

**BIRCH RUN TOWNSHIP BOARD OF TRUSTEES
REGULAR MEETING
NOVEMBER 18, 2014**

Supervisor Ray Letterman called the November Regular Meeting of the Birch Run Township Board to order at 7:00 p.m. Also present for the board were Corey Trinklein, Clerk; Debbie Trevino, Treasurer; Ed Magnus, Pam Moore, Fred Sheridan & Brady Totten, Trustees. Approximately 8 people were in the audience. Others present were Brad Thomas for the Department of Public Works, Dave Matzke for the Fire Department & Jeanette Morrish for the Library.

PASSED: Motion by Magnus seconded by Totten to approve the November 18, 2014 Agenda as amended.

Yeas: Moore, Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein

Nays:

October 14, 2014 Regular Meeting Minutes were discussed.

PASSED: Motion by Totten seconded by Sheridan to approve the October 14, 2014 Regular Meeting Minutes as presented.

Yeas: Magnus, Letterman, Sheridan, Totten, Trinklein, Moore

Nays:

Abstain: Trevino

PASSED: Motion by Totten seconded by Magnus to approve Invoices through 11/3/14 totaling \$141,402.94.

Yeas: Letterman, Trevino, Sheridan, Totten, Trinklein, Moore, Magnus

Nays:

PUBLIC COMMENT: 7:02 p.m. to 7:02 p.m.

TRUSTEE COMMENTS:

Corey Trinklein – Presented November Revenue & Expenditure Report and gave business license update.

Debbie Trevino – Tax bills are now in and ready to be stuffed into envelopes. Would like to receive an order to complete transfers for the fire fund. Money for the fire revenue is currently in the General Fund. After two years ~~in the~~ being in the general fund, would like confirmation that the numbers are correct. Wants a directive from the board to move funds so there ~~was~~ *is* no issue with wrong amounts being moved. As the tax revenue gets collected it will be put ~~to~~ *into* the fire account. Starting this year when tax revenue is collected it will be automatically moved to the fire account. Wanted to wait for the current audit report to compare to the previous audit report to make sure the amounts from the start of the millage to present collections are correct. Auditor was confused because there ~~are~~ *is* money coming from multiple banks. Asked why Paula or other staff members cannot cash out the drawers and do a night deposit.

Ray Letterman – Before next month's meeting, the fire fund money needs to be transferred to the fire bank account. Contact the accountant Wednesday to find his availability. Would like a report to show deposit receipts and the month end transfer sheet.

Pam Moore – Is disappointed in the lack of internal controls that are still happening. With there being a check that was destroyed due to the smoke damage. Debbie stated that the check was incorrect anyway and that she took it home to figure out why it was wrong. We want to limit the chances of things happening to the money. Debbie stated that because of what happened, no paperwork or checks will be taken off site any longer. She also stated that she was extremely upset that this happened. Debbie stated that all tax funds have now been transferred out in a timely manner. There have been numerous auditor comments regarding tax disbursements not being completed on a timely manner. With the previous board having issues with the timeliness

of the tax disbursements Pam has requested that the State look more closely at the audit reports. There was also supposed to be a safe ordered to put the tax money in, but it has not completed. Brady will look into the cost of ordering a new safe. In 2002 there was a tax tribunal after all the money was distributed. There was not enough money left in that account to pay out the tribunal amount which must be paid out within 20 days. In that case it would then need to be taken out of the General Fund. There is nothing from this current tax collection left in the account. In 2009 the Village DDA decided to capture personal property tax money. Debbie could not figure out how to disburse the amounts properly. She needed to calculate the amount due for delinquent tax using a formula provided by the county treasurer. Each individual property needs to be calculated separately for each tax item type, which is why it has taken so long to calculate how much money needs to be transferred. Debbie has completed the spreadsheet for the delinquent personal property tax, now they need to be distributed. The State has commented that is an administrative nightmare. Another internal control issues are is too much money being left in the cash drawer. There was \$61,047 in the cash drawer, \$60,000 of it being from one check. Pam feels that no matter how often deposits are made, the amount in the cash drawer should not be too excessive. Last month there was a comment again about how long it takes for checks to be deposited. Fred asked if the General Fund account could be moved to Community State Bank to make deposits easier? Ray commented that the number of checks per day varies considerably. According to Debbie, Accounts Payable and Payroll checks for the last two weeks have been signed and distributed in the office. Ray commented that he has an issue with water customers coming in and saying that they pay their bill with cash because checks take too long to cash. Ray also commented that asking questions of Debbie is like hitting a cement wall. We call other people and they ask why this is happening. Why would we have to consider implementing some of these resolutions. The recommendation from the MTA for a lack of a better word that he used, we could have our township attorney draft something that says a vote of no confidence and that is where he is at. Debbie commented that she does not have any issues working with the county treasurer and the deputy county treasurer. Pam would like to see a motion to have deposits done on a weekly basis. Ray asked if there can there be a bank account across the street to just do deposits into, Debbie commented that there are more fees accrued when doing wire transfers. The auditor asked why can't the office worker do the daily receipting and balance out. Pam asked what the chances are of moving this along and getting a process put into place to do daily cash out of the drawer and nightly deposits. Debbie commented that she will try to do the daily drawer cash out as often as possible, but would like to have the office person able to help do it when she cannot. Debbie said that Wednesday she would go to Community State Bank to discuss creating a deposit account.

