



**OVID TOWNSHIP
ADMINISTRATIVE OFFICES**

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APPROVED

SUPERVISOR: Gregory C. Palen
CLERK: Claudia Barrett Pluger
TREASURER: Nancy J. Hughson

TRUSTEES: Arlene Pesik
Jennings West

**APPROVED MINUTES OF OVID TOWNSHIP MEETING AND
PUBLIC HEARING FOR FIRE HALL – NOVEMBER 2, 2017**

The regular meeting of the Ovid Township Board was called to order at 6:59 p.m. by Supervisor Greg Palen with Pledge to the Flag.

MEMBERS PRESENT:

Supervisor Greg Palen, Clerk Claudia Barrett Pluger, Treasurer Nancy Hughson, Trustees Arlene Pesik and Jennings West

ALSO PRESENT:

Ron Mallory, Steven Kirinovic, Maurice Woodworth, Kam Washburn, Deputy Speck, Marshall Baker, Bill Lasher

AGENDA:

Agenda reviewed by Board. Moved by Nancy to accept the agenda as written, Seconded by Arlene. All in favor, Motion carried.

PROPOSED MINUTES OF OCTOBER 5, 2017:

Proposed minutes reviewed by Board. Moved by Arlene to accept the minutes as written, Seconded by Jennings. Nancy brought up, under "Public Comments," where Bob Meredith questioned where the fire trucks would be going out, if we should have specified they come out on Baese Court onto M-21, not Hollister Road. Discussion took place regarding Baese Court and Class A roads. Supervisor Palen commented the only Class A roads are M-21, North Hollister Road, South Shepardsville Road and South Chandler Road. Baese Court will not be a Class A road. The fire trucks will be coming out on the improved Baese Court onto M-21. The Clerk commented we can add "onto M-21" in the last sentence on page 4. All in favor of approving the minutes as amended, Motion carried.

Supervisor Palen commented we already approved the Agenda, however, we never added the Public Hearing. He asked that we insert that now so Mr. Mallory could make his presentation on the fire hall plans, in case he needs to leave. The Clerk commented she had put that under "New Business," is why he didn't see it. Supervisor Palen commented it was posted as a 7:00 hearing, in case people only came for that.

PUBLIC HEARING (7:10 p.m.)

Case PC-45-17 SP – Application for Final Commercial Site Plan Review Mallory Building Contractors/Ovid Fire Hall:

Mr. Ron Mallory stated he was hired by the OMESA Board to produce drawings for a new fire station. He presented the site plan to us for review. Mr. Mallory stated they have been working on this for the last three months. They are now at the point of submitting it to Clinton County for site plan approval. He explained the building plan to the Board.

Discussion took place regarding the plans. Mr. Mallory requested that our Board approve the site plan and send our blessing to the Clinton County Planning Commission.

Moved by Jennings that we give Township Board Approval to the proposed site plan, Seconded by Arlene. All in favor, Motion carried.

Nancy will send email to Wendy Ward in support of the proposed site plan for the fire hall.

Ovid Township Regular Board Meeting - Continued (7:26 p.m.)

TREASURER'S REPORT:

Nancy reported the Delinquent Property Tax account shows a balance of \$2,081.49. There was no activity on that account this month. The Tax account has \$3,499.77. The disbursement account has \$2,233.10. Disbursements have been made every two weeks beginning July 15 in the amount of \$777,910.63. This amount reflects the disbursements through October 27. The General Fund account shows a balance of \$385,504.85, less outstanding checks of \$75.85, \$222.00 and \$720.00 for a balance of \$384,487.00. Nancy commented she hadn't yet transferred money when she disbursed her check to Clinton County, and they cashed it right away. The bank called the next day and said we were overdrawn. They charged an overdraft fee of \$36, which they have since reversed.

Treasurer's report was given, subject to audit.

