

## Work Session January 30, 2016 Minutes

Present are Ken Haubrich, Peggy Clayton, Jim Kelley, Dennis Kortekaas, Cari Alleman, Becky Adams, Jay Bowers

### 1. **Pledge to the flag**, followed by the reading of the Harris Township mission statement

**Background on how this meeting works. After the treasurer gives her rundown on how to read the financial reports we open up to questions from the supervisors. They look at the financials and the Treasurer then gets the receipts out to show they are the same and what we are getting charged for. It's a way to be very open about what we are spending and what accounts they are coming out of. The supervisors go through each fund to see what is coming out.**

Over all financials, black and white receipts, color one is actuals, and treasurers summary report from 2015.

If there is an adjustment it is with in "Buckets" and it shows on the summary. This is where we officially start at the beginning of the year (2016). The receipts in the first column under the general fund you should have them all match on the summary as on the receipts page. Where these numbers come from is bill list, payroll, and check register. The transactions match the bill number and should all match. If you look at the sum fund balance that is what our budget was. We need to have the being over budget and over in the receipts is a good thing; as we are actually \$21,000 under budget in the General fund. We received state aide, we don't depend on it and we don't budget for it. So in the end we are \$16,657.73 to the good. What is the number #div/0!? It is the program trying to divide by zero. The receipts at the bottom under the subtotal (\$210,751.53) should also match what is on the treasurer's summary; that matches the disbursements of 1.1 million under the road and bridge. They should all be in order and the last three sheets are the extension for the adopted budget, variance, and estimated. They are color coded so they should line up for you. When you get to the final numbers they should match the final numbers on the treasures report. When the audit gets done, we might have to shift funds, but the bottom number will not change. The only thing you we will see is if we switch funds (one account to another). HACA or state aide we sometimes get and we get different amounts so we don't budget for these as we don't always get them. When the LGA came about they cut the townships out, we do get gas tax, and that is under the road and bridge fund. We get it usually in February and we have received that every year since 2012. It is usually is about the same amount. We were going to fix the road at the cemetery (in a plan and the funds were in the cemetery fund) and never did the project. When we knew we were going to be using the amount out of cemetery to do the big project this year we made sure we allocated those funds for the project. In the Road and Bridge fund under engineering we want to break it out. We put it in the road budget and two years ago they were not thinking we were not doing a million dollar road, and it is kind of skewed as it is all SEH engineering portion of the road.

Meeting time for employees: we don't see meetings they would do outside or on the side of the regular work hours. If they were just at a meeting with training or have a fund labeled training budget as they have not used the meeting fund. We could change that to training and could be the same as schooling, depending on schooling meetings outside of the township work. We could send them to a collaboration meeting/training. Actually remove 109 and change 104 to training /meetings.

The purpose of this meeting is to look at the treasures books. There are only two of us and the clerk does her own books. The firm the audits us every year is Wipfli. Sometimes we get those different changes in people and they had a whole new way of doing things. The new auditors tend to dig a little deeper. Treasurer Adams goes through to make sure all the formulas are correct between the spreadsheets and the accounts they are connected too.

The newsletter and was not a newsletter in 2016. They did a couple in 2015.

Road and Bridge labor- on the charge for the guys is on line 399; all the guys labor stuff is all "99" in the fund codes. The shoulder work and other equipment use, fixing the machines or maintaining them;

like changing the oil. The maintenance crew under 299 and printed one row off. When we do contract labor from Express Employment we do that under the labor also and don't have contract labor line for rink attendance. The rinks have always have a line item and it's nice so we can see that. Items auction is for giving to the sheriff to be auction off. The old grader was sold and sent overseas. If we are on the board we can't buy anything the township puts up for sale. If you have the receipts for the Road Bridge Engineering. That is a big chunk and is huge with the big project we just did. That is one fund that we need to start watching. We should shut them off at this time and when we know if there is anything coming once we have discussed roads we can call them and ask them to come to a meeting. Crack filling estimates we should be able to do somethings in house. When they come to the meetings schedule them right in the beginning, remember they are going to charge you for it. It is really hard to see what they are charging us for in the breakdown they give us. Some come with a cover letter and some say which roads it is for. SEH sends us a bill for engineering we should be getting detailed copies for everything. We have a contract with them and we should be able to keep the files here. We should have them only here for one meeting a month. In years when we have a big project they should be here more but only if needed. We would plan our year out for the road work we are going to be doing and how much we need to have them here. Have a schedule for the year and have what is included in the 10 % of the engineering project costs include any and all meetings they should have to attend. On the Sunny Beach project it should be part of the project but they are charging us for the separate meetings. Look at the 10% to see what is included in the contract. Decide what we need to do and what we are being charged for and/or see who else is out there and we want to make sure we get our files.

What was the big expenditure in cemetery fund for \$1229.70? Some of that was ground work with Express Employment and also Hawkinson Sand and Gravel for screened top soil, cold mix; \$406 is what was written on the receipt when they received the materials.

