

**City of Marine City
City Commission
November 21, 2013**

Prior to the meeting being called to order, Mayor Charles R. Browne, Commissioner Terrance Avery, Commissioner Dianne M. Lovett, and Commissioner James L. Turner were sworn into office by City Clerk Diana S. Kade.

A regular meeting of the Marine City Commission was held on Thursday, November 21, 2013, in the Fire Hall, 200 South Parker Street, Marine City, Michigan, and was called to order by Mayor Charles R. Browne at 7:00 PM.

After observing a moment of silence, the Pledge of Allegiance was led by Mayor Browne.

Present: Mayor Browne; Commissioners Avery, Hendrick, Lovett, Meli, Skotarczyk and Turner; City Manager Gabor; and, City Clerk Kade.

Absent: None

Also Present: James Downey, City Attorney

Elect Mayor Pro Tem

Motion by Mayor Browne, seconded by Commissioner Lovett, to appoint Commissioner Raymond Skotarczyk as the Mayor Pro Tem. All Ayes. Motion Carried.

Communications

There were no Communications presented.

Public Comment

Lucille Wegmeyer, representing the Civic Women's Club, announced the December 14th Holiday Home Tour; said the organization was proud of the things that had been accomplished in the past; and, thanked the City for what they had done to assist their club.

Approve Agenda

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve the Agenda, as presented. All Ayes. Motion Carried.

Approve Minutes

Motion by Commissioner Lovett, seconded by Commissioner Skotarczyk, to approve the Minutes of the Regular City Commission Meeting held November 7, 2013, as presented. All Ayes. Motion Carried.

Consent Agenda

The following Consent Agenda items were presented:

- Departmental Activity Reports
- Marine City Area Fire Authority Run Report ~ October 2013

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve the Consent Agenda, and place it on file. All Ayes. Motion Carried.

2012/2013 Audit Presentation

Curtis McBride of McBride – Manley & Company reported on the financial condition of the City as of June 30, 2013, as follows:

Total Assets:	\$1,306,000
Total Liabilities:	<u>413,000</u>
Net Fund Balance:	\$ 893,000

Mr. McBride stated that the City's fund balance was well-funded and in good shape; and, referred to the City's financial statements as a *Clean Opinion* and in compliance.

Mr. McBride presented comparisons between years ended June 30, 2012 and June 30, 2013. He noted an additional \$20,000 loss in the 2013 property tax revenues from the

previous year; and, reported that the capital projects had been combined with the General Fund Balance.

Mr. McBride discussed the Local Street and Major Street Funds, and noted the LaBuhn Bridge Project.

The Water and Sewer Funds had an unrestricted balance of \$471,414, and a total Net Position of \$5,553,747.

Mr. McBride commented on the Pension Trust Fund, which was 79.3% funded as of June 30, 2012. He reported that the unfunded actuarial accrued liability was \$1,501,000.

Mr. McBride discussed the Retiree Health Trust Fund, which also had an unfunded liability of \$7,565,000. He said this was not a problem unique only to the City of Marine City, and recommended that they pay attention to the fund.

Mr. McBride discussed restrictions on expenditures such as the purchase of funeral flowers or floral arrangements. He explained that it was a judgment call for these types of expenditures, which were common practices of municipalities, especially when viewed as isolated incidents.

Mr. McBride commented on the Marine City Area Fire Authority Budget, and said that the various communities were charged based on an estimate. The City's over-payment was about \$65,000; and, he recommended that this be addressed.

City Manager Gabor thanked the City's Finance Director, Mary Ellen McDonald, for another unqualified audit.

Mr. McBride said the City's management should be commended, as well as the City Commission.

Motion by Commissioner Lovett, seconded by Commissioner Turner, to accept the Audited Financial Statements for the Year Ended June 30, 2013, and place it on file. All Ayes. Motion Carried.

New Business

City Clerk Employment Agreement

City Manager Gabor presented an Employment Agreement for Kristen Baxter to replace Diana Kade as the City Clerk upon Mrs. Kade's retirement. The position is a regular full-time position, beginning December 1, 2013, and is considered that of exempt status governed by the most recent revision of the Marine City Personnel Policies and Procedures.

When asked by Mayor Browne, City Clerk Kade stated that she felt Ms. Baxter, who had worked in the Police Department for the past five years, was very capable of assuming the role as City Clerk, and endorsed her appointment.

