

Dafter Township Board

Supervisor: Bob Brown
Clerk: Jodi Hunter
Treasurer: Kareen Brown
Trustee: Robert "Bob" St. Peter
Trustee: Joyce Engelhardt

Meeting Minutes
from
January 12, 2015
7:00 p.m.

Dafter Township Hall
2926 W. 10 Mile Road
Dafter, MI 49724

- Call to order

Present: Bob Brown, Jodi Hunter, Kareen Brown, Bob St. Peter, Joyce Engelhardt
Absent: N/A

- Pledge of Allegiance

Given by all in attendance

- Approval of Minutes from December 15, 2014

Kareen asked for the minutes from December to reflect the results of the roll call vote for the approval of the purchase of the fire truck. She wanted reflected in the minutes that she voted against the purchase. Kareen also noted that Joyce was not listed in attendance, but was present at the meeting. Kareen motioned for approval of the minutes with the amendments noted above. Joyce seconded the motion. The motion passed unanimously.

- Citizen's Comments

Bob noted that we had a sizable crowd in attendance. He then asked if there were any citizens comments. The audience did not have any comments.

- Treasurer's Report

Kareen indicated funds received were \$66,362.39 and \$36,226.82 of township funds, of which \$500 were for fire department. The interest was allocated \$30.12 to General Fund, \$3.08 to Fire, and \$1.03 to the Truck Fund. The General Fund started with \$58,662.92, Fire Fund started with \$5,802.51, and Truck Fund started with \$1,896.96. A transfer was made for \$30,000 from General Fund to Fire Fund to cover the expenses. General Fund ended with \$52,576.08 and Fire Fund ended with \$28,954.87, and Truck Fund ended with \$1897.99. Kareen noted December expenditures totaled \$19,628.77. Not included in these balances were the payments made after the last meeting for the Fire Truck and the credit card payment. Kareen indicated that upon reconciliation, a transposition of numbers was discovered and corrected resulting in an immaterial amount of corrections. Total CD's were valued at \$250,069.30 resulting in total funds and CD's of \$333,498.24.

Bob asked whether or not a CD to pay for the fire truck was cashed in as was discussed at the previous meeting. Kareen replied that it had not been cashed in.

- Approval of Bills

- List of Bill Payments Attached

Jodi noted that the agenda included the detailed list of payments for January and that an additional report was provided at the meeting summarize and these payments and also noted that these reports will be included in the emailed agenda for future meetings. Jodi also noted that the EFT payment made for payroll taxes and subsequent email acceptance from the IRS was also included in the documentation of payments for approval and will be included in the agenda in future meetings. Bob Brown asked for an explanation of the three voided checks listed. Jodi explained that she had checks in the printer and inadvertently started printing another document which damaged three checks before it was stopped. These checks were voided. Bob asked if there were any other questions on the checks. Bob St. Peter asked if the payment to Kinross Township was the final payment for ambulance service. Jodi explained that the payment was for December services. Jodi explained that she understood we needed to continue to pay Kinross Township the monthly fee until the ambulance service could be re-negotiated. Bob Brown indicated that we had 53 ambulance runs to date at the end of December, and that the contract was for 55 runs. His understanding is that after 55 runs, we will pay at the rate of \$700 per run. Joyce made a motion to pay the bills presented. Bob St. Peter seconded the motion to pay the bills as presented. Roll call vote was taken with unanimous support.

- Acceptance of Checks Written After Last Meeting

- Fire Truck Payment Check # 7373 - \$25,800 – Olcott Fire Company

- Credit Card Payment Check # 7374 - \$736.98 – Central Savings Bank

Bob Brown asked for detail of the credit card charges. Jodi indicated that she did not know specifically what the charges were for as she did not pay this bill and had not completed auditing all payments through December at the time of this meeting. Kareen indicated that she thought the charge was probably for the stamps she purchased on the credit card. Jodi and Kareen will verify and complete the appropriate paperwork to properly document the charges.

Joyce made a motion to approve the two payments made after the last meeting. Jodi seconded the motion. A roll call vote was taken with unanimous support.

- Supervisor's Report

- Board of Review Appointments – See Attached Report

Bob Brown discussed the Board of Review members should have been appointed last month, but circumstances caused a delay. Lyle Stahl, Roger Horton, and Don Erickson were recommended to Bob Brown to be appointed to Board of Review. All three accepted the offer to be appointed to the Board of Review. Kareen made the motion to approve all three candidates for the Board of Review for the two year term. Joyce seconded the motion. Bob St. Peter asked for the effective date and whether it would be at the same wages. Bob Brown responded that the date was effective immediately at the same wages. A roll call vote resulted in unanimous support.

