

**CHARTER TOWNSHIP OF FLUSHING
6524 N. SEYMOUR ROAD
FLUSHING, MICHIGAN 48433
SPECIAL MEETING OF THE BOARD OF TRUSTEES**

DATE: OCTOBER 18, 2006

TIME: 6:30 P.M.

PHONE: 810-659-0800

FAX: 810-659-4212

WEB PAGE: <http://www.flushingtowship.com>

ADMINISTRATION MEMBERS

Supervisor: Andrew Trotogot
Clerk: Julia A. Morford
Treasurer: Carl G. Liepmann

TRUSTEES

Ann L Fotenakes
Scott Minaudo
Barry Pratt
Ida M. Reed

TOWNSHIP ATTORNEY: Steven Moulton of Cooley Moulton & Smith, Attorneys at Law

Supervisor Trotogot asked Ida Reed to record the minutes in the absence of the clerk.

MEETING CALLED TO ORDER at 6:30 p.m. by Supervisor Trotogot with roll call.

MEMBERS PRESENT: Fotenakes, Pratt, Liepmann, Trotogot, Reed and Minaudo

MEMBERS ABSENT: Morford

AGENDA: Concerns about tax motion approved at meeting on October 12, 2006

Supervisor Trotogot called the Special Meeting at the request of Treasurer Liepmann.

Liepmann was not present at the October 12th meeting where a decision was made to adjust our tax ratio. He asked for the meeting to more fully explain our budget.

Treasurer Liepmann addressed the board with his concern about raising the taxes. He felt a decision was made without delving more fully into the budget. He went through the issues and reassured the board that we do have a positive budget. What concerned some at the last meeting was the fact that there didn't seem to be enough money in the fund balance to pay the bills. He stated that we collect 1/3 of the revenues in the first 6 months and 2/3 in the last six months of the year, but we spend 2/3 of our budget in the first 6 months and 1/3 of our expenses in the last half. This is the same thing the schools had trouble with before they started collecting the school taxes in the summer. They had a hard time riding it out until the money came in from the winter taxes.

There was also a concern at the last meeting about getting the pension fund fully funded. A Federal law was passed that said Corporate Pension funds had to be fully funded in approximately 7 or 8 years. \$30,000 has been budgeted for our 2006-2007 budget. We are also able to take some pension benefits from the water budget because of the employees that are paid out of that fund. We can go back about 5 years in that fund. By next year we should be about 70% funded, which is very good considering the time span we have to be fully funded. We are in compliance with federal guidelines as they apply to governmental entities.

Another concern the board had at the last meeting was the notice concerning back taxes that Consumers Energy had been awarded on an appeal. It appeared that Flushing Township owed \$47,886.03 to Consumers Energy, and if we couldn't collect it from the other entities that benefit from our property taxes, then we were responsible for this amount of money. Liepmann stated that all the entities have been contacted and they will be sending a check for the amount of money they owe. The township itself owes \$4,521, but because the police department collected more tax revenue than the township they will pay the greater share and because of our low tax base we are only responsible for \$564.00.

Also discussed at this meeting was an area where we could collect more revenue without raising taxes.

Liepmann also stated that in his absence a CD had to be cashed in to meet payroll and we lost about \$2,000 in interest, although we did earn a portion of the interest on the CD. In the future he will keep that money in the Sweep Account where it collects almost as much interest and the money is more readily available.

In conclusion Liepmann recommended to the board that we maintain the .5000 millage, keep a close eye on expenditures, do not use the money in the road budget since we have lime stoned all of our gravel roads already.

Fotenakes moved, seconded by Pratt that the Flushing Township operating millage is set at .5000 mills for the 2006 tax year. Yes: Fotenakes, Minaudo, Pratt, Reed, Liepmann and Trotogot.

No: 0

Morford was absent.

As there was no further business the meeting was adjourned at 7:30 p.m. by Supervisor Trotogot.

IDA M. REED, Recording Secretary
Acting in the absence of Julia A. Morford, Clerk

ANDREW TROTOGOT, Supervisor

APPROVED DATE: _____