

Village of Bellaire

ADMINISTRATION AND PERSONNEL COMMITTEE

David Schulz, Chairman

Butch Dewey

Denny Balon

Meeting Minutes
Monday, June 27, 2011
1:30 p.m.

1. **Call to Order:** Chairman Schulz called the meeting to order at 1:30 p.m.
2. **Roll Call Attendance**
 - Members Present:** David Schulz, Denny Balon & Butch Dewey
 - Members Absent:** None
 - Staff Present:** Janet Koch, Clerk and Cathy Odom, Treasurer (appeared briefly to answer questions)
 - Others Present:** Colette Stanish
3. **Approval of Agenda:** The agenda was approved with the change of Approval of Minutes from January 31, 2011 to February 8, 2011.
 - Motion by Dewey, seconded by Balon, to approve the agenda as corrected.**
 - Motion carried by voice vote.**
4. **Approval of Minutes:** The Administration Committee minutes for February 8, 2011 were approved.
 - Motion by Balon, seconded by Schulz, to approve the minutes of the February 8, 2011 meeting as presented. Motion carried by voice vote.**
5. **Public Comment on Agenda Items:** None presented.
6. **Old Business:** None presented.
7. **New Business**
 - 1) **FY2010-11 Audited Financial Statement:** The committee had received copies of the financial statement in their packets the previous week and Schulz brought a few things to the committee's attention. On page 26, the section titled "Excess of Expenditures over Appropriations in Budgeted Funds" detailed two funds, General Fund and Major Street Fund, both relating to Public Works, that were in excess, \$2,493 and \$1,853 respectively.

Schulz said this matters because local government shouldn't have expenditures in excess of appropriations and bonding could be effected. Schulz said he wasn't concerned, and noted that it is most likely small adjustment entry errors. Treasurer Cathy Odom was getting clarification.

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Schulz pointed out two small typing errors on page 32. The first is the second paragraph, first sentence which should read “The Village has managed....” Instead of “The Village has manages...” The other error is in the third paragraph on page 32, fourth sentence, which should read “The participant is eligible to....” Instead of “The participant will is eligible to....”

The other area of concern Schulz had was at the bottom of page 26 in the section titled “Custodial Credit Risk of Bank Deposits.” This section states that the village has deposits that are at risk. Odom said that because of new FDIC regulations non-interest bearing checking accounts are covered with no top end limit. The auditors are changing the report to show the accurate numbers.

Motion by Dewey, seconded by Schulz, to recommend that village council sign the 2010-11 financial statements pending two typing changes and correction of the custodial credit risk of bank deposits comment on page 26.

Motion carried by voice vote.

- 2) **Previous Noise Complaint:** Chairman Schulz said there were several issues presented by a former resident of Bellaire, Caroline Pfund at the February 2, 2011 village council meeting that Schulz had agreed to address in an Administration Committee meeting.

Schulz said that Ms. Pfund had asked the village to consider an ordinance that no notice to quite (eviction) could be issued after noise complaints are filed. Ms. Pfund had also told the council that she was not happy with how the Bellaire Police Department had handled things.

Schulz asked the committee to look at the village noise ordinance and assess the situation. The committee agreed that it isn't the village's role to address noise issues inside a structure. Schulz said he wasn't inclined to respond other than to recommend to council that the village not take any action. The committee agreed, saying that law enforcement can only enforce existing laws.

Motion by Schulz, seconded by Balon, that, based on the information provided by Ms. Pfund, that the village council did not need to respond, that changes to the nuisance ordinance as requested by Ms. Pfund would be out of the village's jurisdiction. Motion carried by voice vote.

- 3) **Various Matters As Appropriate:** Schulz said Cathy Odom, Village Treasurer, has asked that the village adopt a fund balance policy. A sample copy from the auditor was included in the committee's packet. The committee directed village staff to draft a fund balance policy to present to village council at the July meeting.

Schulz told the committee that the governmental offices of Kearney Township had moved out of the Community Hall except for some boxes in storage. Due to the uncertainty about the status of copies of keys to the building, Schulz moved to have the Admin committee recommend to village council to have the locks changed on the front and back doors.

Motion by Schulz, seconded by Balon, to recommend to council to change the front and back door locksets. Motion carried by voice vote.

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Schulz brought the committee up to date on the status of two bills in front of the State of Michigan legislature regarding health benefits for public employees. House Bill 4572 places a cap on the dollar amount of benefits provided to public employees: \$5,500 for a single person, \$11,000 for a couple, or \$15,000 for a family in 2012 with annual adjustments to the cap. Senate Bill 0007 requires public employees to pay 20% of their health insurance costs.

Schulz said that Governor Snyder is asking that this type of legislation be fast-tracked through the legislature. He added that under the Senate Bill and with the current health insurance, some village employees could have 20% of their take-home pay deducted.

Koch said there are opt outs for both bills, however, the House bill carries a penalty to public entities who exceed the cap, currently stated as a 10% reduction of state revenue sharing. The Senate bill currently carries no penalties, but does require an annual approval by the governing body.

Schulz said that budgeting for the next fiscal year should begin earlier to take into account the health care changes.

Schulz reported to the committee that Ken Stead, DPW Superintendent, had provided a construction estimate of \$750 for constructing two walls in the former Kearney Township offices to create three separate offices.

8. **Discussion Items:** Dewey said unemployment insurance has gone up substantially since hiring a seasonal employee. Dewey suggested hiring a college student who might not claim unemployment benefits. It was requested that staff compare the cost of hiring a third party for mowing and the cost of seasonal wages plus unemployment increases. Staff was also asked to explore what limitations exist for seasonal workers to apply for unemployment benefits.
9. **Communications/Informational:** None presented.
10. **Member/Public Comment:** None presented.
11. **Adjourn:** Meeting adjourned at 2:20 p.m.

Respectfully Submitted by:
Janet Koch, Clerk

Approved: _____

Date: _____