Luanne Kooiman asked if a letter could be sent to Buzz Hartranft to recognize his years of service. Kareen also indicated that Rachel Hartranft should be recognized as well for her service and Bob Brown indicated that Wayne Trepanier should also be recognized. Board members will follow up.

Don Erickson was not in attendance, and Jodi agreed to contact Don Erickson and schedule a time to have Don complete his oath. Roger Horton and Lyle Stahl recited the oath and signed the book of oaths at the meeting. Bob Brown congratulated and thanked them both.

- Chippewa Co. Transportation Improvement Program (TIP) – See Attached Report

Bob Brown discussed that Dafter Township has only one project scheduled in the near future. The attached report outlines the project requirements and funding. The township portion will be approximately 10-20% of the county share. Bob St. Peter asked if we needed to budget for this, and Bob Brown indicated that we would have final numbers prior to the preparation of the budget and would budget for this expenditure.

Bob Brown indicated that one issue with the road situation was when a large sum of money was received years ago to put in new roads, but the roads were built without a solid plan for maintaining them, and now the maintenance is being required on these roads.

- Correspondence

Jodi noted that one letter was included in handout at the meeting from the Department of Licensing and Regulatory Affairs related to a Public Hearing for Electrical Code Rules.

Bob Brown received a certified letter from the DEQ related to the house that the State tore down recently. Bob explained that DEQ tore the house down because it was easier to tear the house down to remove the old storage tanks that were underneath the house. The house was already condemned by the County. The State paid to tear down the house, hired a contractor, who hired an abatement specialist to remove the asbestos from the structure. Another State entity got involved and stopped progress due to violations of the removal of the asbestos. This got resolved, and the house was torn down. Two State entities were involved. The letter to the Township asked for a response to ensure that this situation did not happen again. The response from the Township is that the State was responsible for the contractor as the contractor was hired by the State. The State indicated that the letter was just a formality as the Township is listed as owner on the property. The situation appears to be resolved at this point.

-Clerk's Report

-New reporting available

Jodi explained that new reporting is available with the upgrade of the computer software. Jodi handed out sample reports. The first was the bank reconciliation and Jodi explained that she would be reconciling the bank account monthly, providing the reconciliation report to Kareen for verification, and that Jodi, Kareen, and Bob would be signing the bank reconciliation at each meeting for the record that it has been reviewed and is accurate. The second set of reports presented were Budget vs. Actual reports by Fund. One report is for the General Fund only and the other is for all Other Funds which includes the Emergency and Truck funds. These reports will be provided at each meeting with as up to date information as possible. Jodi explained how to read the reports to determine if we are over or under budget in each category.

-New Fax Number 906-934-6842

Jodi explained that because she does not have a land line phone, she set up a service where people can fax to this number and it will come to her email. Jodi explained that all township employees can use this number and Jodi will forward the email faxes to the appropriate people upon receipt.

-Credit Card Procedures - See attached form

Jodi explained that receipts are required to be matched to the credit card bill for verification for auditing purposes. The form attached would provide transparency and documentation for all charges being placed on the credit card with explanation of the items being purchased and where used in the township. This helps provide better information for classifying expenses. These forms would be turned in at each meeting and approved during the meeting so that the credit card bill can be paid after the meeting without requiring further approval. This will eliminate the need to approve the payment after the fact since the credit card is due at the end of the month. Bob St. Peter made the motion to approve the proposed credit card procedures. Kareen seconded the motion. A roll call vote passed unanimously.

Henry Lowes asked if it was necessary to fill out a form for each gas receipt for the cards used by the Fire Department for fuel. Jodi told Henry that attaching all receipts and providing one form for fuel would be acceptable as long as the total of receipts matched the form and he provided a breakdown of fuel by vehicle.

Joyce asked if this form would be used for reimbursements as well. Jodi explained that we would be developing a standardized reimbursement form for all requests for reimbursement. This form will be presented at the next meeting for approval.

-W-4 Updates Required

Jodi asked all employees on payroll to complete the 2015 W-4 form provided with the agenda. This is a required form to have on file for all employees each year. Jodi also informed employees that W-2 forms were done and available and could be picked up after the meeting. All W-2's for employees who were not present at the meeting would be mailed on Tuesday.

