

**Whitewater Township Board
Minutes of Special Meeting held March 20, 2013**

Call to Order

Supervisor Popp called the meeting to order at 7:00 p.m. at the Whitewater Township Hall, 5777 Vinton Road, Williamsburg, Michigan.

Roll Call of Board Members

Board members present: Benak, Hubbell, Lawson, Popp, Walton

Board members absent: None

Others present: Fire Captain Arbenowske, Ambulance Coordinator Dawn Martin, and 7 others

Set/Adjust Meeting Agenda

No changes.

Declaration of Conflict of Interest

None

Public Comment Not Related to Budget

None

Public Hearings**2013/2014 Fire Special Assessment District Budget**

Supervisor Popp opened the public hearing at 7:02 p.m. on the Fire Special Assessment District Budget. Notice of this budget public hearing was published in the Traverse City Record-Eagle on March 13, 2013, and in the Elk Rapids News on March 14, 2013.

The property tax millage rate of 1.0000 mills is proposed to be levied to support the proposed Fire Special Assessment District budget, the same as in the previous fiscal year.

No written comments were received.

Total revenues are projected to be \$199,400. Expenditures are projected to be \$199,238.

Popp inquired of Captain Arbenowske as to the Dues and Membership line item. Arbenowske stated this has been used to purchase a couple magazine subscriptions.

Under Capital Expenditure, Popp stated money was allotted for a repeater mechanism to ensure radio integrity in the township. Brief discussion followed.

Supervisor Popp inquired whether there were any questions on the Fire Fund budget. There were no questions.

Supervisor Popp called for public comment on the Fire Fund.

Arnell Boyd, 6447 Baggs Road, commented that it seems in many areas expenses have gone up. Some of the new board people campaigned that they were going to cut and reduce, and it appears that this has been ignored.

Popp inquired of Boyd what areas he sees that need to be trimmed. Boyd asked if he could defer to Glenn Savage to answer the question.

Glenn Savage, 9833 Pineneedle Lane, stated that actual snowplowing through March is \$1,000; yet, it has been increased 4-fold. That could be reduced. Natural gas was budgeted at \$2500; \$1200 spent so far. That could go down a little. Electricity is within means. Building rental was budgeted at \$9600 for the last couple years. It has now jumped to \$12,000. He suggested the board better look into a new building; could be paying mortgage payments. Also, on the bottom of the page, there is a negative \$34,000. Why?

Walton explained that the first column is Prior Year Actual. Next 3 columns are the 2012/2013 fiscal year. The \$34,000 deficit budget in the Fire Fund was adopted by last year's board.

Benak explained that the projection was high, but a lot less was used.

Popp commented that Arbenowske has watched what he spent and the \$5,572 number is actually a positive number, so \$40,000 less than what was anticipated has been spent.

Walton also commented that the snowplowing Actual Through March number is now \$1800 with the recent payment of \$800 for February snowplowing. Also, account #890, Contingency, \$35,000 was set aside. That was amended to \$25,000, but none of that money has been spent.

Popp explained that the building rental number is an estimation. An increase is anticipated.

Savage stated it is getting to the point where we should seriously think about building. Popp agreed.

Boyd, in addressing 747 Uniforms, stated a tag or badge identification could be purchased instead of uniforms. Stated "our guys" would be willing to take care of lawn maintenance if asked. Some items need to be scrutinized a bit.

Popp responded that, as to uniforms, a different kind of coat is required, one that is up to NFPA standard. Fire Captain Arbenowske confirmed.

Boyd questioned line item 823, state unemployment.

Popp stated we are a reimbursing employer, so this is carryover from a previous employee. Walton explained this money has already been paid by the state and we have to reimburse the state. The figure shown is the actual amount paid out.

Boyd asked how a negative balance could be adopted; this is an area that could go to zero.

Popp stated the current board did not adopt a negative balance. Boyd is referring to 823. Walton explained what was paid in the prior year. The amount budgeted is what is actually owed. The person on unemployment already received that \$2,053 and we are obligated to reimburse. There is also some unemployment expense in the Park and Ambulance Funds. There was 1 person that collected the fire and ambulance unemployment and 1 person that is still on unemployment out of the Park Fund.