Motion by Commissioner Lovett, seconded by Commissioner Skotarczyk, to approve the Marine City Clerk Employment Agreement for Kristen Baxter, as presented. All Ayes. Motion Carried.

Marine City Area Fire Authority Equity Account Resolution

City Manager Gabor reported that he had received a Resolution from the MC Area Fire Authority to approve keeping 100% of its excess budget funds and to place the funds into an equity account to be used for capital improvement purchases. Under the current agreement, those funds are suppose to be returned to each municipality at the end of each fiscal budget year. City Manager Gabor recommended that the MC Area Fire Authority provide a five-year capital improvement plan for review prior to the Commission's action in this matter. He noted that Marine City was still experiencing declining revenues; and, said that Marine City's portion of this fund was currently estimated at \$65,000.

Motion by Commissioner Lovett to table further action on the Resolution until a five-year capital improvement plan was presented. The Motion died for lack of support.

Fire Chief Joseph Slankster addressed the Commission and reported that the other municipalities in the MC Area Fire Authority had passed the Resolution. He spoke of his department's dedication, and extensively listed the fundraising efforts and purchases by the department without financial assistance from the City. Chief Slankster reported that the 30-year old tanker needed to be replaced, and the department wanted to use the monies for that purchase.

Firefighter David Vandebossche commented about how they have kept costs down and saved monies; and, how they were trying to save for future capital improvement purchases without asking for more financial assistance.

Chief Slankster stated that he was currently working on a five-year plan, which could be submitted to the City Commission at the next meeting.

Commissioner Hendrick stated that the MC Area Fire Authority wanted to be assured that the money would be there. She said they had worked very hard to find ways to save money.

City Manager Gabor stated that the City had already provided 100% of the current equipment and facilities.

Chief Slankster responded that the equipment had been paid for by all of the departments. He said that they were asking to move the excess monies into an equity account.

Commissioner Hendrick stated that any purchase would require approval by the MC Area Fire Authority. She said she had a lot of respect for the Fire Department.

Mayor Browne commented that he supported the Fire Department, but wanted to review its capital improvement plan on paper.

Motion by Commissioner Lovett, seconded by Commissioner Skotarczyk, to postpone further action until a future meeting. Ayes: Browne, Avery, Lovett, Skotarczyk, Turner. Nays: Hendrick, Meli. Motion Carried.

Adoption of a Resolution Authorizing the SAW Grant Agreement

Ken Kingsley of Tetra Tech addressed the Commission and reported that the State of Michigan was developing a grant program for storm water, asset management, and wastewater (SAW). The plan would be written in as a component of the NPDES permit renewal process for the Waste Water Treatment Plant. Mr. Kingsley stated that it was the City's intent to apply and receive grant assistance with a 10% local match. The State would use a lottery to determine the award.

Motion by Commissioner Lovett, seconded by Commissioner Turner, to adopt a Resolution authorizing the SAW Grant Agreement, as presented; Resolution No. 031-13. All Ayes. Motion Carried.

Personnel Policies and Procedures ~ Proposed Revision

City Manager Gabor provided the following update to the Marine City Personnel Policies and Procedures, as follows:

For employees recalled from layoff or hired after January 1, 2008, there will be a 100% contribution requirement for both pre and post Medicare insurance by the employee. The employee will contribute \$1,500 on an annual basis (pro-rated with each bi-weekly pay) to a retiree health savings plan as established by the City. The City will match the employee contribution to the established retiree health savings plan dollar for dollar, up to \$1,500.

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve the proposed revision to the Personnel Policies and Procedures dated November 21, 2013, as presented. All Ayes. Motion Carried.

Financial Business

Fund Transfers

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve the following Fund Transfer Resolutions:

- Resolution No. 032-13 \$10,000 from General Fund to Water/Sewer Fund
- Resolution No. 033-13 \$8,000 from General Fund to Water/Sewer Fund
- Resolution No. 034-13 \$63,000 from Capital Improvement Fund to Major Street Fund
- Resolution No. 035-13 \$10,600 from TIFA #1 to General Fund
- Resolution No. 036-13 \$30,000 from TIFA #2 to General Fund
- Resolution No. 037-13 \$65,400 from TIFA #3 to General Fund

All Ayes. Motion Carried.

