

MINUTES OF ELM RIVER TOWNSHIP BOARD MEETING AUGUST 24, 2015

The regular Elm River Township monthly meeting was called to order at 6:30 p.m. by Supervisor Reynolds. Members present: Trustee Trudgeon, Treasurer Reynolds, Supervisor Reynolds, Trustee Kelly (arrived late) and absent Clerk Sibilisky. Minutes take by Sherri Brandt.

AGENDA: Approval of the agenda with a change from 6:30 a.m. to 6:30 p.m. Motion by Trudgeon/C Reynolds all voted aye.

MINUTES OF JULY 20, 2015 REGULAR MEETING: Motion to approve Kelly/Trudgeon, all voted aye.

MINUTES OF AUGUST 3, 2015 SPECIAL MEETING: Motion to approve C. Reynolds/Trudgeon, all voted aye.

TREASURER'S REPORT: We are still working with Rukkila's office with balancing and balances period right now, so I am going to give the balances from our last bank statement for now. Superior Tax Account \$117,377.12 as of July 31, 2015, Superior General Fund \$101,256.06, and River Valley \$30,924.34. Bills totaling \$6,855.45 to be paid for August, and payroll \$2,313.48, a motion to pay the bills by Trudgeon/C. Reynolds all voted aye.

BUDGET TO ACTUAL REPORT: We are still working with the state, so we have nothing to report right now.

ASSESSOR REPORT: I have a letter from the state, let me read it, State Tax Commission (STC) has contracted with Tax Management Associates (TMA) to conduct an Audit of Minimum Assessing Requirements (AMAR) reviews statewide for any local unit that has not recently been reviewed. The County you live in has been selected for the 2014-2015 audit. As part of the AMAR review, TMA will be conducting record card inspections on a sample of properties within your local assessing unit. TMA staff will be working in teams of two, and each team lead will be equipped with a State of Michigan Contractor ID badge which will be displayed at all times. Record card inspections are required to verify that the records used by the local unit assessor match what is physically located at the property. Measurements of the exterior of the home are required as are measurements of any and all structures on the property including: sheds, decks, porches, garages, utility buildings, pools, or any structure erected on a property. TMA staff will have the local unit's assessment record card in their possession at the time of the inspection to ensure timely completion at your property. TMA staff will not be required to enter the residence of a homeowner, but may interview the homeowner if they are home at the time of the inspection. Questions may be asked of the homeowner about some of the interior features of the home. The AMAR review is designed to audit the local unit's assessment and provide the STC a detailed report of TMA's findings. If you have any questions you can contact Heather Frick. Then there is a series of frequently asked questions on the back, did anybody get this? One person answered yes and Botto stated he got one for Portage Township, as a homeowner in Portage. I suspect these should be forthcoming. (Adience) Who's going to get them or not. They asked me to send them I think 22 or 24 cards, so I electronically transmitted those and they came

back and said they needed the drawings as well. We do not have them in electronic form so I photocopied them, scanned them sent them down and they said that is what they needed. (Audience) Maybe that is all they are doing is contacting the people that have complaints? (Botto) I am just telling you what is coming, I will make some copies and pass it out, that is all the big news I have. Question was asked how did you determine what cards to send? (Botto) they determined that. First question. "Why was my property selected?" A random sample of residential parcels in your City/Township was selected to be audited. I gave them everything and they came back with a list of cards they wanted, they picked them at random supposedly. (Audience) Are all the homes going to be inspected? (Botto) No they are only going to do 1% of the total homes selected. (Audience) What is AMAR, what is TMA, and what is this for? Why was I notified and not my neighbor? (Botto) Every property that was selected as part of the random sample will receive a letter in the mail in advance, so that is why you got one. (Audience) Will my taxes go up? No, TMA's findings will be reported back to the State Tax Commission in the event TMA discovers large discrepancies. The State Tax Commission may require the local assessor to develop a corrective action plan for ALL properties within your jurisdiction, not just your property and others selected for the audit. They are not estimating or changing the value of your home. (Audience) How long will it take? (Botto) Approximately 15-20 minutes, maybe longer if there are several improvements. (Joe S.) asked if this is over and above what the last thing you went through. (Botto) Well we never officially went through it. (Joe S.) I thought you were coming up here to do that? (Botto) This is part of AMAR and yes, this is continual. They are finally getting around to doing some field work; they have taken the electronic information and done as much as they can. They have gone through it and found such things as maybe a property did not have an assigned neighbor. Well in my case it was all the CFR properties. Questions? Very little else that I have, we have a total of eight (8) building permits so far this year that is all we got. I don't believe this is going to be a problem. I will make copies and pass them out.

CORRESPONDENCE:

*UPPCO is having another public hearing in Lansing on September 15th for anybody interested we have all the details available.

