

Au Train Township Regular Board Meeting
July 14, 2014
6:30 o'clock p.m.

Pursuant to adjournment, the Au Train Township Board convened in the Community Building, Au Train, Michigan, on the above date at 6:30 p.m.

The Meeting was called to order by Supervisor Tom Balmes, with the following members present: Mary Rogers, Clerk; Ann Clapp, Treasurer; and Kristy Cota, Trustee. Absent: Michelle Doucette, Trustee.

*VISITORS PRESENT – Approximately 8 persons attended the Board Meeting. A complete sign up sheet is on file with Clerk Rogers.

*APPROVAL OF AGENDA

Additions and Changes to the Agenda were made as necessary. MOTION by Trustee Cota, second by Clerk Rogers, to approve the Agenda. MOTION CARRIED.

*MINUTES

MOTION by Clerk Rogers, second by Trustee Cota, to approve the minutes of the June 9, 2014, Regular Board Meeting, as presented. MOTION CARRIED.

*BILLS AND CLAIMS

MOTION by Supervisor Balmes, second by Treasurer Clapp, to accept this month's bill list as presented and authorize that they be paid as funds are available. BALMES; YES; CLAPP, YES; COTA, YES; ROGERS, YES. MOTION CARRIED. (General Fund Checks Numbered #14576 through #14603- Fire Fund Checks Numbered #7271 through #7285- Garbage Fund Check Numbered #1551).

*SPECIAL PRESENTATION - None

*COMMITTEE REPORTS

Zoning Administrator/Planning Commission/ZBA - Clerk Rogers noted that the Zoning Administrators Report has been received and is on file. Additional information was provided regarding the Dog Kennel on Perch Lake Road. The sheriff department was once again contacted, and that they along with a vet and the Alger County Animal Shelter will be visiting the site. They went out to the property and the sheriff told Administrator Rogers that the animals were in good health and there were no problems. The County may require him to obtain a dog kennel license. At this time, this is not a zoning matter. The complaints were unfounded. The next Planning Commission meeting is August 14th at 7:00 pm.

Clerk Rogers noted that the terms of Planning Commission members LaCombe and Bovan expired June 30, 2014. Supervisor Balmes noted that he spoke with both and they would like to continue. MOTION by Supervisor Balmes, second by Trustee Cota, to appoint Scott LaCombe and Susan Bovan, to additional 3 year terms on the Planning Commission. MOTION CARRIED.

Supervisor Balmes also noted Zoning Board of Review member Pat Syers did attend the Zoning workshop and will be working on setting up an organizational meeting of the Board.

Assessor - The July Board of Review has been scheduled for July 22nd from 2:00-5:00 pm.

Cemetery - Clerk Rogers noted that there were no formal replies to the call for Cemetery Committee members. In light of that, the following were appointed: Scott LaCombe, Pat Sanderson, Kathy Johnson, William Atherton, Len Clapp, Sexton Jeff Moore, Clerk Rogers and Treasurer Clapp. Board member representative Trustee Doucette will serve as an alternate.

The first meeting of the Cemetery Committee will be Monday, August 18th at 7:00 pm. It will be an organizational meeting and review of the current Cemetery Ordinance.

Recreation - Discussion regarding communication with APRD Rep Frank Castiglione was made. Mr. Castiglione told Clerk Rogers that he will provide reports to the Board on a regular basis.

Au Train River/Lakeshore Committee - Clerk Rogers presented information to the Board on behalf of the committee regarding rescue equipment that can be provide to the Board, including a rescue board, ring buoy and youth life jackets. A housing unit will have to be obtained. It was noted that a Deck storage box should work. Clerk Rogers will check on the cost at Menards.

Community Building/Promotion - It was noted to two residents need to provide community service hours and will work with the Township.

First Responders – It was noted that call out adjustments have been made to make sure our First Responders are being included on calls.

Fire Department – The Department report has been received and is on file. There were no calls this past month. Chief King noted that he completed his education courses. New batteries are being obtained for the Kenwood Radios. If that doesn't solve the problem, quotes for replacement will be obtained.