Disbursements

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve total disbursements, including payroll, in the amount of \$342,528.57, as presented. Roll Call Vote. Ayes: Browne, Avery, Lovett, Skotarczyk, Turner. Nays: Hendrick, Meli. Motion Carried.

Preliminary Financial Statements

Motion by Commissioner Lovett, seconded by Commissioner Turner, to accept the Preliminary Financial Statements for October 2013, and place them on file. All Ayes. Motion Carried.

City Manager's Report

City Manager Gabor provided updates on the following items:

- Current repairs to seawall being completed - paid for by TIFA / Restoration to be done by Department of Public Works
- Will be on vacation next week - Offices to be closed Thursday & Friday for Thanksgiving
- Conducted preliminary walk-through at The Snug apartments

Commissioner Privilege

Commissioner Lovett thanked Curtis McBride and his staff for the audit presentation, and thanked Mary Ellen McDonald for her ongoing expertise. Commissioner Lovett also thanked TIFA for its financial support and investment in grant writing; congratulated the Cardinal Mooney Volleyball Team and the Marine City High School Football Team; and, wished everyone a blessed and Happy Thanksgiving.

Commissioner Turner thanked the members of the Marine City Area Fire Authority and said he appreciated what they have done for the community and its residents.

Commissioner Hendrick wished the Marine City Mariners Football Team *good luck*; thanked the Mariners Band for its wonderful job; and, wished everyone a Happy Thanksgiving. Commissioner Hendrick said she took the job as Commissioner in order to fight hard for everyone in the community, to fight hard for the DPW employees, and to fight hard for others. She spoke of the gear and equipment purchased by the MC Area Fire

Authority; and, noted that the other municipalities had passed the resolution – no questions asked. Commissioner Hendrick said that they should have good faith in the Fire Department, and that no one could thank them enough for all they do. Commissioner Hendrick commented on the TIFA lobbyist, and said it was not a good way to spend money if they did not have the matching funds for the grants.

Commissioner Meli said he strongly supported the Fire Department, and believed its track record speaks as a judgment of character. He said the department was trying to save money for the community, and he commended the men and women of the Fire Department. Commissioner Meli wished everyone a Happy Thanksgiving.

Commissioner Skotarczyk commented that they all appreciated the first responders, and that he did not feel it was unreasonable to ask the MC Area Fire Authority how the \$65,000 was going to be spent. He wished everyone a Happy Thanksgiving.

Mayor Browne spoke of his support of the Fire Department. He congratulated both the Marine City and St. Clair Football Teams for outstanding seasons, noting that both had a lot to be proud of. Mayor Browne also applauded the high school bands and Swim Teams. He said that the East China School District had phenomenal students and athletes, and thanked the coaches, volunteers and students. Mayor Browne wished both football teams well as they moved towards the State Finals. Mayor Browne commented on TIFA's financial support of a grant writer; said it would be money well spent; and, said he hoped it would be as successful as the last time. Mayor Browne wished everyone a Happy Thanksgiving.

Executive Session

Commissioner Lovett made a motion to table entering into Executive Session. The Motion died for lack of support.

Motion by Commissioner Lovett, seconded by Commissioner Meli, to enter into Executive Session for the purpose of conducting the City Manager Evaluation; and, considering the Executive Session Minutes of November 7, 2013. Roll Call Vote. Ayes: Browne, Avery, Hendrick, Meli, Skotarczyk, Turner. Nays: Lovett. Motion Carried.

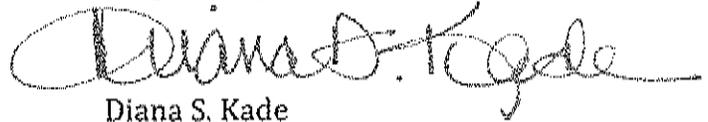
Motion by Commissioner Lovett, seconded by Commissioner Turner, to return to Open Session at 9:25 PM. All Ayes. Motion Carried.

Motion by Commissioner Lovett, seconded by Commissioner Turner, to approve the Executive Session Minutes of November 7, 2013, as presented. All Ayes. Motion Carried.

Adjournment

Motion by Commissioner Hendrick, seconded by Commissioner Avery, to adjourn at 9:29 PM. All Ayes. Motion Carried.

Respectfully submitted,

A handwritten signature in cursive script that reads "Diana S. Kade". The signature is written in black ink and is positioned above the printed name and title.

Diana S. Kade
City Clerk