



ACME TOWNSHIP SPECIAL BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Monday, June 20, 2011 6:00 p.m.

CALL TO ORDER WITH PLEDGE OF ALLEGIANCE AT 6:00 P.M.

Members present: D. Dunville, R. Hardin, W. Kladder, P. Scott, E. Takayama, L. Wikle, F. Zarafonitis
Members excused: None
Staff present: S. Vreeland, Township Manager and Recording Secretary

- A. LIMITED PUBLIC COMMENT:** None
- B. APPROVAL OF AGENDA: Motion by Wikle, support by Takayama to approve the agenda as presented. Motion carried unanimously.**
- C. INQUIRY AS TO CONFLICTS OF INTEREST:** The Supervisor, Clerk and Treasurer will refrain from voting on the salary resolutions for their respective positions.
- D. OLD BUSINESS:**
- 1. Discuss [Northpointe Litigation Mediation](#) on July 5:** A mediation session has been set in the Northpointe Road litigation for July 5. The township is required to send an authorized representative.
- Motion by Dunville, support by Scott to appoint Supervisor Kladder as the Township Board representative for mediation in the *Bigg v. Turowski* litigation and that Supervisor Kladder have authority to negotiate on the Township Board's behalf, but that the Township Board shall have final approval authority over any settlement. Motion carried unanimously.**
- E. NEW BUSINESS:**
- 1. 2011-12 Fiscal Year Board Salary Resolutions:**
 - a. [Supervisor:](#)** Kladder relinquished the gavel to Clerk Dunville and recused himself.

Motion by Wikle, support by Hardin to adopt Resolution R-2011-08 as presented.

Scott does not feel that the current Supervisor's salary of \$30,000 is adequate to attract a qualified candidate to the position at the next election. Zarafonitis asked if Scott feels the Supervisor's job is a full time position, even after a new Planner/Zoning Administrator is in place and the Manager can focus more fully on general administration. Scott feels that it is a full-time job for the Supervisor to be aware of and manage everything that is going on. Scott noted that all other Supervisors in the MTA salary study that was obtained of comparable townships are earning at least \$40,000. Wikle asked where the money would be found in the budget. The Supervisor's salary was reduced by \$7,000 in 2005. Hardin observed that for six years the township has not raised Board salaries for the stated reasons of fiscal prudence and difficult economic times. During this year and last year we have seen significant drops in revenues, making this an interesting time to be discussing potential salary increases.

Takayama appreciated both sides of the debate. He noted that it is common to approach compensation questions in terms of what others are doing. Government in

Michigan is learning to approach how it operates and how it is funded differently. He feels we should focus less on how others decide on salary and more on our unique circumstances and what is right for our township. Kladder is the hardest-working Supervisor Takayama knows, but up until him the holders of the position took more of a part-time approach. The township population is only around 4,500 and we have a significant payroll for a township of this size. We need to offer compensation commensurate with our size. Wikle agreed that Kladder has been a hard-working Supervisor, but we need to look at the dictates of the position and not the current position holder. Looking at the list of statutory duties for the position, it appears to be a largely part-time role. She does not feel that we can afford to give a salary increase for this position at this time looking at the budget numbers for next year.

Paul asked how we can be considering a salary increase for a vacant position at this time in light of Wikle's statement. Zarafonitis, Hardin and Takayama all noted that the Planner/Zoning Administrator job is a full-time job that requires someone with a college degree and sometimes a master's degree and significant professional expertise.

Motion carried by a vote of 5 in favor (Dunville, Hardin, Takayama, Wikle, Zarafonitis), 1 opposed (Scott) and 1 abstaining (Kladder).

- b. **Clerk:** The Supervisor re-assumed the gavel and the Clerk abstained from the discussion and vote regarding her salary.

Motion by Takayama, support by Zarafonitis to adopt Resolution R-2011-09 as presented.

Scott reiterated his comments from the discussion about the Supervisor's salary. After 6 years of static pay rates for the Board he feels some increase should be made, even if small. Kladder would rather provide for staff increases. The elected officials knew what the compensation would be when they chose to run for office. The staff is critical to the success of the township.

Motion carried by a vote of 5 in favor (Hardin, Kladder, Takayama, Wikle, Zarafonitis), 1 opposed (Scott) and 1 abstaining (Dunville).

- c. **Treasurer:** Wikle abstained from discussion and voting.
Motion by Dunville, support by Zarafonitis to adopt Resolution R-2011-10 as presented. Motion carried by a vote of 5 in favor (Dunville, Hardin, Kladder, Takayama, Zarafonitis), 1 opposed (Scott) and 1 abstaining (Wikle).

- d. **Trustees:**
Motion by Wikle, support by Dunville to adopt Resolution R-2011-11 as presented.