There was no further public comment.

Supervisor Popp closed the public hearing on the Fire Fund at 7:24 p.m.

Popp referred to the line items addressed in public comment. Benak says money not used will stay in the Fire Fund. Walton reminded the board that snowplowing is high priority for the Fire Station and storage building. When a call comes in, those vehicles must be able to get out. Also, the new roof at the fire station unloads snow that must be moved. Arbenowske stated tabs will be installed so that problem does not occur in the future.

2013/2014 General Fund Budget and all other Township Budgets

Supervisor Popp opened the public hearing on the 2013/2014 General Fund Budget and all other Township Budgets at 7:31 p.m. Popp commented that a lot of work was put into the budget.

Last year's budget was red by \$70,000. Everyone established cost control centers to reduce that number. Prior Year Actual column is 2011/2012. The Original, Amended, and Actual columns are 2012/2013. Benak stated not all revenues are in yet.

Popp went through General Fund revenues line by line. Total revenue is projected to be approximately \$466,000.

Popp went through General Fund expenditures line by line, with explanations.

Boyd asked if the Abandoned Building Officer was in the budget. Popp replied yes.

Regarding Elections, Popp wonders whether money can be saved. Walton is willing to reduce 860 Mileage to \$400.

Savage questioned \$5,000 for salaries in this off year for elections. Walton is willing to reduce that to \$4,000. Money is being appropriated but may not necessarily be spent.

Boyd asked if the same would apply to Office Supplies and Expense. Walton stated 3 forms just had to be reordered because of the addition of the citizenship question to all 3 forms. These are required forms. Walton is not willing to reduce the budgeted amount for Office Supplies and Expense.

Popp asked whether 901 Publishing could be reduced by \$100.

Savage states he relies on what was spent in the prior year. Publishing should be reduced.

Walton stated, even though we may be reimbursed for some election expenses, money must be there to pay it, but is agreeable to reducing the Publishing budget by \$100, for a total of a \$1200 reduction in the Elections budget.

Cuts to the Assessor budget were discussed but not made.

Attorney budget was mentioned; no changes.

Popp asked if there were any questions on the Clerk budget.

Boyd asked if it was mandated that the salaried officials accept all their payments.

Popp replied that 3 of the salaried officials have not accepted all of the payment due to them.

Walton clarified that 3 of the elected officials have reduced their benefits by 10%.

Regarding Board of Review, Education and Training funds were increased.

Department-by-department budget review continued. As to Township Hall and Grounds, lawn maintenance is a 3-year contract. The mowing interval may be lengthened. Popp has some new information on telephones. One line could be eliminated.

Boyd commented on the lawn maintenance being turned over to the Boy Scouts or other service-oriented group. Liability has been an issue.

Regarding Cemetery, there is a large expense for lawn maintenance.

Boyd questioned janitorial service expenses, especially at the fire and ambulance facility.

Popp stated it has been requested that that service be dropped at the fire hall. Walton noted there is nothing in the budget for it.

As to Planning Commission, the PC members were given a raise to \$50 per meeting and \$80 per meeting for the chairperson. Hubbell stated if we want to have people do a good job, we have to pay them a bit more for what they are doing for us. Benak stated we are still one of the lowest paying townships.

As to Professional Services in the PC budget, Savage asked why the amount budgeted went from \$25,000 to \$10,000, with zeros in the current year columns.

Popp directed everyone to Department 405, 702 Salaries, stating the \$50,052 number was a single person doing planning and zoning. The board has divided that task in 2 and divided the amount equally between planning and zoning. The original \$25,000 requested in planning was cut to \$10,000.

Savage inquired if a planner was going to be hired. Popp responded no. Part of the reason the PC wages were increased is that the PC members will take on additional roles. The \$10,000 was set aside in case an outside professional is needed to assist the PC.