Nancy also commented she had checked into Michigan Class to see about investing some monies so it isn't all at Huntington Bank. Supervisor Palen commented he noticed in our draft audit that Steve and Jordan had commented about our exposure above FDIC insurance. Nancy commented they hadn't gotten back with her but would like approval to do that before the December meeting. Supervisor Palen commented about the FDIC insurance cap on financial accounts, and asked Mayor Lasher if they had accounts that exceed that amount and how they handle that in the City. Mayor Lasher commented he didn't understand what he was asking. After a short discussion, Mayor Lasher commented they deal with about five different banks to spread it around. Some are certificates of deposit, so they're static, he commented.

Supervisor Palen asked if anyone felt we needed a motion to direct the Treasurer to explore institutions, or do we consider it all within the elected responsibilities of the Treasurer.

Moved by Arlene that we direct the Treasurer to explore other banking locations so we stay within the FDIC limits, Seconded by Claudia. All in favor, Motion carried.

Auditor Steven Kirinovic said Michigan Class itself is not FDIC covered. They may have ability to buy CDs at banks that are FDIC covered.

Nancy stated we are working on a Capital Asset Policy and a Conflict of Interest Policy we hope to have ready by the December meeting.

CLERK/BILLS - FOR APPROVAL:

Claudia's Check Disbursement Report, Check numbers 10166-10172 and check numbers 10014-10029 totaling \$16,026.66 reviewed by the Board.

Moved by Arlene to accept the Clerk's report authorizing the disbursements, Seconded by Nancy. All in favor, Motion carried.

Supervisor Palen asked about a budget reconciliation report. Discussion took place regarding this. Supervisor Palen is concerned about running over budget. In looking at the draft audit, he expressed, "We're going to get our knuckles wrapped real hard, according to this draft document on last year's audit. There's no point in carrying it over." The Treasurer and Clerk both assured him we are watching our budget and not going over. It was explained to him in September we amended the budget for two items, and it is in the September minutes. The Clerk handed him an Expenditure Report, which is in his packet from last month, which shows we're doing just fine. Nancy explained she was going to put the \$36 overdraft fee in, and it immediately came up and said it would be over on that line item if she did that. It's reimbursed, so now it will be fine. That's the only thing we had a question on. The Clerk and Treasurer expressed what had taken place with the previous Board was not being "carried over."

Claudia commented we need to start budget preparation for 2018-19. It will be much easier now with the BS&A program.

NEW BUSINESS:

Steven Kirinovic, Stevens, Kirinovic & Tucker, P.C. - Auditors:

Mr. Steven Kirinovic presented the Board members with a draft audit and two letters. The Treasury Department is anxious to get this. It would be best to get this approved as quickly as possible and get it to Treasury. He commented there has been a lot of change in 2016-17. There have been changes on the Board, even people that were on the Board in different positions, and new software, and locking out of the old computers, having to input the whole entire year's worth of documentation into the new system.

Two, three, or more years ago there was a requirement that the financial report gets reviewed in detail by somebody with “Skills, Knowledge, and Experience,” SKE, so the options would be to have somebody on the Board that could handle that, or contract to have that done. Steve talked with Nancy and Claudia about an individual who could do that. Jeff Staley has reviewed several of these reports. He’s another good CPA. He’s very up-to-date on new standards, new disclosures. The F-65 report has already been filed.

Steve commented that the financial report is pretty consistent with what’s been seen in the past. Everything is in accordance with generally accepted accounting principles. Steve went over the financial statements with the Board and the two letters to the Board with their detailed recommendations, one of which is the policies we are already working on. Because of the unfortunate crashing of the computer system, the Ransomware virus encountered when the new Board took office in November of 2016, a lot of the items mentioned in the letters came to light because of the in depth delving into records, files and documents the Clerk and Treasurer went through to recreate the entire last year so an audit could be done. That’s what a lot of the comments/recommendations deal with. With the implementation of BS&A, and the Clerk and Treasurer having another year with learning their positions and all that goes with it, and getting more comfortable and more experience with the BS&A program, Steve felt a lot of these comments we would not have next year. Supervisor Palen commented he saw a statement that there were a lot of errors in the payroll tax deposit records/calculations; “the wages reported on the quarterly 941 reports were considerably lower than the wages on the trial balance and those reported in the prior year. The quarterly 941 reports for the 2016 calendar year were significantly different from the W-3 submitted to the IRS.” Steve commented there were, and he knew there were a lot of notices that Nancy and Claudia have been working through and paying. Again, he felt next year we would not have these issues or comments because of the things we have implemented this year.

