

Crystal Falls, Michigan

April 15, 2009

A special meeting of the Council for the City of Crystal Falls was held in the Council Chambers at the City Hall on Wednesday, April 15, 2009 at 5:00 pm Central Time.

Present: Mayor Hendrickson, Councilors Burke, Smokevitch, Hagglund, and Bicigo.

Absent: None

Also present were: City Manager Nordeman, City Attorney Lawrence, and City Clerk/Treasurer Olson.

Visitors in attendance were: Alex Simbob, Larry Bicigo, Tara Peltoma, Mark Simeoni, Lindsey Hawks, Paul Hawks, Ray Niemi, Randy Curnow, Dan Graff, Geri & Wally Trzeciak, John Ahola, David Graff, Kelly Stankewicz, Robert Sherwin, Gerard Valesano, Emil Bicigo, and Jeff West.

The purpose of this special meeting was to:

1. Conduct a workshop on reducing the expenditures of the City
2. Consider action on the following items:
 - a. Change in hours that the office is open to the public
 - b. Annual trash drop off at the Bristol Mine
 - c. Payment of longevity on employee's anniversary date
 - d. Cell phone reimbursement to employees
 - e. Cell phone & car allowance for City Manager
 - f. Postpone purchase of cemetery truck
 - g. Suspension of sidewalk reconstruction
 - h. Suspension of support payments to the museum, theatre and contemporary center
 - i. Reduction of employees at the golf course

Mayor Hendrickson led the reciting of the Pledge of Allegiance.

Workshop: Mayor Hendrickson began the discussion regarding budget reductions indicating that she has accounted for nearly \$300,000 in 2007-2008 fiscal year expenses that will not recur during this year and asked if any of the other Councilors had suggestions on the reductions.

Councilor Burke asked if perhaps consideration to an "across the board" percentage decrease in the line items in the budget would make sense to his fellow Councilors. Manager Nordeman noted that the biggest drains on cash are energy, health care, and pension costs. Of these items, health care is the only one that the City could impose cost effective reductions on.

Councilor Bicigo suggested putting a millage issue on a ballot for

Fire protection, allowing the citizens to dictate if that item will need to be cut. Councilor Bicigo also noted that the operation of Runkle Lake Park needs to be looked at to find a solution to the continued loss there.

Discussion regarding the reduction of seasonal employees at the golf course, park, and cemetery ensued. Manager Nordeman advised of plans to reduce the seasonal employees by a total of four throughout the departments.

Alex Simbob took the podium and offered his opinion on why the City is in the condition it is financially.

Electric Department Supervisor, David Graff, asked what amount does the City need to actually cut? He went on to suggest that the Mayor's list of "one time expenditures" from the previous year be shared with everyone to help clarify things.

Public Works Foreman, Kelly Stankewicz, offered that the employees have already taken a cut in health care coverage through the reduction in the Health Savings Account contribution of the City.

Clerk/Treasurer Olson asked Attorney Lawrence how the Council could even consider employee benefit cuts with the formation of a new union in the works which freezes the existing benefits pending the ratification of a union contract. Olson also offered that the Council should consider a fee for recycling services and to discontinue the issuance of \$500 construction credits for electric service installations. In addition, she questioned the reason that the fire authority no longer collects fire call fees, a revenue source set up by ordinance that could serve to reduce the City and Townships contribution to the annual budget of the authority.

The items to be considered for action were reviewed and the following actions were taken:

Councilor Bicigo seconded by Councilor Burke moved to authorize the change that City Hall office hours are "open to the public" be 8:30 a.m. to 3:00 p.m., Monday - Friday, with said hours to begin as soon as possible.

Motion carried.

Mayor Hendrickson seconded by Councilor Bicigo moved to conduct a one day only "Spring Trash Drop-off" at the Bristol Mine on Saturday, June 6, 2009, and to charge \$10.00 per vehicle for this

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service. Further, employees working at this event are to take off a day, in lieu of Saturday, to offset their hours during the pay period and avoid overtime charges to the City.

Motion carried.

Mayor Hendrickson seconded by Councilor Hagglund moved to postpone the purchase of a truck for use at the cemetery to a different fiscal year.

Motion carried.

Councilor Bicigo seconded by Councilor Burke moved to suspend City sidewalk construction projects for fiscal year 2008-2009.

Motion carried.

Mayor Hendrickson seconded by Councilor Bicigo moved to adjourn this special meeting of the City Council.

Motion carried.

Meeting adjourned at 6:50 p.m.

Presiding Officer

Presiding Clerk