

**VILLAGE OF SCHOOLCRAFT
COUNCIL PROCEEDINGS
JANUARY 17, 2010**

The Regular Meeting of the Village Council held at 442 N. Grand Street was called to order by President Dan DeVries at 7:00 p.m.

The Pledge of Allegiance was led by President DeVries.

ROLL CALL:

Present: President DeVries, Trustees Clark, Gunnett, Barnes, Dailey, Tackett and Carlin.

Absent: None.

Also Present: Village Manager Cheri Lutz, Village Clerk Faith Akert, Chief Bryan Campbell, Russell Lee Barnes, Tom Gill, Craig Sisk and Kathy Wayman.

APPROVAL OF AGENDA:

Motion by Dailey, seconded by Barnes, to approve the agenda as presented. All aye.

APPROVAL OF CONSENT AGENDA:

Motion by Tackett, seconded by Clark, to approve the Consent Agenda as presented. All aye.

CITIZEN'S ON NON-AGENDA ITEMS:

None.

PUBLIC HEARINGS:

None.

UNFINISHED BUSINESS:

Mrs. Kathy Wayman appeared before the Village Council to provide a progress report on the demolition of the dangerous building located at 306 N. Grand Street as follows:

- Asbestos Removal will be completed on or about January 31, 2011.
- Demolition of Structure will commence on or about February 1, 2011.

President DeVries had the following comments:

- He stated that he was initially disappointed at the progress of the demolition particularly since the Village Council had extended the demolition order an additional 60 days to allow additional time for planning.
- He stated that he is pleased with the information that has been presented to the Council regarding specific steps that have been taken, and the timeline that has been established.

- He stated that the Village Council will need to make a motion to approve the revised schedule as presented.

Motion by Tackett, seconded by Gunnett, to approve the time period for demolition of the property to February, 14, 2011, with the expectation that the demolition will be completed by that date; and that Mrs. Wayman keep the Village Manager informed of any changes, delays, or deviations of the approved schedule. All aye.

Trustee Carlin noted that the Village incurred approximately \$900.00 in expenses related to this issue.

NEW BUSINESS:

- a) Village Manager Cheri Lutz provided an overview of the Preliminary Draft Budget for General Fund.

President Dan DeVries has the following comments:

- He stated that the Village of Schoolcraft can take steps to boost tax revenue through business development.
- He stated that that the Village of Schoolcraft can continue in deficit for short term, and that the Village Council will need evaluate programs and services as revenue shortfalls continue.

Village Manager Cheri Lutz had the following comments:

- She reviewed a number of graphs illustrating the declining revenues for General Fund including revenue sharing and property taxes; noting that for the previous four year periods, the Village has received less revenue.
- Improvements to the Schoolcraft Community Center have been identified as Special Projects for fiscal year 2011/2012, and that funding for that project will be transferred from Fund Balance pending Council approval.
- She stated that the Village Staff has been proactive in reducing costs through competitive bidding, and diligent monitoring of the approved budget.
- She stated that the Preliminary Draft Budget is in deficit in the amount of approximately \$13,550.00.
- She stated that she has two proposals for potential costs savings, and that she requests to go into closed session to discuss one proposal as it relates to her contract.

Proposal #1. The Village Staff receives 80 hours personal time off per calendar year as stated by the Village's Personnel Policy. If all 80 hours are not utilized, the Village will provide a payment for unused personal time at the beginning of the next calendar year. If the Village Council would change the Personnel Policy to reflect a maximum payout of 40 hours, the Village of Schoolcraft would realize a minimum

budgeted savings of approximately \$6,400.00 per year, and a maximum savings of \$12,800.00 per year.

Trustee Clark stated that she supported the idea.

President Dan DeVries stated that the requirement to utilize a minimum of five (5) days would prevent staff from coming to work sick, and allow them time to conduct personal business.

By consensus, the Council requested that the personnel policy reflect a maximum personal time "payout" of 40 hours, and that the cost savings be used to balance the 2011/2012 Budget.

Motion by Dailey, seconded by Gunnett, to convene into closed session at 7:30p.m., at the request of the Village Manager to consider Proposal #2. All aye.

Motion by Dailey, seconded by Tackett, to reconvene to open session. All aye.

Motion by DeVries, seconded by Tackett, effective March 1, 2011, the Village Manager will receive full health insurance for herself, but not for her dependent. The Village Manager shall also receive a contribution towards a Health Savings Account (HSA) of \$4,500.00 per contract year to be paid as follows;

- March 1, 2011, and each March 1st thereafter: \$2,250.00.
- September 1, 2011, and each September 1st thereafter: \$2,250.00.
- In the event that the coverage presently in effect for the Village Manager's dependent child is eliminated or significantly reduced, the Village, at the Village Manager's request, will reinstate health insurance coverage for the Village Manager's dependent child and pay the premiums thereafter. In that event, the Village Manager shall not be entitled to any further HSA contributions.

All aye. Motion carried.

b) Village Treasurer Faith Akert provided an overview of the Preliminary Draft Budgets for Major and Local Streets, DDA, Water and the Equipment Fund with the following comments:

- Estimated revenue for Major and Local Streets is estimated to be \$115,600.00.
- Road Projects to be determined are included in the amount of \$42,000.00 with monies coming from Major and Local Street Fund Balance.
- The DDA tax capture is estimated to be \$26,400.00.
- Special Projects for DDA are for the continuation of the Marketing Study by the Barton Group.

- The Water Fund is balanced.
 - Expenditures for the Equipment Fund are estimated to be \$65,600.00.
- c) Motion by Gunnett, seconded by Clark, to adopt Resolution 2011-01. A Resolution Calling a Public Hearing on the Proposed Budget for 2011/2012. All aye.

Resolution Adopted.

TABULATION OF BIDS:

None.

COMMUNICATIONS:

Mr. Tom Gill expressed his appreciation to the Schoolcraft Police Department for their quick response time regarding a recent incident.

REPORTS FROM VILLAGE ADMINISTRATION:

President DeVries had the following comments:

- He thanked the Village Manager for her creative thinking regarding the budget deficit for 2011/2012.
- He thanked Village Treasurer for her hard work on the budget.
- He stated that the Police Department's budget accounts for approximately 50% of the General Fund Budget, and stated that the Village Council may need to consider a reduction in hours.

Trustee Gunnett had the following comments:

- He commended the Village Manager for voluntarily coming forward with concessions both for herself and her staff to close the deficit gap.
- He stated that the Village Manager and the Police Chief should provide options to the Village Council at the February 7, 2011, Village Council meeting regarding cost cutting measures for the Police Department.

ADJOURNMENT:

Motion by Gunnett, seconded by Tackett, to adjourn the meeting at 8:15 p.m. All aye.

Faith C. Akert, Village Clerk

Daniel P. DeVries, President