

**THE SPECIAL BUDGET WORK SESSION OF THE FORTY-FIRST COUNCIL OF THE CITY OF BERKLEY, MICHIGAN WAS CALLED TO ORDER AT 5:30 PM ON WEDNESDAY, MARCH 25, 2026 BY MAYOR DEAN**

**PRESENT:** Councilmember Steve Baker  
Mayor Pro Tem Ross Gavin  
Councilmember Dennis Hennen  
Councilmember Gregory Patterson  
Councilmember Gary Elrod  
Mayor Bridget Dean

**ABSENT:** Councilmember Clarence Black

**OTHER STAFF PRESENT:**

City Manager Crystal VanVleck  
City Clerk Victoria Mitchell  
Finance Director Carl Johnson  
Deputy Finance Director Ryan Shaw  
Deputy City Manager of Public Services Shawn Young  
Community Development Director Kristen Kapelanski  
Library Director Matt Church  
Chief Innovation Officer Stan Lisica  
Downtown Development Director Nate Mack  
Director of Communications Caitlin Flora  
Executive Assistant to the City Manager Lydia Brauher

**APPROVAL OF AGENDA**

Councilmember Patterson moved to approve the Agenda  
Seconded by Councilmember Baker  
Ayes: Elrod, Gavin, Hennen, Patterson, Baker and Dean  
Nays: None  
Absent: Black  
Motion Approved.

**PUBLIC COMMENT**

None.

**REGULAR AGENDA**

**BUDGET WORK SESSION:** Matter of a discussion of the proposed FY 2026/27 City of Berkley Budget:

1. Introduction
2. DDA
3. Information Technology
4. City Manager/City Council/Legal/CDBG
5. Human Resources
6. Building/Planning/Parking (Community Development)
7. Communications
8. Library
9. City Clerk

City Manager VanVleck opened the meeting and explained how the first night of the budget work sessions will run. She provided an overview of what will be discussed.

City Manager VanVleck said she is proud of Communications Director Caitlin Flora and the Finance Department team for continuing to improve the budget document.

Mayor Dean said this is the most readable and easy to get through budget document, followed by other accolades from city council members.

City Manager VanVleck noted that the materials reviewed would be made available to the public.

City Manager VanVleck and Finance Director Carl Johnson provided a relational overview of taxes:

- Taxable Value
- Assessed Value
- Mill Rate

City Manager VanVleck and Finance Director Johnson provided an overview of millages subject to Headlee Override and the breakdown of a tax bill:

- City of Berkley – 38%
- County, Community college, SMART, Art & Zoo – 19%
- Local Schools & SET – 43%

City Manager VanVleck and Finance Director Johnson provided an overview of the FY 2025-26 (Current Year) General Fund (\$4,706,988 fund balance – 27%):

- Revenue – Main Drivers
  - More accurate equipment rental allocation
  - Increase in property tax estimates
  - Other
    - Increase in sale of fixed assets
    - Donations offset by costs
    - Building permits
    - Court fines
- Expenditures – Main Drivers
  - Roll overs
  - Use FY 2025 budget surplus
  - Contractual wage increases
  - 911 Update – County mandate
  - PS pension increases

City Manager VanVleck provided a relational overview of revenues and expenditures throughout the 25-26 FY.

City Manager VanVleck and Finance Director Johnson discussed fund balances, including fund balance policy setting. They discussed:

- FY 2026-27 Council Approved vs. City Manager recommended
  - 16.6 mil council approved in 26/27
  - 17.34 mil city manager recommended 26/27

City Manager VanVleck and Finance Director Johnson discussed some of the changes from what was approved last year as year two to what is being presented tonight.

City Manager VanVleck provided an overview of the General Fund in graph format for revenues and expenses. A breakdown of the \$17 million general fund.

Downtown Development Authority (DDA) Executive Director Nate Mack Discussed:

DDA Budget

- Increased funding for façade and mural incentive programs

- Addition of part-time employee
- Strategic Plan update
- Downtown trolley to return
- Professional development increase for economic development certification

Executive Director Mack also discussed:

- Main Street program/approach
- Newer proposed initiatives
- Strategic plan update – 25k – not done since 2017
- Funding for façade program
- Mural program
- Continuing the flower basket program and everything else not mentioned will continue as is

Finance Director Johnson provided an overview of the DDA budget through the lens of the State Budget Act and went into detail of what comprises the property tax number.

Councilmember Baker commended Nate and the DDA on their thorough review. He said the DDA board thoroughly reviewed its budget before this hearing.

Chief Innovation Officer Stan Lisica Discussed:

Information Technology Budget

- Encrypted email system and design/plan review software
- Subscriptions (hardware and software) relatively stable
- Continued cybersecurity upgrades
- Computer replacement over 26/27 - 27/28 and server replacement
  - Hardware prices increasing due to tariffs and market volatility

A discussion about BS&A software and cybersecurity took place.