Discussion regarding the purchasing process for member gear was made. In an emergency replacement situation, the Chief should contact the Supervisor to call a Special Board Meeting if the cost exceeds \$250.00.

The approved amount for gear for member Patrick Syers last month was not enough. MOTION BY Supervisor Balmes, second by Treasurer Clapp to authorize \$1,368.00 for Turnout gear for Patrick Syers. BALMES, YES; CLAPP, YES; ROGERS, YES; COTA, YES. MOTION CARRIED.

Tanker repairs on the compressor were completed by Sanderson & Son. Also, discussion about the distribution of flyers explaining the millage request, a drivers training course in September and that there will be classes in September for NIMS3 and 4.

Clerk Rogers noted that bids for the Christmas Fire Hall roof project was advertised again and faxed to local contractors. Only one bid was received from David Walther in the amount of \$9,250.00.

MOTION by Supervisor Balmes, second by Trustee Cota, to accept the proposal, as presented, with a completion date no later than November 1, 2014, in the amount of \$9,250.00, \$4,625.00 down and balance of \$4,625.00 upon completion, from David Walther for the Christmas Fire Hall roof project. BALMES, YES; COTA, YES; ROGERS, YES; CLAPP, YES. MOTION CARRIED.

Grant Administration - Kathy Reynolds was present. The project is moving right along. The pavilion is framed and the cabin is going up. In addition, they started on the boardwalk. The DNR will be holding a meeting in Munising on August 14th and will tour the site. Kathy will provide meeting times when they become available. Clerk Rogers noted that an expenditure request was received by the DNR and needs to be submitted by August 26th. It will cover expenditures from October 1, 2013 through September 30, 2014.

Kathy also noted that she is preparing another 2% funding request and will continue with fund raising efforts.

County Commission Update - No report. Commissioner Doucette is out of town on business.

*PUBLIC COMMENTS - None

**TREASURER'S REPORT - For the Month of June 30, 2014, as presented by Ann Clapp, Treasurer*

GENERAL FUND CHECKING

Beginning Balance	\$ 86,264.34
Deposits	18,422.13
Interest	2.07
Disbursements	23,973.16
Ending Balance	\$ 80,715.38

Certificates of Deposit	\$ 63,569.36
	31,241.69

Total Certificates of Deposit	\$ 94,811.05
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FIRE FUND CHECKING

Beginning Balance	\$320,659.53
Deposits	89.42
Interest	8.57
Disbursements	4,712.42
Ending Balance	\$316,045.10

Certificate of Deposit	\$ 50,000.00
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GARBAGE FUND CHECKING

Beginning Balance	\$160,014.83
Deposits	60.33
Interest	4.20
Disbursements	10,812.97
Ending Balance	\$149,266.39

ROAD FUND CHECKING

Beginning Balance	\$204,614.14
Deposits	60.34
Interest	5.30
Disbursements	17,240.39
Ending Balance	\$187,439.39

*A Complete copy of the June 30, 2014 Report is on file with Clerk Rogers.

CLERK'S REPORT

Clerk Rogers noted that the Audit for Fiscal Year 2013-2014 was completed the week of July 7th. Everything went well. Clerk Rogers also noted that she and Trustee Doucette attended the MTA Regional Meeting in Marquette. Good information, as always, was provided. In addition, a contact who provides dust control was in the vendor fair. "The Wilkinson Corporation" has a storage facility in Seney. They indicate that their costs were about ½ of what we just paid per gallon. Supervisor Balmes will contact for a bid from them next spring.

Everything is all set for the August 5th Primary Election. The Election Commission met this evening just prior to the Board meeting to make Inspector Appointments. Based on the requests for absentee ballots, Clerk Rogers noted that she expects turnout to be low.

SUPERVISOR'S REPORT

Supervisor Balmes noted that he attended the following meetings: LAPC Hazard Plan meeting, Wild Fire Protection Plan meeting, and he also met with Alger County Road Commission Engineer/Manager Bob Lindbeck. Supervisor Balmes also noted that he continues to investigate Blight Complaints and once again visited the site in Christmas. It does appear that efforts are being made to clean up the area.

