

April 3, 2009

A budget hearing meeting was called to order by Supervisor Lesandrini on March 25, 2009 at 6:00 p.m. There were 14 public attendees. Scott Kenney was present to discuss the 2009-2010 budgets with the board. Kenney stated that he had met with Lesandrini and Dalpra and sketched together some numbers. Also, Kenney stated that there was a budget workshop meeting held on March 10th and at that time comparative information was sketched together, actual information going back to 2007-2008 fiscal year, where the township was at that point of time, which was the January 31, 2009 numbers, annualized those numbers out, and took a look at the with 2008-2009 budget and a 2009-2010 budget was set from that. Kenney stated that a couple of assumptions were made from that process. Kenney stated one was that the tax rates would not change. Kenney stated that they would not go up or down and would stay the same in the various funds. Kenney noted that in the Township's sewer ordinance that there is an inflationary increase in that fund, which would be going into affect starting April 1, 2009. Kenney stated that would be at 4.4%, which was incorporated into the budget as well as far as the revenue side of it goes. Kenney stated that he used a 3% inflationary factor on most of the expense categories. Kenney used utilities and health insurance as examples where they may have had reasons to move off of the 3% factor. He noted that the township had received their quotes for the year regarding the health insurance and additional percentages which were applied for the last few months of the fiscal year, which fall within this budget cycle. Kenney stated on a line item basis they went thru and hashed thru the budget, which was given to the board to review and changes were made.

Another draft was presented to the board, which was discussed at the budget workshop held on March 10th, and more revisions were made during that meeting, not finalizing it, but drawing it down to the document that is presented at this meeting for approval. Kenney noted that some procedural changes have been incorporated in the budget, such as splitting out some areas, such as office supplies, which now be charged to the clerks account instead of splitting them out into the various area. Postage is another example, he noted will be handled the same way except for the utilities, which will be put into the water and sewer fund and then incorporated back into the clerk's area as part of this budget process. Kenney noted that in the capital end, the capital pieces were identified. The township is looking at a piece of property that they have some monies out as far there as option to purchase the land. The assumption is in the budget that the township will be going ahead with the acquisition of that parcel of land and that the township will not be doing any road construction type of work this year, because the township will be consuming the bulk of those dollars for that. Kenney added that the chlorinating for dust control will still be done. Kenney noted that those are repair costs that are still incorporated in the budget. He also noted that added to the budget was a folder for tax bills, a fire proof file cabinet, along with the replacement of the public works truck. Kenney stated that the township can afford to transfer \$200,000.00 from the general fund, which is the funding for most of our capital, into the township improvements fund on a quarterly basis for future projects. He noted that in looking over the proposed budget, the general fund revenues will be \$751,820.00 and expenses will be \$706,367.00, for a balance of \$45,453. Kenney noted that added to the beginning fund balance of \$692,726.00, the general fund should close out next year with a \$738,179.00 fund balance. Kenney noted that the fire budget should end the year with \$188,726.00, the improvement fund with \$73,603.00, water fund with \$51,172.00, and sewer fund with negative \$26,226.00. Motion by Kut, supported by Takala to approve the 2009-2010 budget. Roll call was taken. All ayes. Motion carried. Motion by Takala, supported by Dalpra to adjourn the budget hearing. All ayes. Motion carried. The State of the Township meeting was called to order on March 25th at 6:20 p.m. Roll call was taken. All board members were present. Motion by Seppala, supported by Dalpra to approve the agenda. Roll call was taken. All ayes.

MEETING RESOLUTION:

After further discussion with the board and public, a motion by Seppala, supported by Kut to approve the regular board meeting for the 2nd Tuesday of every month at 5:00 p.m. Roll call was taken. All ayes. Motion carried.

DEPOSITORY RESOLUTION AND INVESTMENT POLICY:

Motion by Seppala, supported by Takala to approve the Investment and Depository Resolution designating the following financial institutions as depositories of the township funds: Covantage Credit Union, Crystal Falls, Michigan; Edward Jones Investments, Crystal Falls Michigan; First National Bank of Crystal Falls, Crystal Falls, Michigan; Wells Fargo Bank, Crystal Falls, Michigan. Roll call was taken. All ayes. Motion carried.

BUDGET AMENDMENTS 2008-2009:

Kenney noted that he took the most recent revenue and expenditure report and addition to that he took which would have been audited adjustment after the books had been closed and added those to that report. After further discussion with the board, a motion by Kut, supported by Seppala to approve the budget amendments for the 2008-2009 budget. Roll call was taken. All ayes. Motion carried.

