

CHARTER TOWNSHIP OF FLUSHING

6524 N. SEYMOUR ROAD
FLUSHING, MICHIGAN 48433
BOARD OF TRUSTEES MINUTES

DATE: AUGUST 11, 2011 TIME: 7:00 P.M.
PHONE: 810-659-0800 FAX 810-659-4212
WEB PAGE: <http://www.flushingtowship.com>

ADMINISTRATION MEMBERS

SUPERVISOR: Terry A. Peck
CLERK: Julia A. Morford
TREASURER: William J. Noecker

TRUSTEES

Michael S. Gardner
Scott R. Matzke
Scott P. Minaudo
Mark H. Purkey

TOWNSHIP ATTORNEY:

STEVEN MOULTON
Cooley Moulton & Smith LLP
727 S. Grand Traverse Street
Flint, Michigan 48502

MEETING CALLED TO ORDER at 7:09 p.m. by **SUPERVISOR TERRY A. PECK** with Roll Call and the Pledge of Allegiance to the American Flag.

ROLL CALL: Terry A. Peck, Julia A. Morford, William J. Noecker, Michael S. Gardner, Scott R. Matzke, Scott P. Minaudo, Mark H. Purkey, and Attorney Steve Moulton

MEMBERS ABSENT: None

OTHER INDIVIDUALS PRESENT: Twenty (20) other individuals

APPROVAL OF THE AGENDA: MINAUDO MOVED, seconded by Noecker to amend the Agenda by **changing** letter b under "New Business" from *June Monthly Budget* to *July Monthly Budget*.

ACTION OF THE MOTION

AYES: 7
NAYS: 0
Motion Carried.

APPROVAL OF PREVIOUS MINUTES: PURKEY MOVED, seconded by Noecker to approve the Minutes of July 14, 2011 with the following amendment: **Page 7**, add "NOECKER MOVED, seconded by Minaudo to approve the Resolution to Adopt Millage Consolidation Replacement and Extention Proposal for the Flushing Charter Township".

ACTION OF THE MOTION

AYES: 7
NAYS: 0
Motion Carried.

APPROVAL OF PAYMENT OF BILLS: PURKEY MOVED, seconded by Minaudo to pay the bills as submitted.

ACTION OF THE MOTION

AYES: 7
NAYS: 0
Motion Carried

UNFINISHED BUSINESS:

1. Update of Duffield Road Property

The Supervisor requested to postpone the issue of the *Update of Duffield Road Property*.

2. Resolution of Shared Services

PURKEY MOVED, seconded by Minaudo to approve the Resolution for Shared Services.

DISCUSSION:

The Resolution is only giving the Flushing Township Board of Trustees the authority to sit down and discuss the issues with the Flint Area Reinvestment Office; there wouldn't be any contractual or financial obligations made. Before any decisions would be made, the issue would be brought back to the Board.

**RESOLUTION
CHARTER TOWNSHIP OF FLUSHING
FUTURE GENESEE SHARED SERVICES**

A Resolution supporting the process in Genesee County to discuss Shared Services agreements and government service delivery structure to be lead by the Flint Area Reinvestment Office.

The Township does resolve:

Section 1. The Supervisor is hereby authorized to engage in the process of evaluating the possible joint service options or potential governmental restructuring options for participating governmental entities.

Section 2. Our unit of government pledges to participate in this process on a voluntary basis, recognizing there is no legal commitment to restructure or contractually engage in a shared service agreement.

Approved by the Board of Trustees this 11th day of August, 2011, and signed in authentication of this passage this 11th day of August, 2011.

CHARTER TOWNSHIP OF FLUSHING

TERRY A. PECK, Supervisor

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Minaudo, Matzke, Gardner, Purkey, Peck, Noecker, and Morford

NAYS: 0

Motion Carried

3. Building Security

The Supervisor requested to postpone the issue of *Building Security* until the September Board of Trustees Meeting.