Regarding Department 405, Supervisor Popp accepted the zoning administrator duties from November 23 to March 31 with no additional compensation. Popp believes the board is on track to bring someone else in to function as a ZA. The job has not been posted yet, but the ZA job description has been revised. For 703 Wages, the thought process is that we do not need to pay a high caliber zoning person to do menial office tasks. A small amount of money was set aside for an assistant.

For Zoning Board of Appeals, the board did plan on 12 meetings a year.

Savage noted that ZBA salaries have increased.

Popp responded that the ZBA only met 3 times in 2012. So far in 2013, there have been 2 meetings. The amount allocated is based on 12 meetings.

Savage also questioned the amount allocated under 703 Wages.

Popp stated 702 Salaries goes to the ZBA members.

Walton explained that ZBA members got a raise from \$30 per meeting to \$50 per meeting, plus \$80 per meeting for the chairperson. Although 12 meetings are unlikely, 2013 has started out in a busy fashion.

Popp also commented that the board's radar is up on what is charged for permits versus what it costs to get the permit. Popp feels we need to start charging what it costs the taxpayers to make those decisions.

Boyd asked what the property tax millage rate proposed to be levied to support the budget is.

Popp stated the millage proposed for the General Fund is 1 mill, which has been reduced by Headlee to 0.6021.

Walton clarified that the millage is not changing.

Popp asked if there were any questions on Historical Society.

Boyd stated they have not spent that money in many, many years; why is it being increased.

Benak asked if Boyd was talking about 703.

Walton stated that 703 Wages did not exist in the past.

Popp indicated that, according to township policy, recording secretaries get \$50 per hour, and the Historical Society recording secretary was not paid any money for the past 3 years.

Boyd asked if that was an official position for the Historical Society.

Popp stated there is a single person who is the recording secretary, believed to be Luann Snider, who performs the legal duty of a recording secretary, similar to Lois MacLean who gets paid \$50 per hour for the same duties.

Boyd asked if that was going to be retroactive.

Benak states that, along with this, we will be able to start publishing the minutes of the Historical Society, which has never been done in the past.

Walton stated the Historical Society meeting dates are on the public notice.

Popp then requested, in the interest of time, rather than answer questions after each department, that questions be held until the end of each fund.

Walton commented that with respect to the Historical Society, if the person who has been keeping the minutes for the Historical Society has never been officially appointed, the board will appoint her, to make it official.

Regarding health insurance, there is no expense as health insurance is not offered. Social Security and Medicare are based on wages.

Popp stated the board was told to expect a 5% increase in liability and Workers' Compensation insurance premiums.

There is a \$30,000 contingency fund.

Under Capital Expenditure, \$2500 was set aside for a new website, also money allocated for new computers for the trustees due to the Open Meetings Act issue exposing their personal information, plus an audio recorder that will record from the microphones.

Regarding Transfers to Other Funds, \$52,000 is going to support the Ambulance Fund, \$10,000 to the Road Fund for brining and other services, \$25,000 to the Recreation Fund to take care of parks, \$10,000 to the Ambulance Replacement Fund, and, per Benak's recommendation, \$3500 to a fund created by this administration to repair roads. Popp stated the board's goal is to return more taxpayer dollars into the community.

Popp asked for board questions. There were none.

Popp asked if there were any other questions from the public. There were none.

Regarding the health insurance line item, Walton noted that with the implementation of ObamaCare in January 2014, Whitewater Township may be required to make expenditures of this type. At this point, this has not been fully investigated.

Vaughn Harshfield inquired if the current year original budget of -\$70,000 was inherited by the current board. Popp responded that it was. Harshfield then stated: And you've made corrections and now we're running a deficit of \$6,000? Popp stated next year's budget started out this evening with a \$6,375 deficit.

Harshfield stated the projected fund balance for the General Fund looks positive as of 03/31/2014, so does that mean we're healthy on this page and not healthy on Page 6?

Benak directed Harshfield to the Actual Through March column on Page 6 showing no current year deficit in the General Fund.

Popp stated spending was stopped when the new board took office and the township should end up equal or in the black for last year. Also, projected revenues for 2013/2014 in the General Fund are \$465,842 and projected expenditures are \$472,212, a difference of about \$6300.

