CITY OF BURTON
COUNCIL WORKSHOP MEETING MINUTES
MAY 18, 2004, 4:00 P.M., COUNCIL CHAMBERS

THE COUNCIL WORKSHOP IS CALLED TO ORDER BY COUNCIL PRESIDENT DANNY WELLS AT 4:25 P.M.

MEMBERS PRESENT: Curtis, Bement, Wells, Centilli, Isham

MEMBERS ABSENT: Martinbianco, Cross

OTHERS PRESENT: C. Abbey, Administrator, R. Riess, Deputy DPW Director,
K. Foster, Deputy Controller, J. Adams, Sr. Clerk Typist

PURPOSE OF THE MEETING: COUNCIL WORKSHOP TO DISCUSS THE PROPOSED 2004-2005 CITY OF BURTON BUDGETS, AS FOLLOWS:

1. Water
2. Sewer
3. Major and Local Streets
4. Motor Pool and Inspection
5. Sewer Debt

PRESENTATION:

Water (pg. 37)

Mr. Riess indicated this budget is very close to last year's. There is a 4% increase reflected in the cost of our water purchased from Genesee County. We still do not have a firm hand in the bulk water cost, as there was to be an adjustment in August from Genesee County. We are not aware yet if they are going to reduce rates, hold them the same or increase them based upon a recently received water rate study.

Mr. Abbey said the Mayor was informed at the Water & Waste meeting today we could anticipate a 9% increase from the Detroit Water Rate annually for at least the next few years. Mr. Abbey commented further regarding union contract negotiations and indicated they could also be accounted for in this budget.

Mr.Riess commented regarding replacement of the Fern Street watermain that will be funded with Community Development monies. A portion of a rate study will be shared with the sewer side, which is projected at $14,000. Elevated storage cleaning and inspection of the tank is estimated at $10,000. There is approximately $120,000 for improvements this year in water.

Mr. Abbey addressed various items shared with the Motor Pool.

Sewer Department (pg. 35)

Mr. Riess indicated the overall change in the budget from last year to this year is projected at .9%. Sanitary sewer costs to the County remain relatively stable. In revenues, $209,000 was transferred out of our contingency to balance the budget. In past years most of those costs were made up by our interest income. It has dropped dramatically because of interest rates.

Mrs. Foster stated this budget also has an adjustment for the capital contribution line. It is reflecting zero but there will be a number there. That will reduce what is taken out of contingency. Discussion ensued regarding inspection fees, various line items, on-going projects, and violation of illegal hook-ups.

Sewer Debt (pg. 43)

Mr. Riess stated .75 mills is projected for this year. We were able to drop it down to .7 mills and still have approximately $14,900 left in surplus. Genesee County is going to build a north relief sewer that will cost a substantial amount of money and every community will have their option to pay it off either through a bond issue or increase in rates.

Lengthy discussion followed regarding revenue from delinquent personal property taxes. Council would like to be kept apprised of the results in collecting those taxes.

Local Streets (pg. 29)

Mr. Abbey spoke regarding changes in the City due to State Shared Revenue cuts, and his position as City Administrator and DPW Director. He indicated there are not many changes in the Local Street budget. Discussion ensued regarding contractual services, special assessments, and paving all remaining gravel streets.

Major Streets

Mr. Abbey spoke regarding upcoming projects. He stated most of the major streets are still in pretty good shape. They have rated the roads and there is a striping program on all of the major streets. Surface maintenance reflects an increase that can fluctuate due to the weather conditions. Some items such as salt for the roads are difficult to budget depending on a light or heavy winter.

Motor Pool

Mr. Abbey stated they subsidize the Motor Pool every year. The subsidies are getting less and less in the last couple of years. We buy equipment and it is assigned to the Motor Pool. If a department uses it, then it is charged to that department. The budgets have been kept pretty much the same other than add 5% across the board.

Inspection (pg. 28)

Mr. Abbey commented regarding the salaries that fall under this budget. Mrs. Foster stated this is a pass through budget and is recorded on the General Fund revenue side. Any of the expenses for this department are charged specifically to the projects the inspector is working on.

Brief discussion was held regarding monies generated from a rental ordinance inspection. Mr. Wells commented regarding final budget amendments.

Mr. Wells adjourned the meeting at 5:51 p.m.

jra