

**MINUTES SILVER CREEK TOWNSHIP
REGULAR BOARD MEETING HELD ON FEBRUARY 11, 2015**

The meeting was called to order by Supervisor Bill Saunders at 7:00 p.m. on Wednesday, February 11, 2015. The Pledge of Allegiance to the Flag of the United States of America was led by Trustee Glynn.

MEMBERS PRESENT: Supervisor Bill Saunders, Treasurer Maureen Kuriata, Clerk Barbara Runyon, Trustee Joel Moore and Trustee Mike Glynn.

OTHERS PRESENT: Attorney John Magyar.

APPROVAL OF AGENDA

Clerk Runyon moved, seconded by Trustee Moore, to approve the February 11, 2015 Silver Creek Township Agenda with the addition of a Motion to Enter into Grant Agreement with Par Plan Reduction Grant Program and R15-03 Silver Creek Township Property Tax Poverty Exemption Guidelines. Motion carried by voice vote.

PUBLIC COMMENT

Adam Messenger from Senator John Proos Office gave an update on what's happening in Lansing.

Walter Lehmann expressed his disapproval of the township outsourcing payroll and tax preparation with IOI Pay.

APPROVAL OF MINUTES

Trustee Glynn moved, seconded by Supervisor Saunders, to approve the Minutes of the Regular Meeting of January 14, 2015 and the Special Meetings of February 5, 2015 and February 7, 2015. Motion carried by voice vote.

APPROVAL OF BILLS AND CLAIMS

Treasurer Kuriata reported the bills and claims for February 11, 2015. Trustee Moore moved, seconded by Trustee Glynn, to approve the following bills and claims in the total amount of \$45,415.37 as follows:

FROM THE GENERAL FUND	\$23,545.03
FROM THE INDIAN LAKE SEWER FUND	\$ 9,747.79
FROM THE PUBLIC SAFETY FUND	\$ 5,557.44
FROM THE BUILDING DEPARTMENT FUND	\$ 4,509.05
FROM THE INDIAN LAKE WEED CONTROL FUND	\$ 35.06
FROM PARKS & RECREATION FUND	\$ 2,021.00
 GRAND TOTAL OF DISBURSEMENTS:	 \$45,415.37

Trustee Glynn questioned some of the bills being paid, and Clerk Runyon explained the payments.

The Supervisor directed the Clerk to take roll:

Yes (5): Treasurer Kuriata, Trustee Glynn, Trustee Moore, Supervisor Saunders and Clerk Runyon.

No (0): None.

Absent (0): None.

Motion carried by roll call vote.

READING OF COMMUNICATION

Clerk Runyon read a letter from Wayne Township Supervisor Frank Butts to the Dowagiac District Library Board regarding his concern in the way the Library Board conducted itself during the selection of the new Library Director.

Clerk Runyon also announced that the Cass County Schools, Cass County Courts and Cass County have invited the township leaders to a "Social Media for Government & Education Leaders 2.0 - Taking the Next Steps" county wide training initiative on social media/policy which is scheduled March 19, 2015.

She received notice that there is Weather Spotter Training being offered to the public at SMC on March 23rd at 6:00 p.m.

Lastly, she received notification from Michigan Township Participating Plan that the Grant which was submitted by the township for fencing around the Russom Park drainage pond has been approved in the amount of \$3,500.00.

POLICE REPORT

14 complaints; 2 warnings, 2 tickets, 3 accidents policed, 1 assist other police agencies, 2 assisted motorists and pedestrians; 17 property inspections; 18 blight contacts and attempted.

HEALTH & SERVICE REPORTS

Indian Lake Fire Department: No report.

Sister Lakes Fire Department: 7 calls; 3 in Silver Creek Township with an average response time of 9.3 minutes.

Pride Care Ambulance Report: January – 7 calls with an average response time of 7:21 minutes. One Extended response time with explanation was reported.

Cass/Van Buren Ambulance Authority Report: 65 calls with an average response time of 5:50 minutes.

TOWNSHIP ATTORNEY'S REPORT

Attorney Magyar reported that a meeting has been scheduled in March to discuss Dewey Lake Weed Control District. He has not heard from AYSO regarding their contract with Silver Creek for use of Russom Park, but will follow up on that. He also received a ZBA request and will get with Mr. Herter on that issue.

BUILDING & ZONING INSPECTOR'S REPORT

Building and Zoning Inspector Todd Herter reported 3 building permits for a total estimated cost of \$48,000.00. He has issued one zoning compliance permits.

BLIGHT ADMINISTRATOR'S REPORT

Kenneth Wray reported 2 requests by banks for property inspections for blight violations; one blight complaint which has been resolved; 5 continuous inspections of properties still under investigation. Total blight violations were 1 and total inspections for the month were seven.

APPEALS BOARD REPORT

Nothing to report.