*State of Michigan: We received more information from the Department of Treasury, past due notices were sent. They have been contacting Rukkila's and us regarding figures for the audit. Cheryl gave pretty much everything they requested. The only last corresponding item I have hopefully for the 2014 audit, the letter you are talking about has been taken care of when I came in June. I did receive another e-mail from Brenda; she is requesting more information from our system here. She said that, I will just read you the e-mail: "Due to the fact that some amounts outstanding at the end of fiscal year 2013 were labeled as "Due to State" by the township, but were later paid to the Township, I need more information on the disbursements made for the amounts due from the tax fund at 3/31/14. We have had to restate beginning fund balances due to CFR funds which were sitting in the tax fund at 3/31/14, but never allocated to the other funds. Therefore, I need something showing me check numbers, who they were paid to, when they were paid, and the amounts paid for all funds sitting in the tax fund as 3/31/14. I believe Debbie said these checks were issued on 4/29/15; I would also like the bank statements showing when these checks cleared. I cannot finalize the audit without this information." She sent this to me (Cheryl)

and also to Debbie Bradford. I just went into the system and actually printed out the checks that she is looking for, basically the check numbers and what's there. However, I can't find statements so I have to go back to the bank to get a statement and send it to her for the checks. I do have three (3) checks that hadn't cleared according to the one statement I have so hopefully this is the finalization to the audit. This is actually audit name 2014 but it is from year 2013. John Kelly asked if it is a sizable check. Cheryl there are three checks, John said all from the DNR. Cheryl states there are two (2) Township checks written out and one (1) to a tax payer and I don't see that they cleared but I don't have statements. I have already had to go back and request some from 2014 so I am going to have to go back to the bank. So right now that is how that is sitting.

OLD BUSINESS:

*Berm: Carl Domitrovich, I have been working with (can't get name) from Traverse Engineering out of Houghton and he is working with a company out of Marquette trying to find funding for a grant to do something about the noise issue over at the mill. He said at the first look it didn't look real promising because it appeared that most of the work would be done on private property as far as getting grants for something on private property. I reviewed the information back in '03 when this thing was started it looked like most of the berm was to be on the DNR right-a-way. So if we can do that it would give some hope to possibly do something for right now. They are looking to see if there are any grants out there. I did talk to Al Penegor about the issue and he is willing to work the township. He is willing to donate equipment, material, and stuff like that but he is not willing to spend much money. So hopefully by the next meeting I will have more information. (Audience) the private property you referred to is owned by whom? (Carl) the mill. That was done in the process when John and I started this in '03 it wasn't like that, there was a "switch a roo" some time later during the whole berm process that changed things. In '03, MDOT issued a permit in June 5, 2006 to work on their right a way but that did not include the right a way for the DNR. The last memo I have here from Jim Sauer dated 9/03, he just says that the general approach to a problem like this is to identify adjoining property owners and discuss intentions with them, talk with the DNR starting locally to identify the proper channels and fill out and submit the permit application, including a site plan. Hire a contractor that has insurance, minimums given on the application. I talked to Jim Sauer and he really can't recall what happened that it just died off. What an interesting fact is that Great Lakes Home and Vibration did this study on a sound study, he indicated that a berm by the right a way is probably not going to do us much good because it is too far away from the building. It would have to be close to the building and if you put it to close to the building it would impede the operation of the mill and Mr. Penegor will not be willing to do that, the best way to approach this is to do stuff inside the building itself. I don't know if he is willing to do that. (Audience) meaning what within the building? (Carl) building enclosures around the equipment that is making the noise. Horner Flooring up in Dollar Bay put a big piece of equipment in their building and it was causing an issue with people and they had the students of Tech come over and do a study and they actually built , basically a building within a building around this machine to stop the noise.(MaryAnn) it is much more than noise. (Carl) I am only dealing with the issue of noise right now, I don't know what other issues there are. They start at 5:30 a.m. Supervisor Reynolds says if there is anything you need, I think Trudgeon was on board to help and I will do the same.(Carl) I will figure something out and I will let you know.

NEW BUSINESS:

***2015 Audit Signature**

We need to sign approval to do the 2015 audit with the State of Michigan, need two (2) copies signed. Treasurer Reynolds, we had a meeting with the state, with Cary Vaughn, Brenda Gartland, and Ernie Hogers?? And John Kelly and I came over to the township on August 4th and we had a phone conference with them. They basically wanted to talk about what happened with the 2014 audit as of September 30th the audit was delinquent, so the state came and actually took the books after the 30th, which they are still working on now. The books were not ready for the state at that time and they had a problem of getting the information because Debbie Bradford had to recreate our system, she had to recreate our general ledger, tax, there was not revenue receipted for tax or the general ledger. That is why this audit is taking so long, and the state has sent us a contract, which John is talking about, they will do our audit for 2015. Granted we are going to pay a part to the state, they state does not have to do the audit however if the state does not do the audit we still have to hire someone to do the audit. It is going to cost money for the audit and the state is going to come in and they actually have to review our books and we have to pay them to do that, and that reviewing of the books is referred to Public Act 2 of 1968 and I don't even have a price on that. So with this contract that is here to be signed, I am suggesting we have the state do this audit because of the way the books still are and we are still trying to get them in order which has actually helped with Debbie coming in seeing we had 941 taxes that hadn't been paid since 2013, we had CFR money that wasn't paid since 2011 and that is the same with the 941 tax so Debbie has been working on getting this back pays taken care of, obviously with the IRS. The state coming in the average of 80 hours is the low bid; low minimum average is \$10,000.00. We don't have the 2014 audit completed so we can't even start our budget. I am not saying money wise; I am saying budget wise because we don't know what our starting numbers are until this audit is completed. So we have this contract I think we need to sign it and the board needs to approve it and we need to go forward. They can start this in a matter of a couple of weeks which would be awesome to get this done very quickly. I don't need to have Debbie Bradford involved in this, there is no reason for her, she has recreated the books like I said from last year but what we need to do now is get her work in our software. We are printing it out and giving it to the state and Brenda with the state has been helpful. She is actually telling me what to print and sending me examples. So we need to have the contract approved by the board and signed, two (2) copies mailed to the state. (John K) how does the contract with Rukkila's read? John R, there is no contract they are day to day. We have nothing with them. We cannot get rid of Rukkila's at this point until we are done with the 2014 audit. Are you making a motion, Cheryl I will make the motion, and by John K all in favor aye. I (Sherri) asked if we have to all sign it, John R said it has to be signed by two (2) witnesses. Cheryl I sent an e-mail to Cary and he said as long as it is signed by two (2) board members. Supervisor Reynolds signed and Trustee John Kelly and Richard Trudgeon as the witnesses. Cheryl handed out to the board a Schedule of Findings and Responses for the Fiscal Year Ended March 31, 2014, this is just a prelim, and you can look through it. She has found more and the audit is not done yet so we will have an official write up from the state but I just wanted to give you a copy because this is what we actually had when we were talking to them on the phone that day. (John K) almost repetitive of previous years. (Cheryl) it is worse than previous years to be totally honest with you.

Supervisor Reynolds states that Cheryl and I are new to this as far as it goes with Rukkila's office, I firmly believe that is a total waste of money. An example they have their BS&A software, their version is 10.50 to find out all this work they have been doing is not compatible with ours. Our version is 10.0 and our version is like that because the county is like that, and all the surrounding townships. They all use the same software so we can get everything to the county on time, everybody can look at everything. So in my research of all this, they do have a lot of our stuff right now that needs to be entered in, the major problem with it is; the treasurer can't do her job, the clerk can't do his job. Today bills payable I had to call down there to get it, nothing is done on time from them and I believe it is time for them to go. I would like to see them here until we get our information back from them, and entered into our computer for the stuff they have done so we can move forward. We are stuck, we have no numbers; we don't understand the finances right now because we have nothing. I don't know what the board believes on that, but I am telling you that it is foolish. They are not getting stuff to the State of Michigan on time for them to effectively finish their audit. During my research, and reading the audit reports from 2011 on, talking to Brenda, talking to Debbie Bradford I found out the major problems are the treasurer and clerk position. What was being done was about 30% of their job and half of that was done incorrectly. We have people that want to do it correctly; Cheryl is stuck now because she can only do so much, she needs to be able to do her whole job. The clerk is going to have to step up and get on board, I know the clerk has told me that he might be resigning. We need somebody now to get in and do this. I talked to Bob and he has to be under the understanding that I am going to be watching to see what is being done, because other people didn't. I truthfully think hiring Rukkila's was foolish, we hired them for an audit that the state was doing so why pay another person to do it. That made absolutely no sense to me, the state came in doing their audit but yet we hire someone else to do the audit too. (John K) Rukkila's was not hired to do the audit; they were hired to resurrect us, to bring our books back in line, they can't do an audit and do the books. Cheryl, Rukkila's was in between the township and the state audit, they were working on the books to be in line, but there are January, February, and March items that did not get to the state. I understand when we have the software to handle what is needed and are capable of we can do everything here. She has to go back and dig because 941's weren't paid that is the payroll tax since 2011, that was written right up in that letter, that they were here to help with the audit because there were items that were not entered into the computer systems. We don't even know where we sit for the audit 2004. John K, you don't have any good numbers to start with. Cheryl no, I don't have correct numbers. That is why there is no print out, there is nothing, balancing sheets because I have no idea where we are sitting. I am not handing out something I don't know is true. John K we haven't had a revenue account shown for the last two (2) years on the board, because they haven't had any numbers to start off with. The audit was done previous. Yes that was when we changed (the board) everybody changed. Rukkila's office was in here, why didn't they show Lisa? We paid so much money into that to have them do it and still the Treasurer and Clerk did things wrong. Supervisor Reynolds says I would really like a motion that we would get rid of them, pending the entering of the work that they have done into our system. Pending payables and pending the last little bit for the audit, I (Cheryl) agree. John K. asked if they re any further in the audit numbers. They aren't currently doing stuff now too are they? Cheryl oh they have been, that is why when Sherri and I applied for the treasurer position we asked what is Rukkila's office doing? What is the CPA firm doing? Answer was there is a contract, they are doing the salaries. They are doing the payables, they are doing part of Bob's job right now and we are paying for that to be done. That was what the

