

VILLAGE OF HOLLY
SPECIAL COUNCIL MEETING
Minutes of December 8, 2009

The special meeting of the Village Council of the Village of Holly was called to order by President Clemens at 7:00 P.M. in the Village Council Chambers located at 315 S. Broad Street, Holly, Michigan.

Councilmembers Present

Tom McKenney
Sandra Kleven
Pauline Kenner
Don Winglemire
William Kuyk
Reisa Hamilton
Peter Clemens

Staff Present

Marsha Powers
Susan Nassar
Tim Stallcup
Marv Swanson
Steve McGee
Collin Linsenman
Scott Fischer
Rollie Gackstetter

Others Present

Jim Weil
Grant Ward
Amy Mayhew
John Bores
Barb Rice
Gwen Walters
Kevin Walters
Tom Kernen
Barb Meyers
Andrea Eastman
Bryan Eastman
Kevin Durgan
Michelle Durgan
Scott Lucius

Council Members Absent

Clemens opened the meeting with the Pledge of Allegiance to the flag.

PUBLIC COMMENT:

Kevin Walters of 7219 Big Trail:

- Have all savings options been considered
- Has the Manager's compensation been lowered now that she is no longer doing the Clerk/Treasurer's job?
- Perhaps the Manager could take over the Clerk/Treasurer job again to save money
- Every employee, rather than just a few should take a few days off every month to balance the budget

- If furloughs are the option chosen, they should be managed like vacations so there are no overlaps or loss of Village services

Gwen Walters, an employee & union steward:

- Approached by several employees to layoff concerns.
- Why was temporary layoff at the water plant not based on seniority?
- Asked other questions regarding layoffs, temporary layoffs, seniority and payroll
- When union contract is cancelled effective Dec. 23th, will the seniority list still be followed?
- What is the plan for calling in laid-off employees in the event of an

emergency?

- Are employees expected to be “on call”?
- Will seniority list be used?

FY09-10 BUDGET DISCUSSIONS:

- 1) **Reduced Revenues**
- 2) **Staff Reductions**
- 3) **Contract services reductions**

- Powers discussed the reduced revenues and suggested some cost saving options such as having the staff do the cleaning of their own area
- Proposed week of layoffs over the holiday week would save \$7,700
- Council is now in violation of the Uniform Budgeting Act
- \$16,331 could be taken out of the Parks Budget by eliminating porta-johns, fireworks and reduced mowing leaving \$23,612 more in cuts needed
- Contract with Freedom Works would need to be renegotiated
- If health care changes were instituted for 5 months it would result in a savings of \$16,765
- The union was contacted about considering reduced work hours to avoid lay-offs but refused this option
- In the fall, many good options were discussed but there was no vote
- Should reconvene to discuss cost reductions
- Number one cost is employees & benefits and therefore is the greatest opportunity for savings
- Another work session is needed or Finance Committee needs to make recommendations to the Council

- Laying off staff at Christmas is painful but may be the best option, would effect only 3 days but have a large cost savings
- All options should be considered by Council
- Many local government offices close down the three working days between Christmas and New Year’s
- Previous layoff was just office staff
- Revenues will likely get worse next year
- Police Dept. agreed to share equally in the hurt so only one had to be laid off
- Union needs to think about their workers who might lose their home if layoffs are forced on the Village
- Instituting the new health care change would make a significant impact
- Missing equipment caused added expense to the Village and to clarify added work rules
- There were no work rules for some of the departments which is why they were added
- Work rules were based on MML recommendations and what other communities posted online
- In the event of an emergency a work group would be called back to perform the needed work
- Call-backs during layoffs are common
- Unemployment pay might be effected by a call-back
- Employees voted in favor of the health care changes back in the spring
- Either layoffs or furloughs will be needed
- No way to make up the almost \$8000 that the furlough would bring and could result in up to 3 full time layoffs

as an alternative

- Furlough over the holidays would only mean 3 days of closure with 5 days of savings in salary
- There is likely to be winter storms over the holiday week requiring many of the workers be called in therefore not as much in savings would be realized from the layoffs
- John Babcock, a resident asked if money could be saved by not replacing the DDA Director.
- That position is not funded by the General fund, therefore it would have no effect

Motion Hamilton, second Kenner to request the Village Manager to rescind the layoff.

A decision to rescind the furlough just postpones the inevitable.

Exposure on the unfair labor issue needs to be calculated.

A roll call vote was as follows:
Voting for: Kenner, Hamilton, McKenney, Clemens
Voting against: Kleven, Winglemire, Kuyk
Absent: None
The motion carried.

A budget worksession will be included in the next meeting and a special meeting of the Park Commission could be held to discuss removing the \$16,331 from their budget.

McKenney asked that all the options be presented at the next meeting along with information on the estimated cost of an unfair labor suit.

If layoffs are rescinded and the health care changes are initiated, there will still be a shortfall.

Jim Weil, a resident said he attended an O.C. revenue sharing conference and recommended the Council review the information.

ADJOURNMENT:

With nothing further to discuss, Clemens adjourned the meeting at 8:00 PM.

Peter Clemens, Village President

Susan Nassar, Clerk-Treasurer

Sheri McGee, Transcriber