PLANNING/ZONING COMMISSION REPORT

Walter Lehmann provided the Planning Commission Report, reporting on the January 28, 2015 meeting. The commission continued to review proposed zoning ordinances. A public hearing is scheduled for February 25, 2015 at 7:00 p.m. on the proposed zoning ordinances. A draft of a Capital Improvement Plan was presented by the ad hoc committee for member review. The Cass County Master Plan which included Silver Creek Township has been awarded the Graham Woodhouse Award for 2014 by the Southwestern Michigan Planning Commission for superior progress in planning.

STANDING INSPECTORS REPORT

Electrical Inspector: 3 permits
Plumbing Inspector: 2 permits
Mechanical Inspector: 4 permits
Liquor Inspector: No report.

TREASURER'S REPORT

Treasurer Kuriata reported fund balances as follows:

General Fund	\$319,008.43
Indian Lake Sewer Maintenance Fund	\$132,554.73

OPERATIONAL REPORTS

Indian Lake Sewer: Treasurer Kuriata reported that an individual had built a garage on their property at Tice Beach three years ago and inadvertently drilled through a sewer line, and was recently discovered. It was brought to SLAUA's attention by the City of Dowagiac when they spent over \$5,500 to repair it. It was turned over to the contractor's insurance company for reimbursement. Due to the length of time before the claim was submitted, the insurance company refused to pay.

MOTION RE. CLAIM

Treasurer Kuriata moved, seconded by Trustee Moore, to instruct Attorney Magyar to write a letter to the property owner regarding reimbursing Indian Lake Sewer \$5839.00 for repairing the sewer line. Motion carried by voice vote.

Sister Lakes Sewer: Treasurer Kuriata reported that the A-1 Lift Station Building is mostly complete.

Parks and Recreation Committee: Trustee Moore reported that the next Russom Park Meeting is April 20, 2015 at 6:00 p.m. at Dowagiac City Hall. No meeting is currently scheduled for the Silver Creek Township Parks & Recreation Board.

Public Safety Committee: Trustee Moore advised that the Public Safety Committee regular meeting is scheduled on April 14th. He also advised that when Mr. Lundy returns from vacation, the committee will be meeting with the Indian Lake and Sister Lakes Fire Department to review contracts.

UNFINISHED BUSINESS

RENEWAL OF SPECIAL USE PERMIT FOR GERTRUDE BUSICK

Supervisor Saunders advised that a letter was received on February 10th from Paul and Wanda Busick requesting an extension to move the Gertrude Busick mobile home. Alan Busick indicated that he had not received the letter sent from Attorney Magyar but had been given a copy by his sister. He advised that Gertrude Busick would like to renew the special use permit and would be moving back to the mobile home in May. Discussion was held as to ownership.

The Clerk was instructed to send a new Special Use Permit Renewal Form to Gertrude Busick at Alan Busick's address.

NEW BUSINESS

MOTION AMENDING ORDINANCE 14-03 TO CORRECT SCRIVENER'S ERROR

Clerk Runyon moved, seconded by Treasurer Kuriata, to approve the following motion:

WHEREAS, the Silver Creek Township Planning Commission held a Public Hearing on Wednesday the 25th day of June, 2014 to consider the rezoning of parcels from Agricultural-Rural-Residential to Commercial, said properties being located in Sections 25 and 36 in Silver Creek Township.

Further, on July 23, 2014 the Silver Creek Township Planning Commission approved the rezoning from Agricultural-Rural-Residential to Commercial for the following Parcel Numbers located in Silver Creek Township: 14-130-025-032-00; 14-130-025-012-00, 14-130-025-035-01, 14-130-025-034-00, 14-130-025-036-00, 14-130-025-037-01, 14-130-025-009-00 and 14-130-036-001-00.

Further, that on September 24, 2014 the Cass County Planning Commission approved the above proposed rezoning;

Further, on Wednesday, November 12, 2014 the Silver Creek Township Board approved said Ordinance 14-03 amending the Rezoning of said properties from Agricultural-Rural-Residential to Commercial as recommended by the Silver Creek Township Planning Commission;

Further, it has been brought to the attention of the board that there was a scrivener's error reflecting Amendment to Zoning Ordinance 97-3 rather than Zoning Ordinance 04-07;

NOW THEREFORE BE IT RESOLVED, that the Township of Silver Creek Ordains to amend Ordinance 14-03 to reflect an amendment to Ordinance 04-07 to correct the scrivener's error.

The Supervisor directed the Clerk to take roll:

Yes (5): Trustee Glynn, Trustee Moore, Supervisor Saunders, Clerk Runyon and Treasurer Kuriata.

No (0): None.

Absent (0): None.

Motion carried by roll call vote.

