

SPECIAL COUNCIL PROCEEDINGS

CITY OF FLAT ROCK, MICHIGAN

MONDAY, DECEMBER 08, 2008

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

1. PRESENT ON ROLL CALL: Mayor Jones, Council members Dropiewski, Painter, Gagne, Wrobel and Martin.

ABSENT: Council Member Tefend.

Council Member Tefend arrived at 7:25 p.m.

ALSO PRESENT: City Treasurer Lambrix, Police Chief Rossow, Attorney Grunow, Economic Development Director Mans, Chief Vack, Recreation Director Pawlukiewicz and City Clerk Butski.

2. ITEM A – TABLED ITEM: Fire Truck bid recommendation.

Fire Chief Vack reported a cheaper truck is available for \$335,000 which would be a basic vehicle with a frame, axle, body and no equipment.

The question was asked how the City will pay their portion of the cost of the fire truck and Mayor Jones said there is enough in the ambulance fund to pay the City's portion. He said the City will probably finance the truck then take repayment out of the ambulance fund.

Council Member Wrobel said he is worried about the economy. He stated we may not have a fire department to run the fire truck in the next few years.

Chief Vack stated this new truck would be the first vehicle out on a scene which would save on the life of the older vehicles in the fleet. The new truck would provide ventilation as well as fire fighting activities. He said there is a tremendous amount of ethanol being shipped through our area via the railroad yard that we share with Woodhaven. The foam system on this vehicle gives us the capabilities to combat this type of fire. Presently we have five gallon buckets that have to be manually taken off the truck. This new truck has tanks that will put the foam out in four different lines.

Council Member Martin asked how many runs this truck will go out on in a year (roughly) and Mr. Vack said approximately 75.

Council Member Gagne said these grants don't come along often and he doesn't see any being available in the near future. He said we have an opportunity here and we should take advantage of it.

Council Member Wrobel said we have to start thinking about consolidating departments and Mr. Martin said if we combine fire departments this truck would be a compliment to other departments.

12-08-01 Motion by Martin supported by Gagne to proceed with the purchase of the fire truck in the amount of \$332,955.75 City's share.

Motion carried 5-1 with Council Member Wrobel voting no.

ITEM B – Preliminary 2009-2010 budget.

Mayor Jones referred to the Fund Balance page. Beginning fund balance 08-09 was \$878,051, revenues \$9,204,816, expenditures (\$9,566,156), surplus (\$361,339) for an ending balance in 08-09 of \$516,712. The 09-10 projected beginning fund balance is \$516,712, revenues \$8,558,703, expenditures (\$8,916,981), surplus (\$358,278) for an ending fund balance of \$158,434. Mayor said this is way too low.

General Fund Revenues: Mayor said 07-08 revenues are \$6,787,205. 08-09 revenues are \$6,770,185 and that includes AutoAlliance's corrected tax refund. The projected revenues for 09-10 are \$6,227,923, a loss of \$550,000 in revenues.

State Shared Revenues: 07-08 revenues were \$807,559, 08-09 the amount was \$725,537 and the projected revenues are \$711,506. However; Mayor said if we get that much we will be lucky in his opinion because the Governor has announced cutting expenditures and he can't see her not touching Shared Revenues.

Mayor Jones noted that salaries did not have major changes in them. In the Police Department one sergeant is receiving lieutenant pay for working the desk.

Water and Sewer budget: shows a surplus for the year.

Mayor Jones said an auditor will tell you the fund balance should be 10% of expenditures for a year but he said he has never believed in that. Over the years the fund balance has never been 10% of the expenditures; however, we cannot operate at \$150,000 a year. We will be borrowing money for cash flow purposes. He said his recommendation would be to get to work and cut expenditures to balance both years.

Mayor Jones said Vreeland Road would be done next summer whether Meijer comes in or not and that would be done by the DDA. Jonathan asked if it would be bonded or would the DDA pay cash. Mayor said it would be part of each.

Council Member Wrobel questioned the ice rink and ball field maintenance figure which shows a large drop. Bruce Hammond said he eliminated two positions and in doing so will not operate the ice rink and only part of the baseball field from March to end of June (for the school ball games). Other than that he would only mow and fertilize. Mr. Hammond said this is his proposal and not the Mayor's.

Council Member Dropiewski asked how this budget changed from the original and Mr. Jones said the original budget had a 1% collection fee for everybody and we have never

had a 1% collection fee on tax collection. Mayor stated it is an increase to the residents so he took it out. He said Council could put it back in at the final budget time; however, his recommendation is no.

Resident asked what the impact would be on AutoAlliance with Ford selling 20% shares in Mazda. Mayor Jones said he feels safe saying nothing would happen to the plant for at least three years. He said there are no answers at this point in time.

Council Member Wrobel asked what the City is going to do with the Fire Department. He said we are paying \$100,000 a year in overtime for five men. Mayor said the Fire Chief is to report back to Council regarding how much it would save if he hired a sixth man. Council Member Tefend said he has talked to the Fire Chief about hiring a sixth man and it would definitely lower the overtime. Mr. Vack said it would take about two months to establish a list of applicants which would be the first step in the hiring process.

Discussion ensued regarding Mazda and the retooling of the Mustang which could bring in more tax base and the possibility of Meijer coming in with a large tax base which would encourage other businesses to come in.

Mayor agreed with Wrobel that we need to sit down with the Police and Fire Chiefs and decide how we are going to negotiate contracts in the future for both departments. Mayor suggested we ask two volunteers to be a committee and set up appointments with Woodhaven, Rockwood and maybe Brownstown.

Council Members Painter, Gagne and Dropiewski volunteered to head the committee and Mayor suggested they set up appointments with each department head to discuss how it could be restructured to increase efficiency. This should start right after the first of the year.

12-08-02 Motion by Gagne supported by Wrobel to adjourn the Special Council Meeting at 7:45 p.m.

All present voting yes. Motion carried unanimously.

RICHARD C. JONES, MAYOR

LORENE BUTSKI, CMC CITY CLERK

DATE: _____
approved