supposed reduction in salary was to pay Rukkila's office to take care of this and we are paying like 3 times more than when the salaries were reduced. Question was asked what the board's options are if Bob doesn't do his job correctly. What are the options? Let's get it out on the table what are the options? Supervisor Reynolds, truthfully we can't reduce his pay without him signing to do it but other than we are going to discuss it at every meeting with him here present. What's being done and what's not being done. How does the community or the board address the board member not doing their job? (Audience) Recall that is the only option. I think something should be done before you bring all this work back on the board that is not going to eventually get done. The one thing about it was that Cheryl has offered to help out with it to get it done so she can get her job done. There are certain aspects of it that have to be done by the clerk, see they work together because they have to sets of eyes. The clerk is responsible for the general ledger, so the clerk does all the deposits, takes care of all the payables in the general ledger. I guess my point is if you aren't confident that the job is going to be done properly than something definitive needs to be done to address that before addition work is brought on to you. I mean if you are suppose to have two eyes on the job than you doing all of it is not correct. Correct, but the problem we have at this point is do we send out bids again for another CPA firm to do this. (Cheryl) This is how the township was running when I was previously in the position, I was actually doing Bob's job and this has been on the audit. The only way we can correct this is Bob either needs to do his job or leave. (Audience) can we make him go? Is that possible or not? (John K) we can't do that, he is elected to this position. (Audience) what about a recall? (John K) That can be done but it has to be done by the taxpayers it has nothing to do with the board. (Audience) Then I suggest we start a recall, something definitive can happen. Like I said that not our doing (the board). (Joe H) we have to get rid of this problem guys, all he is in it to take our tax dollars and do nothing. Regardless if he is a college graduate like the board told me last time, I've canvas other clerks in other townships and the village of Ontonagon none of which have a college degree, he is either incompetent or he is just lazy and he needs to go and we need to get a recall. (John K) like I said we can't do that as a board. (Joe H) I understand. (John K.) and we can't be discussing it either. Supervisor Reynolds looking at the 2013 one of the problems we have there is that the treasurer and clerk weren't doing their jobs, and it says: we direct the township to review the statutory duties of the treasurer and clerk. If changes are to be made to the statutory duties of these offices, the changes must be in writing and agreed upon (in writing) by the elected officials. If the treasurer is to continue performing all of the receipting, disbursement and general ledger/financial reporting duties, we direct the township clerk or other dedicated official to review the entries made to the general ledger, and bank reconciliations, etc., (Carl) so if is Cheryl is doing some of his job than I think you are going to have to address that. (John K) that is what has happened here Carl, for many years. (Carl) I mean if Cheryl is going to start helping out, before you do that you probably have to do something at a meeting to authorize her to do that. Cheryl, there is still going to have to be another set of eyes on what you are doing, that's the problem we haven't been able to do that before and we don't have that double check. That is the issue, that is why Bob needs to take care of the GL and I need to take care of the tax. So I reconcile the GL and he reconciles the tax that is how it is suppose to work. It sounds like to me that the only way that is going to happen is if he knows how to work the software program and he doesn't know how to do thatk, there again Rukkila's office was here you would think they would have been teaching when they were here. No they didn't do any of that. That was taken up with Bob and Lynn Huotari the previous treasurer, that's how they set up the payroll system before I (John K) was here and that Lynn actually got paid to take care of Bob's

