

**CHARTER TOWNSHIP OF FENTON BOARD OF TRUSTEES
MINUTES FOR REGULAR MEETING OF JUNE 18, 2012**

**FENTON TOWNSHIP CIVIC COMMUNITY CENTER
12060 MANTAWAUKA DRIVE, FENTON, MICHIGAN**

Supervisor Mathis called the meeting to order at 7:30 p.m.

Present: Mathis, Krug, Tucker, Brown, Goupil, Kesler, Lorraine, Attorney Cooley
and Operations Manager Broecker

Absent: None

PLEDGE OF ALLEGIANCE:

Supervisor Mathis led the pledge of allegiance to the flag.

APPROVAL OF AGENDA:

Supervisor Mathis noted that the Planning Commission had postponed action on the proposed Zoning Ordinance amendment regarding commercial & industrial uses, therefore it needs to be removed from this agenda.

Motion to approve the 6/18/12 Fenton Township Board Meeting agenda as amended.

Motion by: Brown

Seconded: Goupil

Ayes: All

Nays: None

Motion carried. The agenda is approved.

PRESENTATION:

Plante & Moran, PLLC – Financial Report for Fiscal Year Ended 12/31/11

Supervisor Mathis introduced Tadd Harburn and Chrystal Simpson of Plante & Moran, PLLC. Mr. Harburn and Ms. Simpson reviewed several graphs outlining year-to-year changes in revenues and expenditures in both the General and Sewer Funds.

Areas highlighted included:

- ⇒ Total fund balance in the General Fund increased by \$372,884 to a total of \$1,406,047. Unassigned fund balance totaled 1,031,000, which represents approximately 4.8 months of budgeted expenditures, which within the recommended range of 2½ - 5 months.
- ⇒ General Fund revenues increased \$328,201 from 2010, due primarily to an increase in State revenue sharing. It was pointed out that the Township is continuing to experience reductions in property tax revenues due to lower property values. Fenton Township is not experiencing as drastic of an impact, due to its relatively small millage rate and more stable property values.
- ⇒ General Fund expenditures decreased \$941,000 from 2010, due to the parking lot and road paving projects that were financed in 2010..
- ⇒ All Special Revenue Funds, (Fire Protection, Solid Waste and Mosquito Control), are financially stable with adequate fund balances.
- ⇒ The Sewer Fund is generating sufficient revenues to meet the operating costs and debt payment obligations. Mr. Harburn pointed out that the Township is maintaining cash reserves in the Sewer Fund in the area of \$2 million. Because of the potential for large-scale emergencies, sewage spills and backups, and system failures, he does not believe this amount to be excessive.

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Mr. Harburn briefly reviewed Plante & Moran's formal report to the Township Board. He noted that several new reporting requirements have been implemented in recent years. As a result, many of their clients have had to address identified significant deficiencies and/or material weaknesses in their internal control and accounting procedures. One prior year adjustment was made during the audit. The cable PEG fees had been recorded as a liability since the mid-1990's. Due to a review of recent accounting rule changes it was determined that these receipts should be classified as revenue, with the corresponding uses of the funds booked as expenses. The net balance of the PEG funds are considered to be restricted fund balance, since the funds can only be used for public access television programming. Other than this one adjustment, there were no internal control deficiencies, material weaknesses or any other reportable conditions in the Township's accounting policies and procedures. Additionally, the auditors did not have to make any adjustments to the financial statements. Mr. Harburn stated that, in his experience, it is rare for a municipal client to have no adjustments and no internal control problems.

The board thanked Mr. Harburn and Ms. Simpson for their report.

MEETING MINUTES:

The minutes for the 6/4/12 regular meeting stand approved as presented.

EXPENDITURES:

Motion to approve invoices and expenditures for all funds totaling \$303,250.61 for payment as presented.

Motion by: Tucker

Seconded: Lorraine

Ayes: Mathis, Krug, Tucker, Brown, Goupil, Kesler, Lorraine

Nays: None

Motion carried.

PUBLIC HEARINGS:

Proposed Silver Lake Channel Lake Improvement Special Assessment District/2nd Hearing

Supervisor Mathis reviewed a proposed special assessment district for weed control in a channel of Silver Lake adjacent to Silvercrest Drive. The cost of the project is approximately \$2,050.00 per year for 4 years. A public hearing was opened to hear comment on the following:

1. An individual's assessment in relation to benefit received.
2. The total cost of the project.
3. The validity of the proceedings to date.

There was no public comment or board discussion. Clerk Krug presented the following resolution:

RESOLUTION NO. 2012-09

WHEREAS, the township board of the Charter Township of Fenton, Genesee County, Michigan, after due and legal notice, has conducted a public hearing upon a proposed assessment roll prepared by the supervisor and assessing officer of the Township for the purpose of defraying the costs of the weed eradication/control project

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proposed to be initiated within the Silvercrest Channel Lake Improvement Special Assessment District as shown on the plans and specification for such project;

AND WHEREAS, such public hearing was preceded by proper notice in a newspaper of general circulation in the Township, and by First Class Mail notice to each property owner of record within said district and upon said assessment roll;

AND WHEREAS, all present at said public hearing were given the opportunity to be heard in the matter;

AND WHEREAS, no written objections were received to said roll and levy;

AND WHEREAS, a record of those present to protest, and of written protests submitted at or before the public hearing was made a part of the minutes of the hearing;

AND WHEREAS, the Township Board has duly inspected the proposed assessment roll and considered all comments and proposed amendments thereto and has found the proposed assessment roll, as submitted, to be correct, just and reasonable;

THEREFORE BE IT RESOLVED, that the assessment roll submitted by the supervisor and assessing officer of the Township, shall hereafter be designated as Fenton Township Special Assessment Roll No. 2012-1 and shall hereby be confirmed as the assessment roll for the Silvercrest Channel Lake Improvement Special Assessment District.

