

HARTLAND TOWNSHIP BOARD OF TRUSTEES REGULAR MEETING FINAL MINUTES

February 02, 2021 – 7:00 PM

This meeting was a virtual meeting held in compliance with Public Act 254 of 2020, and the Department of Health and Human Resources Emergency Order of January 22, 2021 under MCL 333.2253

1. Call to Order

The meeting was called to order by Supervisor Fountain at 7:00 p.m.

2. Pledge of Allegiance

3. Roll Call

PRESENT: Supervisor Fountain, Clerk Ciofu, Treasurer Horning, Trustee Germane, Trustee McMullen, Trustee O'Connell, Trustee Petrucci

ABSENT: None

4. Approval of the Agenda

Move to approve the agenda for the February 2, 2021 Hartland Township Board meeting as presented.

Motion made by Treasurer Horning, Seconded by Trustee Petrucci

Voting Yea: Supervisor Fountain, Clerk Ciofu, Treasurer Horning, Trustee Germane, Trustee McMullen, Trustee O'Connell, Trustee Petrucci

Voting Nay: None

5. Call to the Public

No one came forward.

6. Approval of the Consent Agenda

Move to approve the consent agenda for the February 2, 2021 Hartland Township Board meeting as presented.

Motion made by Trustee Petrucci, Seconded by Trustee O'Connell

Voting Yea: Supervisor Fountain, Clerk Ciofu, Treasurer Horning, Trustee Germane, Trustee McMullen, Trustee O'Connell, Trustee Petrucci

Voting Nay: None

- a. Approve Post Audit of Disbursements Between Board Meetings
- b. Approve Payment of Bills
- c. Approve 1/19/21 Regular Meeting Minutes
- d. 2021 Hartland Consolidated School District Election Agreement
- e. 2021 Livingston Educational Service Agency (LESA) Intermediate School District Election Agreement

7. Pending & New Business

- a. Resolution – 2021 Poverty Exemption Guidelines and Policy

Township Assessor Jim Heaslip stated we are required to annually approve the Poverty Exemption Guidelines and Poverty Income Rates that are approved by the Federal government and State Tax Commission. The 2020 poverty rates are to be used for the 2021 tax year. He then provided a brief overview of the changes required by the Public Act 253 of 2020. The

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Act clarifies the federal income poverty levels used for municipalities across the state and requires that the policies and guideline are on our website, which we have always done. The Act does remove the ability of the Board of Review to grant an exemption under substantial and compelling reasons, such as extensive medical expenses. Exemptions can only be made on the income level of the home and exemptions can only be granted for 100%, 50% or 25%, but they do not apply to assessments. Assessor Heaslip also stated the Act states that if there was an exemption in place for 2019 or 2020, we can carry that forward, due to the pandemic, to 2021, if we adopt this resolution. A provision is allowed under the Act to carry forward the exemption for three years, which Assessor Heaslip did not feel was reasonable and it was not included in the resolution. Anyone can still come in, on an annual basis, and apply for the exemption at any of our Board of Review meetings. Clerk Ciofu inquired as to the audit requirements of the Act and Assessor Heaslip stated that the State will be issuing the audit guidelines, which they have not done yet. Trustee Germane requested clarification of the exemption rollover to 2021 and Assessor Heaslip provided an example to clarify.

Move to approve the resolution adopting the 2021 poverty exemption guidelines and policy. Also, to allow the Board of Review to extend the exemption for 2021 to applicants that meet the requirements as noted in Public Act 253 of 2020.

Motion made by Clerk Ciofu, Seconded by Trustee Germane

Voting Yea: Supervisor Fountain, Clerk Ciofu, Treasurer Horning, Trustee Germane,
Trustee McMullen, Trustee O'Connell, Trustee Petrucci

Voting Nay: None

8. Board Reports

Treasurer Horning - no report.

Trustee Germane - Stated that the HERO Teen Center Board is requesting that we proceed with the installation of the furnace and the water line to the greenhouse at the Teen Center. These utilities will be drawn off the Teen Center building. This was anticipated when the grant was received to purchase the greenhouse and the greenhouse was placed in a location that would minimize the connection costs for these utilities. These costs will be borne by the Teen Center.

Trustee McMullen - no report

Trustee O'Connell - no report

Trustee Petrucci - no report

Clerk Ciofu - no report.

Supervisor Fountain - no report.