MOTION FOR RE-APPOINTMENTS TO THE BOARD OF REVIEW

Supervisor Saunders moved, seconded by Clerk Runyon, to Re-appoint Henry Ziemke and Bernard Herold as members to the Silver Creek Township Board of Review and David Pilot as Alternate to the Silver Creek Township Board of Review with a term ending December 31, 2016.

Supervisor Saunders noted that they had been re-appointed in December but failed to take their oath within 10 days which is required by statute and needed to be re-appointed again.

Motion carried by voice vote.

**MOTION TO APPOINT TRUSTEE GLYNN TO THE
PARKS & RECREATION BOARD**

Supervisor Saunders moved, seconded by Clerk Runyon, to appoint Trustee Mike Glynn to the Silver Creek Township Parks and Board replacing Trustee Joel Moore. Trustee Glynn brought it to the board's attention that he was already on the Parks & Recreation Board with Joel Moore. Discussion was held as to Chairmanship of the board. The motion to appoint Trustee Glynn was withdrawn.

**MOTION TO AMEND DATES FOR BUDGET WORKSHOP
AND PUBLIC HEARING**

Clerk Runyon moved, seconded by Treasurer Kuriata, to reschedule the Silver Creek Township 2015/2016 Budget Workshops to Saturday, March 7, 2015 at noon and Wednesday, March 18, 2015 at 7:00 p.m.; and to conduct the Public Hearing on Saturday March 21, 2015 at 12:00 p.m. noon. Discussion held. Motion carried by voice vote.

MOTION TO HIRE SCHAFFER & LAYHER FOR TOWNSHIP AUDIT

Trustee Glynn moved, seconded by Treasurer Kuriata, to hire Schaffer & Layher, Certified Public Accounts, to conduct the 2014/2015 Annual Audit in the amount of \$5,900.00.

The Supervisor directed the Clerk to take roll:

Yes (5): Treasurer Kuriata, Trustee Glynn, Trustee Moore, Supervisor Saunders and Clerk Runyon

No (0): None.

Absent (0): None.

Motion carried by roll call vote.

MOTION TO CONTRACT WITH IOI FOR PAYROLL SERVICES

Treasurer Kuriata moved, seconded by Clerk Runyon, to contract with Interlogical Outsourcing, Inc. (IOI) for township payroll and Tax preparation effective April 1, 2015.

Clerk Runyon provided the board with a written comparison of continuing with in-house payroll versus outsourcing the payroll. She advised she is currently processing the paychecks, W-2's and tax returns with an annual cost to the township of \$606.73 plus additional costs related to calling Shaffer & Layher Accounting firm for advice.

It takes approximately two hours month, with an additional 8 hours or more for W2's. The cost of outsourcing payroll would be \$624.25 annually. They will electronically deposit employee payroll checks. She stated that IOI will give her the freedom from the risks associated with payroll tax management and her time calculating and filing and depositing taxes, at a savings to the township. She gave the history of the company and provided references.

Extensive discussion was held.

The Supervisor directed the Clerk to take roll:

Yes (4): Supervisor Saunders, Clerk Runyon, Treasurer Kuriata and Trustee Moore.

No (1): Trustee Glynn.

Absent (0): None.

Motion carried by roll call vote.

MOTION FOR LINE ITEM TRANSFER

Clerk Runyon moved, seconded by Treasurer Kuriata, for the following Building Fund item transfers:

Line Item	Account	<u>DEBIT</u>	<u>CREDIT</u>
249-705	Mechanical Inspections		688.50
249-717	Electrical Inspection		599.00
249-860	Car Allowance	880.00	
249-958	Membership	407.50	

The Supervisor directed the Clerk to take roll:

Yes (5): Supervisor Saunders, Clerk Runyon, Treasurer Kuriata, Trustee Glynn and Trustee Moore.

No (0): None.

Absent (0): None.

Motion carried by roll call vote.

RESOLUTION R15-03
TO ADOPT FEDERAL PROPERTY TAX EXEMPTION GUIDELINES

RESOLUTION R15-03
Silver Creek Township
Cass County, Michigan
Board Resolution to Adopt Poverty Exemption
Income Guidelines and Asset Test for 2015

WHEREAS, the homestead of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

WHEREAS, The township board is required by Section 7u of the General Property Tax Act, Public Act 206 of 1893 (MCL 211.7u) to adopt guidelines for poverty exemptions;

NOW THEREFORE, BE IT HEREBY RESOLVED PURSUANT TO MCL 211.7u that Silver Creek Township, Cass County, adopts the following guidelines for the supervisor and board of review to implement.

Filing Requirements

In order to file and qualify for the property tax poverty exemption, the claimant must do all of the following and meet each of the following requirements annually:

1. Own and occupy the homestead property for which the exemption is requested.
2. File a claim with the supervisor or board of review after January 1st but before the day prior to the last day of the board of review on a form provided by the local assessing unit. (Note: The filing of this claim constitutes an appearance before the March board of review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
3. Provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid driver’s license or other form of identification if requested by the supervisor or board of review.
5. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested if required by the supervisor or board of review.
6. Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget which will be discussed later in this bulletin under the heading “Federal Poverty Income Standards”.
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Silver Creek Township Board.
9. Meet any other tests that may be set by the Silver Creek Township.