Next budget to be addressed is for the Road Fund. Popp inquired if there were any questions.

Harshfield commented on the high cost of road repair and agrees we have to start somewhere (with allocating funds for road repair). Popp believes this board is committed to allocating money for road repair and he would like to see that fund grow.

Lawson stated the board has all year to focus on where other cuts can be made.

Attention then turned to the Park Fund. Projected total revenues are about \$114,000.

Benak inquired what the \$15,000 under Other Revenues was. Popp reminded Benak that he had originally included all liabilities and all Workers' Compensation under the fund in which they were incurred, but it was decided that they would all stay under General Fund.

Popp asked if there were any questions from the public on the Park Fund. There were no questions.

Moving to Recreation Fund, Popp noted that the Recreation Department next year will cost the General Fund \$25,000.

Popp also noted there were 2 projects planned under Capital Expenditures, the surveying of Lossie Road Trail and a gate at Petobego. He thanked the people who volunteered their labor to install the gate/fencing.

Popp inquired if there were any questions on the Recreation Fund. There were no questions.

Next is Ambulance Fund. Total revenues are projected to be \$85,500.

Walton has looked at the ambulance revenues. Actual Through March is close to \$37,000. Walton feels safe in adding \$2,000 to the Fees Charged, for a total projection of \$34,000.

Benak questioned whether the additional \$2,000 could be used to reduce Transfers from Other Funds.

Consensus was reached to reduce General Fund Transfers to Other Funds by \$2,000 in light of the additional \$2,000 of projected ambulance revenue from Fees Charged.

Popp inquired if there were any comments on the Ambulance Fund.

Ambulance Coordinator Martin referred to line item 865 Meal/Lodging Expense, stating she had requested \$2800, but the board reduced it to \$1400. She states she is bewildered that it has now been reduced to \$700. Martin states the board reduced Education and Training from \$2800 to \$2,000. She really wants to send people to training but was not able to do that last year. She is requesting an increase in Meal/Lodging Expense.

Discussion followed related to the type of education that would be received at an expo event. Martin requested an increase to \$1,000 in Meals/Lodging. Popp suggested \$1,000 be taken out of Contingency for Meals/Lodging. Martin requested a \$300 increase in Meals/Lodging.

At Lawson's suggestion, \$300 was removed from the bottom line to add to Meals/Lodging. The budget is still in the black.

Martin says the training is beneficial and she wants to make sure her team is equipped. Larry Mueller does come in every month for training. She is okay with them learning and bringing something back from other people. She states Education and Training has been reduced from \$2800 to \$2000.

Discussion occurred concerning prior training events.

Hubbell suggests Education and Training be left at \$2000, but if more is needed, it could be taken out of Contingency.

Walton inquired what had been planned for the \$5,000 in Capital Expenditure. Discussion followed. Consensus was reached that the money has not been allocated for any particular item(s).

Moving to Ambulance Replacement Fund, Popp stated this fund is self-explanatory, \$10,000 in, none out.

Public Improvement Fund is also self-explanatory, none in, none out.

Fire Capital Improvement Fund is also self-explanatory, none in, none out.

Walton noted that, for the public hearing on the General Fund and all other Township Budgets, it was not stated where the notices were published.

Popp indicated the notices were published in the Traverse City Record-Eagle on March 13, 2013, and in the Elk Rapids News on March 14, 2013.

The property tax millage rate proposed to be levied to support the General Fund Budget and all other Township Budgets is 1 mill. However, this is reduced by Michigan Compiled Law 211.34d to 0.6021 mills.

Popp inquired if there was any public comment on the Ambulance Fund. No comment.

Popp inquired if there was any other public comment on any other fund except the Fire Special Assessment District. No comment.

Popp then closed the public hearing on General Fund and other Township Budgets at 8:59 p.m.

Popp inquired if there was any board discussion on either public hearing.

Walton thought they were good public hearings and would like to figure out where the board is going to get the other \$3,173 to balance the General Fund.

Popp feels it can be pulled from 890 Contingency Fund. Popp inquired if other board members had any other recommendations.