work on the computer and after that I have no idea what happened. (Cheryl) no she didn't. (John K) oh yes she did, Cheryl when I came in here that didn't happen.(John K) her pay was adjusted and she was getting more than Bob. (Cheryl) that did not happen when I was in the treasurer position the last time. I just think that being the township board; you need to address it so you are not criticized again on the next audit, and once the jobs are done together they way they are supposed to be we can get out of their crosshairs. We don't have the money to do an audit every year. (Carl) does it have a little code at the end of that, I think says 2008 on the audit? It says findings 2008-8. So this has been going on for the last seven (7) years, so seven (7) years that he has not done his job and so every treasurer that comes in they have to do his job and it has never been corrected. Supervisor Reynolds, I refuse to sit here and let it go on any further; I truthfully do. (Mike S), I know it won't affect Bob personally but can the board assign his duties to the deputy clerk, I know you would still have to do a recall to fix it permanently but is it in the board's power to assign his duties to the deputy clerk? Supervisor Reynolds, that is what I was curious on to, if his pay was dropped and the hourly wages were given to the deputy. (John K) you can't do that. (Joe S) when Hagan was still here they decided to take a cut in pay to contract out to Rukkila's so why can't they contract out to Sherri Brandt it is the same thing. They all took a \$100 cut in pay it's on record. Supervisor Reynolds, that is something we will definitely research and i will look into that. (John K) as far as Bob as an elected position, elected position salaries and wages are set for the position. Cheryl, he needs to agree to that. John K & John R both say yes. (Joe H) it is nice that Cheryl offered to help out but this township is never going to get out this mess until we have a clerk that starts clerking and treasurer that is treasuring and that is the bottom line. Supervisor Reynolds, the jobs can't be done for two reasons, one is the clerk position right now, that is seen in the audit and the second is Rukkila's we can't get the information on time and really I think it is foolish to keep paying them. (Carl) once you get rid of Rukkila's who going to input the information into the system? How is that going to be done? Cheryl, me, I am already doing the deposits for the general ledger because he's not doing that; Rukkila's office is doing that. The accounts have not been reconciled since January I think it might be. According to our bank statements which doesn't mean much right now any way, because we don't have our audit done. They aren't even reconciling the accounts like they are suppose to be. (Carl) but that was never part of the minutes giving Cheryl the authorizing to do that, you should probably do that don't you think? Cheryl states I am doing the clerk's job, somebody has to do it. John R will have that discussion on the agenda for the next meeting. (John K) what we have here is roughly fifteen (15) transactions a month here, checks and salaries/wages. Supervisor Reynolds, you have to agree that it isn't a very big job is it? (Cheryl) no it's not. (Audience) So what are the steps to a recall? (Rick G) you have to get a petition; you have to have so many signatures. (Cheryl) you would have to go to the courthouse for that. (Rick) the township itself would have to be informed. (Rick G) this is the first time the board has been honest and open in eight (8) years to tell us where we are at and every time I try to point out that the clerk wasn't doing his job I was attacked by the other board members, so this is the first time this board has been honorable and shown and told us the truth as what is taking place here and we have thousands of dollars thrown away because of that, thousands of dollars. Forty thousand already to Rukkila's and they had to reconstruct our books and we still don't know what is going on, and that is all money that could be spent for taxpayers, on roads whatever you wanted and it is all gone. Question: Has the board known this issue has going on since 2008. It's on all the audits. (Joe) I guess that's my frustration is that seven years of what, of people letting this thing go without addressing the issue. (John K) the board has no overseeing another elected

official, that elected official has as much right as anybody on this board he's a voting power. John R what she was getting at was have you known this was going on? (John K) to what extreme? (Cheryl) read the audit report closely as far as what the clerk has done than it says putting in the wrong accounts, the dollars in the wrong accounts. (John K) that is very common no matter where you go. (Cheryl) the thing is if you put it in the general ledger he doesn't do the inputting. (John K) Bob is very poor with BS&A software and all the computer works, that is why Lynn was doing his work for him and when Cheryl came on board Cheryl ended up with it. (Audience) do other townships have the same issues as Elm River is having? (John K) yeah there's troubles everywhere. (Joe H) at the last meeting when I asked about the clerk, the old board members all of you said we are guilty of not doing our jobs, we're all not doing it. You all knew about it and you did nothing. You told me that you needed a college education to do his job and I have yet to find a clerk that has one. (John K) We can sit here and argue this situation. (Joe H) I am not arguing I am just stating what you said. (John K) this is very common on township boards to see this type of situation. (Joe H) this is not common. (John K) this is common Joe. (Joe H) no it's not. (John K) Joe it is common believe me, people don't understand. (Joe H) I stand with John and Cheryl. (John K) I agree with them too. (Joe H) they are trying to do what is right the other board did nothing. That's what that lady was asking, you knew about it and nothing was done. (John K) I can't go out about and say straight Joe unless I see it in complete black and white. (John K) we came on the same time Richard and I, in this whole deal, this has been going on since Debbie Maki was relinquished of her job and it has been the same thing. (Rick G) John you are they only one defending this, you have always defending what has happened.(Rick G) why is it now that John Reynolds is the new supervisor are we discussing it. If Shawn Hagan was still in would you have brought it up? Dick would you have brought it up? Neither one of you would have said a word, you have been in office for three (3) years and neither one of you brought it up (We have John K and Rick talking over either other and can't make it what is being said.) (John K) you bring up Bob because of big deficits, but Bob's amount is a little bit with transaction change and that a very small part of it. (Rick G) he can't do the general ledger which is the blood work, he doesn't do the billing that goes to Rukkila, he doesn't do payroll that goes to Rukkila. (John K) the input should be between the treasurer and the clerk. (Cheryl) the general ledger is completely handled by the clerk, I reconcile, I don't run payroll, I don't make deposits in the general ledger and he doesn't do any of that. Not a thing. (Audience) so how long is his term up or when it is up, November 2016? So it's just not that he isn't doing the job but we are spending all this extra money. (Multipliable people talking and can't make out what is being discussed) (Carl) ok I think the past is the past; if we don't support our board regardless what has happened in the past we aren't going to get anything done around here. We can sit here and criticize all we want but I think at the time we have new leadership and let's let them try to get their act together and get things going in the right direction. We are sitting here throwing darts at everybody at every meeting we are creating bad blood. Supervisor Reynolds, I would like to get it back to when no one showed up for these and when you walked in the door everybody was like "what does he want?" What happened in the past happened you can't change it and we change what is going to happen in the future and I think that is what we have to do. (Joe S) if you don't get the clerk to do the job it is going to be like that again. Someone asks Supervisor Reynolds, just a wild idea can the board do a formal request to Bob to resign? No. (Joe S) if you can hire Rukkila why can't you hire Sherri Brandt for now to get this thing up and running? Supervisor Reynolds, because it would have to be discussed with Bob here. (Cheryl) with Sherri doing it, I don't know you would have to look into it. Supervisor