-W-9 Updates Required

Jodi explained that anyone receiving non-employee compensation from the Township in excess of \$600 for the year would need to complete a W-9 form so that a 1099-MISC form could be provided at the end of the year. 1099 forms are not required for anyone receiving less than \$600. Since no one received more than \$600 for 2014, Jodi indicated that these forms are not necessary at this point, and that she would contact those directly who exceed the \$600 during the year to obtain the require form if necessary.

Jodi provided an updated Chart of Accounts to match the State unified chart of accounts, including adding some detail for transparency and reporting purposes.

Bob Brown asked Jodi about how quickly budget to actual reports could be generated using the new software. Jodi indicated that reports can be generated in seconds with the new software. Jodi and Kareen will be meeting this week to work on timing issues to ensure that the system is kept as up to date as possible to provide this ability to generate reports quickly and accurately.

Jodi introduced Vicki Miller, who was present at the meeting, as the new Deputy Clerk. Jodi discussed that Vicki has extensive experience in governmental accounting, accounts payable, accounts receivable and procedures and will be an asset to the team.

- Fire Commissioners Report

Henry welcomed the new board members and thanked them for their hard work in getting up to speed with the township activities.

- New Fire Truck Update

The new fire truck was present at the meeting. Henry thanked the board for approving the new fire truck and discussed how the firefighters were very excited about the new truck and how it will be a big asset to the department. Henry indicated that the department will take very good care of this truck so that it will last the department a very long time. Henry discussed the complications with weather and road construction involved in getting the truck delivered. One of the firefighters was able to assist by meeting the truck in Gaylord and bringing it the rest of the way with the assistance of the Firefighters Association. The truck and crew returned safely. Henry thanked them for their assistance.

Henry thanked Jodi for getting the insurance taken care of right away so that the department could start using the truck right away. Henry thanked the crew that helped with washing and cleaning the new truck and moving all the equipment and getting it ready. The new truck is all organized and ready to use, the only thing remaining is to get Dafter Township's name on the truck. Henry has requested a quote from Kathleen VanSloten to get the lettering done on the new truck. He will forward the information when he receives it. Henry thanked the Firefighters Association for providing a brand new sawsall, blades, and other small tools and shovels that were needed on the new truck. Alpena Fire will be coming up some

parts previously ordered and will be inspecting the cascade system on the new truck to ensure that it is operational and ready to use and to provide a training session to the firefighters on how to use the system.

Henry discussed getting the old blazer ready to return to the DNR. Once the truck is ready, it will be returned to the DNR garage on 5 mile road.

Henry discussed the fire department calls for the last three years and how this new truck will be used to assist in these calls. He explained that the truck will help the department be prepared to deal with serious car accidents and have all the tools readily available when needed.

Henry asked for a lock box for the other fire hall so that in the event the firefighters forget their keys, they will still be able to get in. Bob Brown asked what the cost of the lock box would be. Dan Fox replied that they are under \$20.

Henry asked Jodi if she received a bill from Soo Fire for an ambulance call as they made a call when Kinross was too busy to run. Discussion ensued regarding the cost of ambulance service and Bob Brown indicated this was under review.

Henry turned in an invoice from Lynn Auto to be paid and asked Bob if the previous method of charging will remain the same. Bob replied to continue status quo for now, but that we will be reviewing procedures for open accounts and who will have charging abilities with the various charge accounts.

Bob St. Peter asked Henry if he had any ideas yet for items the fire department may need that the Lions Club could provide a donation to supply. Discussion ensued as to the use of this money. Kareen discussed that she felt the Lions Club money should not be designated to specific items but should be used to cover fire department general expenses rather than specific items. Henry indicated that the Firefighters Association provides the fuel for the Lions Club events, and that the volunteers are not paid for any of these events. Bob St. Peter indicated that the money from Lions Club would come to the Board and the Board could decide what to do with the funds. Henry discussed that it would be nice to put a matching light bar on the new truck that is the same as the light bar that was put on the other truck, making parts interchangeable and easy to fix. This is what he had in mind for use of the Lions Club money. Bob Brown asked Henry to get a quote on the light

bar and the lettering. Henry will send these quotes to Jodi to include in the next agenda.

Bob St. Peter discussed capital budgeting for the fire department in the future. Bob Brown indicated that we would be working on a five year plan with the budget this year. Bob St. Peter recommended that we also evaluate the needs of the township hall and other areas. Jodi and Bob discussed that these would be part of the budgeting process and that we would be developing a capital budget plan.