Moved by Nancy that we accept the 2016 draft audit report so that submissions can be completed, Seconded by Arlene. All in favor, Motion carried.

Jeffrey L. Staley, CPA, Maner Costerisan:

Moved by Claudia that we authorize Stevens, Kirinovic & Tucker to contact Jeffrey Staley, CPA, to do our financial statement review for the audit that is due, Seconded by Jennings. All in favor, Motion carried.

Steve commented they will get in touch with Jeff and get the documents to him. He will let us know if there are any modifications or anything. Then they will get the final bound copy to Treasury.

Snow Removal Estimates:

There were two snow removal estimates, one from Jake Smith of Expert Lawn and Snow, LLC and one from Marshall Baker of Maximum Pride Lawn Care. The Board reviewed both estimates and discussed them. Supervisor Palen commented on Maximum Pride’s

estimate of prices based on how deep the snow is at the time. Mr. Baker commented that's more for protection on the heavy, wet snow. The salt prices vary.

Moved by Claudia that we accept Maximum Pride Lawn Care's estimate for snow removal and salting as required, Seconded by Arlene. All in favor, Motion carried.

Point and Pay, LLC – Credit Card Resolution to accept tax payments:

Supervisor Palen asked Nancy if this is something she recommends we do. Nancy commented she's spoken with Point and Pay about instituting their credit card program so she can accept credit cards at the Hall, and people can pay online easier. It syncs with BS&A. The City uses Point and Pay. Nancy said people have been wanting to pay by credit card. Tina Ward recommended this too.

Supervisor Palen commented this document is printed in the form of a Resolution.

Arlene asked if there was a three percent (3%) fee on this for paying taxes, and, yes, there is.

The Resolution to accept tax payments through Point and Pay is offered by Nancy, that we institute process so that Township taxpayers can use credit cards to pay Real and Personal Property Taxes including Delinquent Taxes and Land Split fees, Seconded by Jennings.

Roll call vote was as follows:

Supervisor Gregory C. Palen, "Yes."

Treasurer Nancy J. Hughson, "Yes."

Clerk Claudia Barrett Pluger, "Yes."

Trustee Arlene Pesik, "Yes."

Trustee Jennings West, "Yes."

Everyone present, and no one voting "No."

This will be Resolution 2017-01.

Consumer's Power Switchover Cost:

Nancy spoke with Consumer's Power regarding switching to natural gas. They said there would be an initial cost of \$3500 to run a line here and hook into the building, and then we would have to have someone change the orifices on the water heater and the furnaces, which would be additional costs. They would also have to put a high pressure valve in, and that ran the price up. Supervisor Palen commented it was substantially lower than what was presented to then Supervisor McClelland during the construction of the Hall.

Supervisor Palen asked Mayor Lasher what point the fire hall was at – if they were going to run natural gas to the fire hall. Mayor Lasher commented it had not yet been discussed. Discussion took place regarding natural gas for the Hall and for the new fire hall.

Further, a lengthy discussion took place between Supervisor Palen and Mayor Lasher regarding water and sewer for the new fire hall and where it will come from.

Supervisor Palen commented we as a Board have not been doing much input into the OMESA project, but as we get further along, he thinks that is what is needed. More discussion took place between Supervisor Palen and Mayor Lasher regarding OMESA.

The Board decided to table the Consumer's Power natural gas switchover until spring. Nancy commented maybe costs could be split with the fire hall if they were interested.