NEW BUSINESS:

1-a. Presentation by Plante Moran (Auditors)

A Financial Report was presented by Tadd Harburn, CPA for Plante Moran for Fiscal Year ending March 31, 2011

Some interesting facts:

- Every government agency is required to have an annual financial audit.
- Flushing Township's fiscal year ended on March 31, 2011.
- Auditors express their opinion whether or not the township's financial statements are presented in accordance with General Accounting Principles.
 1. The audit indicated:
 - a. Increase in General Fund Revenue due to Comcast Franchise Fees and Cell Tower Revenue.

- b. Largest source of revenue is State Shared Revenue at 56%; Property Taxes is only 11% of the revenue received by Flushing Township.
- c. Timing of Property Tax Decreases – generates less property tax revenue available; the township needed to think about shared services per the Governor.
- d. By the year 2014, it is estimated there will be a property tax loss of \$272,000.
- e. The years 2013 and 2014 is estimated to be the drop in the trough; from there on the property taxes will increase. The recovery period is going to be a long term effect due to Proposal A.
- f. There are two (2) types of State Shared Revenue: Constitutional and Statutory. Flushing Township only has Constitutional State Shared Revenue which means the legislature cannot reduce the amount paid out for revenue and is based on population. Statutory State Shared Revenue can be reduced.
- g. There were two (2) major increases in the General Fund Expenditures:
 - 1) increase in Public Works Expenditures due to road work on Johnson and Morrish Road: and
 - 2) an additional \$50,000 paid out to Municipal Employees Retirement System (MERS) over and above the minimum actuary required.
- h. It is recommended the General Fund – Fund Balance should be a minimum of 25% of the annual expenses; when a municipality gets below the 25%, there are problems with cash flow.
- i. Law Enforcement Fund – 2010 is the first year, in several years, the Revenues exceeded the Expenditures with an Unreserved Fund Balance. The Law Enforcement Fund is funded by property tax millages.
- j. Sewer and Water Fund – made up of infrastructure (assets) in the ground, is restricted and can't be used for anything else; the Fund has Unrestricted Assets of almost \$3,000,000; for the last 4 years, the Revenues have exceeded Expenditures. The Sewer/Water Fund is different because there is the possibility of having sewer/water lines brake, etc; some municipalities have an external party look at a capital improvement plan to base the sewer/water funds. The money may be borrowed from the Sewer/Water Fund but it must be repaid with interest.
- k. Other Post Employment Benefit Plans – 1) post employment health care benefits (not required by State Law); 2) MERS Defined Benefit Pension Plan - 58.6% funded as of December 31, 2010 – factors: increase in retirements and stock markets. (Attorney Moulton inquired about the minimum contribution of MERS as to whether the figure is calculated so that the unfunded liability remains constant or is there a way to decrease the figure? Per Tadd Harburn, the liability is advertised over a long period of time; currently, the actuary is over a period of 28 years so that over 28 years the liability will be fully funded based on the employees estimate of longevity, projected benefit increases, etc.).
- l. Recommendations/Comments from Tadd Harburn: 1) recommended to have password protections on the software; and 2) there were no audit adjustments , which is rare and means that Flushing Township has good accounting practices in place.

1-b. Approval of July Monthly Budget

NOECKER MOVED, seconded by Minaudo to approve the July Monthly Budget as presented.

ACTION OF THE MOTION

AYES: 7

NAYS: 0

Motion Carried.

1-c. Approval of Michigan Assessors Association Membership Dues for the Assessor for 08/31/2011 to 08/3/2012

PURKEY MOVED, seconded by Matzke to approve the Michigan Assessors Association Membership Dues for the Assessor for the period of August 31, 2011 to August 31, 2012.

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Purkey, Gardner, Matzke, Minaudo, Peck, Morford, and Noecker

NAYS: 0

Motion Carried

1-d. Increase in Water Rates

MINUADO MOVED, seconded by Morford to approve the pass through for Flushing Township residents of 22 cents per 100 cubic feet effective September 2nd, 2011.

