

Meeting called to order at 5:45 P.M

President W. Dompier opened the meeting.

Present at Roll Call: Paul Stark, Jeannine Mayo, Antonio Cerroni, Anthony Mayo, Sandy Johnson, Nick Lozier and Wendell Dompier

Also Present: L. LeClaire, Village Manager
D. Mayo, Village Clerk

The meeting was held to discuss Baraga Fire Department Grants, the audit with Anderson, Tackman & Company, PLLC and a road closure on Hemlock St.

Jeff Mayo, Baraga Fire Department Chief, was present to discuss the grants the Fire Department. Although they were very close to getting a grant, they did not get it. There were many issues with the reporting system not working correctly. Also, some departments did not do their reporting which eliminated all of the department in that particular region. An intensive sixteen hour Report Training Session will be held for all of the departments before the next grant applications are submitted.

Michael Grentz, CPA for Anderson, Tackman & Company, PLLC, was present to discuss the Village of Baraga's Audit for the Year Ended February 28, 2018.

The net position for the Village as a whole increased by \$482,570.00 as a result of this year's operations. The Net position of the governmental activities decreased by \$181,511, or 10 percent, and the net position of the business-type activities increased by \$644,081, or 7 percent.

During the year, the Village had expenses for governmental activities that were \$1,171,803 and revenue and transfer totaling \$990,292.

During the year, the Village had expenses for business-type activities that were \$3,580,221 and revenues and transfers totaling \$4,244,302.

The General Fund Reported a fund balance of \$114,792. The net increase in fund balance of \$29,882 was \$44,832 more than the forecasted change of (\$14,950).

Mr. Grentz discussed one of the major problems for the Village of Baraga was the net pension liability of 2.1 million dollars. The MERS pension plan is funded now at 42%. The State requires it to be funded at least at 60%. The Village has already been taking actions to increase the pension plan funding and it should be fully funded in twenty years. Also, a new retirement plan is in place for new employees and almost all of the current employees were hired when the new plan came into effect. However, until the pension plan is funded at 60%, the Village will have to answer to the state each year regarding their plans for increasing the fund.

Exemptions on Property Tax Collections increased substantially over the past few years causing a negative impact on the General Fund.

\$726,000.00 in revolving loans to businesses in the community have not been paid back and the majority of that amount will probably not be paid back.

Mr. Greutz also stated that bills should be broken down and taken from the specific funds instead of the majority of the amounts being taken from the General Fund.

Changes in the billing system were done due to a utility transaction test. Codes have been updated to conform to the current utility billing system.

The Joint Waste Water Fund owes the Sewer Fund \$645,000.00. Steps are being done to correct it. L. LeClaire went back a few years and figured out what the Joint Waste Water owed and put that in the Sewer Fund. \$600,000.00 was transferred from the Joint Waste Water Fund and put in a restricted account.

Mr. Greutz also discussed that a Michigan Municipality can't have a joint adventure with a tribal entity because they are a sovereign nation. The current Sewer System Agreement with the KBIC expires in 2025. A committee has been formed by the Village to look into the matter more thoroughly.

The road closure on Hemlock St was discussed. However, there is possibly a legal reason that the closure is necessary. The matter will be looked into further.

Motion made by J. Mayo seconded by P. Stark to adjourn.

Ayes: All

Nays: None

Motion carried.

Meeting adjourned at 7:05 P.M.

Submitted by Diane M. Mayo, Village Clerk