

**CITY OF MONROE
COUNCIL WORK SESSION
TUESDAY, MARCH 25, 2008**

Work Session of the City Council of the City of Monroe, Michigan held on Tuesday, March 25, 2008 at 6:30 p.m. in the City Hall Council Chambers.

Present: Council Members Beneteau, Clark, Conner, McGhee, Molenda, Paisley and Mayor Worrell.

Also Present: George Brown, City Manager
Ed Sell, Finance Director
Scott Davison, Director of Public Services
Barry LaRoy, Director of Water and Utilities
Loretta LaPointe, Interim Recreation Superintendent
Connie Ochs, Director of Wastewater
Rick Floraday, DDA Chairperson

Scott Davison, Director of Public Services gave a brief overview of his department. He stated that he is trying to see where his department is going organizationally and implement the recommendations that were in the operational study. He referenced the Council's goals and objectives. The merger was made between Parks; there are three positions that remain vacant. Four additional vacancies resulted at DPS due to early retirement incentives for COMEA UNIT I. Reassignment of some of these duties is currently in progress. There has been a significant reduction in personnel in the last 10 years. He presented the proposed re-organizational chart, with the staffing changes that are going to be made. He is going with the recommendations from the operational assessment that supervisory structure should be re-organized, the automated system should be upgraded, out source the grass mowing, reduce the forestry division and the signs operation by one position, the motor pool be reorganized, two vacant parks maintenance positions be eliminated and park maintenance be returned to DPS.

Loretta LaPointe, Interim Recreation Superintendent, presented the Recreation budget stating the goal of the Recreation Department is to provide a variety of programs that will serve the needs of all the citizens of Monroe. Department costs have been reduced by the recreation superintendent's retirement and the placement of parks maintenance under the Department of Public Services. The department is looking into purchasing software so that services can be accessed on the internet. A Sensory Garden for Veterans Park will be implemented this year with work to begin in the spring of 2008. The department will continue to expand recreational programs to include; free yoga in the Park, non competitive youth games, evening adult and youth swim lessons, adult beginners backpacking and free youth basketball camps offered at various parks. They also plan to utilize the Monroe Sports Ice Arena Complex and the ALCC for more activities. A need for developing new ball diamonds at Munson Park was also discussed.

Barry LaRoy, Director of Water and Utilities, passed out the Water Department budget. Due to the elimination of several positions, his staff level will be at 30 employees. The retail service area is responsible for maintenance up to the meter. They also sell wholesale water to the Village of Dundee and Petersburg. The department has exceeded all water quality guidelines for potable drinking water and is responsible for billing over 61,000 customers for water and sewer services. An automatic pay program was implemented in July that currently has over 300 customers participating. The department is also looking into credit card and on line payments to reduce operating costs. The preventive maintenance program that was started a few years ago has allowed the Water Department to inspect and operate over 346 hydrants and 129 valves which reduces main breaks. The 10 year meter replacement program has allowed the

department to repair, replace or install 71 valves and hydrants, repair 54 main breaks and replace over 1000 radio devices and will have completed 15 CIP projects. Goals for the upcoming fiscal year include continuing to maintain water quality and stay in regulatory compliance, continue retrofitting and replacing approximately 5,600 meters and radio read devices.

Connie Ochs, Director of Wastewater, presented her budget starting with expenditures and comparing the fiscal year 2007-2008 to the fiscal year 2008-2009 budget. Salaries are pretty level, fringe benefits, medical cost, post retirement pension, depreciation and administration support have all increased. Due to the amount of sludge that will be hauled to the landfill, there will be an increase in the sludge disposal. New this year will be the interest on the bond. The rehab project will be replacing a lot of the equipment that is aging. Overall, the Wastewater Department is looking at a 5.9% increase. The last couple of years the department has been in the plus, but is now looking at a possible \$70,000 deficit. This year, Plante Moran did a forecasting tool through the S2 grant, taking a look at what the rates should be in the future.

Rick Floraday, DDA Chairman, discussed the Downtown Development Authority budget. He stated, based on a discussion with Ed Sell and George Brown last week, the capital is about 2.49 including some interest on funds. Due to the electrical upgrade for a number of the power sources downtown and upgrading of the Christmas season lighting, contract services will be considerably under the \$235,000.00 it was budgeted for. The DDA has been working on a number of initiatives as a marketing program and luring businesses into downtown. Due to a 5-year contract with Monroe Bank & Trust, there is not a building rental expense.

Ed Sell, Finance Director, presented budgets for the Finance department, IT Fund Budget, non-departmental budgets in the general fund and 3 internal service funds related to employee benefits, retiree health care and property liability insurance. He stated that the Finance Department has four full time employees, (two accountants, a payroll clerk and himself). The funding level summary for the Finance Department, as explained in the narratives for fiscal year 2008-2009 is \$389,000.00 and includes the Finance Department function and also includes the general fund portion of the audit cost. Currently, the financial statements are sent to the Government Finance Officers Association for certification for excellence and financial reporting. The finance department would like to request proposals for the City's banking services.

He also reported on the General Fund, non-departmental items.

Councilman Molenda stated that he wasn't sure he could support the proposed budget with \$794,000.00 coming out of budget stabilization fund.

It was moved by Councilman McGhee and seconded by Councilman Paisley that the meeting adjourns at 10:05 p.m.

Ayes: 7 Nays: 0

Motion carried.

Rosalind Boswell
Secretary

Mark G. Worrell
Mayor