Safety clothing- nothing there for the year and do they were able to buy coats and boots in 2015.

Supervisor Haubrich has been working on getting logo stuff to be put on the coats and shirts so people know they are employees of Harris Township.

Building and grounds- satellite toilets-we used to have one at the town hall and we don't have one here anymore. We have them under the recreation and cemetery funds. 667 line is for the boat landing and take out 619. In April we have twice the amount as the invoices came too late to pay the previous month.

Cable franchise- receipts with both Paul Bunyan and Media Com. We get to keep 3% of the franchise fee and the rest of it goes to ICTV.

General misc. income line 19- we took in Minnesota Association of Townships, refund for workman's comp. We would have to have a conversation to take it out of general fund.

Cemetery and the lots that were given to Judy Myers; did we take a charge to we would have as a loss to that? We should show it had a value and it should be in the labor and loss part of the funds. In the fund it shows we paid someone to move Mr. Myers. 16 lots is what we gave the Myers family. We own equipment for the cemetery and we should have the balance with depreciation forms. This is where our capital plan comes in, and every year we talk about and every year we don't get it done. We need to do depreciation around all the equipment. How do we maintain the cemetery, and who actually owns the land and do keep owning less and less. Are we telling them what we can and can't plant around the head stones of the cemetery? We maintain the cemetery and they own the plot the you can never charge enough to keep up the rising costs of maintain the cemetery.

General Fund- expense 137 August for \$163.98 Copier maintenance and we are tax exempt on everything but vehicles. It was for toner for the copier.

Buildings and Grounds- April \$49.15 L & M service center equipment supplies and air fresheners, toilet owl cleaner, dock bumpers.

Election Supplies for June- \$106 ballots and machine programing, paid to Itasca County Auditor. The election judges would show up in March, August, and November.

Building and grounds, April \$1338 Town hall and she cleans after every meeting and payed a company to come and scrub and wax the town hall floors. Personal Dynamics was the costs at the beginning of the year, it was for 3 months to see if they wanted to keep the employee. The caretaker takes care of the renting of the town hall and the cleaning up after every party. It's not an easy position to fill as it varies to when the town shall is rented.

Road and Bridge- July Dust control for gravel roads we spray once a year. We did a road we didn't budget for and lengthened a road.

Equipment Fund-\$490.11 ASV-couple of different couple of things for the equipment.

Website- \$14.87, it is our web server.

All are good and good Job Becky. We like how it's by month, payroll, receipts, copy of the checks, Wells Fargo bank statements, its great it's all that each month is coded like that.

Book work is forever and records retention policy and somethings are lifetime. It would be nice to have Microsoft Word be able to scan and index it.

Work on the budget now with the maintenance labor, every year it's going up. There is stuff to do on the town hall that will come out of the general fund. We used to break it all out all the labor out of the different funds and we started pulling it all out of the general fund. When we are looking at the meetings \$4000 because we are doing more, and we went from 3 to a 5 board members. For much of the year we only had 4 board members. For the clerk in 2017 we budgeted \$9000 for next year. They started separating out \$100 form the cemetery fund. The treasurer's fund is staying the same. It all goes into one pot. Extras come out and charge the meetings and 108 is misc. wages/meetings is where it comes out from.

Meetings leave the same

Supervisor wages- leave the same

Clerk's wages- leave the same

Treasurer's wages- leave the same

Training/Meetings- leave the same

Election judges are allotted \$500 a year. If the question passes and we go to November elections in 2018 that fund will need to be raised. We want to raise up that expense up to \$1700.00 budgeted for 2018. November elections and just the judges. Raise up to \$1700.00.

Election Supplies up the budget to \$1000.00.

Set up would be the maintenance crew setting it up. Cross that off the list.

Misc. fund we are low on. It covers the training for the supervisors and we have had a lot of new people on the board. We are expecting a few new ones also. This would cover anything above and beyond our regular meetings. We should bum it up to \$17,000.00

Pera- if there are no major changes, we could knock it down a little but we are going to go down to \$14,000.00.

Social Security- we can leave alone.

Medicare we can leave the same.

Advertising we can leave the same.

Legal and accounting- we can leave the same.

Cable franchise it's in and out money.

Health insurance- stay the same.

Donations and fair board and historical society and we don't have it resident choice and we have to wait until the residents pass it.

Dues Taxes and License and up it to \$2500.00.

Garbage and Dump tickets- We switched companies and a lot was done with big clean up. Leave the same.

Insurance- it is our work comp/life and so it was leave it the same.

Mileage down to \$1000/.00.

Misc.- Leave it at \$500.00.

Office- left as well \$5000.00.

Newsletter- leave at \$3000.00.

Copies and supplies leave the same.

Phones and pagers- some of the expense was the purchase of two phone and its \$40 for the \$2500.00.

Copier- up to \$750.00 with the amount we are going through.

Computer- in \$1500.00 leave in there.

Engineering/Comp plan- zero leave it at zero.

Website- drop to \$100.00.

