

Minutes of the Clay Township Budget Workshop meeting held on Monday, May 8, 2006 at 5:00 p.m. in the Clay Township Meeting Hall, 4710 Pointe Tremble Road, Clay Township, Michigan

PRESENT: Supervisor Jon E. Manos, Clerk Michael Pellerito, Treasurer Connie Turner, Trustees: Sharrow, Makuch, DeBoyer, Dare
ABSENT: None
Citizens: None

Supervisor Manos called meeting to order at at 5:08 p.m. for the purpose of preparing the Township budget for the fiscal year 2006/2007.

1. Mainland Fire Department - 206

Connie: What you see written on the side is what I changed it to because the vehicle payments were different and hydrant maintenance. Revenue is up to \$416,306.00.

Pellerito: Revenue and expense must be the same.

Connie: ML Fire at the beginning of this year had fund balance of \$114,806.28.

Pellerito: That is roughly 25%; Rick is half way to achieving our goal.

Turner: Three (3) hydrants on Genaw Road were added so that was increased to \$15,715.00, line item 740. Payments were different, principal was \$97,479.00 and interest was \$9,223.00.

Sharrow: Have verified that the liability insurance will be pretty close?

Pellerito: Received a letter, don't foresee any increases.

The modifier on workers comp last year was .39 and has dropped to a 1.04, means a 26% decrease in the multiplier of our Workers Comp, so we held the line, and received a \$7,500.00 check back from pool and that has been put back into the line item, so we left that alone for this year.

Turner: Contingency fund, could have written amount wrong, according to Rick it is \$4, 939.00 and I show \$3,939.00 so will double check.

DeBoyer: Cost this year compared to budget?

Turner: May 5th at \$4,798.11 with a budget of \$5,000.00; \$8,900.00 for coming year.

Dare: Equipment cost for coming year, need more because of all equipment you have?

Rick: Will be okay.

Pellerito: Opinion of Nextel and whom they are issued to?

Rick: Working good.

Dare: Education okay?

Rick: Yes

2. Harsens Island Fire Department - 211

Turner: Going into the fiscal year Harsens Island had a fund balance of \$29, 306.07. Under officer's salaries; were at \$10,000 at one time and want it implemented back.

Pellerito: We implemented what we do with Mainland, if they don't make 40% of the runs, they don't get the same pay.

Manos: Make a note, changed to match Mainland, don't need to increase.

Turner: Leave or change?

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Makuch: Leave.

Dare: Education, & Training, \$7,000.00 put down, why, drastic change in staff or what?

Makuch: Because of EMT training.

Dare: Done last year, shouldn't need as much this year.

Turner: Two classes required, will need more than \$3,000.00.

Dare: Need to find out actual cost.

Sharrow: Medical supplies went from \$3,500.00 to \$7,500.00.

Turner: Don't know, can't read note. Nextel line item should be raised because now at \$5,063.00, put \$5,500.00 there.

Manos: They want to put \$12,000.00 in from \$192,000.00 to \$205,000.00, winding up with a \$12,000.00 contingency?

Turner: That's his figures, yours shows \$27,000.00.

Makuch: As liaison, I will meet with him.

Pellerito: Will tentatively accept budget put together by Supervisor until meet with Chief.

3. Oaklawn Cemetery - 209

Turner: The cemetery is \$54,273.00 expense over revenue in the current budget. The General Fund will have to make a contribution. If we come into budget there will be \$33,536.00 owed from General.

Pellerito: Years ago Township replaced fence around cemetery, \$35,000.00, cost of operation of perpetual care is paid for, 100%, by Clay Township. Have raised rates a couple time and caught ourselves up on the negative cash flow. We contribute to City of Algonac for the pool, library, and utilities at the community center, \$33,000.00. Our residents are allowed use of pool without additional fee. Probably should say we are not going to pay City for pool or the community center and take the \$15,000.00 and make a payment on the Mausoleum, won't charge city residents any more than Clay residents at the cemetery.

Turner: The auditors would like to see General Fund pay the loan payments because not sure the cemetery will ever be able to run on its own.

DeBoyer: Suggested the Water Department fund the Mausoleum rather than a financial institution, the Water Department would earn the interest.

Sharrow: Need to look for more land.

Manos: Let Algonac look for more land.

Turner: Grave side service \$150.00 for residents; \$300.00 for non, Chapel rental, increase to \$300.00 for non residents; extra \$150.00 and \$300.00 for holidays and weekends, choice of chapel or tent. Will amend fees ordinance.

4. Sewer Fund – 590

Turner: Department does grass cutting and snow plowing, all went to Water this year, better to split between Water and Sewer, that is why raised to \$10,000.00 on the revenue side and \$8,851.00 is coming from fund balance.

Sharrow: Still considering smoking the lines to ensure no illegal use?

Jon DeBoyer: Yes, starting with Stier subdivision.

5. Water Fund – 591

Turner: 7-D is paid off; 7-E has one or two more years.

Pellerito: Should raise the rates 1 ½ % or 2% this year to stay with inflation.

In all of the fringe benefit line items on all budgets took the BC and multiplied a 10% factor for six months of the premium, increased it by that amount.

Discussion of water plant replacement fund.

Pellerito: Connie, did you include any increases on the revenues?

Turner: No, we raised both water and sewer last year.

Pellerito: Would like to see a 2% raise in both sewer and water and put it into contingency. How is the Nextel program working?

Jon DeBoyer: Excellent.

6. Russell Island Fire – 210

Okay as Presented

Turner: 208 – DRC is done too.

7. Police Department – 207

Pellerito: A few changes, Deputy Chief eliminated, grant money should be in contingency until received. Zero out Grant overtime on the expense side and then take the Contingency fund and lower it by \$9,000.00 and when you get the grant you amend. Change Contingency to \$20,330.00 and drop the bottom line budget \$17,000.00 on both sides.

Drake: Need a resolution to allow for finger printing fees, also would like the Board to consider revisiting fees for gun registration.

8. Colony Road - 101

Okay as presented

9. South Channel Lights – 104

Okay as presented

10. D.A.R.E. – 203

Okay as presented

11. Drug Enforcement – 204

Okay as presented

12. Downriver Recreation – 208
Okay as presented

13. Garbage Fund – 225
Pellerito: Have a proposal will bring to next Board meeting, will increase to \$8.91 plus some dumpsters at municipal buildings.
Okay as presented

14. Downtown Development Authority – 248
Turner: Filled in figures, Chairman on vacation.
Pellerito: Need to meet with DDA to discuss ideas.
Okay – Chairman not present

15. Employee Health Care – 736
Pellerito: Connie called MERS today, we have moved the current money, will move the money over the next six years as well as the annual contributions each year. Would like to move to phase two and offer in the up coming contracts the post health care retirement savings accounts. Encouraging deferring the unused sick time into those banks, which will save the FICA from our employer match.
Okay as presented

16. Special Lighting - 861
Okay as presented

17. Road Maintenance – 811
Pellerito: Harsens Island will be on our next budget. Bids substantially higher than anticipated other than Lakepointe. Don't see how we can do it.
Will bring back after bids reviewed

Meeting adjourned at 8:02 p.m.

Michael P. Pellerito
Clay Township Clerk