

SPECIAL MEETING/BUDGET WORKSHOP MEETING MINUTES

JUNE 14th, 2022

TUSCARORA TOWNSHIP

3546 S. Straits Hwy

Indian River, MI 49749

• **Call to Order with Pledge of Allegiance**

Supervisor Ridley called the meeting to order at 7:00 pm.

• **Roll Call of Board Members**

Present: Kramer, Webb, Ridley, Balazovic, Vance. There was a quorum of the Board present.

• **Adopt Agenda**

• **Public Comment on Agenda Items**

There were no public comments

• **Budget Discussion:**

Library

Check revenues based on increased taxable value. Discussed budget line items adds and subtractions in line items.

Parks and Recs

Increase GL101-751-940.01 from \$11,700.00 to \$20,000.00

Increase GL101-751-975-00.00 from \$0.00 to \$45,000.00 to cover the cost of improving the tennis courts.

Clerk Webb stated that those two increases reduced the fund balance by \$230,000.00

Police – no changes to proposed budget

Chief Temple requested a transfer of \$32,500 so that he could make the planned lump sum payment for the second year this fiscal year. This year's payment will add an additional \$100,000.00 to the pension fund. Motion made by Vance supported Kramer by to transfer \$32,500.00 from salaries and wages GL207-301-702.00 to GL207-301-717.00 to make a \$100,000.00 lump sum payment into the pension fund this fiscal year. All in favor, motion carried. Motion made by Webb supported by Vance to purchase a new Dodge Charger at a cost of \$34,700 for next fiscal year (July, 2022). All in favor, motion carried.

Township – no changes to proposed budget

Supervisor – no changes to proposed budget

Contingencies - reduce by \$30,000.00 to \$20,000.00

Clerk – no changes to proposed budget

Accounting – No changes to proposed budget

BOR – no changes to proposed budget

Municipal Bld

Reduce Repairs and Maintenance to \$10,000.00 and increase electric to \$6000.00

Treasurer – no changes to proposed budget

Assessor- no changes to proposed budget

Election – no changes to proposed budget

Municipal Bld. – no changes to proposed budget

Attorney – no changes to proposed budget.

Current year - Motion made by Kramer, supported by Vance to transfer \$1100.00 from contingencies GL101-209-941.00 to Attorney GL101-266-801.00. All in favor, motion carried.

Streets and Lighting – no changes to proposed budget, requested separate GL for brining.

Refuse Collection – no changes to proposed budget.

Current budget-Motion by Vance supported Balazovic by to transfer \$750 from contingencies GL101-209-941.00 to Refuse GL101-528-801.00.

Cemetery – change contracted services to \$20,000.00

Current year -Motion by Kramer, supported Vance by to transfer \$ 3500.00 from contingencies GL 101-209-941.00 to Cemetery contracted services GL 101-567-801.00 to cover the cost of removing eight trees in Oak Hill. All in favor, motion carried.

Airport – no changes to proposed budget.

Planning Commission – no changes to proposed budget

Current year -

Veterans Pier – no changes to proposed budget.

Boat Launch – no changes to proposed budget.

Fire Protection – no changes to proposed budget.

Streetlights – no changes to proposed budget.

DDA – no changes to proposed budget.

ARPA – no changes to proposed budget.

Special Assessment – no changes to proposed budget.

Current year - Motion by Vance, supported by Webb to transfer \$10,693 from Additional REU fund balance to RRI fund balance.

Get guidance from Bond Council on how to handle \$375K bill for engineering.

Road Special Assessment – no changes to proposed budget.

Comments – Jan requested that any changes to be highlighted

- **Ethics Policy**

The Board requested an opinion regarding needed changes to policy from legal counsel at the June 7th meeting. As follows with permission:

On Thursday, June 9, 2022, Robert Huth <rhuth@kirkhuthlaw.com> wrote:

Good Morning Board Members:

As I understand it the Board has directed me to suggest an addendum to the Conflict of Interest Policy that would reflect the intent of the Board with respect to Ms. Balazovic's efforts for Assessing and work performed in the Election Department by someone other than Ms. Vance.

I appreciate the suggestions by Board Members and there is more than one way to solve the issue. **I prefer to go with the least complicated and suggest the Board delete the first sentence of III. D. (No public servant shall engage in employment with any other agency or department of the Township.)**

Rob

Robert Huth

Thu, Jun 9, 1:53 PM
(9 days ago)

to Janet, trustee1@tuscaroratwp.com, Bobbi, me, Mike

Ms. Vance:

Thank you for your note. I was under the impression that Board knew of Ms. Balazovic's assistance with Assessing Department. For sure it does now. It's not unusual for smaller Townships to ask Board members to wear multiple hats; **I don't see a conflict of interest.** Future Boards will be on their own with respect to whether they wish to continue the practice.

