

PENINSULA TOWNSHIP

13235 Center Road, Traverse City MI 49686

www.peninsulatownship.com

Township Board Special Meeting

March 30, 2023, 3:00 p.m.

Township Conference Room

Minutes

1. **Call to Order** by Wunsch at 3:02 p.m.

2. **Pledge**

3. **Roll Call**

Present: Achorn, Sanger, Shanafelt, Rudolph, Chown, Wunsch,

Absent: Wahl

4. **Citizen Comments:** none

5. **Approve Agenda**

Shanafelt moved to approve the agenda with a second by Sanger. Motion approved by consensus

6. **Conflict of interest:** none

7. **Consent Agenda:**

A. **Adopt Peninsula Township Fiscal Year 2023-2024 Regular Meeting Dates**

Chown moved to adopt the Peninsula Township Fiscal Year 2023-2024 regular meeting dates with a second by Rudolph. Motion approved by consensus

8. **Business**

A. **Adopt fire department millage rate, police department millage rate, General Funds and Special Funds budgets, and appropriate resolutions**

Motion by Wunsch, seconded by Rudolph, to approve Resolution 2023-03-30 #1 to adopt the amended General Funds budget for fiscal year 2022-2023 at the department level.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt Passed unan

Motion by Wunsch, seconded by Chown, to approve Resolution 2023-03-30 #2 to adopt the General Funds budget for fiscal year 2023-2024 at the department level and to appropriate spending the budgeted money.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt Passed unan

Motion by Wunsch, seconded by Shanafelt, to approve Resolution 2023-03-30 #3 to adopt the fire department budget for fiscal year 2023-2024 at the department level and to appropriate spending the budgeted money.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt Passed unan

Motion by Wunsch, seconded by Achorn, to approve Resolution 2023-03-30 #4 to set the 2023-2024 millage for the fire department at 2.6 mils.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Wunsch, seconded by Rudolph, to approve Resolution 2023-03-30 #5 to adopt the police department budget for fiscal year 2023-2024 at the department level and to appropriate spending the budgeted money.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Wunsch, seconded by Rudolph, to approve Resolution 2023-03-30 #6 to set the 2023-2024 millage for the police department at .23 mils.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Wunsch, seconded by Shanafelt, to approve Resolution 2022-03-23 #7 to adopt the Special Funds budget for fiscal year 2022-2023 at the department level and to appropriate spending the budgeted money.

Amended motion by Sanger, seconded by Shanafelt, to correct the dates and approve Resolution 2023-03-30 #7 to adopt the special funds budget for fiscal year 2023-2024 at the department level and to appropriate spending the budgeted money.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Shanafelt, seconded by Rudolph, to approve Resolution 2023-03-30 #8 authorizing the clerk and treasurer to pay recurring bills to avoid late charges and/or finance charges and authorizing the supervisor to make budget adjustments and authorize bills up to \$10,000 if necessary.

Sanger: the language in the motion is correct; only the date at the top of the page needs to be corrected. Authorizing the supervisor to make budget adjustments up to \$10,000 is standard.

Roll call: yes – Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Abstain: Wunsch

Motion by Wunsch, seconded by Sanger, to approve Resolution 2023-03-30 #9 authorizing the treasurer to utilize financial institutions of her choice as provided by law.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Wunsch, seconded by Rudolph, to approve Resolution 2023-03-30 #10 authorizing the treasurer's office to access online banking through Independent Bank, State Savings Bank, and Huntington Bank.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Wunsch, seconded by Sanger, to approve Resolution 2023-03-30 #11 adopting the fiscal year 2023-2024 calendar.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt **Passed unan**

Motion by Sanger, seconded by Rudolph, to approve Resolution 2023-03-30 #12 authorizing

the township supervisor to receive a 5% cost of living adjustment to \$62,958 annually.

Shanafelt: is this percentage adjustment standard? Is this what other municipalities are doing?

Chown: The COLA (cost of living adjustment) this year is 8.7%. East Bay Township is taking the entire 8.7%. Garfield Township is taking a 7% adjustment. We felt that a 5% adjustment was appropriate.

Shanafelt: I would like to note that we are taking less than what is being done as a best practice. I'd like it in the record that we are being conservative at this time given the expenditures of the last year.

Sanger: does this include the part-time office staff? The trustees got a bump last year.

Achorn: yes, but not the boards or committees.

Chown: or the election inspectors.

Nancy R. Heller, 3091 Blue Water Road: be very explicit in the minutes so there are no questions or lawsuits.

Roll call: yes – Wunsch, Achorn, Chown, Rudolph, Sanger, Shanafelt Passed unan

Motion by Wunsch, seconded by Shanafelt, to approve Resolution 2023-03-30 #13 authorizing the township clerk to receive a \$3,000 merit increase and a 5% cost of living adjustment to \$66,108 annually.

Sanger: historically, there was a time when the township board voted to make the salaries of the three officers equal. I'm concerned about the language "merit increase." Is it tied to a change in job description or statutory duties?

Chown: yes, as a matter of fact. Constitutional Amendment 22-2 that passed last November has dramatically altered a clerk's statutory duties. Among other things, clerks and deputy clerks will now be required to administrate nine days of early voting before Election Day. This includes both Fridays, Saturdays, and Sundays before every state and federal election going forward. That's eight hours a day with the polls open, plus time each day before and after the polls open and close. That's no days off for weeks at a time and a huge increase in time and responsibility. I believe this is a token amount in acknowledgement of this dramatic increase. We have one election in this coming fiscal year. We could have up to three the following year.

