Torch Lake Township

Budget Hearings

Antrim County, Michigan

APPROVED WITH REVISIONS Minutes Township Board Budget Meeting 5-0 REVISED DATE 05/19/20

March 17, 2020

Community Services Building

Torch Lake Township

Present: Martel, Cook, Petersen, Windiate, Schultz

Absent: None

Audience: 11

1. Meeting called to order at 6:04 pm.

**2.** Public hearings for FY 2020-21 Township Budgets:

A. Township Budgets: Sharon Schultz clarified cover sheets for all budgets. In addition, Ms. Schultz noted that budget activity through 3/31/20 is not reflected. Page 8 of General Fund, Capital improvements; highlighted drainage issues regarding high water table at the cemetery per Mr. Martel which will be an expense. Another expense will be drainage in front and alongside the Township building. It needs to be improved due to foliage issues to avoid further damage.

Bob Spencer asked if this is running as a hearing. Affirmed by Mr. Martel. Bob Spencer questioned capital out lay appropriations which is zero. Mr. Cook explained that historically the expenses were listed spread across a number of different areas. This year in an attempt to capture the true costs, they can now be located on page 8 of General Fund (GF). Regarding budget for Parks and Recreation, Rita Service stated on March 12th the day park committee presented their budget. On 3/13/20 the board requested further changes. The resolution was for the Board to come to a loss of $36,620.00. Communication from Park committee came on Tuesday asking if changes were made could they still be entered into the budget. Response was yes if received by noon. Changes were completed by the Committee and given at the time requested but not reflected in the budget. Why were the changes not entered as the Committee detailed? Sharon Schultz clarified that Social Security and Medicare were not budgeted so that was added. She assured Ms. Service that all the funds are there. Janitorial supplies were entered into office supplies and not as described by the Committee. Mr. Cook further clarified that the supplies should not be added to the Janitorial services which is a contract service. The day park requested that the janitorial supplies be entered into Day Park repairs and maintenance. Ms. Service is upset that the specific general ledger accounts were not placed as requested. Committee feels that there are funds missing and they cannot verify that these items were reflected in the budget. Mr. Martel and Ms. Schultz state that the revised numbers were entered. Township did not add any new categories as requested by the committee. Ms. Service requested verification that the revised numbers ($59,512.) were entered into the budget. Confirmed by Mr. Martel and Ms. Schultz. Ms. Service wants it noted that the revised numbers are correct but the line items are incorrect per the submission given to the Board on 3/13/20 at 12:01 pm. They were not entered in the budget for tonight’s meeting. Mr. Cook suggests that tonight the amount be approved that was requested by Committee and later Ms. Service, Mr. Martel and Ms. Schultz sit down together to re-assign GL numbers which will satisfy all parties. Upon review the figures regarding the General Fund loss and the budget numbers presented by the Day Park committee are not in alignment. Mr. Cook recommends that the Board make a decision to stay with what was submitted by the Day Park Committee and increase the budget to meet the numbers requested ($1182) to the $36,620 net loss and remove the $2500 difference and align dollars with the right numbers with the cooperation of Ms. Service. Bob Spencer would like to address general procedures. He feels that it is procedurally wrong to present a budget that has not been reviewed and addressed at a hearing for a vote. Observationally, he feels that the budgets should have been presented a week prior to hearing. Mr. Cook states that if the amounts are not changing in value to what is presented, it is appropriate to approve changes tonight for final vote to happen in April 2020.

B. Fire Fund – New fire chief reviewed budget with Ms. Schultz. Revenues are standard. Overage of wages will be addressed. Pumper loan will be paid off on 4/3/20 per Board approval. Fire Chief stated equipment (uniforms) is expensive as well as MIOSHA equipment that needs to be updated. Winter gear to go in lakes is reflected in that item line. (page 3 line #977.000)

C. Ambulance fund – Mr. Martel requests update to ALS certification. Mr. Cook clarified we are waiting for the state to issue license. Capital Outlay of $19K will be used to purchase lift assist. The township received a $3,000 donation toward that goal. Primary ambulance located here at Township. Secondary ambulance is also here.

D. Mr. Spencer requests clarification and update on the road millage budget. Goal to finish initial list provided by County this year. Many delays keep them from being completed. Mr. Cook suggests the current cover page be omitted and replaced with a document that will reflect the breakdowns within the actual report. Ms. Schultz explained process again and Mr. Cook further stated discrepancy relates to ending year and ongoing budgets.

E. Liquor Fund – Mr. Martel states budget can only be used to ensure laws are being enforced. Marina Friend inquired if liquor licenses are checked regularly? Yes, per Board.

F. Nature Preserve – Limitations to what township can do due to preservation guidelines. There is a committee that has been meeting. Mr. Cook asked if there are guidelines that are provided to Committee regarding what money can be spent on expenses/improvements. Has the committee provided any insight to these guidelines and what they are proposing with budget? Mr. Cook suggests that this committee be asked to provide a report and member present to address questions at next meeting. Are these funds allowed to be used on Creswell? No. These funds were a grant for the preserve specifically.

**3. Close Budget Hearings**

**4. Public Comment**

Mr. Cook read letter from Mr. Lee Scott regarding the proposed budget. While he feels overall the Township Board has been fairly consistent in management of the township, Mr. Scott has many concerns with this proposed budget, related to specific increases over current trends. Under governing body, the cost increases of 15% in total with specific increases in printing, CSB maintenance and miscellaneous expense. Under the heading of Clerk, 15% combined wage increases for three positions. The basic responsibilities of the clerk have not changed. The significant increase of the deputy clerk and clerical assistant should be reflected under the heading of the Clerk and total wage assignment should remain to similar positions. If the increases for the deputy clerk and clerical assistant are indeed necessary, the total wage compensation percentage increase for the cost center should still be similar to comparable cost center wages. Under the heading Ordinance Enforcement Officer, if zero wages are budgeted what would the $10,000 in miscellaneous expenses used for? Under Zoning Administration, it appears this is turning into a full-time job. Have the responsibilities changed? Is the ordinance enforcement role involved? Under the heading of Parks and Recreation, the committee has been hard at work and has shown a huge increase in budgeted funds. Understanding that the projected budget is a guideline; it is a guideline with targets and several cost centers. Actual expenditures for 2019/20 were under budget and tracked fairly closely. However, this proposed budget identifies with the previous year budget rather than the trends.

Mr. Cook will respond and has completed a financial analysis.

Mr. Petersen motion to close, Mr. Cook seconded. Passed 5 – 0

Meeting adjourned at 6:59

These minutes are respectfully submitted and are subject to approval at the next regularly scheduled Board Meeting.

Veronica Beitner

Recording Secretary