INCOME STANDARDS

The following are current poverty threshold Income Standards provided by the United States Office of Management and Budget and issued to Michigan assessors by the Michigan State Tax Commission in Bulletin No. 5 of 1995.

1. In order to meet the requirement of the Income Standards the claimants annual gross household income cannot exceed the amounts stated below.
2. Qualification under these Income standards provided the claimant is qualified in all other respects, indicates that the claimant shall reasonably be expected to pay annual property taxes, exclusive of Michigan Homestead Property Tax Credit refunds, amounting to 5% of the total annual gross household income.

Number of Persons Residing in Household	Poverty Threshold Maximum Household Income
1	\$ 11,670.00
2	\$15,730.00

3	\$19,790.00
4	\$23,850.00
5	\$27,910.00
6	\$31,970.00
7	\$36,030.00
8	\$40,090.00

For Each Additional Person Add \$ 4,060.00

Ordinary income includes the following:

1. Money wages and salaries before any deductions.
2. Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
3. Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or share cropper, after deductions for farm operating expenses.
4. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, workers compensation, veterans payments, public assistance.
5. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships and assistantships.
8. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Ordinary income does not include the following, except as provided in number 6 above:

1. Money received from the sale of property, such as stocks, bonds, a house, or a car, unless the claimant is in the business of selling such property.
2. Withdrawals of bank deposits and borrowed money.
3. Income tax refunds and one-time insurance payments.
4. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
5. Federal non-cash benefit programs such as Medicare, Medicaid, food stamps and school lunches.
6. Gifts and lump-sum inheritances are not considered as ordinary income; however dividends, interest, rental proceeds, royalties, inheritances and other similar receipts received on a period basis, which may be in the form of a gift or other form, including receipts resulting from divestment of assets, and which may have the appearance of income, shall be considered as unearned income and shall be included in the determination of income eligibility.

Asset Eligibility Limitations

ASSET STANDARDS

In order to meet the requirements for assets, the total current fair market value of the claimants household assets cannot exceed \$4,500.00.

Definition of Assets (Non-Inclusive)

Assets include, but are not limited to the cash value of savings accounts and shares, certificates of deposit, investments such as stocks, bonds, mutual funds, deferred compensation accounts, equity in real estate other than the homestead for which the exemption is claimed, motor vehicles other than one primary transportation vehicle, jewelry, coins and other collectibles, precious metals, and other similar possessions which are not essential to the subsistence or health and well-being of the claimant. Gifts, lump-sum inheritances, dividends, interest, rental proceeds, royalties, and other receipts received in the form of a gift, or as a result of asset divestment, shall be considered an asset if received on a one-time lump-sum basis and shall be included in the determination of asset eligibility.

Divestment of Assets

Divestment means a transfer of a resource. Transfer of a resource means giving up all or partial ownership in (or rights to) a resource. Examples include, but are not limited to, selling an asset, giving an asset away, refusing an inheritance, giving up the right to receive income, and other similar divestment actions.

If an application for property tax exemption has divested any assets during the period of 36 months preceding the date of the application, then such divestment shall be considered in the determination of eligibility.

ADDITIONAL STANDARDS

Michigan Homestead Property Tax Credit

In calculating the applicants property tax liability and possible reduction thereof, any refunds received or due to be received from a Michigan Homestead Property Tax Credit Claim (MI-1040CR) shall be reported by the applicant and taken into account in regard to the granting of any property tax exemption.

Partial Poverty Exemption

Act No. 390 of Public Acts of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only part of the taxable value of the property for which an exemption is claimed, rather than the entire taxable value.

Appeal

A property owner may appeal the March board of review's decision on a poverty exemption claim to the Michigan Tax Tribunal by June 30. An appeal of a July or December board of review poverty exemption decision may be made to the Michigan Tax Tribunal within 30 days of the decision. Appeals are to be made in writing to Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909.

MOTION TO ENTER INTO GRANT AGREEMENT

Clerk Runyon moved, seconded by Treasurer Kuriata, to enter into a Grant Agreement with Par Plan Reduction grant Program for fencing for Russom Park Drainage Pond and allow Supervisor Saunders to sign. Trustee Glynn questioned the amount Silver Creek would have to pay, and was advised approximately \$3,200. Motion carried by voice vote.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

The meeting was adjourned at 8:21 p.m. by the call of the Supervisor.

Barbara Runyon
Silver Creek Township Clerk

Dated: February 12, 2015
To be approved at the March 11, 2015 Regular Meeting