Motion by Sanger, seconded by Rudolph, to amend the prior motion and approve Resolution 2023-03-30 #13 authorizing the township clerk to receive a \$3,000 increase in compensation due to a change in job description mandated by state law and a 5% cost of living adjustment to \$66,108 annually.

Roll call: yes – Wunsch, Achorn, Rudolph, Sanger, Shanafelt Passed unan

Abstain: Chown

Motion by Wunsch, seconded by Sanger, to approve Resolution 2023-03-30 #14 authorizing the township treasurer to receive a 5% cost of living adjustment to \$62,958 annually; the treasurer waives her salary adjustment for fiscal year 2023-2024 and will receive her current salary of \$59,960.

Shanafelt: I appreciate you doing this, Marge, and I think it's for a good cause, but from a

compensation committee perspective, you should take the increase. Given your role and function, it's not appropriate for you to waive the increase.

Rudolph: I agree. You should take the increase. It introduces a practical issue when you don't take it.

Sanger: I'm concerned about the implication – if you aren't taking it, why are the others? Why aren't they doing the same thing? Why don't you take it and give some away if you so choose?

Rudolph: when I applied to be a trustee, I didn't want to take a salary. You told me I had to take it. I think you should take this.

Achorn: that's right; I did. I'll do what you think best.

Motion by Shanafelt, seconded by Rudolph, to amend the former motion and approve Resolution 2023-03-30 #14 authorizing the township treasurer to receive a 5% cost of living adjustment to \$62,958 annually.

Roll call: yes – Wunsch, Chown, Rudolph, Sanger, Shanafelt

Passed unan

Abstain: Achorn

B. Approve amended fiscal year 2022-2023 budgets as presented.

Achorn: you have a summary in your packet. Under revenues, I amended them down. They are not exactly year to date. On expenditures, you anticipate. We had a payroll this week on the 31st – that's tomorrow. This is an educated guess. When the audit is complete, we'll see how the numbers shake out.

Under township board legal fees, I went through what I had and estimated some additional \$60,000 yet to be paid so I estimated \$70,000. On the whole, we had a loss of \$39,000. What saved us was that we did not anticipate some of the additional income that did come in last year. The administrative fee income was higher than anticipated. Interest rates went up too. We had state revenue sharing funds that we did not anticipate and that we will not have again based on the COVID years. We have to make our best educated guess.

Township board discussion on the intricacies of amending the budget.

Sanger: we need to share these legal costs with the public. We need to include an article in the newsletter and communicate what these legal costs are doing to the budget. People want more information on the legal costs of the WOMP lawsuit. Besides that, how do we get more revenue?

Wunsch: we have a small handful of residents who pay high taxes and who trigger high legal or administrative costs. They don't understand that about 2% of their taxes stay here and the rest goes to the county. How do we pin more of the costs back onto the private resident? Private costs needs to be borne by private citizens, not by township residents.

Township board discussion on legal costs and the need for more revenue.

Wunsch: for zoning violations, we have to make enforcement viable for high cost, high nuisance violations.

Achorn: I am pushing for higher fees and a notice that if fees increase in excess of the application fee, we bill for it. We need more escrow. We have to collect more money up front and then refund it if applicable.

Township board discussion on fees.

Achorn: regarding the cable and tower funds, we are utilizing current year income. Going forward, I only project transfers that are less than I anticipate the income to be. We have lost

the higher paying lease but they still haven't removed their equipment.

Township board discussion on cable and tower leases.

Regarding the lighthouse, we asked Ginger to raise the rates this year to go up into the tower from \$5.00 to \$8.00 per person. Residents will still be free. Everyone on a bus tour pays up front. No discounts for tours.

Wunsch: we budgeted 10 grand to figure out what those lease rates should be. We are probably undercharging for spots on the tower.

Sanger: back to the Bayshore Marathon, charging a dollar per person is practically theft.

Rudolph: if we increase what they pay us to run, will they stop giving to the groups out here that they've historically supported?

Wunsch: how much is Traverse City charging the Bayshore Marathon for the portion of the Bayshore that goes through Traverse City? We need to set a rate administratively outside the ordinance.

Sanger: it's not greed. We want them to share back with us, particularly for our parks.

Wunsch: adjusting rates would allow us to increase the benefit to our parks and clean up a few problems.

Sanger: we have to adopt a mindset that anything we allow, we can be sued for. We have to cover ourselves adequately. I'm shocked to see how much litigation has cost the township.

Achorn: and that's not all of it. There's more to come once I get it coded properly. If we clean up the ordinance – large events, for example – we can bring in more money and save money.

Wunsch: we need to work on accountability with insurance counsel so our township counsel doesn't end up picking up the ball and running with it. We don't want our people doing the nitty gritty work. Take Hidden Ridge. Take Mari Vineyards – the owner threatened to use us if he didn't get what he wanted. We looked at the SUP and that use is no longer allowed. We have a legal opinion because he demanded it. He didn't like it and now is accusing us of an Open Meetings Act violation.

9. Citizen Comments: none

10. Board Comments: none

11. Adjournment

Chown moved to adjourn with a second by Sanger.

Motion approved by consensus

Adjourned at 4:25 p.m.