Reynolds, that would have to be researched. I will call on Thursday it's free on Thursday, it doesn't cost the township anything. I will call and do some research on that, we don't want to jump the gun on that. (Audience) how many people would have to sign the petition? Supervisor Reynolds, I don't know how that works. (Cheryl) you would have to go to the courthouse. (Rick G) to give you a belief outline on that probably about thirty that starts the petition and then that thirty is submitted and then they will have a special election. And it is very small though 25 to 30 signatures and you got it. (Nick F) who is taking the minutes for this meeting? (Board) Sherri. How much of what was said today will be in these minutes? John R, normally according to Sherri it is all of it. (Rick G) let's please make sure that the disapproval of the people here tonight is noted for Mr. Bob Sibilsky. Rick, actually Sherri has done a fantastic job with the minutes. I (Joe S) asked Bob Sibilsky if he doesn't mind to please put all the words in the minutes. Well moving on here (John R) I make a motion we keep Rukkila's long enough to get on the same page according to you (Cheryl) saying were on the same page and then we get rid of them. Cheryl I support or second it. All in favor, aye.

*Board Salaries/Job Duties

I would like to report on when we get done with Rukkila's that the pay would go back to the way it was for the people doing the work. Once you are happy with Rukkila's and the information you got from them, everything is in here, at the next meeting I think that we should go back to our regular pay. John K support, all in favor aye.

*Propane

We should do a bid for the propane, I don't know if we did anything last year. I think we stuck with who had so I would like to have that done maybe for the next meeting. Joe S, Keweenaw Petroleum sent a letter for pre buy I don't if you got it or not it was \$1.39 or \$1.29 if you own the tank. Does the township own that tank out there? John R, believe so, I am not a 100% sure I had someone tell me that Keweenaw Petroleum owned it. I don't know it should be in the records they had it in the records that we bought it (Joe S.) (Mike Sabo) the township owns it. (Once again people talking over each other can't make out what is being said about the prices of propane) John R so we need to get some figures for that.

*Planning Commission

Nothing new there, I don't even know who is on it, and I don't even know where that ended up. Carl, in my research today for preparation, they haven't had a meeting since 2011. So whether it is officially dead or not. (Richard T says that I am on that board) John R I know one person was missing to complete or something. We needed one more; John K states that they were short two people. Rick I think Mike was on it and Sue Richards. Carl? I didn't know if that was going to cost the township money and didn't know if we had the money so it was put on hold. John R ok we are going to have to table that one for now.

*Fire Department Update

John R, The tanker, what has happened was the tanker wasn't listed as an asset. Of course we did get the tanker; everything we did was donated by the women's auxiliary but we used \$5,000 from our operating Fund making it an asset. I had to send pictures of the truck and they send them to Lansing, so we are waiting for Lansing to call to get the title and I have to go with Greg to the

Secretary of State office so he signs off, they said it could take a week or six weeks. That is information they need for the audit. Cheryl we don't have it listed as an asset right now at all. John R we have to come up with a number and it has to be actually titled to us, it hasn't yet. The deal with the truck was we had a year to get it into service and it was no cost to us and then we were going to get the title and we haven't got that far yet. The truck is in service, it is on our insurance, but it is not legally titled to us so they understand that as being an asset after they gave the \$5,000 toward the tank purchase. So that is in the works. The only other thing I had for the fire department update, we are looking into having two new members they live in Winona Jeremiah Pantti and Mariah Doverspike. So if they go through what we require of them, we will bring them back to the board for approval.

