

This first quarter of 2008 finds the City of Clawson still moving forward. With the completion of reconstruction activities on 14 Mile Rd. not only has the traffic returned, but also we are finding people are really enjoying travelling down this section of Clawson. It was not too long ago that a trip down 14 Mile Rd. meant a teeth-jarring ride if not the risk of possible tire or suspension damage. What a change a few months can make. In addition to this major improvement, the City began its first phase of work under the bond issue passed by voters in August 2006. While water and sewer line replacement and street work was scattered throughout the City, work on Mark, W. Baker, Elmsford, Essex, Huntley and Gordon Court involved complete replacement of the water and sewer systems and complete street reconstruction. 2008, with the planned reconstruction of N. Main St. from Lincoln to Maple and several more neighborhood streets is expected to be as busy.

The 2007 final audit of the City of Clawson was presented and received by the City Council. Highlights include a second successive year ending with a surplus of revenues over expenditures resulting in an increase in the City General Fund Balance. The City's strong financial picture was recognized by Moody's resulting in the City receiving an "A" Bond rating. This rating allowed the City to sell bonds and pay a lower than expected interest rate and its first year millage for the bonds was lower than expected. Despite the changes in the financial markets over the past several months, the City's financial picture remains strong and we expect favorable treatment as we again enter the bond market for the second phase of our three-phase bonds issue.

Through a cooperative effort of a committee of union, active and retired employees, the City of Clawson did a complete review of our health insurance program. Based on that committee's recommendation, changes were made that resulted in savings of more than \$350,000 the first year. These changes, when compared to keeping our previous program will lower our budget for health insurance in the upcoming year by more than \$600,000. Clearly a significant amount of money. I am proud of the efforts of this committee of employees, both active and retired. It shows the continued dedication of current and retired City employees to this community. I want to take a moment to identify Tim LaFave, Officer Bill Haynes and Lt. Tim McKernan representing the three unions of active employees and Carol Kanirie, former City Clerk; Bill Turner, retired from DPW; Dan Zalewski, retired Police Officer in particular for their hard work and dedication.

With the recent opening of Aldi's market, upcoming opening of Murray's Auto and planned construction to occur at the northeast corner of 14 Mile Rd and Crooks, the city continues to see new commercial growth and development. We await two new businesses in what was vacant industrial property on Rochester Rd. and new business openings in our downtown. The City is still seen as a place for opportunity and investment. While we have noted some affect from foreclosures and mortgage problems, so far Clawson has been impacted to a far lesser degree than many communities in Michigan. We remain optimistic on the future of this City.