City Manager Crystal VanVleck Discussed:

City Manager Budget

- Includes the City Manager and Executive Assistant to the City Manager
  - New employee Lydia Brauher
- Budget includes Citywide Office Supplies – i.e. City Hall bulk supplies
- Budgeted for two staff in-service trainings and a leadership team building activity
- Contractual services – discuss during Communications (\$15k)

City Manager VanVleck further discussed:

- Strategic framework
- Gearing up for Coolidge
- Robust strategic plan update
- Creating a culture of holding employees accountable while empowering them

City Council Budget

- Added \$3k to Consultant for annual evaluation
- Meetings and conferences – discussion on preferred dollar amount and how to allocate funds
- Contractual Services
- Haven House donation removal

Legal Budget

- Labor

- Primary Attorney fees (prosecution, general City, copyright/trademark)
- General liability (MML claims)

City Manager VanVleck said this year, attorney fees will be heavy in the front. They are putting their eyes on everything. We will eventually have standards in place.

City Manager VanVleck said we have used the city attorney heavily on Freedom of Information Act (FOIA) requests as of late. Fifteen percent is FOIA. The vast amount of the expense is from requester Josh Hunter. She stated she received a phone call from another community who said Mr. Hunter is a great draw on their resources, as well.

Further discussion took place regarding FOIA.

City Manager VanVleck said she may have to come to council for a budget amendment. She said she will try extremely hard to keep within the budget and will come to Council before a decision is made regarding being off budget.

Discussion took place regarding worthwhile projects happening that require an upfront cost, but are worth it in the long run.

#### Community Development Block Grant (CDBG) Budget

- Revenue/Expenditure set annually based on the award amount
  - We requested \$90k for Community Park
- Projects are now awarded based on applications
  - No longer guaranteed project funding per year
- \$3,500: Yard Services
- \$3,500: Large Print Books

Finance Director Johnson explained CDBG and the changes in the program, including new restrictions. He explained the program administered through the County is moving toward a competitive bid type process. That means we could get \$0 or we could receive \$100k.

Finance Director Johnson said it is a net-zero account no matter what we do.

Further CDBG discussion took place.

#### HR

- Pre-employment physicals and psychological evaluations were moved from DPW and PS in to the HR budget
- Addition of Marathon health clinic incentive (\$100) per active, full time employee that receives their physical from the clinic
- The HR professional development budget was moved to meetings and conferences to avoid confusion with the City professional development budget.

City Manager VanVleck discussed the training budget. She said she would like to look for some more robust trainings.

#### Community Development Director Kristen Kapelanski Discussed:

##### Building/Planning/Parking (Community Development) Budget

#### Planning

- Contractual Services includes funding for Master Plan update
- Conference increased to allow for economic development conferences and training

A discussion took place regarding what proactive conversations the Community Development Department is having regarding data centers and/or detention centers. Director Kapelanski stated these items are not top priorities, but she would place them on her list and discuss the matters with Carlisle Wortman & Associates.

A discussion took place regarding Redevelopment Ready Communities certification.

Joint Planning Commission and City Council meeting prospects were discussed.

#### Building

- Large monitors added for clerks – transition to fully electronic plan review
- Code enforcement adjusted based on actual activity/cost

Discussions took place regarding:

- Paperless initiatives
- Changes in Code Enforcement
- Trade inspections

#### Parking Fund

- Slight increase in estimated revenue due to municipal lot permits
- \$1,600 annual costs

#### Communications Director Caitlin Flora Discussed:

##### Communications Budget

- Increased full time employees line item to transition part time communications assistant to full time during budget year
  - Accounts for both salary and benefit costs
- Contractual services line item includes new costs for ADA accessibility review of website and necessary updates
  - Required by April 2027
- Professional Development line item includes cost of attendance at Government Social Media Conference
- Rec'd Integration with Website
  - Residents can use the chatbot to ask questions and receive video updates from staff/AI-powered answers pulled directly from our site (example Milford)
  - Staff will receive a report each month tracking the questions our residents are most interest in, allowing us to identify and fix information gaps.

Further discussions took place regarding:

- PR firm support
- Website post-change audit

#### Library Director Matt Church Discussed:

##### Library Budget

- Building the study rooms has been fantastic! They are getting used every day and multiple times a day
- Library business is great and circulation is highest it has been in decades
- Replace remaining nine security cameras to complete the system upgrade
- Copier replacement pushed out to future fiscal year
- CIP Items:
  - Front entrance doors will be updated for improved operation
  - Carpet replacement pushed out to future fiscal year

Everyone expressed heartfelt thanks for what a jewel the library is for the community.

City Clerk Victoria Mitchell Discussed:

City Clerk's Office Budget

Elections:

- E-Pollbooks and line chasers were updated in FY 2025-26.
- The Clerk's Office is monitoring the mandatory purchase of new voter equipment, which the Governor's proposed FY 2026-27 budget includes funding for.

Clerk's Office Efficiencies:

- Software purchased in FY 2025-26 continues to automate City Council management, Boards & Commissions, website document storage, and FOIA, showing significant progress.

Administrative changes to reclassify expenditures:

- Budgeting for one additional election per fiscal year has been eliminated, reducing the Contractual Services fund.

Mayor Dean expressed gratitude to all of the directors and to City Manager VanVleck and Finance Director Johnson.

**ADJOURNMENT:**

Councilmember Patterson moved to adjourn the Special Budget Work Session at 8:24 PM

Seconded by Councilmember Elrod

Ayes: Gavin, Hennen, Patterson, Baker, Elrod and Dean

Nays: None

Absent: Black

Motion Approved.

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Bridget Dean, Mayor

**ATTEST:**

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Victoria Mitchell, City Clerk