Discussion regarding Scott Falls and the lack of water was made. Efforts are being made to resolve the issue. The ACRC, DNR and MDOT are working together to replace the culvert. The matter is out of the control of the Township Board at this time.

TRUSTEE'S REPORT - None

*UNFINISHED BUSINESS

Review 5 Year Road Plan - Information was provided to the Board regarding the 5 Year Road Plan provided earlier this year from the Alger County Road Commission. Review of the 2014 projects and the proposed projects for 2015 was made. The projects for 2015 could include the work in Christmas which includes North Pole Street.

Audit Update - As previously indicated the initial report from Anderson, Tackman and Co. is that everything went well. The updates were made and trial balances were provided to Board members for the fiscal year that ended March 31, 2014.

*NEW BUSINESS

Funding Request - ATHTP

Clerk Rogers presented a recent funding request from Cross General Contracting for the Au Train Township Heritage Trail Project (ATHTP), which was paid.

Correspondence - Clerk Rogers presented correspondence from Charter Communications regarding their digital update, UPSET thanking the Fire Department for their contribution, Munising Trail Network thanking the board for their contribution and MTA on our continued membership.

CUPPAD Membership - Clerk Rogers presented a request and invoice from CUPPAD requesting continued membership for the FY 2015. MOTION by Treasurer Clapp, second by Supervisor Balmes, to continue membership with CUPPAD for an additional year in the amount of \$228.00. CLAPP, YES; BALMES, YES; COTA, YES; ROGERS, YES. MOTION CARRIED.

MTA UP Summit in Marquette

Clerk Rogers presented educational opportunities for members to attend the MTA UP Summit in Marquette, August 27-28, 2014. A wide variety of education opportunities are being offered on an ala cart basis. Members interested should contact Clerk Rogers for registration.

Investment Policy Resolution

Au Train Township - Adopted July 14, 2014

Resolution No. 2014-005

WHEREAS, the Board of Au Train Township, Alger County, in exercising its fiduciary responsibilities desires to safeguard the funds of the Township that may be invested from time to time, and

WHEREAS, Public Act 77 of 1989, MCL 41.77, requires that the Township Board designate the banks or depositories for the money belonging to the Township, including the time for which the deposits shall be made and all details for carrying into effect the authority given in this act, and

WHEREAS, Public Act 196 of 1997, MCL 129.91, et seq., requires Townships Boards, in consultation with the Township Treasurer, to adopt an investment policy, now

THEREFORE BE IT RESOLVED, That this policy is applicable to all public funds belonging to Au Train Township and in the custody of the Township Treasurer.

BE IT RESOLVED, That the Board approves the following financial institutions as depositories of township funds: Peoples State Bank of Munising

BE IT FURTHER RESOLVED, That the Treasurer may invest Township funds in savings accounts, deposit accounts, or depository receipts of a bank but only if the bank, savings and loan association, or credit union meeting all criteria as a depository of public funds contained in state law. The standard of prudence to be used shall be the "fiduciary" standard and shall be applied in context of managing an overall portfolio.

BE IT FURTHER RESOLVED, That the prior approval of the Township Board, shall be required for the Treasurer to invest in any other lawful investment instruments. The Township Board's standard of prudence shall be the "fiduciary" standard, which shall be applied in context of managing an overall portfolio. The Township Board may authorize the Treasurer to invest in the following:

- (a) Certificates of deposit
- (b) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.

(c) Repurchase agreements consisting of instruments listed in subdivision (a).

(d) Bankers' acceptances of United States banks.

(e) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.

(f) Mutual funds registered under the Investment Company Act of 1940, Title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:

(i) The purchase of securities on a when-issued or delayed delivery basis.

(ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.

(iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

(g) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the Urban Cooperation Act of 1967, Public Act 7 of 1967 (Ex Sess), MCL 124.501, et seq.