Benak feels she has already cut. Hubbell has nothing to cut. Walton has cut from 2 departments. Popp sees no cuts in his department. Lawson suggested it could come from the Recreation Fund. Various departments and line items were discussed. Hubbell suggests it be taken out of Contingency. Walton suggested \$5,000 be taken from Contingency, which would result in a balance in the General Fund of \$1,827. All board members agreed.

New Business

Approval of Bills – Fiscal Year 2012/2013

Walton reviewed the invoices which are listed in the Bills for Approval dated 03/20/2013. Motion by Hubbell, seconded by Lawson, to approve the payment of all invoices. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes.

Approval of Budgeted Transfer – Fiscal Year 2012/2013

Walton provided a memo detailing the need to make a budgeted transfer from the General Fund to the Road Fund. Motion by Hubbell, seconded by Benak, to transfer \$4,000 from the General Fund to the Road Fund. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes.

Resolution #13-02, Regular Board Meetings for 2013/2014 Fiscal Year

Motion by Benak, seconded by Lawson, to adopt Resolution #13-02, Regular Board Meetings for 2013/2014 Fiscal Year. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Resolution #13-03, Salary for Supervisor

Motion by Hubbell, seconded by Lawson, to adopt Resolution #13-03, Salary for Supervisor. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Resolution #13-04, Salary for Clerk

Motion by Lawson, seconded by Hubbell, to adopt Resolution #13-04. Popp questioned the resolution statement that there are zero additional dollars per election if 2 or more elections are conducted in a fiscal year and stated this would be a lot of work. Walton responded this is past practice. Benak states the former clerk never took any additional pay. Lawson stated it may need to be researched for next year. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Resolution #13-05, Salary for Treasurer

Motion by Hubbell, seconded by Lawson, to adopt Resolution #13-05. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Resolution #13-06, Salary for Trustee

Motion by Lawson, seconded by Benak, to adopt Resolution #13-06. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Resolution #13-07, General Appropriations Act

Walton noted that the General Fund expenditure number will be revised because of further cuts made to General Fund expenditures during tonight's Budget Public Hearing. Motion by Walton, seconded by Hubbell, to adopt Resolution #13-07 with modifications as discussed. Roll call vote: Walton, yes; Popp, yes; Lawson, yes; Hubbell, yes; Benak, yes. **Motion approved and resolution adopted.**

A true and complete copy of said resolution is attached to the minutes.

Lawson inquired whether the 2013/2014 Salary/Wage Schedule should be adopted. Walton stated she did not think it had to be. Benak thinks it has been done by resolution in the past. Motion by Benak, seconded by Lawson, to adopt the Salary/Wage Schedule for the 2013/2014 Fiscal Year. Discussion: It is Popp's recollection of the Salary/Wage Schedule that the Parks & Recreation Advisory Committee members, chairperson, and recording secretary were intentionally left at the same rate for the sole purpose that they were a new committee and, for the record, not that they were not a valuable part of what this government does. Roll call vote: Benak, yes; Hubbell, yes; Lawson, yes; Popp, yes; Walton, yes. **Motion approved.**

Board Comments/Discussion

None

Announcements

Walton noted that she has not yet publicly cancelled the March 26 meeting. Popp stated the board has already acted on that. Next regular meeting date is April 10, 2013.

Public Comment

Lois MacLean, 5919 Linderleaf, will let Mr. Mouser know the March 26 meeting is cancelled, stating he was planning to be there to discuss Parks and Recreation.

MacLean stated the board will need to dig into WMDLS dollars that are sitting in contingency, because the road is falling apart and she would like that addressed before the next 3 years are up. She believes the road at least needs to last until it is paid for. She believes it is the township who has control over whether that money is going to be used to fix the road or if there is any kind of warranty. She states the road was not engineered correctly at Skegemog Point Road and Watson Road.

Brief discussion followed.

Adjournment

Motion by Hubbell, seconded by Walton, to adjourn. Meeting adjourned at 9:30 p.m.

Respectfully submitted,

Cheryl Walton
Whitewater Township Clerk