Takayama recommends finding a way to reduce this amount. He feels it is too much for what he does. Zarafonitis agrees. It was noted that the amount can be reduced for the incoming Trustees as of November 20, 2012 but not likely before that time.

Motion carried by unanimous roll call vote.

2. **Resolution** allocating available 2011-12 Fiscal Year Farmland Funds for PDR Program:
The township's Farmland PDR ordinance requires that the Board annually adopt a resolution stating how much funding will be made available for development rights purchases. The township has already purchased several round 1 properties, has options on 3 more, and later

this year will seek to obtain an option on the final round 1 property. Through the efforts of Farmland Preservation Specialist Brian Bourdages the township has also obtained a Federal Ranch and Farmland Protection Program (FRPP) grant of approximately \$611,000 to leverage the funds being raised through the millage approved in 2010 that will be collected through December 2013. The grant money must be spent soon, and as with the Natural Resources Trust Fund grant for the shoreline project the township must close on the purchases and then file for reimbursement of the grant money. To close the next three purchases, staff proposes that a municipal bond be issued to cover the cost of the purchases minus cash on hand and a set-aside for program expenses and the last option payment. The bond would be guaranteed by the grant money and the remaining income from the last 3 years of the current PDR millage. Therefore, the resolution proposes that the full purchase amount plus anticipated closing expenses of \$1,837,305 be appropriated.

Motion by Scott, support by Zarafonitis to adopt Resolution R-2011-12 as long as total program expenditures do not exceed program accumulated and future revenues plus grants awarded.

Kladder is a member of the County Farmland Board, and he pushed that body to open a new application cycle to see what kind of interest we would have. This will demonstrate to the state and federal funding sources that the moneys will be used if they are allocated.

Motion carried by unanimous roll call vote.

3. **Annual GT Regional Land Conservancy [Farmland Preservation Services Contract](#):** The proposed contract is provided, showing contract costs for the coming service year to be \$28,000, the same level as the past several years.

Motion by Scott, support by Dunville to approve the Farmland Preservation Services Contract as presented. Motion carried by unanimous roll call vote.

Kladder noted that Farmland Preservation Specialist Bourdages testified in front of a state legislative committee last week in support of farmland preservation funding.

4. **[Fund Balance Allocation Resolution](#):** Adopting a resolution such as the proposed one is required under the GASB 54 rules starting with the fiscal year now ending. This updated resolution is based off a similar resolution adopted by the township relative to the General Fund only in 2008, and describes fund balances and the extent to which they are use-restricted.

Motion by Dunville, support by Takayama to adopt Resolution R-2011-13 as presented. Motion carried by unanimous roll call vote.

5. **[Amendments to 2010-11 Fiscal Year budget](#):** Staff summarized the proposed budget amendments, which are based on actual expenditures for the year to date. The goal is not to adjust every line item to the actual figures, but to make adjustments where needed to ensure that expenditures in any individual cost center or fund do not exceed budgeted appropriations.

Motion by Dunville, support by Takayama to adopt Resolution R-2011-14 as presented. Motion carried by unanimous roll call vote.

F. PUBLIC HEARINGS:

1. **Proposed [General Appropriations Act \(2011-12 Budget\)](#):**

Public Hearing opened at 6:55 p.m.

Gordie LaPointe, 6375 Plum Drive, stated that the budget is generally very understandable. He noted a reference to the concept of “net surplus” of a little over \$4,400. He sees a deficit of about \$5,300 when he looks at the figures. He could not find another reference to an approximate \$294,730 figure to be transferred in to the General Fund and could not figure out where it comes from. He agrees with earlier comments that \$6,000/year may be a lot to pay our Trustees in such a small township, and particularly as it is as high or higher than the amounts being paid to County Commissioners and City Commissioners who manage significantly larger populations and budgets. He recommends taking some formal action now to indicate that the Trustee salaries will be reset at the beginning of the next term of office so people who are thinking of running for office know what to expect and making an informed decision. One thing that caught his eye was a suggestion that a new truck be purchased. He and his wife own two higher-mileage cars that are of comparable age to the township truck, so he does not believe this expenditure is necessary at this time.

Andy Andres Sr., M-72 East, feels that if someone’s wages are significantly reduced they are not as likely to be able or willing to do the job. He has a young relative who works in maintenance in the Chicago area and has 14 workers for which he is responsible. He earns about \$35/hour. He is planning to leave his job because after 2 years his company is not going to pay him a promised bonus. He sees a proposal in the budget to cut the Buildings & Grounds Manager’s wage, and he does not feel this is appropriate. Tom Henkel has been the first one on the scene twice when Mr. Andres had medical emergencies, and it used to be in the Fire Department that Mr. Henkel went up on the roof first and if he didn’t fall through the rest would follow. He does a good job, often at a lower cost than could be obtained through a private contractor. Good reliable people are worth good money.

