

Minutes
Fraser City Council Special Budget Meeting
Monday, May 16th, 2016 @ 7:00pm

A Budget Workshop meeting of the Fraser City Council was conducted on the above date at the City Municipal Building, located at 33000 Garfield Road, Fraser, County of Macomb, Michigan.

Present: Mayor Nichols and Council Members Blanke, Carnagie, Foster, Hemelberg, Lesich and Schornak
Absent: None
Also Present: Richard Haberman, City Manager
Kelly Dolland, City Clerk
Tim Tomlinson, City Attorney

1. **Call Meeting to Order** - Mayor Nichols called the Special meeting to order at **7:00pm**.
2. **Pledge of Allegiance**
3. **Approval of Agenda**

Mr. Tomlinson spoke of Public Participation the Special Council Budget Meeting.

Mayor Nichols moved, seconded by Member Foster to approve agenda as presented.

Member Blanke moved seconded Member Carnagie to AMEND ORDER OF AGENDA ITEM 5. CITIZEN PARTICIPATION AND 6. BUDGET ADOPTION.

The motion carried unanimously

Mayor Nichols moved, seconded by Member Foster to APPROVE AGENDA AS AMENDED.

The motion carried unanimously

4. DISCUSS CITY EMPLOYEE VEHICLE AND EMPLOYMENT AGREEMENTS & CONTRACTS

a. Review all city employee employment contracts and agreements regarding all vehicle allowances, personal use of city vehicles, gas and mileage expenses and reimbursements.

Member Foster spoke of employee perks.

Mayor Nichols provided Council and Administration a 'Fraser Budget 2016 Suggested List of Proposals' to be included in this year's budget, stated this document is a counter to the original budget that was presented.

Member Foster stated the document is strictly professional and not personal. Member Foster spoke in great length on this topic.

Member Blanke stated it would be an injustice to cut across the board.

Member Schornak stated we have had five meeting and the counter proposal was just presented. Why did you wait till now?

Member Schornak suggested a temp employee for the Finance Department.

Member Schornak asked Mr. Tomlinson if Council can re-negotiate Non-Union employee contracts. ~ Mr. Tomlinson stated the employees' current contract can be modified but must be agreed upon.

Mr. Haberman referenced to Mayor Nichols document stating 'any employee who does not agree to these changes you will terminate them in 90 days. All Department heads are on a 90 day notice? ~ Mayor Nichols suggested yes.

Member Carnagie spoke of the right person for the right job.

Michele Kwiatkowski spoke of the position of Systems Administrator for the City of Fraser.

Minutes
Fraser City Council Special Budget Meeting
Monday, May 16th, 2016 @ 7:00pm
2

Member Blanke voted Michele Kwiatkowski as a fulltime employee.

Member Foster expressed her position to end car allowance for city employees.

Director Rouhib spoke of his position with the city and the use of a city vehicle, the car is part of a compensation package, the car is paid for from the Drug Forfeiture money.

Member Lesich stated car allowances are part of a compensation package approved by council.

Member Carnegie stated there are two trucks in the building department.

Member Foster questioned who owns the Drug forfeiture money. ~ The money belongs to the City but there are limitations as to how it is spent.

Member Foster asked for transparency.

Member Schornak questioned Mayor Nichols why he waited the last minute to discuss this topic.

Mayor Nichols removed Tom LaDuke and Charisse Campbell from the meeting.

Mr. Tomlinson requested participants of the meeting to refrain from personal attacks.

Member Schornak spoke of the D.A.R.E., Library and Parks and Recreation programs.

Member Foster stated she is concerned with employee car allowances.

Mayor Nichols suggested to Director Rouhib the potential of sharing services with the City of Roseville regarding EMS runs, stating Roseville responds to too many of Fraser's calls.

Recess ~ meeting returned 9:07pm

Member Foster spoke of roof repairs.

5. Citizen Participation

Resident Gary Placido

Resident Janet Calabrese

Resident Robert Brannon

Resident Paul Cilluffo

Business owner Ken Immler

Resident Anna Cameron

Resident Gudrun Goetz

Resident Mike Westien

6. BUDGET ADOPTION

a. Discussion of Fiscal Year 2016-2017 Budget.

Member Foster stated she can vote on a budget without solid numbers. She is not confident with the numbers.