CAASA Resolution:

Resolution to authorize Clinton Area Ambulance Service Authority to remount and finance an ambulance was reviewed by the Board. The cost is \$120,000.

Moved by Jennings to adopt the CAASA Resolution, Seconded by Nancy. All in favor, Motion carried.

UNFINISHED BUSINESS:

Applebee's Propane Contract:

Moved by Claudia that we accept Applebee Oil and Propane Company's locked-in price of \$1.059 for approximately 1700 gallons of propane for the upcoming heating season, Seconded by Arlene. All in favor, Motion carried.

REPORTS:

Sheriff Representative - Deputy Stacey Speck –

Deputy Speck stated they have been having problems locating people's addresses. The first responders cannot see house numbers and this causes a delay in their arrival to help. Deputy Speck suggested making sure the house number is visible from the road or very visible on your mailbox. He was hoping the Township could help in getting the word out to people. He also commented it would be helpful for businesses to update their contact form for the 911 center, so they know who the owners are. He wondered if we could mail information out with the tax bills or any way we might be able to help.

County Commissioner – Kam Washburn:

Kam reported Clinton County approved their 2018 budget, 20.1 million dollar general operating budget. Seventy-one percent of the budget is funded by property taxes. That has gone up each year. The budget has flat-lined for the last three years, so some funds have been lost in other areas, gaining a little in property taxes.

Barb Moss, County Equalization Director, will be retiring. A contract has been signed with Scott Cunningham, who is a Level 4 Assessor, to replace Barb. He does three or four units, and he will be signing off on the roll in Clinton County. He will also have one person in the Equalization office at least one day a week. Other than that, it will be the regular staff in the Equalization Department. He will probably come in April or May. There are very few Level 4 Assessors. There is an internal person who is taking classes and hopes to get to that Level 4 level, Eric Harger. As soon as he becomes a Level 4, he will become the Equalization Director. To get a Level 4 Assessor Certification, it is probably the hardest test anyone can take in the State. Kam commented it is extremely

difficult to become a Level 4. That's why there are so few. That is what is required by the State Tax Commission.

The County did get a contract with the State to house up to 50 inmates for the State. In the past they have had up to 100 beds. They are pleased to get 50. The State is cutting back.

The County Road Commission is receiving more funding under Act 51 because of the increase from the Legislature. They are going to be passing on some of that in the cost sharing with the townships. This is something to keep in mind when preparing the new budget.

Library – Nancy commented she was not at the last meeting.

Supervisor Palen commented Sherry came to see him while he was away. Sherry told Sue Palen that David Chambers was asking to be replaced on the Library Board. Nancy knew he was thinking about it, but didn't think he had done anything yet. Discussion regarding this took place.

OMESA – Jennings West –

Supervisor Palen commented there's a special finance meeting on Saturday morning at 10 a.m. He also commented that, through discussion, they've 99 percent decided to sell the cell tower contract for \$235,000. Supervisor Palen felt it was a no-brainer but to sell the lease because that represents about 40 percent of the money they have to raise at the targeted construction cost for the building. This way the building can be paid off in the remaining five years of the voted millage.

Supervisor Palen commented while he was traveling he stopped at the place in Ohio that is building the tanker. It should be built by now and should be at a paint shop. By the end of the year the equipment should be here.

CAASA – Supervisor Palen

The refurbishing of the ambulance is the main thing to report, according to Supervisor Palen, as we've authorized the Resolution supporting the financing of it. CAASA will be hiring two new staff members.

The MFR vehicle experiment in Greenbush Township seems to be going very well. So far everyone considers this a successful experiment.

