

Regular Meeting of the Crystal Lake Township Board

1651 Frankfort Highway, Frankfort MI 49635

October 18, 2022

Meeting was called to order by Supervisor Amy Ferris at 7:00 PM.

Pledge of Allegiance was recited.

Roll Call: Ferris, Nielsen, Northway and Popp were present. There is no clerk in office.

Agenda:

- Ferris moved to amend the agenda with Fire Report added but it's online only; a bank signatory resolution submitted by Popp added; Invasive Species Network support letter added; copy of clerk application handout added but not to be discussed tonight. Popp supported. Roll was called: All ayes. Agenda accepted as amended.

Conflicts of Interest: There were no conflicts of interest declared.

Minutes:

- Ferris moved to accept the minutes of the September 20, 2022, Regular Board Meeting with addition of B&G resolution and correction of a minor typographical error. Popp supported. Vote called. All ayes. Minutes accepted as amended.
- Ferris moved to accept the minutes of the September 26, 2022, Special Board Meeting with the correction of "impalpable" to "palpable." Northway supported. Vote called. All ayes. Minutes accepted as amended.

Correspondence:

- Ferris shared correspondence from RAGNAR Race re: thank you note; Consumers Energy re: tree cutting; Wilbert re: invoice; State of Michigan re: payroll; Sleeping Bear Gateway re: participation; Road Commission re: Land Splits; Dept. of LARA re: how to File a Video Complaint. There was discussion about who should receive mail and the appropriate process when there is no clerk. It was decided it would be discussed later in the meeting.

County Commissioner Report:

- Andy Miller says county looking for feasibility study and a director for Parks & Rec; also looking for a project manager --in addition to consultant-- for broadband; committed \$120K for Frankfort Area Community Land Trust for

eventual endowment; all area townships rumored to be getting 20% raise in insurance rates; many committee openings for volunteers; tower(s) needed for better emergency communications and management; "incubator" company came to Frankfort looking to procure building for attracting tech business.

Public Comment:

- Deputy Supervisor, Jill Marble objected to any resolution regarding removing signatures from bank accounts, thought a motion was unnecessary and its removal should have already been accomplished. If not, it should be now and be back dated to clerk's resignation on 9.30.22. She also thought statutorily a warrant report is fine to be approved in board meeting, in order to keep monthly records straight, but that no bills should actually be paid including EFT's and automatic payments, until a clerk is in place; Marble wanted Treasurer Popp's word on it.

Financials:

- Popp presented monthly financial reports; there were no questions or comments.
- Popp agreed there needs to be warrant report for keeping track. But Popp interprets attorney's latest opinion as allowing someone else being appointed a co-signer in absence of a clerk. Popp says she has already presented warrant reports in the past when Clerk Sullivan was ill or absent and that she, Popp, is not trying to step on anybody's toes, just stepping up and trying to keep township moving forward instead of township falling into chaotic mess. Popp says we have contractual agreements that treasurer and former clerk already agreed to, they have to be honored. Popp asked that she be able to take latest Wilbert Vault Company invoice, and vote on her resolution.
- Ferris said she appreciated Popp's opinions but nowhere was it found where Popp could act as both the treasurer and the clerk. Northway said he was sorry that we didn't have a clerk, that we had a fully qualified candidate for clerk that could have resolved all this; there have been complaints about correct financial protocol between clerk and treasurer for some time.
- Popp: Who invoices, who enters into Quick Books, it all varies. Sequencing has always been flexible. We have a very small office, and it would be very inefficient to operate without flexibility, contrary to what supervisor has been told, our auditor has approved that treasurer and clerk can trade off duties, and then double check each other, all being acceptable township internal controls.
- Northway: Thought teachings say 2 sets of eyes on transactions; Popp says three sets of eyes is optimal. Ferris: disputes she receives invoices; sees two separate issues a) 2 separate signatures need to be one of clerk and one of treasurer, b) we haven't hired clerk. Attorney says we can hire clerk but we haven't hired a clerk. If we were to hire clerk, it would not be treasurer; clerk and treasurer two separate people and need to be each other's check and balance. Right out of Accounting Procedure Manual: another signature would only be an additional internal control.

- Popp asks if the supervisor be willing to do that. Ferris again reads directly from Accounting Manual that supervisor's signature cannot be used to replace the clerk or treasurer's signature. Popp: But attorney says things can be liberally construed in favor of the township. Ferris: Attorney also says his opinion is totally untested; he says if we want a clerk we should hire temporary one. Popp: I have resolution prepared to hire a temporary clerk.
- Board agrees that warrant report can be approved if not paid until a legal second signature is obtained. Ferris' monthly reimbursement and Kucera hours are be added. Popp announces that Clerk Sullivan before she left did another payroll a month in advance; says salaried people have to get paid. Ferris doesn't think this is right. Popp maintains it was perfectly within clerk and treasurer's purview.
- Popp moved that the warrant report as presented be approved for payment but execution of payment only when a proper second signatory is found. Support by Nielsen. Roll Call: all ayes. Motion passed.
- Popp moved that the treasurer remove former clerk, Sue Sullivan and deputy clerk, Sondra Halliday as signatories on 18 CLT bank accounts, back dated to be effective 5:01 p.m. on 9.30.22. Nielsen supported. Discussion: Ferris reads statute that treasurer (or deputy treasurer) is only one that can open and maintain a township bank account and no one else has the authority to access, change or close an account, therefore the motion is unnecessary. Popp insists it is necessary for the banks, however. Roll call: all ayes. Motion passed.

