

Minutes
Fraser City Council Special Meeting
Tuesday, June 27th, 2017 @ 6pm

A Special 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:

Also Present: D. Wayne O’Neal, City Manager
Kelly Dolland, City Clerk
Tim Tomlinson, City Attorney

1. Call Meeting to Order - Mayor Nichols called the special meeting to order at 6:00pm

2. Pledge of Allegiance

3. Approval of Agenda

Member LESICH moved, second by Member CARNAGIE, TO APPROVE AGENDA AS PRESENTED.
Mayor Nichols stated Member Foster will not be in attendance for the special meeting.

The motion carried 6-0

4. Citizen Participation:

Resident Debby Winowiecki spoke
33824 Regal Resident spoke
Resident Connie Feirer spoke
Resident Tom McCoy spoke
Resident Aaron Hanke spoke
Resident Janet Calabrese spoke

Mayor Nichols read November 2016 ballot language to the public.

Resident Shelly Kassin spoke
Resident Kevin Rice spoke
Resident Christina Rice spoke
Fraser Business owner Ken Immler spoke
Resident Erin Steil spoke
Resident Donna Reiner spoke
Resident Cindy Ohrt spoke
Resident Marlene Hoeft spoke
Resident Gary Niedojadlo spoke
Resident Carl Haus spoke
Resident Linda Stonebreaker spoke
Business owner of 34195 Riviera spoke
Resident Ms. Heft spoke
Resident Carl Hofman spoke
Resident Gary Placido spoke
Resident Roy Malone spoke
Resident Debra Thompson spoke
Resident Vince Calabrese spoke
Resident Terry Bloodworth spoke
Resident Lois Rzyk spoke
Resident Suzanne Kalka spoke
Resident Mrs. Victor spoke
Elder Abuse Advocate Marty Prehn spoke
Resident Gary Laine spoke

Mayor Nichols called for ten-minute recess @ 7:50pm.
Meeting resumed at 8:01pm.

5. REQUESTS FOR COUNCIL ACTION –

1. Approve Resolution to Establish a Police Special Assessment District and to Levy an
Assessment to Defray the Costs Necessary to Continue Police and Fire Protection, PA 33 of 1951.

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Member LESICH moved, second by Member SCHORNAK, TO APPROVE RESOLUTION TO ESTABLISH A POLICE ASSESSMENT DISTRICT AND TO LEVY AN ASSESSMENT TO DEFRAY THE COSTS NECESSARY TO CONTINUE POLICE AND FIRE PROTECTION, PA 33 OF 1951.

Member Hemelberg asked for council to pass 2mil today and put 3mil proposal on November 2017 ballot.

Attorney Tomlinson stated 2mil in July can only be levied, must protect the tax payer.

Mr. Tomlinson stated must have 5 mils to balance budget, if don't have 5 mils, must cut budget to balance.

Member Lesich spoke of the previous year's budget compromise.

Member Blanke reminded council the May 2017 budget was passed with a 7-0 vote.

Member Schornak provided options to pass the budget.

Mr. Tomlinson stated council can present an option to the voters in November for the following year or approve 5mils.

Conversation ensued

Member Lesich stated he will continue to fight for the city.

City Manager O'Neal spoke of possible options to provide the State a balanced budget. He stated Fraser has a revenue problem not a spending problem.

Member Carnagie stated he pays less in property taxes today than he did ten years ago.

Member Hemelberg asked to put 3mils on November ballot.

Member Lesich spoke on an advisory ballot, fund 5mil for 2018/2019.

Mayor Nichols suggested the need of a forensic audit, to review how the money in Fraser is really spent.

Member Schornak spoke of the high cost of a forensic audit as well as Planet Moran and Abraham & Gaffney resent audits.

Mayor

Member LESICH moved, second by Member SCHORNAK, TO APPROVE RESOLUTION TO ESTABLISH A POLICE SPECIAL ASSESSMENT DISTRICT AND TO LEVY AN ASSESSMENT TO DEFRAY THE COSTS NECESSARY TO CONTINUE POLICE AND FIRE PROTECTION, PA 33 OF 1951.