(h) Investment pools organized under the Surplus Funds Investment Pool Act, Public Act 367 of 1982, MCL 129.111, et seq.

(i) The investment pools organized under the Local Government Investment Pool Act, Public Act 121 of 1985, MCL 129.141, et seq.

BE IT FURTHER RESOLVED, That decisions and actions involving the Township's investment portfolio shall be meet the following criteria:

Safety: Safety of principle is the foremost objective of Au Train Township's investment practices.

Diversification: The investments shall be diversified by avoiding over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and insured certificates of deposits).

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

Return on Investment: Return of investment is of secondary importance compared to safety and liquidity objectives. Investments shall be selected to obtain a market average rate of return. The core of investments is limited to relatively low risk securities.

BE IT FURTHER RESOLVED, That the Treasurer may elect to have certificates and other evidence of investments held by a financial institution, provided that the financial institution presents to the Township Treasurer on a quarterly basis, sufficient documentation and acknowledgment of the investment instruments held on behalf of the Township. (PA 213 of 2007 updated)

BE IT FURTHER RESOLVED, That the Township will comply with all applicable statutes related to public fund investments. Any provisions of this resolution in conflict with applicable statutes is void.

NOW BE IT HEREBY RESOLVED, that the Au Train Township Board accepts this Investment Policy and adopts the same effective July 14, 2014.

The foregoing resolution offered by: Clerk Rogers,
Second offered by: Treasurer Clapp,

Upon roll call vote, the following voted Yes: Rogers, Clapp, Balmes, Cota

The following voted No : None

The supervisor declared the resolution adopted.

Mary F Rogers, Au Train Township Clerk

**Fixed Asset Capitalization Policy
Au Train Township - Adopted July 14, 2014**

2014-006

The Township of Au Train will regard fixed assets as capitalized when all of the following criteria are met:

- (1) Assets purchased, built or leased have useful lives of one year or more.
- (2) The cost of the asset (including installation) is \$5,000 or more. Multiple assets whose cost is less than \$5,000 but the aggregate requestor total is \$5,000 or more are capitalized.
- (3) The cost of repairing or renovating the asset is \$5,000 or more and prolongs the life of the asset.

The township will regard the purchase software programs as fixed assets subject to the above capitalization policy, and will amortize over an estimated useful life of 3 years. Costs associated with software maintenance and customer support are considered expenditures and will not be capitalized.

Other Considerations:

- (1) REPAIR is an expenditure that keeps the property in ordinary efficient operating condition. The cost of the repair does not add to the value or prolong the life of the asset. All repair expenditures are charged to the appropriate department and fund.
- (2) IMPROVEMENTS are expenditures for additions, alterations and renovations that appreciably prolong the life of the asset, materially increase its value or adapt it to a different use. Improvements of the nature are capitalized.

Examples:

Repairs	vs.	Improvements
Repairs = Expenditures		Improvements = Capitalized Assets
All items—life less than one year		Life of more than one year
All items under \$5,000		All items \$5,000 or more

Depreciation Method—Straight Line over the following useful lives:

Buildings 40-60 years
Building Improvement 15-30 years
Water and Sewer Lines 50-75 years
Vehicles 3-5 years
Office Equipment 3-5 years
Computer Equipment 3 years

In as much as the Township of Au Train is required to have a Capitalization Policy on file the following MOTION was offered by: Clerk Rogers Second: Trustee Cota

that the following FIXED ASSET CAPITALIZATION POLICY be adopted this 14th day of July, 2014.

Upon a roll call vote, the following voted Yay: Rogers, Cota, Clapp, Balmes

Nay: None.

The Supervisor declared the Motion adopted.

Mary F Rogers, Au Train Township Clerk

*PUBLIC COMMENT - None

***ADJOURNMENT**

Being no further business, MOTION by Supervisor Balmes, second by Clerk Rogers, to adjourn the meeting. MOTION CARRIED. MEETING ADJOURNED at 8:36 pm.

Submitted by: Mary F. Rogers, Au Train Township Clerk