Henry indicated that he thought the lettering was already approved at the last meeting. It was not indicated in the minutes. Henry will provide quotes which will be evaluated at the next meeting.

- Billing for Fire Runs – Fee Structure and Procedures

Jodi and Henry discussed that we have not been billing for fire department services in the past. Billing insurance companies for fire runs could generate revenue for the fire department. Jodi discussed that most homeowners policies will pay up to \$500 for fire department services. Car insurance can also be billed when it is necessary to call the fire department. Jodi provided a sample of an invoice that can be generated from the computer system easily to bill insurance for fire runs. These bills can be generated from information that Henry can collect from the homeowner or vehicle insurance cards on fire runs. Jodi provided a revenue projection report based on the last three years fire runs indicating that billing for these services could provide a potential of over \$6,000 in revenue for the year. Discussion as to whether to bill citizens directly or only insurance companies followed. Kareen made a motion to begin billing, Bob Brown amended the motion to attempt to bill only insurance (not citizens) for all fire department runs, and Jodi amended further to start billing insurance immediately for all runs while she and Henry develop formal procedures for collecting insurance information over the next month. This documentation will be provided at the next meeting for approval. Joyce seconded the final amended motion to start billing insurance immediately for all fire calls with formal procedures to be provided at the next meeting for approval. A roll call vote resulted in unanimous approval.

Joyce made a suggestion to contact the newspaper advertise the fact that we have a new fire truck. Joyce asked Henry to call the paper and see if they would put something in the paper with pictures of new truck. Henry agreed that he will follow up with the paper and ask them to take pictures and put a write up in the paper.

- Zoning Administrators Report – See Attached Report

Bob discussed this is a unique situation as there is no minimum for splitting agricultural property and that we may or may not wish to address the zoning language to have a minimum for splitting agricultural and therefore the split was allowed. This topic was brought up for the board and planning commission to consider in the future.

- Parks & Recreation Committee

Bob St. Peter asked whether the board would like a written report for the Parks and Recreation Committee. Bob Brown indicated that written is preferred to be sent to Jodi by the Thursday before the meeting so that it can part of the agenda that will be sent on Thursday nights going forward. Bob Brown indicated that all agenda items and reports from all persons should be provided to Jodi prior to this deadline to be included on the agenda.

Bob St. Peter indicated that he would the board that we have to come up with ideas that should be completed. Bob St. Peter is going to ask the Tribe for another \$25,000 to build a pavilion. He had asked last year for the pavilion and a playground both last year, but was not approved. He will try again this year for the pavilion. Bob will provide a written report with an update on all activities for the next meeting.

Bob Brown indicated that due to his new appointment as Township Supervisor, he will need to resign from the Parks & Recreation Committee.

- Old Business

- Discussion of Millage Proposal for Emergency Services

Bob discussed that he and Jodi had discussed this topic at length and that he and Bob St. Peter discussed as well. He understood that it has been voted on in the past that we need to ask for a millage. Bob Brown indicated that he, Jodi, and Bob St. Peter will be meeting with Kinross Township to discuss options, and that we need to evaluate the expenses and all our options before deciding how much of a millage we should propose. He indicated that we have sample wording for the ballot. Jodi indicated that we will not meet the deadline to have the proposal on the May ballot, but that we will likely try to have it on a ballot in August. Bob St. Peter asked if Jodi thought we would have more voters in August. Jodi suggested that the most voters would likely be in November, but did not know for sure which election had the best turnout for voters.

Bob St. Peter discussed that 1 mil would bring us approximately 38,000 in revenue. Discussion followed as to whether that would be sufficient for long term planning. Jodi and Bob discussed the need to evaluate all options and try to plan for four years to match the request for a four year millage to ensure that we do not run into budget issues during this timeframe. Jodi suggested that we prepare a cost-benefit analysis to determine all the options. Jodi discussed that she was looking into a risk management insurance policy that will cover years where ambulance costs may be excessive and insurance would pick up charges that exceed a specific amount.

Discussion followed regarding current fees for Kinross Township versus using services from the Soo. Kareen raised concerns about how far the Soo will run, that they may only run to 9 mile road.

Further discussion ensued in regards to increased costs for ambulance and the need to evaluate all alternatives in order to provide due diligence to the citizens of the townships that all alternatives have been evaluated and that we have no option other than to ask for a millage, and be able to provide an analysis of why we asking for the specific millage that we ultimately decide upon.