Public Hearing closed at 7:05 p.m.

Dunville observed that if the township truck were replaced it does have some resale value. It is also a rough service vehicle that plows and hauls heavy equipment, and has seen more wear-and-tear than the average family car. She also is not in favor of reducing Henkel’s salary further. She noted that today he used a Bobcat machine rented for \$250/day to remove gravel from the former Willow Beach driveway where a bid the township received to do the work was approximately \$9,000.

Vreeland explained how the \$294,730 transfer in to the general fund is derived. \$284,730 will be transferred from the Shoreline Fund to the General Fund when the Phase I Trust fund grant reimbursement is received to repay an interfund loan made to close on the property purchases. \$10,000 will be transferred back to the General Fund from the Township Revolving Improvement Fund simply to help balance the budget.

Scott recalled Kladder’s statement that he would prefer to allocate additional salary dollars to staff rather than to the Board. In that light, and building on Dunville’s statements, if Henkel is saving the township so much money, perhaps it would be worthwhile to review again whether or not to further reduce his salary. Zarafonitis, the Chair of the Personnel Committee, stated that last year the Board indicated an intent to drop the Buildings & Grounds Manager wage by a total of \$15,000 over three years. Last year the salary was reduced by \$5,000. The committee has now recommended that one more \$5,000 cut be taken rather than the two more additionally planned. Takayama stated that he also has been revived by Henkel. He does not believe it is fair to whittle down someone’s salary for the same amount of work. If the budget is very tight, at some point it might be necessary to cut everyone’s salary. Takayama recommended further discussion with Henkel about his personal plans for the future, and for retirement. He has been with the township for 27 years, he does a great job, and replacing him would be difficult. Either we should accept that and maintain his salary, or we should release him with severance pay, fairness and dignity. You can’t ask someone to do a good job every day while cutting their pay. Scott supported Takayama’s statement. He would prefer at

this point to leave Henkel's salary where it is until he retires and adjust the pay for the position at that time. He could support the earlier reduction in pay when Tom's duties were reduced when he was no longer leading Station 8. If the township has made an error and raised his wage to an unreasonable level over many years, it was not his fault and he should not be penalized for it. People should be paid appropriately and have occasional raises.

Hardin's original position this evening was not necessarily that Henkel's pay should not be cut further, but that it should be reduced more slowly. He agrees that Henkel had a reasonable expectation over time of what the township would pay him and based his personal choices on those expectations. A few years ago he made a choice between remaining full-time with the fire service and remaining full-time with the township based on the way things were.

Wikle is not a member of the personnel committee, and expects there are more reasons than have been expressed for the recommendation that has come forth. She has experienced salary "redlining" and understands and believes in it when needed, but she is having difficulty with the concept of a salary reduction for the same level of work. It is a hard decision to face. She has also heard Takayama say many times that when running a business hard choices have to be made. This decision has to be justified to the taxpayers. In the end, if the Personnel Committee has made a recommendation she believes the Board should move forward on it.

Motion by Scott, support by Dunville to keep the Buildings & Grounds Manager's salary at its current level through 2013, and to re-evaluate the wage for the position after the current position holder leaves the position.

Takayama was wondering if there should be motions regarding individual issues or line items. It has been common practice regarding contentious items to have an interim issue-oriented vote prior to the final comprehensive vote.

Motion failed by a vote of 3 in favor (Dunville, Scott, Takayama) and 4 opposed (Hardin, Kladder, Wikle, Zarafonitis).

Motion by Hardin, support by Zarafonitis to divide the proposed \$5,000 Building & Grounds Manager's salary reduction into three parts over the next 3 fiscal years.

The annual reduction would be \$1,667 under this plan.

Motion carried by a vote of 6 in favor (Dunville, Hardin, Kladder, Takayama, Wikle, Zarafonitis) and 1 opposed (Scott).

Hardin asked where needed engineering services would be paid from; Kladder stated they would come from the Sewer Fund.

Motion by Dunville, support by Hardin to adopt the 2011-12 General Fund Appropriations Act, Resolution R-2011-15 as amended.

Takayama asked about funding for the third year of Phragmites eradication. Much of it may be supported by grants.

Motion carried by a vote of 6 in favor (Dunville, Hardin, Kladder, Takayama, Wikle, Zarafonitis) and 1 opposed (Scott).

G. PUBLIC COMMENT & OTHER BUSINESS THAT MAY COME BEFORE THE BOARD:
None

Meeting adjourned at 7:31 p.m.