Member Hemelberg spoke of his issues with the city Manager regarding pension payments, review retiree health care and spoke of his visit with the Department of Treasury.

Mary Jaganjac spoke of Robert Half Accounting Firm for a temp accountant for the Finance Department.

Conversation issued regarding an accountant for the Finance Department.

b. Adoption of Fiscal Year 2016-2017 Budget.

Mayor Nichols moved, seconded Member Carnegie TO APPROVAL THE RESOLUTION AS PRESENTED TO INCLUDE a MILLAGE RATE OF 2.796.

Minutes
Fraser City Council Special Budget Meeting
Monday, May 16th, 2016 @ 7pm

3

Public to be heard:
Resident Sherry Stein
Resident Marie Cilluffo

Roll Call Vote:

Blanke	yes
Carnegie	yes
Foster	no
Hemelberg	no
Lesich	yes
Nichols	no
Schornak	yes

Motion fails 4 yes, 3 no

Mr. Tomlinson suggested a member put a new motion on the table.

Recess ~ back in session 11:12pm

Member Lesich moved seconded Member Blanke TO APPROVE THE RESOLUTION TO INCLUDE A MILLAGE RATE INCREASE OF 2.4355 TO INCLUDE THE LANGUAGE SHOWN IN THE DRAFT RESOLUTION.

Roll Call Vote:

Blanke	yes
Carnegie	yes
Foster	no
Hemelberg	no
Lesich	yes
Nichols	no
Schornak	yes

Motion fails 4 yes, 3 no

Conversation ensued regarding the Mayor Nichols proposal for the budget approval.

Mayor Nichols stated he will vote no on tax increase.

Member Schornak spoke of the Mayor's Budget proposal.

Member Lesich asked Council members who voted no to his proposal, what are the cuts that you require to get you to the millage that you would be satisfied passing. Member Lesich stated the document that you provide will not be part of the budget resolution that he will adopt, because you do actually force Department Heads into a no win scenario, believes we would be sued for breach of contract.

Mayor Nichols requested the attorney to review the proposed document and advise the City of its validity.

Member Foster compared the Fraser Budget 2016 Suggested list of Proposals to that of changing the status of the part-time IT employee to full-time employee at the previous meeting. Council was not giving enough notice.

Member Schornak moved seconded by member Foster TO DIRECT MR. TOMLINSON TO RESEARCH THE LEGAL RAMIFICATIONS OF THE MAYOR'S FRASER BUDGET 2016 SUGGESTED LIST OF PROPOSALS.

Mr. Tomlinson spoke of Department Head contract, both parties must agree to the terms of the contract. Most

Minutes
Fraser City Council Special Budget Meeting
Monday, May 16th, 2016 @ 7pm
4

Contracts have a 90 day termination. Mr. Tomlinson stated he will look at the legality of the Mayor's suggested list of Proposals.

Member Hemelberg questioned the contract of an at-will employee. Can Council change the contract with the employee? Yes, if the employee does not agree then? ~ subject to the terms of the contract.

Member Lesich stated he will vote no because in five minutes we will be violating the charter (11:55pm).

Roll Call Vote:

Blanke	No
Carnegie	Yes
Foster	Yes
Hemelberg	Yes
Lesich	No
Nichols	Yes
Schornak	Yes

Motion carried 5 yes, 2 no

Member Lesich moved, seconded by Member Carnegie to ADOPT A BUDGET FOR THE FISCAL YEAR 2016/2017 AT 2.40 MILLAGE INCREASE.

Roll Call Vote:

Blanke	Yes
Carnegie	Yes
Foster	No
Hemelberg	No
Lesich	Yes
Nichols	No
Schornak	Yes

Motion fails 4 yes, 3 no

Member Foster stated she voted no because there is more that can be trimmed from the budget.

Member Hemelberg and Mayor Nichols stated if there is another special budget meeting, their \$125 Meeting pay will be donated to the Fraser Public Library.

Mr. Tomlinson stated the drop dead date is June 13th, 2016 for the Finance Department to send out the Tax Bills.

7. ADJOURNMENT

Member Hemelberg moved, seconded by Mayor Nichols to ADJOURN THE BUDGET WORKSHOP COUNCIL MEETING OF MAY 16TH, 2016 @ 12:08AM.

The motion carried unanimously,

Respectfully submitted,

Kelly Dolland, City Clerk

Joe Nichols, Mayor