

SPECIAL COUNCIL PROCEEDINGS

CITY OF FLAT ROCK, MICHIGAN

MONDAY, NOVEMBER 9, 2009

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

PRESENT ON ROLL CALL: Mayor Jones, Council Pro-Tem Martin, Council Members Gagne and Tefend

ABSENT: Council Members Dropiewski, Wrobel and Painter.

09/10 AND 10/11 CITY BUDGET:

Mayor Jones passed out a corrected estimated fund balance sheet. He said they had estimated AAI's appeal at \$400,000 but didn't know at the time that AAI has appealed their real property also. He said that could cost the city anywhere from -0- to 1.2 million. He stated the audit that council voted to have done is pretty close to being finished and it looks like we will lose \$32,000 in '07 and we will get \$146,000 in '08 and \$141,000 in '09. We will get a recovery of about \$250,000 plus they owe us interest. He said it looks like fund balance could be \$800,000 or more at the end of '09-'10.

AAI TAX APPEAL (PROPOSALS)

Mayor Jones said two proposals were obtained to do the appraisal of AAI (1) Technical Valuation Services, Inc. \$80,000 and (2) Valcon Partners, LTD \$230,000 – \$295,000. Mayor suggested telling Technical Valuation that we would accept their proposal for \$60,000. He also suggested calling Mr. Boike, Chairman of the Wayne County Commission, and ask if the County would pay half again. Mayor said the city would be in position with an appraisal to take it to the tax tribunal.

[11-09-01] Motion by Gagne supported by Tefend to award the appraisal to Technical Valuation Services for \$60,000 and if they won't lower the price then go with the \$80,000.

All present voting yes. Motion carried unanimously.

Mayor Jones stated it is his responsibility under the state law to let council know that there will be a deficit sometime in the future unless council cuts expenses or raises taxes. He suggested council start budget hearings right away.

Mayor said he has been holding onto money due to the State which has been earning \$80,000 a year in interest. He wants to leave with a clean slate so he asked the Treasurer to cut a check to the State for \$4 million dollars.

FIRE TRUCK FINANCING:

Mayor Jones suggested going with the smallest annual payment for the fire truck. Also, he suggested council set down with Bruce Hammond and decide how they will finance paving Hall, Vreeland and Arsenal Roads before the next meeting.

11-09-02 Motion by Tefend supported by Martin to approve financing the fire truck for 5 years.

All present voting yes. Motion carried unanimously.

Mayor said he will be available to anyone to answer questions until after the December 21st Council Meeting. He will be out of town until after January 5, 2010.

SOUTH HURON VALLEY AUTHORITY: Mayor produced a new set of documents regarding the SHVA service agreement. He told Council to beware because they will try to make Flat Rock pay more than our share. He said it is highly important that the phrase “**there will be no change in the service agreement without consent of all SHVA communities**” get put in the agreement. Whoever the new Mayor appoints to the SHVA has to be sharp, awake and attend every meeting.

11-09-03 Motion by Tefend supported by Jones to adjourn the special meeting at 7:38 p.m.

All present voting yes. Motion carried unanimously.

RICHARD C. JONES, MAYOR

DEBRA LAMBRIX, TREASURER

DATE: _____
approved

