

FIFE LAKE AREA UTILITY AUTHORITY (FLAUA)

Regular Meeting - Minutes

Wednesday, May 20, 2020, 6:00 p.m. 231-879-3565
Fife Lake Township Hall, 134 Morgan Street, Fife Lake, MI 49633

CALL TO ORDER: President Gray called the meeting to order at 6:00 p.m.

ROLL CALL: President Gray called Roll.

Present: President Tom Gray, Vice President Marilyn Hayes, Treasurer Jodi Thayer, Secretary Leigh Gifford and Commissioners David Gill and David McGough.

Absent: Commissioners Ron Broering, Jim Gifford and Tom Hempsted.

Others in Attendance: Mr. Chris Houghton, on behalf of Compliance Officer Ray Ravary.

APPROVAL OF AGENDA:

Addition: Risk Reduction Resolution for Security System under New Business.

Board Action: Mr. Gill made a motion to approve the Agenda as amended. Ms. Hayes seconded the motion.
VOTE: YEAS: All. NAYES: None. Motion carried.

ACCEPTANCE OF MINUTES:

Acceptance of Regular Meeting Minutes of February 19, 2020:

Board Action: Ms. Hayes made a motion to accept the Minutes of the February 19, 2020, Regular Meeting as presented. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

TREASURER'S REPORT:

Treasurer's Report – Financial Reports of February, March and April, 2020, and Payment of Bills:

February, March and April, 2020, Treasurer's Reports were distributed in advance of the meeting for Board review. Ms. Thayer also noted the following:

She had reviewed Actual to Budget reports through April and noted some discrepancies:

- The Bonds line item indicated 2,852% of budget – this was due to no bond payment being made and our insurance premium payment being applied to this category. Payment will be applied to the Insurance Premium line item.
- Accounting Fees are shown at 78% of budget and should be at approximately 35%. The Audit Fee was inadvertently applied to Accounting Fees when it should have been applied to Professional Fees.
- Truck Repairs are shown at 632% of budget. We paid the truck repair bill prior to receiving insurance reimbursement. Reimbursement was then inadvertently credited to Equipment Repair making that line item -35%.

Each of these discrepancies has been corrected by H&R Block, and a new P&L report has been generated showing as such.

The Truck Repair account is 121% to budget as the \$500 deductible for repairs was not anticipated. An adjustment will be made at year's end in the Adjusted Budget.

Board Action: Ms. Hayes made a motion to approve the Financial Reports for February, March and April, 2020 as amended. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Payment of Bills: There was Board discussion regarding Bills Payable.

Board Action: March, April and May, 2020, Bills Payable:

Mr. Gill made a motion to approve the March, April and May, 2020, bills as presented. Ms. Gifford seconded the motion. ROLL CALL VOTE: Gill-Y, L. Gifford-Y, Gray-Y, McGough-Y, Hayes-Y, Thayer -Y. Motion carried.

President Gray inquired about two Running & Wise invoices and Treasurer Thayer provided the following detail:

\$35 in April (re: telephone call with Ray Ravary about requiring sewer connection)

\$616 in May (re: 4.4 hours for telephone call with Ray Ravary on specific connection notice, preparing final connection notice referencing rules and statutes, assembling exhibits, and a final review with Mr. Ravary)

GUESTS: None.

COMMITTEE REPORTS:

Personnel Committee: No meeting. No report.

Steering and Operations Committee: No meeting. No report.

Compliance Officer/FVOP Report: The Compliance Officer Report was distributed in advance of the meeting and discussed among the Board. Part-time employee Chris Houghton attended on behalf of Compliance Officer Ray Ravary.

Mr. Houghton noted that we should expect a hook-up application for a property on or near Ingersoll & Coster Roads. Whether or not this party is required to hook-up is dependent upon the physical address of the property.

President Gray reminded the Board of our outstanding issues with AT&T and the dispute we have filed with them. Mr. Ravary is to prepare a detailed list of expenditures (roughly \$6,000) that we are disputing. To date, he has not heard back from AT&T Cost Containment Department; therefore, it appears we will need to get our attorney involved. Mr. Ravary is not at this evening's meeting; the Board will contact and discuss this with him so that we can become more aggressive in the matter.

President Gray noted that we received a nearly \$800 credit from Cummins, and they have been informed if we have an issue with the generator they will be notified by our attorney.

The backhoe needs to be parked and stored indoors. Mr. Houghton was asked to relay this message to Mr. Ravary.

CITIZEN COMMENT: None.

NEW BUSINESS:

Waiver of Late Fees Due to Covid-19: There was Board discussion to consider waiving late fees during the peak of the Covid-19 pandemic.

Board Action: Mr. Gill made a motion for FLAUA to waive late fees for April and May while Michigan was under the Stay at Home Order due to Covid-19. Mr. McGough seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

Ms. Thayer will notify Emily at H&R Block of this decision.

Risk Reduction Resolution for Security System: The Board reviewed the Resolution proposal for a Security System. This is for a Risk Reduction grant. There was Board discussion regarding the process and funding for this system and what the original grant covers. Final edits were made to the document.

Board Action: Ms. Hayes made a motion to approve Resolution 2-2020 for the grant application for Risk Reduction, with revisions. Mr. McGough seconded the motion. VOTE: YEAS: All. NAYES: None.

2019 Audit Approval: There was Board discussion reviewing the 2019 Audit.

Board Action: Ms. Hayes made a motion to approve the December, 2019 Audit. Mr. Gill seconded the motion. VOTE: YEAS: All. NAYES: None. Motion carried.

OLD BUSINESS:

Michigan CLASS Investment Pool Update:

Ms. Thayer updated the Board on the status of our Michigan CLASS Investment Pool account. The daily yield in December, 2019 was 1.82%. FLAUA has had funds invested for six weeks, earning \$86 during this short period while the market was volatile during the pandemic. Today's daily yield is 1.28%. This is greater than any return we would have gained in a traditional savings account. She will continue to follow its performance.

Asset Management Plan: Ongoing.

Outstanding Task List Discussion:

The Outstanding Task List from February was tabled until next month. New items were added for individual and Board follow-up. (Board meetings have been suspended due to Covid-19 restrictions.)

COMMUNICATIONS: None.

CITIZEN COMMENT: None.

BOARD COMMENT: None.

ADJOURNMENT: Ms. Thayer made a motion to adjourn the meeting. Mr. Gill seconded the motion. The meeting adjourned at 6:36 p.m.

Submitted by: Kay Z. Held, Recording Secretary