

**SPECIAL COUNCIL MEETING  
MONDAY, JUNE 2, 1997  
1:00 P.M. - CITY HALL**

The Council for the City of Crosslake met in a special session in the Council Chambers of City Hall on Monday, June 2, 1997 at 1:00 P.M. The following Councilmembers were present: Mayor Robert Scott, Donna Keiffer, Charles Miller and Raymond Smyth. Absent was Richard Upton. Also present was Acting City Clerk Darlene Roach taking the minutes and Francis Fraser videotaping the meeting.

Mayor Scott called the meeting to order at 1:03 P.M. and stated the purpose of the meeting was to finalize the compensation package for the City Administrator. Mayor Scott turned the meeting over to Councilmember Ray Smyth who has been involved in the negotiations with Mr. Thomas Swenson.

An offer was extended and reviewed at a meeting with Mr. Swenson, Councilmember Smyth and Mayor Scott in attendance. There were a few minor changes in the compensation package dealing with mileage reimbursement and motel costs as a result of this meeting. It was decided these items could be considered later. (See Letter of Understanding attached to these minutes).

**MOTION 06-01S-01-97 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KEIFFER TO APPROVE THE COMPENSATION AGREEMENT AS IDENTIFIED IN MR. SANDELIN'S LETTER DATED MAY 28, 1997. MOTION CARRIED UNANIMOUSLY.**

The second item heard was the promotion of Darlene Roach to permanent deputy clerk retroactive to April 21<sup>st</sup>.

**MOTION 06-01S-02-97 WAS MADE BY RAY SMYTH AND SECONDED BY CHUCK MILLER TO APPROVE THE APPOINTMENT OF DARLENE ROACH TO DEPUTY CLERK WITH A RETROACTIVE PAY INCREASE TO \$10.12 PER HOUR BEGINNING APRIL 21, 1997. MOTION CARRIED UNANIMOUSLY.**

The job description for the position of deputy clerk is subject to modification when City Administrator Mr. Swenson arrives.

The third item heard was a request from Mayor Scott for reimbursement of his basic cell phone charge of \$34.00 a month.


**MOTION 06-01S-03-97 WAS MADE BY RAY SMYTH AND SECONDED BY DONNA KEIFFER APPROVING THE CITY'S REIMBURSING MAYOR SCOTT \$34.00 PER MONTH FOR HIS CELL PHONE. MOTION CARRIED UNANIMOUSLY.**

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**MOTION 06-01S-03-97 WAS MADE BY CHUCK MILLER AND SECONDED BY  
RAY SMYTH TO ADJOURN THIS SPECIAL COUNCIL SESSION AT 1:23 P.M.  
MOTION CARRIED UNANIMOUSLY.**

**Taped and transcribed by:**

A handwritten signature in cursive script, reading "Darlene J. Roach". The signature is written in black ink and is positioned above the printed name and title.

**Darlene J. Roach  
Deputy Clerk**

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IRONTON, MINNESOTA  
TELEPHONE (218) 546-5184

May 28, 1997

Thomas Swenson  
Hawley, MN

**RE: City of Crosslake - City Administrator Position**  
**LETTER OF UNDERSTANDING**  
**Our File: 70424.119**

Dear Mr. Swenson:

At the request of the City Council, I am writing this letter to you as the City Attorney to outline the terms of the proposed compensation and benefits for the City Administrator position with the City of Crosslake. This letter shall serve as a LETTER OF UNDERSTANDING between the parties, and shall not be construed as an employment contract. If you are in agreement with the following, please sign and return to Raymond Smyth, c/o City of Crosslake, HC 83, Box 114, Crosslake, MN 56442.

As I understand it, the City is proposing the following compensation and benefits package to you for the position of City Administrator:

1. **Salary.** \$48,000 per year. Increases in salary are subject to job performance and performance reviews by the City Council. The proposed salary will cover attendance at all regular and special City Council meetings as well as Commission meetings as requested.
2. **Mileage Reimbursement.** The City will provide for reimbursement to you at the maximum IRS reimbursement rate for the use of your vehicle for city business. The City is willing to consider other alternatives for mileage reimbursement.
3. **Vacation.** 3 weeks per year, which shall be considered as 15 days of vacation. For purposes of vacation, you will be treated as an employee with 9 years of experience. The maximum number of vacation days that you would earn as City Administrator is 20 days. Additional vacation days shall be earned pursuant to the guidelines under the current union contract between the City and the city employees. The Union Contract provides for one additional vacation day per year of service.

4. Holidays. 10 annually, as identified under the City Employee Union Contract.
5. Sick Leave. 8 hours per month. Upon your date of hire, you would be credited with 200 hours of accumulated sick leave. The terms of the City Employee Union Contract shall apply with respect to the accrual of deferred sick leave.
6. Medical/Dental Insurance. The City shall pay for 100% of your medical and dental insurance premiums for family coverage. The current medical insurer is MEDICA and the dental insurer is Delta Dental.
7. Life Insurance. The City shall provide and pay for \$100,000 of life insurance coverage.
8. Residence. The City does not require that you reside within the City of Crosslake, however, it is a preference of the City. It is not a condition of employment.
9. Probation. There shall be a 1 year probationary period with evaluations after 6 months and 12 months. Assuming a satisfactory performance evaluation by the City, you will be removed from probation after 1 year. The City will continue to evaluate your job performance on at least an annual basis and shall establish job performance expectations.
10. Compensation Increase. The City shall consider compensation increases after 6 months and after 12 months of your date of hiring. Thereafter, compensation increases shall be considered on January 1st of each year.
11. Salary Schedule. There shall be no salary schedule. Increases in compensation shall be based upon job performance, including cost of living adjustments.
12. Cost of Relocation. The City agrees to pay for your cost of relocation. The cost of relocation shall be determined based upon estimates obtained from 3 moving companies, which estimates shall be provided to and approved by the City. In the event that you report for your job prior to relocating to the City of Crosslake, or the immediate vicinity, the City will cover motel costs for up to 30 days.
13. Professional Dues. The City shall pay for dues for the following professional organizations.
  - a. Minnesota Clerks and Finance Officers' Association
  - b. International Institute of Municipal Clerks

In addition, the City shall pay for attendance at council approved workshops and seminars.

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14. Telephone Reimbursement. The City shall pay for basic telephone service through the City of Crosslake Telephone Company (approximately \$15 per month).
15. Miscellaneous. The City recognizes that you will be utilizing up to two days of your vacation in July, 1997 which is for a vacation which was previously scheduled.

A copy of the job description for the position of City Administrator is attached hereto, along with a copy of the City Personnel Policy and Union Contract, which the parties to this Letter of Understanding acknowledge receipt of and have reviewed. The parties agree that this Letter of Understanding shall serve as a summary of the general terms and conditions of the compensation package for the position of City Administrator, and is subject to approval by the City Council of the City of Crosslake. Thank you.

Sincerely,



Paul J. Sandelin  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Thomas Swenson

\_\_\_\_\_  
Date

\_\_\_\_\_  
Robert Scott, Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Raymond Smyth, Councilman