

Charter Township of Portage
Regular Board of Trustees Meeting

December 13, 2021

The Charter Township of Portage held a Regular Board of Trustees Meeting on Monday, December 13, 2021 via Zoom meeting.

Call to Order: The meeting was called to order by Bruce Petersen at 6:00 PM

In attendance were Supervisor Bruce Petersen, Clerk Amy Skewes, Treasurer Betsy Smith and Trustees Peggy Anderson, Bill Bingham, Bill Fink and John Ollila as stated by roll call.

Additions or Changes to the Meeting Agenda:

Michigan Tech USGS stream gauge, New Business – 5-year recreation plan with WUPPDR assistance, Final Bond Meeting. Approve auditor, township attorney, Fire Chief's, and B.O.R members

A motion was made by Ollila, seconded by Bingham to approve the meeting agenda. Motion carried by a voice vote.

Approval of the Bd. of Trustees Previous Minutes: A motion was made by Ollila and seconded by Fink to approve the November 10, 2021 regular meeting minutes, November 23, 2021 bond resolution and the revised November 29, 2021 budget review meeting minutes. Bingham would like added to the Nov. 29th minutes that he has concerns of Vanessa working alone in the office because of prior recommendations by our attorney and her taking in tax payments. Motion carried by a voice vote.

Approval of the Bills:

A motion was made by Anderson and seconded by Fink to approve the bills as audited. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

Review Clerk's Report:

- Need to find someone else do complete our W-2's and 1099's. Rukkila is unable to do them
- Need approval to pay bills through the end of the year

A motion was made by Ollila to approve Skewes to pay all bills that arrive by 12/31/2021, seconded by Bingham. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

Review Treasurer's Report:

- Out of the office 12/20-12/28, my deputy will be here on 12/21 to process payments, answer emails and phone messages prior to the holiday office closure and Treasurer's absence. Will put up a voice message as well as out of office message in email.
- Collecting and processing late Summer Property Tax payments through Feb. 28, 2022 before payments are sent to Houghton County. Summer courtesy bills have been sent.
- Accounting Firm Update

- Met with Superior Tax and Accounting, no other firms replied back – they have decided our problems are too complex for their tax-based solutions
- contacted Anderson Tackman and still working on this one
- no response from Steve Erbish
- Proposal to increase fees:
 - NSF fees: when any customer has a bounced check, proposal to charge \$25 processing fee; there is extra administration involved with this process
 - Delinquent Water/Sewer: when any customer has delinquent water bill that has to be added to taxes, we'd like to charge a \$25 fee for the extra administration involved with this process
- Resolution to open new bank account with \$500 from Portage Sewer – name of this project?
- ARPA funds are warranted for EFT: \$163,440.
- Cemetery Deficit
 - Currently is operating at -\$27,207.67 deficit, will there be any more expenses in 2020?
 - \$32,000 sold in Perpetual care in 2021
 - Interest from 2021 is \$6950.24
 - On-going interest pool is \$96,870.11 – this is the pool from which we pull the transfers to cemetery from perpetual care
 - Previously there was a 55% transfer for total expenses
 - Total expenses this year to date are \$39,095.42; transfer 55%? If this number does not go higher, the Perp Care transfer would be \$21,502.48
 - Last year we had to transfer additional funds as a due to/due from from perpetual care to cemetery

It was asked of the cemetery committee to make changes in staffing structure, fees by the treasurer regarding work schedules, etc. due to the anticipated long spring and fall for budgetary purposes? Were those ever implemented because we are still needing \$5705.19 to be at a 0 balance for cemetery assuming no other expenses occur.

A motion was made by Fink to have a \$40.00 NSF fee and a \$40.00 delinquent water/sewer processing fee, seconded by Anderson. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

A motion was made by Smith to open a new sanitary sewer improvement bank account for the new sewer project, seconded by Fink. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

A motion was made by Smith to transfer \$21,502.48 + \$5705.19 from the perpetual care interest account to the cemetery account, seconded by Ollila. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

Review Zoning Administrators' Report (John) for (Nov. 2021)

Another relatively light month, lots of time on the phone but only 2 permits. Also met two different landowners on site for preliminary questions about future construction though zoning applications will not be submitted till next year.

ZONING APPLICATIONS:

11/1 – 19902 Horatio, Hurontown. New lot for mobile home. Approved.

11/17 – Sam Jenkins, M-26, storage building. Approved.