BE IT FURTHER RESOLVED, that the assessments in said Fenton Township Special Assessment Roll No. 2012-1 shall be divided into four annual installments with the first installment due on or before December 1, 2012 and the following installments to be due on or before the first day of December of each year thereafter indicated.

BE IT FURTHER RESOLVED, that future due installments of an assessment against any parcel of land may be paid to the Township Treasurer at any time in full. If any installment of a special assessment is not paid when due, then the installment shall be considered to be delinquent and there shall be collected a penalty at the rate of 1% for each month, or fraction of a month, that the installment remains unpaid before being reported to the Township Board for reassessment upon the Township tax roll, in accordance with Michigan P.A. 188 of 1954, as amended.

BE IT FURTHER RESOLVED, that the assessments made in said special assessment roll are hereby ordered and directed to be collected by the Township Treasurer, and the Township Clerk shall deliver said special assessment roll to said Treasurer with his warrant attached, commanding the Treasurer to collect such assessments in accordance with the direction of the Township Board and said P.A. 188 of 1954.

BE IT FURTHER RESOLVED, that all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Motion to adopt Resolution No. 2012-09 as presented.

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Motion by: Krug
Seconded: Brown
Ayes: Mathis, Krug, Tucker, Brown, Goupil, Kesler, Lorraine
Nays: None

Motion carried. Resolution declared adopted.

REPORTS:

None

COMMUNICATIONS:

None

ADOPTION OF ORDINANCES:

Proposed Zoning Ordinance Amendment – Public Events/1st Reading

Supervisor Mathis introduced a proposed Zoning Ordinance amendment regarding public events. Treasurer Tucker stated that the proposed amendment gives the Township Board the authority to approve certain public events to be held on township owned property. The example given is the autumn farmers market proposed to be held at the Fenton Township Civic Community Center this fall. The Planning Commission felt that this proposed amendment would provide a simple procedure to address the issue.

There was no public comment. The second reading of the proposed ordinance will be conducted at the 7/2/12 meeting.

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Hidden Ridge Condominium Development – Issues Relating to Undeveloped Areas

Supervisor Mathis reported that residents of the Hidden Ridge Condominium Development have requested an opportunity to address the board to discuss issues relating to undeveloped areas of the development. Information was provided in the packet outlining some of the concerns.

Hidden Ridge resident Paul Wiese expressed concerned about the potential for builders to start, but not complete, construction of residential units in their development, as well as other developments in the Township. He asked the board to consider requiring a “completion bond” on all new building permits to guarantee that any home started would be completed. In his research he has found that the cost of such a bond, which could be obtained from surety companies, is 5-10% of the construction cost, which could be added to the home price when sold.

Attorney Cooley asked if any other municipalities have implemented a completion bond requirement. Mr. Wiese stated that the Cities of Holland and Grand Haven Michigan require completion bonds on new construction.

Trustee Lorraine voiced his concerns that requiring such a bond would drive up the cost of building in Fenton Township and may force builders to look in other communities.

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Treasurer Tucker commended Mr. Wiese and the other residents in attendance for identifying the problem and bringing it to the Township's attention, however he also echoed Trustee Lorraine's concerns about driving up the cost of construction. If more homes are built, that would create a larger property base to pay the ongoing condominium costs. Increasing costs to builders would likely reduce the number of units ultimately built, thus forcing more costs on the existing units.

Kay Bushey of Cummings Property Management, (the company that manages the Hidden Ridge condominium development), raised a different issue. The Michigan Condominium Act has a provision that allows undeveloped units to revert to common element if the development is not completed within ten years. She is concerned whether or not the 34 unbuilt units can still be constructed.

Treasurer Tucker stated that this provision in the law is somewhat confusing and has not been tested in the courts. He suggested that the Planning Commission look at both issues at an upcoming meeting. The board agreed to refer these issues to the Planning Commission for further review.

BOARD COMMENT:

None

PUBLIC COMMENT - AGENDA OR NON-AGENDA ITEMS:

David Hawcroft, 3302 Ponemah Drive

Mr. Hawcroft asked if there were any Marine Patrol statistics to report. Trustee Goupil will request a report from the Marine Patrol. Mr. Hawcroft also asked how close a boat can pass a dock or shore while driving at a speed that creates a wake. He is concerned about the safety of swimmers when high-speed boats are on the lake. Trustee Goupil responded that the law states 100 feet, although it is not strictly enforced. He will refer this issue to the Marine Patrol. Mr. Hawcroft inquired as to the status of the restaurant formerly known as TeeBonz. Treasurer Tucker confirmed that the Planning Commission approved the necessary Special Use Permit for the restaurant. Supervisor Mathis stated that the board recommended approval of the requested liquor license transfer. It is not known if the owner has a projected opening date.

ADJOURN: Meeting adjourned at 9:05 p.m.

Bonnie Mathis, Supervisor

Robert Krug, Clerk

Minutes Posted 6/19/12