

MINUTES OF THE ELM RIVER TOWNSHIP BOARD MEETING
MARCH 17, 2016

The regular Elm River Township monthly meeting was called to order at 6:30 pm by Supervisor Reynolds. Members present: Supervisor Reynolds, Treasurer Reynolds, Trustee Trudgeon, and Clerk Brandt. Trustee Kelly absent.

AGENDA: Approval of the agenda by C Reynolds/R Trudgeon, all vote aye

APPROVAL OF MINUTES OF THE February 18, 2016 REGULAR MEETING: Motion to approve R Trudgeon/S Brandt, all vote aye.

TREASURERS REPORT: Balances are off the statements dated February 29, 2016, Superior National Bank General Account \$160,968.06, Superior National Bank Tax Account \$216,404.98. Motion to approve J Reynolds/R Trudgeon, all voted aye.

ASSESSOR REPORT: John Botto absent.

CORRESPONDENCE: *Received a letter from the Dept of Treasury accepting our corrections to the deficiency's noted on the AMAR review. The plan has been accepted as submitted. * We finally received our title for the Fire Department tanker from the State of Michigan. Supervisor Reynolds will be taking care of switching it to our name.

OLD BUSINESS: *Audit-it is my understanding before the month is over we should have numbers. C Reynolds-I talked to Brenda and she has three ahead of us and she will be going on vacation the first week of April, she will have our numbers to us by the 28th. There will be adjusting entries and she is pushing to get these done. We need these so we can start our fiscal year correctly on our books. Once we get them Sherri and I will probably be doing many journal entries.

NEW BUSINESS: *Last night the budget was presented and approved. If you would like a copy we have them here and you can get it after the meeting. From my records since 2008 regarding the Liquor Control wages, they overspent \$1,000 each year. We take in \$1,250 we are paying out \$2,300 so the liquor control wage was \$140 it needs to go to \$75. By the figures since 2008 we have lost approximately \$10,000 to the salary for the liquor control. We get a certain amount from the state and we pay it out. We no longer can pay more then we take in. It will come up in the salary resolutions. * I (John Reynolds) make a motion to make the depositories of Superior National Bank and MBIA for the fiscal. C Reynolds: we will not be using MBIA, we have a matter of cents in the account. They wired the money from MBIA to River Valley Bank to open that account, and there is barely anything left in there. We are going to close that account before the fiscal year. I don't see why we don't just use Superior National Bank. We don't need a separate account for the truck, I did ask Brenda that. The only reason they had it with MBIA account was when the money from taxes was collected for the fire truck and operating they deposited in there, but when the bills were paid they had to transfer it to Superior National any way. J Reynolds makes the motion we only have one (1) depository and that being Superior

Nation Bank Seconded by S Brandt, all in favor aye. *Salary Rate Policy-removed was the maintenance guy for this building, the Supervisor and Fire Department can take care of cleaning and maintenance. Monies for the Planning Commission and meetings have also been removed. The only other change is for the Liquor Control Officer will be at \$75.00 a month. No changes to election workers, board of review, training and workshops. A motion was made to accept the Salary Rate Policy C Reynolds/R Trudgeon all in favor aye. *Resolution to Establish Township Officers Salary: *Supervisor Salary \$500 a month, no change over 2015 offered by R Trudgeon/S Brandt, all in favor aye. *Clerk Salary \$500 a month, no change over 2015 offered by J Reynolds/R Trudgeon, all in favor aye. *Treasurer Salary \$500 a month, no change over 2015 offered by S Brandt/J Reynolds, all in favor aye. *Trustee Salary \$110 a month, no change over 2015 offered by J Reynolds/C Reynolds, all in favor aye. *Schedule of Elm River Township Board Meetings-motion made to accept the 2016-2017 schedule by J Reynolds/S Brandt, all in favor aye. We have copies if anybody is interested.

FIRE DEPARTMENT: M Sabo being I was gone most of the month, the work on the back of the tanker is complete and it looks good. Ice Rescue Training was handled by the Coast Guard down at their station.

PAYMENT OF BILLS: Paying bills in the amount of \$4,698.90 and payroll in the amount of \$3,115.00. We had a printing issue that is why we had to void checks, also the 1003.22 is not the interested payment on the fire truck that is \$501.61 that is how the accounting portion works.* M Sabo a question on one of the bills, what is the bill for the Houghton County Sheriff? J Reynolds that is for two batteries for our 800 radios. Motion to pay the bills J Reynolds/R Trudgeon, all in favor aye.

CITIZENS COMMENT: *Joe S: We were told many times that the Liquor Control wasn't costing the township any money, nothing against anybody but it shouldn't have been stated like that. *Rich P: I think it is time to find out what Mr. Kelly is going to do? John R: I will talk with him, or his family.