ZONING CORRESPONDENCE:

11/1 – Appraiser request for zoning classification uphill side of Naumkeg,
11/5 – Report of pole barn under construction in Suo district, 11/9 – Complaint about new trailer on Manitou in Hurontown, 11/9 – Meeting with Pekkala to discuss set back from Portage Lake in R-3, 11/10 – Inquiry about chickens on Denton Road, 11/16 – Where is the exact boundary between R-2 & B-2 between Pilgrim Point and the Onagaming, 11/18 – Discussion with bugtussel wireless about permit requirements for adding equipment to transmission tower on Paradise Road, 11/30 – Clarification of three past issues with county building department
Also, many calls to the pole barn applicant on Paradise Road who has not yet scheduled a zoning inspection visit

Correspondence:

MTU – Blue Key Donation Request, Hurontown Fire & Rescue – Santa Claus Support, David Kinnunen – Mine Shaft Recession Notification, Pete & Sue Cattelino – Pedestrian Safety, State Police - Null Forfeiture Report, MRWA - Training, Hurontown Fire and Rescue - \$300.00 Santa Support, David Kinnunen – Mine Shaft Recession Report.

A motion was made by Fink to support Santa at the Hurontown FD in the amount of \$300.00, seconded by Bingham. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

Review Fire Departments:

OLFD: 4 calls, 1 Fire, 3 Medical calls

Looking into getting pavement in front of the fire hall, will look into getting quotes and will work with UPEA

HTFD: No report

Review Assessor's Report: Attached

Trustees Reports/Updates: Anderson asked about the mini excavator and if it's going to sit in the parking lot at the office for the winter.

Public Comments: none

Old Business:

- A. Green Acres Rd. Sewer Project – USDA – Green Acres Road Joint Project Start & Flo-Dar Meter Calibration – Crane Engineering.

A motion was made by Bingham to approve the first draw resolution 149 contingent upon Rural Development approval, seconded by Anderson. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

A motion was made by Fink to approve the 2nd loan resolution 150, seconded by Anderson. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

- B. B-3 Quiet Business Zone – WUPPDR Corrected Map – PC Review Next.

- C. Bay Electric – Blinking Intersection Light Tapiola – Awaiting Bay Electric.
- D. (2) Sewer Lift Station Roof Repairs – UPPCO Service Line Upgrades Needed.
- E. Patrick Greeley - Legal Waiver Letter. Township will decline to sign

New Business:

- A. ARPA - CLRF – Grant Approval Notification - Nov16, 2021 for \$326,880.00.
- B. Review/Finalize and Accept 2022 Annual Budget.
A motion was made by Bingham to accept the 2022 budget, seconded by Anderson. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.
- C. 2022 Committee Assignments – Bank Acceptance – Meeting Dates.
A motion was made by Ollila to meet on the second Monday of each month at 6 P.M. via zoom on a monthly basis, seconded by Fink. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.
A motion was made by Ollila to keep the same financial institutions, keep the same auditor (Rukkila and Negro), the same Fire Chief's Anders Kallungi and Jared Ruotsala and the same Board of Review members, seconded by Bingham. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.
- D. (2) - USDA – RD Loan Resolutions Read and Passed & USDA – Data Response.
- E. Copper Co. Intermediate School Dist. – Summer Property Tax Levy Resolution. Will get more information and discuss in January
- F. 5-year rec. Plan with WUPPDR assistance.
Fink made a motion to accept the recreation proposal, seconded by Ollila. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

Meetings:

- A. November 23, 2021 - Zoom Meeting - Bond Resolution Meeting.
- B. November 29, 2021 – In Person Meeting – Discuss 2022 Twp. Budget.
- C. December 14, 2021 – 2021 Budget Review and Final Acceptance.
- D. December 8, 2021 – 5 Year Rec. Plan Update – Twp. Office.
- E. December 9, 2021 – Personnel Committee Meeting – Twp. Office.
- F. November 26, 2021 - On-Site Mtg. with UPPCO – Lift Station Power Pole.
- G. December 13, 2021 - B.O.R. Meeting – Tapiola

Other Business: Next month board meeting will be on January at 6PM via zoom

The personal committee met to discuss wage increases for the cemetery and DPW. A motion was made by Ollila to increase wages of the cemetery staff to \$15.00 per hour, Tom Dorvinen and Chuck Saari to \$18.00 per hour and Marty Heikkila and Mike Becia to \$22.00 per hour beginning the first full pay period in 2022, seconded by Bingham. Motion carried by a roll call vote. Aye: Anderson, Bingham, Fink, Ollila, Petersen, Skewes, Smith. Nay: none.

The meeting went into closed session at 7:27

The meeting returned to open session at 7:29

Public Comment: None

Adjourn: The meeting was adjourned at 7:30 PM.