Roll call vote:

Blanke	yes
Carnagie	yes
Hemelberg	no
Lesich	yes
Nichols	no
Schornak	yes

Motion fails 4-2

Mayor NICHOLS moved, second by Member HEMELBERG, TO APPROVE RESOLUTION TO ESTABLISH A POLICE ASSESSMENT DISTRICT OF 2.5MILS TO LEVY AN ASSESSMENT TO DEFRAY THE COSTS NECESSARY TO CONTINUE POLICE AND FIRE PROTECTION, PA 33 OF 1951.

Member Lesich requested a breakdown of numbers for clarity purposes.

Mayor Nichols requested Mr. O'Neal provide what is included in 2.5mils. conversation ensued:

2.5mils =	950,000
Reduction of capital improvement	575,000
Fund Balance	385,000
Gambling Fortitude Fund	125,000
November Ballot	3mils levied in December 2017

Member Lesich stated to make sense to the voters, it must be presented as two and three mils. Three mils on the November ballot as an advisory ballot.

Mayor Nichols offered Director Rouhib' Gambling Fortitude Fund of \$125,000.

Member Schornak was concerned with about capital improvement, Mayor Nichols responded to her concerns.

Member Carnagie, will there be any amendments prior December, there appears to be a spiral effect. Mr. O'Neal feels confident, but we have huge issues to address in the near future, need a balanced budget tonight. Mr. O'Neal stated last year your city manager stated you needed 5 million, Plant Moran stated you need 4.5 million 2.5 years ago. You have been able to bandage it together, this is not going away.

Member Blanke, stated she will compromise.

Mayor NICHOLS moved, second by Member HEMELBERG, TO AMEND THE RESOLUTION APPROVAL TO ESTABLISH A POLICE ASSESSMENT DISTRICT OF 2.0 MILS AND A 3.0MIL ADVISORY BALLOT IN NOVEMBER 2017 TO LEVY AN ASSESSMENT TO DEFRAY THE COSTS NECESSARY TO CONTINUE POLICE AND FIRE PROTECTION, PA 33 OF 1951.

Resident Stonebreaker spoke on topic

Resident Amy Baranski spoke

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Roll call vote:
Blanke yes
Carnegie yes
Hemelberg yes
Lesich yes
Nichols yes
Schornak yes

Motion carried 6-0

2.Request Council Approve Amendments to the 2017-2018 Approved Budget to Comply with the Uniform Budgeting and Accounting Act, Act 2 of 1968.

Mayor NICHOLS, moved, second by Member HEMELBERG, TO REQUEST COUNCIL APPROVE AMENDMENTS TO THE 2017-2018 APPROVED BUDGET TO COMPLY WITH THE UNIFORM BUDGETING AND ACCOUNTING ACT, ACT 2 OF 1968.

City Manager O’Neal stated he was very concerned with the depletion of the fund balance.

Mayor NICHOLS amended motion, second by Member HEMELBERG, TO ADD 2MIL, 3MIL ON NOVEMBER BALLOT AS AN ADVISORY BALLOT.

Motion carried 6-0

Member LESICH moved, second by Member BLANKE, TO REQUEST COUNCIL TO APPROVE AMENDMENTS TO THE 2017/2018 APPROVED BUDGET TO COMPLY WITH THE UNIFORM BUDGETING AND ACCOUNTING ACT, ACT 2 OF 1968 TO INCLUDE THE FOLLOWING BUDGET AMENDMENTS WHICH ARE APPROPRIATIONS:

- \$460,000 FROM GENERAL FUND BALANCE
- \$125,000 FROM GAMBLING FORFEITURE FUND
- \$575,000 ELIMINATED FROM PLANNED CAPITAL IMPROVEMENT

Roll call vote:
Blanke yes
Carnegie yes
Hemelberg yes
Lesich yes
Nichols yes
Schornak yes

Motion carried 6-0

6. CITIZEN PARTICIPATION

Resident Sue Wheeland spoke
Resident Shelley Cassin spoke
Fraser Senior Housing Resident spoke
Resident Amy Baranski spoke
Resident Nancy Berube spoke
Resident Erin Steil spoke

7. ADJOURNMENT

Mayor NICHOLS moved, seconded by Member CARNAGIE, TO ADJOURN THE SPECIAL COUNCIL MEETING OF JUNE 27th, 2017 @ 9:56PM.

The motion carried unanimously,

Respectfully submitted,

Kelly Dolland, City Clerk

Joe Nichols, Mayor