BOARD COMMENTS: *J Reynolds-I sent an e-mail regarding a \$2400 bill from Rukkila's office, I stated that we would not pay that bill because none of the work was performed. They did adjust our statement and removed the balance due. We did have to pay \$75 to get all the year-end reports done which we have now. They did adjust and removed \$2,388.60. *To get back to John Kelly, he is having some medical problems. He was aware of the past meetings. I will follow up with him. The last he told me he wanted to resign. *Rich P-has anybody showed interest in the board? J Reynolds-Yes there has been interest; it would be nice to get something in motion if he isn't up to it. *C Reynolds-Sherri and I are going to start investigating the fire truck payments. We have a millage set and all our millage regardless of what our bill is needs to be paid to the fire truck. I don't believe that is happening from the little bit I have seen, I don't know what the difference is, we need to find out what should have been paid and what was paid. The problem we have is to go back into our tax database and see which database is correct. I need to contact the county on some CFR bills and am going to talk to them about this also and see if they can get me a printout of the settlement to go with those taxes. She has paper to go along with our database backup, if we have to adjust the millage we have to do that very soon. *J Reynolds the

state is going to tell us what the fund balances are at. *C Reynolds I can't understand why it isn't part of the audit, if you have millage money coming in why they didn't check to see what came in and what was paid out. *J Reynolds we don't want to take in more than was paid on the truck that isn't very healthy for the township. We have to figure it out. *C Reynolds we will have numbers for the next meeting, which will be in the new fiscal. *J Reynolds within the next few days I will be adopting the new budget into the computer system. there has never been one adopted into the system ever. Normally a budget is proposed, once approved it has to be adopted and placed in our system. Since we never had one in our system, we kind of had to do it backwards. It should help generate budget to actual reports, percentages, etc and will prove we are doing better than the year before.

*Joe S where did the actually millage originate? Did it originate with the fire truck, or the Houghton County or here? *C Reynolds it originated here. *Joe S the records here should be what is really there, are they going to jive with Houghton County? *C Reynolds the millage isn't the problem that I am looking at, it the income of the tax money that came in and was it all disbursed. We receive two bills a year; one is for interest and one for principle that is March and August. I reviewed our settlement for taxes for 2015 and it was \$13,980 I am guessing as I don't have it in front of me, but the principle amount was less than that it was like \$7,000. The bill is coming from USDA which is where our fire truck is from, just because the bill says it is \$9,000 we still have to pay more, it is a wash account we take the money in we have to pay it out. *J Reynolds at time they were paying only the payment. *Rich P it was set up for what ever came in was to be paid out. *J Reynolds the wording of the millage was wrong, every year the millage increases and you pay more as revenue is generated, putting more on the truck. It should have been paid off already if the millage was worded correctly. They caught that in the millage later on, and adjusted it down. The truck may be paid for we just don't know. Until we know what the fund balance is, we are concerned if we collected enough to pay it off or if we collected more than we needed. We made that \$35,000 payment to play catch up. *C Reynolds my question was when I closed that account with River Valley and put it into Superior National was that part of the fire truck money? I couldn't get an answer on that, Brenda was going to look into that. *Rich P we kept asking how come the balance isn't going down taking in that kind of money, and come to find out they were paying the minimum amount that USDA was asking \$8,000 or \$9,000 and that is incorrect. *J Reynolds the wording of the millage really hurt us. *C Reynolds I want to do a spreadsheet on it to see what has been collected and paid out for the life of that loan. *Mike S they should be able to furnish you that. * Joe S can I make a request if we ever have to borrow money in the future, not to do it that way. (laughter)

*Cheryl I have one other issue-I was hoping John was going to be here tonight. We were working the office when the BOR organization meeting was being held, John came in and handed me six tax assessments that had incorrect addresses on them. They envelopes had the yellow forwarding addresses labels on them and he said he didn't have a forwarding address on them; three of them were for the same person with a forwarding address in the yellow with the date that the forwarding ended. All you have to do is put in another envelope, address with the forwarding address put a stamp on it and put in the mailbox. When I do the tax bills I combine everything, if you have five parcels they go in one envelope. It saves on envelopes and postage; he needs to start combining them, we are trying to save money, the county is folding and stuffing them and he is just running the postage on them. With the tax bills I don't know if I am going to have them stuff along with folding them, but I still go threw and combine them.

*John R another issue is with that Coleman Engineering \$2,500 for land maps, my understanding from the county is its the assessors job? He can go to the county and do those. I was hoping he was going to be here tonight.

Next meeting is April 21, 2016 at 6:30 pm, motion to adjourn J Reynolds/R Trudgeon at 7:10 pm all in favor aye.