Public Attendance:

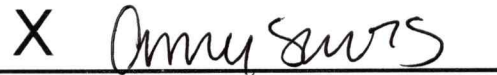
Chris Holmes - UPEA

Anders Kallungi

Roy Britz

X 

Bruce Petersen
Supervisor

X 

Amy Skewes
Clerk

Assessor's Report for December 2021

In reviewing the Township of 12/07/21 Profit & Loss Budget vs. Actual I have questions about 4 line items, and would like clarification.

What are the following (assessor) expenses

210-728	2950.50
210-801	2777.50
210-803	196.00
210-955	50.00

As budget time for the next year arrives, the question of how much revenue will be available next year arises.

Annually the County is charged with reviewing all municipalities within their boundaries through a county wide sales study. This process insures that the values that assessors have spread across their respective assessment rolls are in keeping with the sales that have occurred and are in line with the market. We received the County's study for real property November 29th, and the County's study for personal property December 6th.

The County's study provides us with projected True Cash Values which are incorporated into our year end evaluation of the assessment roll. The increase in the overall assessed value driven by the County's studies sets up the difference between taxable and assessed values the year following a sale.

The assessed value is intended to follow market value, and often, over time diverges from the taxable value. When a property transfers ownership (sells) there is often significant taxable value gained through the uncapping. The taxable value gained through the uncapping of properties directly impacts the Millage Reduction Fraction (MRF).

The increase in the overall assessed value driven by the County's studies sets up the difference between taxable and assessed values the year following a sale.

It is too early in the process to know if we will have a Headlee Rollback multiplier (aka Millage Reduction Fraction, MRF) for next year's L-4029 calculations for millages. Through uncappings, 2021 sales have a significant impact on the MRF. The County will provide the MRF to the Township by June 1st of each year. We can calculate an approximation of the MRF at the close of March Board of Review.

The term "Headlee Rollback" became part of municipal finance in 1978 with the passage of the Headlee Amendment to Michigan's Constitution. Headlee requires a local unit of government to reduce its millage when annual growth on existing property is greater than the rate of inflation. Of important note, taxable value gained through new construction provides extra revenue to the Township and does not have a negative impact on the MRF.

$$2022 \text{ MRF} = \frac{(2021 \text{ Taxable Value} - \text{LOSSES}) \times 1.033}{2022 \text{ Taxable Value} - \text{ADDITIONS}}$$

The rate of inflation is set by the State Tax Commission annually and provided to assessors in the form of the Inflation Rate Multiplier (IRM). The IRM for 2022 is 1.033; ie. 3.3%. The IRM dictates the increase in taxable value of 'capped' properties. To backtrack, the year following a sale the taxable value 'uncaps' and becomes the same as the assessed value in the year following the sale. Thereafter, the taxable value is capped, and only changes by the amount of the IRM (unless there has been value added to or removed from the property generally through construction).

An increase in taxable value alone does not indicate an increase in revenue that can be collected. Construction, uncappings and the inflation multiplier are the factors that directly impact revenue collection.

- ❖ December Board of Review will be on Monday December 13th at 10am at the Doelle Sr Center. The general purpose of the December Board of Review is to correct qualified errors, clerical errors and process late filed exemption requests.

~Laura Erhart, Assessor

Addendum to December 2021 Assessor's Report

The Board of Review met today and heard 10 petitions, petitions heard were for:

- Principal Residence Exemptions (late filing of request for exemption)
- Disabled Veterans Exemptions – new exemptions for this year, brings us to a total of 15 granted for 2021
- Reversal of Uncappings (late filing of request for exemption from uncapping)

The Assessor Printer/Scanner is a

- Brother DCP-L2540DW
- It has 2 issues, copies and scans have developed a thick black line across the printed space – reviewing the menu does not indicate that there is a self clean on the model
- and
- the printer is low on, needs a new, Toner cartridge TN 630 / TN 660

The scan function is critical for keeping track of documents for each parcel, as such, as soon as possible the machine needs either to be

- Repaired
- or
- Replaced

Having reviewed the assessing budget, there are unused funds on the equipment line.

- Please let me know where to have it repaired and need for more toner, or how to go about replacing the printer/scanner.
- Other Equipment needs
 - a 35ft 'fat max' style tape to efficiently measure buildings (I only have a 100ft tape which is inefficient for measuring the average building)
 - a yellow safety vest
 - a camera to take the required assessing pictures, along with the cable to download them to the computer
 - a mouse and a mouse pad for the laptop – the pad does not function well with the Photometrics and Survey modules in Apex (sketching software).

thanks