Public Comments:

Mayor Bill Lasher, City of Ovid, commented Josie had received a communication from Claudia regarding actions the Board had taken, and he would like to make a couple comments on those. Pertaining to the recycling center, that has been in existence for more than ten years he thought. The cost of that is an independent item within the City's

garbage contract, which has increased over the years. The original request for contributions from Ovid Township was \$600. That represents 27 cents per Township resident per year. Middlebury Township also has a request for \$600 as a contribution to the recycling. They have less population than Ovid Township. That request is 40 cents per person per year. Six hundred dollars represents about 12 percent of the \$5,200 of the recycling costs at the present time. The City of Ovid picks up the remaining 76 percent at a cost of \$2.51 per person per year. Mayor Lasher said it was requested from Ovid Township to put up a sign that it contributed. Mayor Lasher said he was not about to put a sign that says Ovid Township contributes 27 cents per person per year, Middlebury 40 cents per person per year, and Ovid City \$2.51 per person per year. We do have a sign that identifies the three municipalities as involved in the recycling center. Mayor Lasher said personally he was opposed to a sign. He commented they do have to have a new sign because the current sign says "Village." The Motion said, "the City of Ovid acknowledges, with a posted sign, that Ovid Township contributes." Mayor Lasher commented if the sign that is there now when changed to say "City" does not meet our needs to let him know because he will have a new sign that eliminates Ovid Township on the sign. He commented he was trying to get an understanding of the Motion. He commented he was telling us personally where he was coming from and he requested for Council to agree with him. He commented the City of Ovid thinks it's good public policy to have the recycling center because they're putting \$2.51 per person per year in that activity. He requested that sometime in the near future we let them know if we wish to continue or not, because they will be getting a new sign. His personal opinion is that Ovid Township has the most people using the recycling center. Their contract calls for the dumpsters to be emptied once a month.

Mayor Lasher commented the second item deals with the Parks and Rec Board. The Parks and Rec Board was established by a Resolution of Ovid Village at that time, Ovid City now, and Middlebury Township. Ovid Township never put a Resolution together for the Parks and Rec Board. The Resolution identifies who the memberships are, and they will receive contributions, and then be responsible for allocating those contributions to the various summer sports programs, according to Mayor Lasher. It identifies the City as the fiduciary for those funds. Mayor Lasher commented if you have representation on the Parks and Rec Board, "you need to have some skin in the game, you need to have some money in the game," and, if not, he feels there should be no membership in the Parks and Rec Board. Mayor Lasher requested that if we are not going to participate financially, let him know. He commented he intends to go to Middlebury Township and suggest they change their Resolutions so that it reflects Middlebury Township and Ovid City. He also commented, at present, Parks and Rec has a surplus. Next year they want to put moondust on the ball fields. Mayor Lasher commented he would like to get this settled before January 1 because that's when the City's fiscal year starts.

Supervisor Palen commented he wasn't there for those decisions and asked if someone could explain the logic of what was decided. Nancy commented she made the Motion about recycling on the advice of our Risk Management person. He said anytime you give money to something, you should be acknowledged. Supervisor Palen commented that by the time that suggestion made it to Josie it was misinterpreted. He also said there was already a sign there. Nancy commented the sign doesn't say we contributed. Supervisor Palen said it doesn't say that any of them contributed, it's implicit. Nancy commented when they get the new sign maybe they could say supported by the City of Ovid, Ovid Township and Middlebury Township. Claudia commented she sent a copy to Josie of what the actual Motion was so there shouldn't have been any misunderstanding. Nancy also commented there was no misunderstanding. Nancy asked Mayor Lasher if they could do that with the sign. Supervisor Palen commented, but it's interpretation. It was interpreted in City Hall by a couple of the City Councilman that they were being insulted. Supervisor Palen commented he's embarrassed, and he's been upset up to this meeting. Supervisor Palen continued expressing his feelings with the Board until the meeting was adjourned.

Adjournment:

Moved by Claudia to adjourn the meeting, Seconded by Arlene. All in favor, Motion carried.

Meeting adjourned at 9:26 p.m.

Respectfully submitted,

Claudia Barrett Pluger, Clerk

Gregory C. Palen, Supervisor