Rob

Legal Questions

Robert Huth

Jun 14, 2022, 10:47 AM
(4 days ago)

to Janet, Mike, treasurer@tuscaroratwp.com, Robert, me

Ms. Vance,

I will use your e-mail as the foundation to answer the outstanding issues. Thank you for incorporating Mr. Kramer's question into your e-mail.

Situation - an elected official:

- interviews candidates for a job
- recommends one candidate to the full board, recommends a salary for that candidate
- recommends an additional amount be kept in the budget for specific work in the candidate's department
- votes to hire the candidate

NOW...

- elected official (treasurer) works as a township employee under the supervision of the this selected candidate
- no record of this elected official being hired by the township board, or having a job description, wage or salary set by the board... just a flat fee (also not set by the board)
- no description in the budget line for this flat fee

Question:

-Does the AGO No. 6618 apply in this case?

Frank Kelly (1989)

"It is my opinion, therefore, that a person serving as a township trustee may not simultaneously serve as a township assessor of the same township."

My understanding is the Ms. Balazovic is performing office clerk type duties in the Assessing Department. Since she is not Assessor she is not holding a second "Public Office." Therefore, this AG opinion can be distinguished from the facts here.

-Law based opinion on why this is not a conflict of interest, or incompatible job

"The board has the philosophy 'it's about the position, not the person", so...

-Who evaluates the elected official's work as an employee?

As I understand it there is not an evaluation process in place. It may not be necessary if the job responsibilities are narrow and the function is ministerial.

-How can an employee (hired by the board) be asked to evaluate his employer working for him in a subordinate position?

This is not occurring.

-As Trustee Kramer has asked several times, how can we vote to pay the bills if there is no record of board approval for this position or salary?

The Board has approved pay for Ms. Balazovic for at least seven years and the budget reflects a line item for pay in the Assessor's office. The Michigan Court of Appeals has held that in a similar situation these facts give rise to a conclusion that notice was sufficient to support compensation. (Burton Township v. Speck, 1 Mich App 339, 1965). Further, the practice of paying Ms. Balazovic is further supported because a Michigan Statute permit reasonable compensation by the Township Board for services rendered. (MCL 41.96).

-If the board wanted to legally hire the elected official to work as an employee, would the board have to pass a resolution with salary, job description, length of employment, etc.?

Yes, I agree you cite a good practice. However, It's not a legal prerequisite to pay an employee. The Board should consider this type of policy going forward.

Thank you,
Rob

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Webb made a motion to strike the first sentence in III D supported by Ridley Supervisor Ridley asked if there was any more discussion. Trustee Kramer said that it (the policy) should not be changed. Webb said she made the motion that we strike it per Rob's direction. We asked him to give us an opinion and he did. It's conflicting with what I'm doing in my office. Laura (Office Assistant) is working elections. Kramer offered more alternatives and Webb stated that this was the purpose of asking Rob. Kramer stated he didn't agree with Rob. Webb: "you don't agree with the Lawyers"? Kramer: "No". Ridley said we were going to have to fix this one way of the other, restated the motion and support and we needed to have a roll call.

Motion by Webb to strike the first sentence in III D supported by Ridley Kramer – No, Webb – yes, Ridley – yes, Vance – No, Balazovic abstain. Motion failed.

Ridley said now how are we going to fix this. Obviously it impacts Bobbi's and we'll have that in a separate discussion but this is to get your (Webb) election...

Bobbi interjected that Teri was also her Deputy Treasurer so she would have to choose and obviously it would be the Assessing Assistant I and I will have to search for a new Deputy.

Janet said to take out public servants and put down elected officials and department heads that way you can have your Deputy Treasurer and election workers and everybody's good. Bobbi said "no everybody not good". Janet said well we'll have that discussion at a later time.

Motion by Kramer supported by Vance to change III D on page five to state "no elected official, or department head.

Kramer – yes, Webb – yes, Ridley – yes, Vance – yes, Balazovic – abstain.

Cash Management Policy

Kramer motioned to adopt the policy as written, supported by Vance. All in favor, motion carried.

- **Public Comment:**

There were two public comments

- **Board Comment**

There were four Board comments

- **Motion to Adjourn**

Respectfully Submitted

Dawn M Webb, Clerk

Michael E Ridley, Supervisor