Bank service fees- leave at \$20.00.

Maintenance crew labor leave for now at \$11,000.00.

Will know better after we are able to look at what needs to be done for the next year. The annual meeting is the deadline for the funds review. We don't have it printed out but the fire fund is at \$79,972.00 was in the budget for 2016, we budgeted last year (2017) \$80,000.00. How many fire calls in the year do we get, we had \$8000 from 2015 left and \$8000 rolled over to 2016, so we ended up with \$82,000 and we were only at \$79,000 last year.

Fire fund we could bump it up a little bit to \$82,000.00 for 2018. Leave the income the same.

Budget related we went through all the salt and sand for this year and where we are now is close to what we were at last year at this time. We are almost the same at about 1.5 tons over last year to date. The rough figure currently we can up with, we should be really close to being right on the budget for the salt and sand.

This budget is put together very well.

It's amazing and you lay it out so everyone can understand it. The numbers all match but we are slowly losing our cushion in each of the funds. It was a big budget year and when we are doing road has to cover all of last year's roads. Do we know what the exact figure on what we still owe to Hawkinson Construction to finish paying them; yes its \$496,000.08 we have paid \$918,000 in 2016. It will come out of 2017 road and bridge budget to get it paid for.

Motion to adjourn made by Supervisor Kortekaas seconded by Supervisor Haubrich passed by all.



# Work Session Budgets February 6, 2016 Minutes

Present are Ken Haubrich, Peggy Clayton, Jim Kelley, Dennis Kortekaas, Cari Alleman, Becky Adams, Jay Bowers

## 1. Pledge to the flag, followed by the reading of the Harris Township mission statement

The fire fund and general we did at the last meeting and they are all keyed in for the year. With everything that we added for in expenses we will be about 35 % of the budget for 5 months. Which is where we would like to be for all the funds so if a road takes a major down turn we can have the funds to fix it and have 6 months of a safety net and we were well beyond that. A lot comes out of general and see where we go from here.

Equipment the 2017 is what is adopted and the change is from 2016-2017 and where we are at for the 2018 proposed budget. You will see in 2016 for the equipment fund was sitting pretty healthy and in 2017 it showed we put 10,000 in there and you can see where the shift is and where we budgeted for 2018 year. The costs have grown over the last year. Supervisor Haubrich has been working with the maintenance crew and would like to see if we can see if anything for the maintenance crew will be need in the future. In 2016 you can see where the budget is, and how we can be saving. The 308 line is small equipment, you can see we added a weed wiper. We should keep it all in the same amounts as they currently are. The lawn mower has its own line item and supplies. We don't have any more spare parts at the show. We have been getting them as we need them, but would prefer to have one in stock. We are not talking a lot of supplies or money, just blades and filters. We would need to look at all the budgets if we are looking to give a raise to the crew at an estimated 3%. The fund is under budget. The lawn mowers are usually replaced every three years. We need to look at what the cost benefit is if we keep it a few more years or if we need to trade it in. The lawn mowers we have right now work well because we can use them at the cemetery and they fit between the head stones. The previous board was changing out the lawn mowers every three to four years. The maintenance crew takes really good care of the equipment and they don't need to be changed that soon. When we get to the bottom we are getting to the 28% for the 5 month fund. (We want as a general rule to keep the funds as close to 35% as possible for a safety net in money.) So back in 2012 was when the dump truck and lawn mowers was purchased. How much do we use the dump truck (purchased in 2013) we can drop the fund balance down a \$1000.00 and the lawn mowers fund balance leave where it is. Just wondering about the tires for the dump trucks and the tires for a truck are still in good condition. T the upside to 2017 in this fund is what we under spent a \$1000. We can put that towards the 2018 budget towards tires. Putting that on a rotation so we don't have to change all of them at once. It would be changing out 6 tires on the dump truck at one time. What do we have for the clothing \$400; is in the budget, and we didn't spend anything last year. This year we will have to spend a little bit but hopefully not \$400. Inspections for the trucks would go into this fund, it is \$180 for inspections for the truck and trailer. We will up the apportionment to \$13,000.00 for the equipment fund. We will leave the disbursements the same.

### Cemetery fund

None of the apportionment went into this account in 2017 as we had a good balance. We have for 2017 a healthy budget at 117% of the funds. We are about 51% of the fund balance, which means we have a little cushion in case something happens. That is where we should be. Maintenance stays pretty close to the same as we have the temps do most of the mowing as we hire them as contract workers instead of having the employees do it. We are going to straighten up flag poles, we should do that here in 2017. We have talked about hiring a sexton to do the cemetery and that would be a big jump in the cemetery fund. We would like to get a rough estimate so we have some number to look at for next year's budget. It's high for some reason and we could try to coordinate with the city of Grand Rapids. We don't know if we can afford to hire Grand Rapids. Cohasset does contract with Grand Rapids, we have talked to them a couple of times just wanted it put back on the radar. Good thing to put on the agenda to get some prices. Cemetery fund to stay the same.