

Finance Committee Minutes

January 26, 2022

Members present: Gale, Gremel, McCann

Staff present: Scott, Edmondson, Craker

Public present: 4 zoom connections

The meeting was called to order at 10:03 AM.

Public comment from Laura Cavendish requesting a dropbox for each committee meeting so public can view documents under discussion. Documents to be discussed are available in the January 20 Village Council packet and the Clerk will share her screen to display what is being discussed.

Chair Gale has spoken to Lois Bahle and Ty Wessell, members of the Leelanau County Housing Action Committee about the funding request from Housing North. Lois approves of our plan to use the Village's percentage of County population to determine the level of funding. The committee will recommend a commitment of \$1,000 per year for three years.

As discussed at the January 20 Village Council meeting, the Village is obligated to extend the sewer along Flees Road to service several parcels within the Sewer Assessment District who have paid their assessment. Construction has begun on one parcel so time is of the essence. The engineering study will cost \$11,500 and the Engineer's estimate for the project is \$130,400. The Committee looked for funding sources and determined the best option is to devote ARPA funds to the project and provide the balance from the capital fund. Clerk Scott will add this expense to the 2022-23 budget. The Federal Infrastructure Bill may include additional money for this type of project.

Clerk Scott shared her screen and walked the committee and public through the 2022-23 Budget Worksheet. The committee recommended the following changes to the General Fund:

- apply a 5.9% cost of living increase to wages and salaries.
- add to the assumptions that the Treasurer's salary is being allocated to multiple funds in the same way the Clerk and Liaison salaries are allocated.
- move Wade and Trim consulting fees from Capital Improvement Fund to Planning Commission Expenditures in the General Fund.

In the Marina Fund, the committee increased commercial slip revenue to 2021-22 levels.

In the Capital Improvement Fund, leave \$25,008 in the budget for legal fees related to the plat amendment work. This is a contingency fund should anyone contest the road end vacation.

With the unexpected expenses for the Flees Road sewer line extension, many of the proposed projects for this budget year will need to be deferred unless other funds become available.

Clerk Scott shared a spreadsheet that shows the bond repayment schedule for the sewer debt retirement. The Village has had 7 new connections this year and more are anticipated next year. Collection on NLTUA billings on the Township's winter tax statements are incomplete. The committee would like to revisit the debt retirement schedule in March or April when collections are complete before making any recommendations to modify the current schedule.

The committee reviewed 2021-22 Budget Amendments and recommends the following:

- Increase of \$22,400 to the General Fund expenses
- Increase of \$20,211 to Major and Local Street Funds expenses
- Increase of \$23,000 to Water Fund expenses
- Increase of \$59,046 to Marina Fund expenses

- Increase of \$29,301 to Capital Improvement Fund expenses (bond payment for the new plow and truck)

Treasurer Craker sent letters to all of the short term rental licensees on file and has received several renewal applications. She also reports some of the licenses will not be renewed. The deadline for completing the renewal application is February 1. She will report results at our next meeting. The committee also decided to review the fee schedule in the March-April time frame when we are more certain of the number of STRs.

Public comment:

Will Harper questioned the reason for the plat amendment process and states he will vote no on the budget if it includes projected attorney fees.

Laura Cavendish had difficulty hearing Trustees Gremel and McCann and asked if they could be seated closer to the microphone in the future. She questioned the pledge of \$1,000 to Housing North when the budget is so tight and she also suggested we should try to notify more residents about the STR renewal process. Treasurer Craker offered to include some type of notice in the summer tax statements.

Motion by McCann, seconded by Gremel to adjourn at 11:30 . Ayes - 3 Nays - 0.

Respectfully submitted,

Jane Gale, Chair