Committee Reports:

Airport:

- Popp shared the Airport Reports.

Assessing:

- Ferris moved that an amendment be added to the Assessor's contract stating that any fees collected by Crystal Lake Township shall "pass through" the township and be paid, retroactive to the commencement of said current contract, and henceforward in current contract, to the assessor as proper and just remuneration for the knowledge, work and time it takes for execution of land splits. Support from Nielsen. Roll call vote, all ayes. Motion passed.

Budget:

- Ferris reminded everyone to get their written requests or meet with her in for the upcoming preliminary budget FY 2023-24. Popp talked about insurance increases and Nielsen talked about upcoming Fire meeting, perhaps increased costs.

Buildings and Grounds:

- Ferris moved that the Crystal Lake Township Board agrees to accept the Anavon

Technologies Group proposal for installation of the second video surveillance camera as specified above for an amount not to exceed \$1,000. Support from Northway. Roll call: all ayes. Motion passed.

- Update: vinyl siding was repaired; second exterior drop box installed for all non-ballot/ elections deposits; air conditioning unit moved and cleaned; East Cemetery hedge clipped but low hanging tree limbs still to be accomplished; outside bulletin board doors flew open in storm but have been repaired; snow plowing contract was completed.

Communications:

- Ferris moved that with correction of minor typo and the possibility that the first paragraph might need to be rewritten at the last minute in case, before it went to print, the board voted to appoint a new clerk, that the newsletter be approved for inclusion in the winter tax bill. Supported by Nielsen. Discussion regarding information on fireworks. Vote called; all ayes. Motion passed.
- Ferris presented Popp's proposed communication for the back of the tax bill. It is her prerogative to put what needs to be on tax bill. There were no objections.

Elections:

- Update from Elections Deputy, Sondra Halliday: 372 absentee ballots sent out, 181 returned thus far. Wants to make sure that everything is being done correctly; several groups particularly watching. But cannot access clerk's email which is vital to elections operations and security. Popp says she had nothing to do with changing clerk's password; much discussion back and forth; Halliday and Popp will get to the bottom of this, if we are being hacked or whatever the problem is.
- Popp moved to appoint the presented slate of Precinct Board Chair, plus Elections Inspectors, Receiving Board and Absentee Counting Board members. Nielsen supported. Northway asked if any township elections workers were election deniers. Popp, Halliday and VanMeter explained the strict rules and safeguards. VanMeter said she followed all rules because she believed in them. Roll call vote, all ayes. Motion passed.

Planning & Zoning:

- Ferris moved that the Crystal Lake Township Board hereby retroactively re-appoint Bill Herd to Planning Commission for a period of three (3) years, effective Sept. 1, 2022 through Sept. 1, 2025. Support from Northway. Popp wants to know when the PC is going to supply the board with an annual report. Vote called, all ayes. Motion passed.
- Ferris moved to accept the Capital Improvement Plan report submitted by PC Chair Greg Wright. Support from Nielsen. Roll call taken; all ayes. Motion passed.
- Zoning Administrator submitted updated report for this year listing business items under his purview.

Unfinished Business:

- Ferris called attention to her printout of Dept of Treasury Accounting Manual—not MTA—rules about check signing. Also addressed her draft of comprehensive clerk's duties, both statutory plus other categories. She says job descriptions have been required/needed for some time.
- Most recent township attorney opinion addressed. Board has differences of opinions on what attorney opinion says. Nielsen: believes board has legal right to do township business even if it doesn't have a clerk, and that board member can sign checks because of unusual circumstances and nebulous rules. Must get bills paid; not wedded to rules; State of Michigan isn't going come in here.
- Popp objected to Ferris putting attorney's confidential memo on the website, Ferris answered she told attorney it would be distributed to entire staff prior to him submitting it and that she believed it was public information under the circumstances; Popp said Ferris didn't ask the board and didn't have the authority.
- Popp read from attorney memo that board can hire a clerk to perform all duties; says she took this a little bit further and wants to make a motion that treasurer can email the synopsis that supervisor approves because who is it going to hurt if not emailed? Board shouldn't lose integrity by not following statutes, just because one board member thinks because we don't have a clerk, that the world isn't going to end and we shouldn't be doing anything; we shouldn't sit on our hands until we get a clerk; not fair to residents, we still have other statutes to uphold.
- Ferris reiterated we can hire an individual to perform clerk's duty, per attorney opinion but no guarantees it will hold up in court. Popp: Who's going to be offended if we do this? Is supervisor going to bring (names a resident) in to rile us up? Ferris: It isn't just state statutes, it is also our by-laws who says who is supposed to put meeting packets together and other duties. Popp: Ferris' "Draft Clerk's Duty List" is all wrong; we should concentrate on statutory duties. Ferris agrees statutory duties most important, says her list indicates what authorities she got them from, others are indicated as assigned or voluntary. Popp: Cannot expect next clerk do be everyone's personal secretary.
- Popp moved that Popp be able to submit approved synopsis to Benzie County Record Patriot for publication. Nielsen supported. Discussion. Popp withdrew her motion, Nielsen withdrew his support, Popp says that it is supervisor's responsibility.
- Draft clerk's duties addressed. For the interim, IT assistant Brian Halliday