[BRIEF RECESS]

9. Information / Discussion

a. Manager's Report

Manager West reported that the Water Main Extension Project is out for bid. This process was facilitated by HRC and bids will be out for 4 to 5 weeks. Bids will be submitted to the Hartland Township Clerk and a bid opening will be held on the due date. The Livingston County Support Emergency Operations Plan is due for renewal for another four years. This is a document that delegates who the county would contact in the occurrence of an emergency situation. It has been updated by the Township and the County will be coordinating the

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signatures on this document. This will be coming back to the Board for approval at a future meeting. Manager West stated that he is now a Member of the Livingston County Board of Public Works. Manager West gave a brief update on the remaining FY22 budget process. We will be discussing the Water and Sewer budgets tonight and we will further discuss the General Fund budget, along with the Capital Improvement Plan (CIP), at the next meeting. At the first meeting in March, we will review the Hartland Deerfield Fire Authority budget with Fire Chief Adam Carroll, and the formal adoption of the entire budget will be scheduled for the second meeting in March.

b. FY22 & FY23 Draft Water & Sewer Budgets

Manager West gave a brief overview of the 536 Water System Fund budget, the 537 Water Debt Service Fund Budget, and the 539 Water Replacement Fund budget and responded to questions from the Board. Clerk Ciofu inquired as to the 536 Water Usage Metered line item as being from the approved rate study, which was indicated as being low, but not adjusted upward. Manager West stated that we were taking a conservative approach on this matter even though we think it may be higher than the budgeted amount. Clerk Ciofu also inquired as to the amount in the ending overall Water System Funds balance as to the adequacy of the amount. It was explained by Manager West and Finance Director Susan Dryden-Hogan that there are assets included in this fund and that if you look at each fund separately, the 536 Fund balance is one times expenses which is good, the 537 Fund Balance will be closed out in FY23, once the final bond payment is made, and the 539 Fund Balance is for major repairs to the Water system. A discussion will be held as to the amount that should be in this fund once the water main extension is completed. Trustee Germane inquired as to how the new water projects fit into this budget. Manager West responded that the new well geological testing is included as the first phase of the project, and that the new filter is to be included in the plan.

Manager West gave a brief overview of the 590 Sewer Operations & Maintenance Fund budget, the 591 Lake Tyrone 2015 Sewer SAD budget, the 595 2005 Sewer Exp Bonds budget, the 596 Forestbrook Hills Sewer SAD#1 budget, and the Hartland Twp Sewer SAD 22 budget and responded to questions from the Board. He stated the 590 Fund budget includes Intangible Assets that support the bonds for this fund and that the 595 Fund is where the assessment funds are collected and will continue through 2025. He also gave a brief description of the purpose of the 591 Fund, the 596 Fund and the 597 fund and the remaining assessment periods. Director Dryden-Hogan gave a brief overview of the accounting treatment for Enterprise Funds and stated that with the new Chart of Accounts all of these funds will be in one account in the future. Supervisor Fountain gave a brief overview of the purpose of the Boyle Model and where we are at today. Manager West and Director Dryden-Hogan stated that the Boyle Model was a living document and takes into account various scenarios and that the actual results are in good shape with regards to the Boyle Model projections.

Trustee Germane inquired as to whether the interest rate projections on the assessment funds will be affected by the new administration. Treasurer Horning stated there will not be any significant changes. He also inquired as to whether there were any future opportunities for refinancing some of the bonds. Director Dryden-Hogan stated that there is an opportunity to call one of the bonds in November, but that there were also current possibilities to refund it now with a taxable sale. Director Dryden-Hogan explained that the difference in interest rates between tax-exempt and taxable sales were very close, however, outstanding issues remain in the fund that would require disclosure that could impact the refunding. Trustee Germane inquired as to the 597 Fund, where we assisted residents in connecting to the water system if they were within 200' of the sewer system, would be available to residents that wished to

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connect now. Manager West stated that this was a one time situation to get as many residents to comply with the 200' foot requirement as possible at that time and would not be available any longer. Trustee Germane inquired as to why there was no Transfer to the Sewer Fund budgeted for FY22 in the 590 Fund, when the previous year was \$1.56MM. Director Dryden-Hogan stated that additional sources of funds from developers would be used for the FY22 Sewer bond payments and no transfer of funds would be needed. Trustee Germane inquired as to the projected use of the septage receiving station funds and whether there has been any further concerns from the County regarding the septage receiving station contract amount. Manager West stated the septage receiving station funds are factored into the Boyle Model and are a positive for potential refinancing of bonds in FY22 and that a brief discussion was held with the Livingston County Drain Commission (LCDC) regarding the septage receiving station contract issues but no progress is being made on the part of the LCDC. Treasurer Horning stated she will provide the Board with an updated schedule of the septage receiving station fund balance. Trustee Germane also inquired as to the status of the litigation with regards to Hartland Glen and Manager West stated that there is no further update at this time, but brief informal discussions have taken place between the parties. Supervisor Fountain stated he will be contacting the Tyrone Township Supervisor to suggest a meeting to discuss the overall sewer system issues.

10. Adjournment

Move to adjourn the meeting at 8:20 p.m.

Motion made by Trustee Germane, Seconded by Trustee Petrucci

Voting Yea: Supervisor Fountain, Clerk Ciofu, Treasurer Horning, Trustee Germane, Trustee McMullen, Trustee O'Connell, Trustee Petrucci

Voting Nay: None

Submitted by:



Larry N. Ciofu
Clerk