Fred Sheridan – If we are going to do more timely deposits we should look at using a bank that is closer to the township office, especially in the winter time.

Brady Totten – The DDA put a guard rail up at the pump station on the corner of Birch Run Rd. and Dixie Hwy. The cost went from \$7,000 to just over \$3,000. Brady wanted to thank Brad for his help in getting this accomplished.

DEPARTMENT REPORTS:

Brad Thomas – The park drainage project by the concession stand has been completed. Cemetery had an incident where the bench in front of the columbarium was vandalized and broken. Ray asked if we have received a copy of the police report. Everything has been winterized. The gate at the DPW building has been lifted.

Dave Matzke – There have been 450 fire runs so far this year. There were 44 fire runs for October. Fire prevention for over 600 kids at North Elementary. Last month completed the pump test and maintenance for all 3 engines. Wednesday there will be a presentation for the grant money for the jaws put into service. The open house for Halloween had 58 kids participate. They are working on Fire Station Design.

Jeanette Morrish – The Incredible Dr. Pol will be at the library on Tuesday, December 2nd for a presentation and book signing. On December 4th there will be a vendor & craft fair.

PASSED: Motion by Moore seconded by Totten to approve the treasurer to set up a deposit account at Community State Bank; having the office staff assist with cashing out the drawer on a daily basis and depositing it at Community State Bank; the treasurer will update the General Ledger on a weekly basis; and the treasurer will do transfers to the appropriate accounts on a monthly basis at month end.

Yeas: Moore, Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein
Nays:

PASSED: Motion by Magnus seconded by Moore to approve the DPW employees setting up an account with Cintas for uniforms and taking the cost of them out of their pay checks.

Yeas: Letterman, Trevino, Sheridan, Totten, Trinklein, Moore, Magnus
Nays:

PASSED: Motion by Moore seconded by Magnus to approve the DPW setting up a charge account at Conlees as a secondary filling station in case of after-hours needs.

Yeas: Trevino, Sheridan, Totten, Trinklein, Moore, Magnus, Letterman
Nays:

PASSED: Motion by Magnus seconded by Totten to approve the November Budget Amendments as presented.

Yeas: Trevino, Sheridan, Totten, Trinklein, Moore, Magnus, Letterman
Nays:

PASSED: Motion by Magnus seconded by Sheridan to approve having Bendzinski & Co. begin the paperwork process to finance a loan in the amount of approximately \$2,500,000.00 from Rural Development for the construction of a Fire hall and that any associated fees are to be paid out from the General Fund; Bendzinski & Co. shall draft a posting for publication in the newspaper announcing the intention to finance a Fire Hall and explain that the cost for the Fire Hall will come out of the General Fund and not from the Fire Fund.

Yeas: Magnus, Trevino, Sheridan, Totten, Trinklein
Nays: Letterman, Moore

PASSED: Motion by Magnus seconded by Totten to approve Resolution #2014-10 (Appointing Trustee and Alternate Trustee to the Mid Michigan Waste Authority Board) as amended.

Yeas: Moore, Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein
Nays:

PASSED: Motion by Magnus seconded by Sheridan to approve the property and casualty insurance through Burnham & Flower at the cost of \$20,772.00 for the yearly premium.

Yeas: Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein, Moore
Nays:

PASSED: Motion by Magnus seconded by Sheridan to approve the acceptance of the Terrorism Coverage Insurance for a prospective premium of \$100.00 for property and \$100.00 for casualty.

Yeas: Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein, Moore
Nays:

PASSED: Motion by Magnus seconded by Sheridan to approve the repair of the copier machine from Brady's Business Systems at a cost not to exceed \$500.00.

Yeas: Sheridan, Totten, Trinklein, Moore, Magnus, Letterman, Trevino
Nays:

PUBLIC COMMENT: 10:10 p.m. to 10:10 p.m.

PASSED: Motion by Sheridan seconded by Totten to adjourn at 10:10 p.m.

Yeas: Magnus, Letterman, Trevino, Sheridan, Totten, Trinklein, Moore

Nays:

Corey Trinklein

Birch Run Township Clerk

Approved: December 9, 2014 _____