

SPECIAL COUNCIL WORKSHOP PROCEEDINGS

CITY OF FLAT ROCK, MICHIGAN

TUESDAY, MARCH 02, 2010

The special workshop meeting of the Flat Rock City Council convened at the Municipal Building in Council Chambers on the above date at 7:00 p.m.

1. PRESENT ON ROLL CALL: Mayor Dropiewski, Council Members Martin, Gagne, Tefend and Painter. Wrobel and Moore arrived a few minutes late.

THE PURPOSE OF THIS MEETING IS TO DISCUSS THE POLICE AND FIRE DEPARTMENTS BUDGET AND THE CURRENT 2010/2011 CITY BUDGET.

Mayor Dropiewski stated it is no surprise that Flat Rock, like every other community in the state, is facing a financial crisis. He began to talk a little bit about what we are facing. He said last year we took in 9.3 million in the general fund. The current estimated deficit for the fiscal year we are in is \$518,000 roughly. We had a beginning fund balance of \$972,000. If we do nothing to remedy that deficit thru the end of June we will have a fund balance of \$450,000 to begin the next fiscal year (beginning July 1). The latest estimated revenue for the 2010/2011 fiscal year is 6.97 million (verses the 9.3 that we took in 2009/2010). We are predicting – if we do nothing – a deficit of 1.9 million. With the beginning year fund balance of only \$450,000 I will leave us in the hole by over 1.4 million. He stated there are a couple of contributing factors (1) property assessment values went down about 12% (2) the State of Michigan Tax Commission issued new depreciating tables that apply only to automotive manufacturers which allows automotive manufacturers to greatly accelerate their depreciation expenses at a rapid rate. The initial affect means about \$852,000 less revenue to the City. AAI is appealing their 2009 personal property taxes which would amount to approximately \$900,000 for the current year we are in.

He stated he has scheduled a series of work sessions on a department by department basis looking at each budget and operation. These sessions allow the department heads to brief the council on different ideas and suggestions in order to save the city money and still be able to deliver the core of services that we are legally required to provide. Department head suggestions is not necessarily the direction city council is going to go. This is a difficult and personal process.

Police Chief Neal Rossow did a power point budget presentation but before he began he thanked the department for their dedication and commitment to the city. He stated the department has three losses already: a sergeant who was terminated, a lieutenant who retired, an officer who resigned and a dispatcher who was laid off. He said a 20% reduction of his 3.1 million budget would be \$600,000. He listed numerous proposed cuts which would save about \$108,000 and if two lieutenants were to retire it would save about \$200,000. The other options would be to lay off an ordinance officer, a dispatcher and four police officers. If the unions would change health insurance it would save two officers and if a lieutenant also retires the changes would save three officers. Additional options would be furlough days, shared services, and privatization of services.

Chief Rossow said he has to keep the administrative secretary due to mandatory reporting requirements that require clerical staff.

Fire Chief Vack stated that currently the station is staffed with 2 personnel 24/7/365. This staffing consists of 2 fulltime personnel during the hours of 6 am to 6 pm and one fulltime with one part time personnel during the hours of 6 pm to 6 am. With all of the fulltime personnel being paramedics and the license levels of the part time personnel, we are able to provide Advanced Life Support emergency medical services approximately 90% of the time with our first out ambulance and Limited Advanced Life Support with the second ambulance. If the staffing level of fulltime personnel were to change it would jeopardize our being able to provide the LLS level of care to the community and may force us to fall back to our base license of LALS thus reducing the level of care. Mr. Vack said costs and options are: Paid on Call only = \$80,000, Part time staff and paid on call = \$374,000, full time staff and part time/paid on call = \$626,770 which includes salary, benefits and overtime. He said filling the sixth position would eliminate a lot of overtime. He said possible funding increases are: increase the mileage fee from \$9.50 to \$10.50 and consider billing for non transports. DMA fire chiefs are working on a model ordinance for consideration of adoption by all downriver communities to provide a local standard for cost recovery and fee schedules, like billing insurance companies for fire calls \$500.00. Also cost recovery for PI and PD accidents, utility standby for down wires and gas leaks, and incidents on railroad right of ways and railroad yard. He said they are looking into possible funding for hydrant flushing and painting being done by fire department personnel. Also, the department is working with other communities, like Rockwood, regarding shared services.

Mayor Dropiewski asked the unions and employees for ideas on how to save the city money.

The next budget session is scheduled for Tuesday, March 16, 2010 at 7:30 p.m. to discuss the Recreation and DPS departments and the current 2010/11 budget.

03-02-01 Motion by Martin supported by Gagne to adjourn the special workshop budget meeting at 8:40 p.m.

All voting yes. Motion carried unanimously.

JONATHAN D. DROPIEWSKI, MAYOR

LORENE BUTSKI, CMC CITY CLERK

DATE _____
approved