STATE OF THE TOWNSHIP:

WATER AND SEWER:

Jeff Bal of AECOM shared 3 presentations he recently made on behalf of the township. The first concerned was on the water system improvement project. Bal stated that the multi-million dollar project was funded with a grant and loan monies, plus help from the City of Crystal Falls, Mastodon and Hematite townships where they were impacted. Bal stated that the project had been planned for ten years and included new water main, water tanks and an electronic management system. Bal stated that the old system leaked from 60-70% of all water pumped. Bal stated now the wells are pumping less water each day, even though they supply both townships and the city residents. The second presentation was on the wellhead protection. Bal stated that the township received a \$30,000.00 grant from the Michigan DEQ to protect the groundwater around the Lind District and the North End wells, which identified the aquifer, potential contaminants, purchased information signs and the Wellhead protection board has drafted a wellhead protection ordinance. It was also noted that the wellhead protection areas will be noted in the upcoming plat books also. The third presentation was on the updating of Gibson Lake Park. Bal stated that for three years the township has applied for a grant from the DNR and was recently successful in securing \$179,000 for a new changing house with restrooms, four campsites, boat launch improvements, walking trails, a fishing pier, new pavilion and upgrades to the water line.

PLANNING AND ZONING:

Kut stated that the zoning process began in 2003 and was completed this past year. Kut noted that the zoning information is posted on the township website at www.crystalfallstownship.org. It was also noted that a new fee structure for zoning permits was approved, which reflect actual dollar amounts. Kut noted that the planning and zoning board will now begin tweaking the master plan to bring it up to date.

TOWNSHIP ROAD LOCAL AND PRIMARY:

Lesandrini stated that this year will be concentrated on graveling and chlorinating roads. Lesandrini stated that he was going to try to chloride the roads early this year, possibly in May, but that would be contingent on the road commission getting out and grading the roads. Lesandrini noted that in 10 years the township will have one-half million dollars into chlorinating the roads. Lesandrini stated to the public that if they see any potholes to call him and he will contract the road commission. Lesandrini stated that the Iron County Road Commission controls the Act 51 dollars, which are generated with the taxes from buying gas. He noted that the money goes to the community where the gas is purchased.

ECONOMIC INVOLVEMENT:

Lesandrini stated that the township is purchasing about 80 acres of land up north adjacent to the railroad grade, to be added to the industrial park. Lesandrini stated that he has been trying to get a proposal from EDC to market that property to bring some more industry into to area. Lesandrini noted that as the industry comes in, the property will be parceled off and sold to the company. Lesandrini also stated that he is looking into some grants to improve the water system in that area.

PARKS AND RECREATION:

Lesandrini stated the improvements that will be done at the Gibson lake park. Along with that, Lesandrini stated that the township has also committed to \$42,000.00 toward next year's proposed non-motorized path connecting Crystal Falls to Iron River.

FINANCE:

Lesandrini stated that he had a report as of the end of December. He noted that out of all the township funds, the township has in the bank in cash one million- two-hundred seventy-two thousand dollars, not including assets. Lesandrini noted that the audit report will be available sometime in June for the public review. He noted that it will also be on the township website.

TAXATION:

Dalpra stated that the tax season closed on March 2nd. Dalpra noted that approximately \$90,000.00 was turned over to the county treasurer. Dalpra noted that there were 4 or 5 unpaid personnel taxes. Dalpra stated that in January the township board approved going ahead with in- house tax collection and maintenance in the assessment roll. Dalpra stated that she thought that this system should be extremely efficient. The winter of 2010 tax bill should show a reduction of 3% and the fire protection will be reduced to 1.75%. The county allocation was 1.14 and the library renewal expires in 2010.

SANITATION AND RECYCLING:

Lesandrini stated that the township plans to have another Spring Clean-up in May. The date and time will be announced in the paper and or township website. He also stated that the free recycling collection is the first Wednesday of every month and continues to be successful. Lesandrini stated that many residents are taking advantage of the free yard waste disposal site on Power Plant road.

ELECTION:

Seppala stated that the School election will be held on May 5th. She stated that there is one position opened on the school board. Seppala noted that the last day to register for this election is April 6th. Absentee ballots will be sent out only upon request, she noted. There is an absentee ballot application that has to be filled out and returned to the office. Seppala reminded everyone that the inspectors are required to ask for a form of identification, such as a driver's license or Michigan ID card when you come to vote. Seppala stated that if anyone is interested in working as an election or chairperson there is an application if the office. She noted that the township pays \$10.00 an hour for chairperson and \$9.00 an hour for an inspector.

Dalpra commented that she was waiting for a contract with First National Bank regarding the check draft. She also noted that there will be some forms to approve and she is looking at early April when this system can be implemented.

Motion by Dalpra, supported by Takala to adjourn the meeting. Roll call was taken. All ayes. Meeting was adjourned at 8:06 p.m.

Joanne Seppala/Clerk