- Property on NE Corner of Soo Line and 10 Mile – See Attached Report

There is a show cause hearing on February 10. This is only to argue the amount of the tax bill and we do not need to be present. This is the property discussed previously that the State tore down. The township has the option of paying the past taxes on this property. Bob Brown recommends waiting until the property is foreclosed, at which point it is offered to the State for fair market value. The State will likely not purchase the property, at which point, it is offered to the Township for monies due, which will be back taxes and some additional fees. We have this option if we have a governmental purpose for the property which we do since we wish to widen the road. Bob Brown opened up a discussion. Dan Fox asked what prevented anyone else from paying the taxes and getting the property. Bob Brown explained that the township has second right to the property regardless of whether someone else pays the taxes or not. The State has first right. Luanne (Assessor) explained that the property can only be acquired this way for a governmental purpose and cannot be sold by the township. Bob Brown explained that we do have a purpose of widening the road, and would meet these requirements. Bob Brown recommended that we wait for foreclosure. The item was tabled for a future meeting.

-New Business

- Property at 2274 W 10 Mile Road, Wells Fargo Donation – See Attached Report

Bob Brown explained that Wells Fargo wanted to give a piece of property with a house plus \$10,000 to the Township. Bob had several discussions and emails with Wells Fargo to verify that this offer would be valid with no strings attached. It would benefit the Township as the only requirement is to maintain the property to Township standards, such as grass cutting laws, garbage laws, etc. and that we do not sell the house “as is”, either we bring it up to code, or tear it down and we can do what we wish with the property. Bob provided several options that we have for the property. He indicated that the only decision we needed to make at this time was whether to accept, decline or table the offer from Wells Fargo and that we could determine what to do with the house at a later time. Jodi made a motion to accept the offer from Wells Fargo and decide later what to do with the property, Kareen seconded the motion. Bob St. Peter asked if they had a deadline, and Bob Brown indicated that they would like a decision soon. He indicated that either he or Jodi will need to sign at the closing. A roll call vote resulted in a unanimous decision to accept the offer.

- Update names on bank accounts, credit cards, pension plan and life insurance to reflect the changes in officials and signing authority

Jodi indicated that we needed to update the names and signing authority on all the bank accounts, pension plans, CD accounts, and life insurance to reflect the new board members, Robert Brown, Supervisor and Jodi Hunter, Clerk.

Jodi discussed that in order to have online access to mBank, we need to update our online access to eCommerce business. There is no fee for this service, but would provide the ability to set up different access for different users. Jodi would need view only access, Bob Brown would need view only access, and Kareen would have full access.

Kareen made the motion to remove Rachel Hartranft, Ernest Hartranft, and Wayne Trepanier from all accounts. The motion includes adding Robert Brown, Supervisor, Jodi Hunter, Clerk, Kareen Brown, Treasurer, and Vicki Miller, Deputy Clerk to the accounts at Central Savings Bank. The motion also included adding Jodi Hunter, Clerk, and Robert Brown, Supervisor to the accounts at Soo Coop Credit Union, mBank, and John Hancock and to change the banking to eCommerce business at mBank to allow for each user to have a separate online login account. Jodi seconded the motion. A roll call vote resulted in unanimous approval.

-Resolution to Establish a Receiving Board for Elections

Jodi presented a resolution to establish a receiving board for elections in order to be able to appoint precinct inspectors for the upcoming election. Jodi made a motion to approve. Kareen seconded the motion. A roll call vote resulted in a unanimous approval.

-Approval of Precinct Inspectors

Jodi contacted the following precinct inspectors earlier in the day to see if they would be interested in working the February 24th election; Joan Savoie, Lynn St. Peter, Carol Straw and Phyllis Suggitt. All indicated they would be available and willing to work. Bob Brown asked if all were trained and had been appointed last year. Kareen and Jodi indicated they were. Jodi made a motion to approve these four as precinct inspectors for the upcoming February 24th election for a Rudyard School ballot proposal. Bob St. Peter seconded the motion. A roll call vote resulted in unanimous approval.

Bob Brown publicly thanked Henry and the fire department crew for all the hard work they put into getting the truck ready to go. Bob Brown invited anyone in attendance to go check out the new truck that was in front of the hall for viewing.

Meeting was adjourned at 9:00 p.m.

Respectfully submitted,
Jodi L. Hunter
Dafter Township Clerk