

Special Littlefield Township Meeting to Adopt a Post Audit Policy April 9, 2020 TIME: 6:15 PM

Meeting called to order by Damien Henning, Supervisor. Present: Kim Shomin, Treasurer, Sondra Festerling, Clerk, Katie Derrohn, Trustee, and Dean Morford, Trustee.

Due to COVID-19 the Township Board adhered to the 6ft. self-distancing as required while conducting this meeting.

The principal purpose of this Special Meeting is to consider adopting a Post Audit Policy to authorize certain specific payments to be made by the Township Clerk and Treasurer between Regular Board Meetings. The proposed policy was presented to all Board members by D. Henning before the meeting so it could be reviewed. K. Shomin verified that her internet provider is CenturyLink so it could be added to the final policy.

A discussion was held on the clause in the Policy authorizing the Supervisor to approve expenditures when deemed essential due to the imminent threat to the health, safety, and welfare of the township that have not yet been approved by the Township Board. The Board talked about what types of occurrences would happen to have the Supervisor authorize such payments in an emergency situation. In this conversation it was brought up that an email was received by Kim Morgan questioning what the Township and Fire Board have done to help the Fire Department with current needs under the COVID-19 situation. Kim was able to draft a response stating that the department received handmade cloth facemasks from Jackie Bunker (through conversation with the township clerk) and hand sanitizer for free from Gypsy Vodka when S. Festerling asked if they could use it. Chief Lauer asked the Crooked River Firefighters if they would be interested in helping the department purchase masks when he found out that Meyer Hardware had the ability to get them in. neither of the Fire or Township Boards knew about the masks until after the CRFF said they would help purchase. Chief Lauer would have asked the Fire Board or the Township for the funds had it not already been taken care of. The department hasn't informed the Township or Fire Board of any needs, and if they were to ask, the Boards would find a way to get what is needed as they always have. After this discussion, it was decided to place the amount of authorization on this policy item not to exceed \$50,000.00 in expenditures for emergency situations.

D. Morford made the **Motion** to approve the Littlefield Township Policy to Authorize Certain Specific Payments to be Made by Clerk and Treasurer between Board Meetings as adjusted to reflect the Township Treasurer's internet carrier of CenturyLink, and authorizing the Township Supervisor emergency expenditures clause not to exceed \$50,000.00. Second by K. Derrohn, and a **Roll Call Vote** was given by Clerk. **Ayes:** Damien Henning, Kim Shomin, Dean Morford, Katie Derrohn, and Sondra Festerling. **Nays:** None. **Absent or Abstaining:** None. Sondra

Festerling then **Certified this Policy**. A copy of this policy will be found attached to the Minutes of this Special Meeting and in the Clerks Office.

S. Festerling presented the Board with two bills that came in and they are not items that fall into the newly adopted Payment Policy. Both of the bills received are for our Hay Lake Marina project. The first is for Legal & Professional from Gosling Czubak for services through March 15, 2020 on the Boat Launch Design in the amount of \$ 4,075.00. The second is from Ironwood Construction -Payment Application #4 which was already approved by Klaus at Gosling Czubak in the amount of \$15,796.75. S. Festerling made the **Motion** to approve the payment of the bills from Gosling Czubak for \$4,075.00 and Ironwood Construction for \$15,796.75 from the Hay Lake Marina Fund. Second by D. Morford. Carried 5 Yes, 0 No. Discussion then opened up to the progress of the Marina Project. Due to the Executive Order, D. Henning stated that the work on the Marina has been halted until at least April 30th, and possibly longer. At this rate it will be unlikely to be ready to open it by Memorial Day like originally wanted. That was also a topic that was brought up by Elmer's wanting to make sure they wouldn't be penalized for not meeting the deadline. This shut down is not due to circumstances that could have been prevented, so there would be no penalty, but the time that is lost due to the executive order shutdown- would be the timeline of the extension for completion.

S. Festerling brought up to the board that an email survey was sent to all township supervisors, clerks, and treasurers about getting together and reporting how this pandemic could affect township revenues. The survey was responded by D. Henning after it was discussed between him and S. Festerling since there was a deadline. The questionnaire was multiple choice and, in some locations, it didn't apply to us or it wouldn't allow for a combination of answers. For our township, the areas that could apply to us was Parks & Recreation (our Marina), Fire Department, and possibly the other category. It would only allow us to choose the one that we would be most be affected by. It was felt that because we do have our fire millage the area that this shutdown would affect the most was our State Revenue Sharing which would affect what we had planned on receiving to pay our bond and operations on the marina. D. Henning said that he felt that 20% (or more) of our township's budget could be affected by this shutdown due to lower State Revenue Sharing than originally predicted, and it could affect us for years to come. Things are still being sold but not at the volume that it would have required for the State to fund us up to the \$205,000.00 that they projected for us. D. Henning looked at this survey by thinking that we would still get our millage revenue in, but felt that property values and taxable values will go down bringing in less revenue overall starting in 2021 and beyond. This survey was allowing all the government entities to plead their case as to how this shutdown will affect them.

D. Henning stated that he had received an email from K. Shomin stating that she was requesting to not take the cost of living raise that was approved at the budget meeting. K. Shomin explained that she thought that by the township paying for her internet that it would be enough. It was explained that the internet fees were a cost of doing business for the township which is different than payroll income. K. Shomin asked how much more the position was paying in payroll over last year and it was stated \$800.00 or \$200.00 per quarter. D. Henning asked if the increase

would create a hardship with her personal IRS reporting and she said no. It was then explained that since the payroll was brought up and unanimously approved in the Annual Budget and Public Hearing on Tax Levy for the 2020-2021 Budget Year it is not legal for the Township Board to reduce the pay rate. K. Shomin agreed to leave the pay as it was approved at the Annual Budget Meeting.

The email from K. Shomin also asked to discuss the Hay Lake Budget for 2020-21, because she confused on how much we were getting back and how much the project was costing. She is concerned because this was the first time that the project through the adopted budget was showing a fund balance ending in a negative. D. Henning pulled out the budget and what we originally approved for the costs of the project. He explained that there a few items that are in the budget that are not a final cost but estimated because it hasn't been put out for bid as of yet. The figures for the fuel system and the service attendant's booth are based off of what was originally estimated by Klaus before we approved moving forward with the project. We also still have the construction contingency amount factored in that may or may not be used on the remainder of the project. The project had a few change orders that were approved due to having to do additional work that was not foreseen. The dredging was one change order because the next day it would have sluffed off more and they weren't getting the readings they needed to reach before dredging could stop. We also had to place additional helical around the pier pilings and for the restroom. K. Shomin stated that she felt it could be a good excuse to put the brakes on because \$30,000.00 (estimated) a year in income is peanuts. D. Henning explained that the income that the marina could generate is an offset to the bond and could be the difference of paying \$110,000.00 and \$80,000.00. He never saw the project as an income project but more of an asset to the residents of the township by giving them access to the water for watersports and boating along with brining additional tourism into the township for people who are looking for access to the Inland Waterways. It was also explained that the figures in the Hay Lake Marina account is based off of the Bond money we received but that the Township does have a healthy fund balance that could be used to offset costs if needed much like we do for the Fire Department by appropriating funds from one of our General Fund accounts or by borrowing from one of our other funds that would be paid back.

With no other items to be discussed, D. Henning made the Motion to adjourn at 7:00PM