*Roads and Lights Committee Update

(John K) I think maybe give it to Mr. Koski. It is related to an issue with part of the road deal. Keith Koski, we talked about it at the last meeting about the road, what else we need to do. We need to get the road closed off like it was suppose to be, it was suppose to be a walking and bike trail. Not a four wheeler trail not a golf cart trail not a car trail. And the last commissioner, Manderfield I believe he put a whole load of mine rock in at the end of the road and to keep the problem quieted down. The neighbor came up he opened up with his end loader and put it out in the woods. We made sure there was a plug up there before we brought the property from the township. There use to be guard rails there, but regardless there are golf carts, four wheelers, trucks, and everything coming through we got pictures on camera. (John R) I know that the road was originally changed for safety reasons. That is a very bad spot to pull out of and I have seen people flying in and out of there. (Keith) it is illegal as we checked with the State Police and county and it is illegal to come up out of there with a motorized vehicle period of any kind. Plus the road says dead end. (John R) I have been meaning to get with Mike S, Mike and I were going to look for the minutes when that road was closed and the boards wording was on all of that. I am thinking that would prove to be helpful, than I would say the next step would be to go to the county meeting. John K if you go that way, I will go to the county. John R ok, I do believe there was a guard rail that was closed right off, if I remember right the guard rail was wide enough between the two of them for a bike or something to go through there. Keith one of them was on the back road to keep people from coming up which is laying there and the other is up in the woods. They were ripped up and put in the woods. John R I think that would be the correct path to go down, Bob did the minutes for the last meeting and he didn't have in there a better description, I asked him to change it which he did because that helps to have that starting to be in the minutes, rather than Keith Koski talked for a while. So that would be our step, Mike offered to help he has that idea on where they are. (Carl) I believe it was back 75 or 76 so where around there. John R No, it was later than that. Do you remember Fran? (Fran) they met at our home Jim Vivian, Willie Johnson, and the Road Commissioner I think it was about 25 years ago I think I have the papers somewhere. It was very clearly stated it was going to give our property to the road commission so that they could build the road up above. The road commissioner was very empathic and he said it will go through but if one or two object it can never be changed again, it on the map and that is the way it is. And the road by Koski's it was to be for golf carts and bicycles and that was very empathic and at the meetings it was denied by three people and the road commissioner said that's it and thanked us for the offer of your property and it can never be changed. John R I was guessing it was the late eighties (Fran

talks but I can't hear what she is says) and John says it was before that? (Keith) how can golf carts be legal to drive up onto a highway when it is against the state law? Golf carts are not allowed to come up on state highways from any type of side road period, any motorized vehicle is not allowed to enter a highway. They can cross the highway to a four wheeler trail or trail; you are not even allowed to go along the highway. It is all illegal; they would never write something up that is illegal. The state police say it's a bike path or a foot path. If you talk to the state police they say well it's a county issue (Had to change the tape once again, so not sure what else was said.) John R you can present them with everything we have and go from there. Question: Isn't it against the law that the neighbor opened it up? Can't you just close it back up? Someone says it can't be closed. Keith it can be open for bike traffic and walking traffic, not legal to drive a motorized vehicle onto a highway. It is illegal, they can't write it up if golf carts are allowed because we are going to close up this road so we can open up a road up here so let's let golf carts go over here and bikes and walking. Because we are going to close this road and open this one. Someone said the one that Manderfield closed was not for golf carts; it was just for foot traffic or bikes. There has to be a legal issue there somewhere (not sure who said). John R we are willing to help to try and find this and get you the information. Mrs. Koski said the only other thing was the partying that are on our property, so like you said to call the police every time. John R because we don't have a constable and we don't have our own ordinance, they have to go by theirs and enforce it. I don't know if they told you to come here, they probably did as they pass the buck but truthfully we can't do anything. Question why don't we have a constable? John R right now I don't think there is enough funding, but it is something we can talk about in the future. Maryann said she would go around.

***Payment of Bills**

We already did the payment of bills.

***Citizen's Comment**

Keith nothing else

Richard no

Lynda at the last meeting you said you would get a hold of Houghton County to see what the noise ordinance was. (John K) that is what we were just talking about, they don't have an ordinance that would cover us.

Joe no

Carl: I have a couple comments; Cheryl you gave us the balances for Superior National Bank, River Valley, and the general fund for July 31st of this year, can you give us the balances of those dates of last year just for a comparison. They reason I ask we don't know where we are at and in 2013 we spent \$52,506 more than we took in. I would just be curious to see how those balances are running now probably be very helpful to the board. Cheryl you are talking bank balances? Carl yes bank balances. Cheryl I would like to pull that out for you but I can't find bank statements. Carl you can get those from the bank tho. Cheryl, yeah, I mean otherwise I would get

them for you now but I can't find bank statements. Carl, can you get them for the next meeting it would be nice to have a comparison and until you can get your audit all done than we can know exactly where we are at. Cheryl I am hoping for the next meeting we will be done with that, yeah I can do that. I do need to get them any way we have to have them for the auditor. Carl, we talked about the state doing the audit for 2015, I highly recommend you go out for bids for 2016 audit and talk to a number of firms and you should try to get bids to get it done for less money than the state charges. Cheryl, we don't have to use them, we don't have to contract with them for the next one after that it's bi-annually.

Richard Krupp wanted to speak, I understand through Jerry Domitrovich that some of insurance companies are changing our fire level from a level 9 to a level 10; I think it is going to mean a big difference on some of our fire insurance on our properties if they do. I can't find any reason why they should change it other than trying to charge more money. I think it is something that needs to be looked at, we have been a level 9 for several years now their talking about some insurance companies that we don't qualify for level 9 anymore. Going from a level 9 to a level 10 is a big difference. John K people individually need to be aware of that. Richard we as a fire department we haven't done anything wrong. John K and John R we have actually improved our equipment. John R, I will call and ask Hannula Agency.

