input from the prior year, Council expressed an interest in providing the community with additional discussion regarding the fundamental budget directives for FY 12-13. Given the sequence of meeting dates and the aggressive budget formation schedule it will be necessary for Council to conduct this discussion during its regular meeting of January 30<sup>th</sup>.

On Monday, January 30, my office will provide to Council a basic report outlining the budget directives for FY 12-13. Provided is a resolution by which the City Council may receive and file that report.

Sincerely,

Jon Lynch, AICP  
City Manager



Office of the City Manager

5  
addition

Date: January 30, 2012

## STAFF REPORT TO THE CITY COUNCIL

### CITY COUNCIL BUDGET OBJECTIVES FOR FY 12-13

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#### REPORT

During the annual City Council planning retreat of January 28, 2012 Councilmen reviewed current and future financial concerns. At the conclusion of that session Council expressed their expectations regarding the basic approach to be taken in developing the Fiscal Year 2012-2013 budget. Following is a basic summary of those expectations:

#### **Mission**

The mission of the City of Midland is dictated by the Midland City Charter and reads; "That the inhabitants of the city of Midland live well through the effective maintenance of public safety, health, and welfare via efficient provision of public services, activities, and enterprises which reflect intelligent opinion as to the needs of the community."

#### **Goals**

Strategies and actions taken by the City to fulfill this mission fall into three basic goals:

- (1) Ensure Economic Sustainability
- (2) Provide an Outstanding Quality of Life
- (3) Provide Effective Stewardship of Community Resources

#### **Budget Directives**

The City Council anticipates that the following directives will be addressed as staff prepares the FY 2012-2013 budget:

- Recognizing uncertainty regarding the future of revenue generated by personal property taxes, the millage rate supporting general operations will not be increased thereby preserving millage capacity.
- Public safety services will be maintained at the highest level possible under current economic and budget conditions.

- To the extent financially possible, greater emphasis shall be placed on maintenance of major and local streets.
- Unreserved fund balance shall not be reduced and to the extent reasonably practical, shall be increased.

### **General Directives**

The City Council also anticipates that the following associated directives will be considered as staff addresses other financial concerns in FY 2012-2013:

- The City of Midland will review efforts to renew the existing county road millage which produces resources utilized to maintain local streets.
- The City of Midland will review efforts to adopt an additional county road millage that will provide resources necessary to keep pace with needed local roads maintenance.
- The City of Midland will consider for adoption a formal policy outlining methods for consideration and evaluation of Industrial Facilities Tax Abatements.
- The City of Midland will research and discuss the potential benefits of a multi-year budget and longer range financial planning cycle.

This report broadly outlines the direction Council wishes to convey to staff with regard to development of the Fiscal Year 2012-2013 budget.

Respectfully Submitted,



Jon Lynch, AICP ICMA-CM  
City Manager



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BY COUNCILMAN

WHEREAS, on January 28, 2012 the City Council conducted a planning retreat for the purpose of discussing current and future financial concerns; and

WHEREAS, at the conclusion of that session Council expressed their expectations regarding the basic approach to be taken in developing the Fiscal Year 2012-2013 budget; and

WHEREAS, during the City Council meeting of January 30, 2012, the City Council reviewed and affirmed those expectations embodied in a report of that date titled: *City Council Budget Objectives for FY 12-13*; now therefore

RESOLVED, that the report *City Council Budget Objectives for FY 12-13* is hereby received.

YEAS:

NAYS:

ABSENT:

I, Selina Tisdale, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, January 30, 2012.

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Selina Tisdale, City Clerk