will keep **passwords**, along with IT company reps at Eclipse. **Clerk's email** will be resolved by Halliday and Popp. **Keys** will be organized/labeled/held or distributed by Buildings & Grounds assistant, Brian Halliday. **USPS mail** retrieval is entirely in Elections Deputy Sondra Halliday's purview because of ballots. Anything non-election Halliday will distribute. Ferris will find someone to type up **minutes**; Popp says they will be paid. **Certifying resolutions** will have to wait. **Time sheets** go to Popp. **Sales agreements and invoices to Popp?** Ferris again says Popp cannot be fulfilling both treasurer's and clerk's jobs, we need to hire a clerk. Brian Halliday agrees to be another set of eyes overseeing processes. Rick Nielsen the other person? Popp explains if they are other sets of eyes look at the packets that she prepares, then she can do both sales agreements and invoices. Ferris objects and reads from Dept of Treasury Accounting Manual that another board member's signature will only be an added internal control but not a legitimate second signatory. Northway and Nielsen do not object. B. Halliday clarifies that when we get a clerk, clerk will take over.

- Names on bank accounts will be removed/changed by treasurer. Popp: Asks for second signatory from the board. We are obligated to follow SOM Treasury Manual but also says need to employ people who are necessary; says she currently does all jobs of depositing, receipting, reconciling; don't follow the exact letter of the law because of other sets of eyes reviewing packets, we actually go above and beyond standard internal controls. Ferris: we have different attorneys and different auditors giving us different opinions on the appropriate procedure. Nielsen: So we don't want to pay our bills? Popp: Nope. More discussion.
- Northway volunteers to be temporary second signatory on checks as long as schedule to do so is flexible. Popp: Sue never sat there and watched me; one or the other of us would do one or the other of things. Popp: resolution already prepared. Ferris: Instead of hiring clerk to take over all duties, we're only getting person to for only check signing? Does Northway know he'll be responsible for what he's signing? Popp: Just for a couple of weeks. Popp to Northway: I will give you invoices, you will see everything before you sign, I will set up everything at bank.
- Popp moved that William Northway be added effective immediately to bank accounts as another signatory, in addition to Deputy Treasurer Anthony and Treasurer Popp. Nielsen supported. Roll Call Vote: Ferris NO, Nielsen YES, Northway YES, Popp YES. Motion passes.
- Popp says put decision about **credit card** off. Sue didn't follow what Popp originally agreed to, which was getting a debit card. Popp wants to change all over to clerk's purview. Ferris: thinks there is a question about procedure, if there is a state directive says treasurer must have her name on it.
- Ferris questions again about whether October payroll could legally be done a month in advance, by former clerk signing name to a payroll to be processed

after her resignation date. Popp: Sullivan was looking out for the township. Now everyone will be paid, even employees, because of Northway being second signatory. Confusion, not sure if Sullivan signed checks, or when, for which month, or if most all were direct deposit. Nielsen: Under the special circumstances, if someone has to wait a month to be paid so be it, we do the best we can with what we have, people will just have to wait to be paid. Ferris: That's just what I said.

- Board needs to make an appointment to interview with the one applicant for clerk's job, Judy VanMeter. Monica Schultz is CLT resident who offered to help structure interview and perhaps could help with board discord. Her background is in Human Resources. Northway is for it. Nielsen doesn't think it is necessary. Popp has no opinion. Decided on Special Meeting 6 p.m. Tuesday, October 25, 2022. Board members all have copy of application packet.
- Popp: where are we with Mollineaux Road area residents' petition? Still in attorney's hands trying to find a judge-signed decree; Enforcement officer sent to check our obstructing placement of rowboat and doesn't think it is a problem.

Public Comment:

- Jill Marble thinks it is a stretch to interpret attorney's opinion that Northway can be made a legal signatory.

Board Comment: None.

Adjournment: Meeting closed by Ferris at 8:47 p.m.

Minutes transcribed by Supervisor Ferris.