DISCUSSION:

Affective September 1, 2011, the water consumption rate that Genesee County pays to Detroit will increase by twenty-two (22) cents per one hundred (100) cubic feet and will be passed through to all the townships; Flushing Township will only pass through the twenty-two (22) cents and nothing extra. Flushing Township is currently in a six (6) year plan for having the water/sewer lines evaluated.

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Noecker, Peck, Gardner, Matzke, Minaudo, Purkey, and Morford

NAYS: 0

Motion Carried

1-e. Updates on Policy and Procedures Manual

GARDNER MOVED, seconded by Matzke to approve the changes on Page 25 and Page 26 of the *Policies and Procedures Manual*.

DISCUSSION:

A few changes/additions such as not changing the bonding costs for employees (Page 25) and "NFS" checks on Page 26. Expenses that Flushing Township incurs, that is not the township's fault, will be charged back to the resident.

ACTION OF THE MOTION:

AYES: 7

NAYS: 0

Motion Carried.

1-f. Approval of Clinic for Non-Emergency Work Related Injuries

PURKEY MOVED, seconded by Matzke to postpone the clinic issue until more information is obtained concerning the hours the clinic is open to the public.

DISCUSSION:

The decision was recommended by Michigan Municipal League, who is Flushing Township's Worker's Compensation agency, and would save Flushing Township money. It was suggested to use West Suburban Clinic (Pierson Road and Elms Road) but it was discovered the clinic is only open in the evenings.

ACTION OF THE MOTION:

AYES: 7

NAYS: 0

Motion Carried

1-g. Petitions for Coldwater Road Extension

PURKEY MOVED, seconded by Minaudo to schedule a Public Hearing for the *Coldwater Road Extension* at the September Board of Trustees Meeting.

ACTION OF THE MOTION:

ROLL CALL VOTE

AYES: 7

NAYS: 0

Motion Carried.

COMMITTEE REPORTS:

None

REPORTS:

1. **Treasurer's Report:** **GARDNER MOVED**, seconded by Minaudo to accept the Treasurer's Report as submitted.

7:50 P.M. – OPEN FOR PUBLIC COMMENTS

Two (2) individuals gave their comments.

7:55 P.M. - CLOSED FOR PUBLIC COMMENTS

BOARD COMMENTS:

1. **MINAUDO:** thought Plante Moran did a great job.
2. **MORFORD:** reviewed the upcoming Election Dates: November 8, 2011, May 2012, August 2012, and November 2012.
3. **SUPERVISOR PECK'S COMMENTS:**
 - a. Water Bills for Sprinkler Systems: if a Flushing Township property owner does not want to have his/her sprinkler system turned on, the township has to be contacted to reverse the process. **PLEASE NOTE: Starting March/April 2012, there will be a Notice on the Water Bills that states that if you do not plan on using your sprinkler system for the current year, contact FLUSHING TOWNSHIP in order to avoid the extra cost.**
 - b. Carpenter Road (West of McKinley Road): a month ago the culverts were replaced; the road is currently in the process of being milled; and the paving will take place next week.
 - c. Stanley/Gillette Road (East/West of Seymour Road): due to a problem with a local farmer's machinery, Stanley Road has a new paving job.
 - d. Ditching: will start within the month on Stanley Road and Coldwater Road; 50/50 money will be used.
 - e. Spy Del/Apple Blossom: two (2) areas, for a total of approximately four hundred (400) feet of road, will be repaired with new drains and pavement. There will be several years of good road in the area.
 - f. McKinley Road Culvert (between Stanley Road and Mt. Morris Road): a new culvert will be replaced; the Supervisor will inquire at the next Genesee County Road Commission Meeting.

THE NEXT REGULAR SCHEDULED BOARD OF TRUSTEES MEETING WILL BE THURSDAY, SEPTEMBER 8, 2011 AT 7:00 P.M. AT THE FLUSHING TOWNSHIP HALL.

ADJOURNMENT: PURKEY MOVED, seconded by Morford to adjourn the meeting at 8:10 p.m.

JULIA A. MORFORD, Clerk

TERRY A. PECK , Supervisor

APPROVED DATE: _____

08 11 2011 Regular Min