Maryann: I have to get for a minute, I just wanted to show the people what and how we live on the highway. This is a sample of one swipe of my windowsill in my kitchen, one swipe, see that? I brought some on white paper towel to show another single swipe. My windows are closed all day at the end of the day I like to get some fresh air in my home. I mean it is summer we are closed in for months, this is another sample and this is another single swipe this is on my windowsill, my house is coated with this, my basement is coated with this. Now I asked Rich when the last time the trail was treated was and I think he said May. I don't know what the problem is, but I went ahead, a couple of weeks ago I sent an e-mail to Air Quality of the DNR, I haven't heard a word. I guess the state don't get paid enough, are they too busy or what. I have asthma and it is very upsetting to have to live like this. I know that mother nature is partly responsible but when you see those four wheelers bombing down that trail, sometimes they don't even have to go very fast and there is only one or two, but when you get a group you can't even live in your own house. It just has gotten that bad. John R, they fire department got called last week to a bush fire, came to find out it was the dust off of the trails on the Elm River tower road. Maryann I think car slow right down because of the cloud, I have never seen it that bad. I have been here 35 years, yes I know its dry that a no brainer but can't we do something about this. The same treatment they did in May can't they use that more often, I don't get it. Mary K can't they move the trail? Rich P, I know we talked to the county and they don't have it now either, we also tried to get chloride for right now, we couldn't get chloride right now either. I talked to Almor at the mill; he got some bark that comes off the soft maple they use it in Wisconsin in some places and it seems to work quite well for that. And we are planning on trying it probably the next week or so. Like I said Maryann we are looking. Maryann thank you.

Rick: I want to say I have been here for six years coming to these meetings and I want to thank you for being so open and honest and letting us know really where the township is. It was really refreshing and again appreciate your honesty and moving forward with this and hope you continue to do that in the future.

Joe S: I will repeat that and thank you for having an open dialog for all these important issue as the arising during the meeting.

Joan I want to thank you for taking on the challenges of this because it has been a long time since I have seen anybody willing to face difficult issues on the board. Thank you Cheryl and John, and I hope Mr. Trudgeon and John will come along with you to resolve these issues.

Mike S: I have a question on the bills that were paid; on Michigan Board band how come the fire department is paying twice as much as the township. The fire is \$93.13 and the township is \$44.18. John R that was done wrong. The box failed in the township office and they started using the fire departments. Cheryl when did that get switched over, John I would say eight, nine months ago, that needs to adjusted. John R we cancelled the one we are not using. Mike as the fire department is operating off one mill and third quarters of the insurance and we are now paying twice the phone bill. John R can you contact them on that correction? Cheryl I can do it myself. Mike I gone one more thing, I know we keep saying we are waiting for the computer to catch up, couldn't we do a little hand ledger until that point start from scratch now. At least for the next couple months you would have how much you spend on fuel, how much you spend here and who it gets charged too. Cheryl you are talking just the monthly bills, yes I am doing that right now but the problem is I don't even have a start number. Mike even if you start writing them down, Cheryl I have that, since I came in other than this reconciliation that hasn't been completed on this, but I have been keeping track of that. Mike all that we have been hearing since 2004 computer, computer, computer. Cheryl it is wonderful when it works if you have all the stuff inputted. Mike there wasn't any CPA when I was employed and I wrote it down. Cheryl so your books worked and you did a good job. Mike I am sure when John was clerk he did the same thing, when I first started yes. (Can't hear what is being said as the person is too far away from the recorder.)

Joe H, if we are going to support this board, which I would like to do, I think we as taxpayers and voters in this township we need to start a recall of that clerk that doesn't do his job and help this board somebody that will do the job. I don't have a vote in this township, but I think this township needs to do something to help the board.

John Reynolds, as far as I can say I want to keep these meetings open discussion when we are going through things the residents are concerned with. It definitely makes the meeting take a little longer, but I see people a little bit happier than walking out of here before. Hopefully it's better, I will try to talk a little bit louder, the PA system that was purchased is broken. I don't know how long we had it, maybe a few years, probably no more warranty on it. Was everybody able to hear pretty good, if we talk louder. OK

Cheryl are we changing out meetings? This end of the month is hard, trying to get our bills and stuff paid. We got to change this. Dick says it doesn't matter to me. John R how about on Thursdays? Was it the second or third Thursday? I thought it was the second. John R I know the second of September Cheryl and I will be on vacation, how about the 17th. Supervisor Reynolds, I make a motion we start doing it the third Thursday of the month all voted aye. I will change everything on the door and put up a new schedule. Someone asked September 17th and the same

time? Discussion on time and settled on 6:30 p.m. John R, one other thing I forgot, I want to thank Mike Hubert he came up here and fixed some of our internet connections and got our printer working, so give him a pat on the back he didn't send us a bill. (Cheryl) at no charge. John R he also does the website and takes care of everything on there for us. John asks if anybody else has anything on the board. Motion to adjourn by John K/Richard. All in favor aye. (7:52 p.m.)

Sherri Brandt, Minutes Recorder

John Reynolds, Supervisor