

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WASHTENAW

JESSICA FLINTOFT, as Clerk of Scio
Township,

Plaintiff,

Civil Action No. 22-000414-CZ

vs.

Hon. Timothy P. Connors

SCIO TOWNSHIP BOARD OF TRUSTEES,

Defendant.

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**BRIEF IN SUPPORT OF PLAINTIFF'S MOTION FOR SUMMARY DISPOSITION
UNDER MCR 2.116(C)(10) AND MCR 2.116(I)(1)**

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INTRODUCTION

Plaintiff presents two core legal principles: (1) where a township board “illegally interfere[s] with plaintiff [clerk]’s ability to perform her statutory duties,” the remedy is for the circuit court to vacate the board’s actions, *see McKim v Green Oak Township Bd*, 158 Mich App 200, 201 (1987); and (2) hiring decisions of a public body are not exempt from judicial review, and courts will not hesitate to order a public board to perform its duties imposed by the state Legislature or constitution. *Wayne County Prosecutor v. Wayne County Board of Commissioners*, 93 Mich App 114, 121 (1979). Early summary disposition is proper for applying these legal principles to the undisputed facts. *McKim*, 158 Mich App at 203.

The Defendant Scio Township Board of Trustees (the “Board”) redefined and expanded the job descriptions of the Supervisor and Administrator under Resolutions 2021-31 (August 17, 2021) and 2022-05 (February 22, 2022) in ways that illegally delegated duties that statutorily belong to the Clerk under MCL 41.65 without her consent and over her steadfast objections. The Board then relied upon these Resolutions to direct the administrator to grant illegal access to the Deputy Supervisor to manipulate the township’s general ledger and revoke certain access of the Clerk to the Township’s books, records and papers in clear and direct violation of MCL 41.65.

Under *McKim*, the remedies are for this Court to enjoin the Board’s violations, vacate the offending portions of the Resolutions, and retain continuing jurisdiction to ensure the Clerk is not prevented from doing her job. The Court may and should also order the Board to comply with its obligations to supply the Clerk with the staff necessary to perform her statutory duties. Finally, the Court should award fees and costs. A proposed Order is attached as Exhibit D.

APPLICABLE LEGAL STANDARDS

Plaintiff moves for summary disposition as to all three Counts of the Verified First

Amended Complaint (“VFAC”) pursuant to MCR 2.116(C)(10), which tests the factual support for the claims. *Spiek v Mich Dep’t of Transport*, 456 Mich 331, 338 (1998). The Court must consider the pleadings and any depositions, affidavits, admissions, or other documentary evidence. MCR 2.116(G)(5); *Singerman v Municipal Service Bureau, Inc*, 455 Mich 135, 139 (1997). Defendant, as the non-moving party, has the burden of showing that a genuine issue of material fact exists, and it cannot rely on mere allegations or denials. MCR 2.116(G)(4); *Dep’t of Social Ser v Aetna Cas & Sur Co*, 177 Mich App 440, 445 (1989). Plaintiff also moves for summary disposition under MCR 2.116(I)(1) because the pleadings show that Plaintiff is entitled to judgment as a matter of law, and the affidavits and other proofs show that there is no genuine issue of material fact, warranting judgment for Plaintiff without delay.

STATEMENT OF FACTS PERTINENT TO COUNT I

I. The August 17, 2021 Resolution 2021-31.

On November 24, 2020, the Board retained James A. Fink as Township Attorney, per MCL 41.187, to serve four years. (VFAC ¶8.) On August 12, 2021, the Clerk received a written opinion from Attorney Fink that the Clerk is the person responsible to prepare and maintain ledgers (and other financial records) and has the authority to grant/deny access to manipulate (user read/write functions) the records. (*Id.* ¶9; **Exhibit A** (Affidavit of Jessica Flintoft (“Clerk Aff.”)), and **Exhibit A.1** (Fink Opinion).) Mr. Fink added that “as the responsible party, [the Clerk] must be able to limit the ability of others to ENTER or REMOVE financial data.” (*Id.*)

The Supervisor called a Special Meeting for August 17, 2021 regarding new job descriptions for the Supervisor and Township Administrator. Before the meeting, Mr. Fink met alone with the Supervisor and the Clerk. (Clerk Aff. ¶8.) Mr. Fink explained that the Township could not reduce staffing to a point where the Clerk could no longer carry out her statutory duties

related to finance. (VFAC ¶10; Clerk Aff. ¶8.) Then, during the August 17, 2021 meeting, Mr. Fink said, “So... who is responsible for Finance in a Township, and I will repeat what I have said before is that that is clearly and soundly to me the responsibility of the Clerk who is responsible for the general ledger and the books and records, and in conjunction with the work that the Treasurer does, there’s the checks and balances that are there.” (VFAC ¶11; **Exhibit A.2**, Excerpt of Transcript of August 17, 2021 Special Meeting p. 56.) Mr. Fink reiterated, “**the Administrator cannot usurp the Clerk’s authority.**” (Ex. A.2, p. 59 (emphasis added).)

The Supervisor, Will Hathaway, who called this special meeting and proposed the new job description of the Administrator, assured the Board that the proposed job description of the Administrator was simply a matter of “interpretation,” and that the Board could later clarify that its “intent” was not to “conflict with a, you know, statute.” (Ex. A.2, pp. 58-59.) Following the discussion, the Board adopted Resolution 2021-31 to “Delegate Authority and Set Jobs for Supervisor and Administrator,” (**Exhibit A.3** (Resolution 2021-31)), over the Clerk’s objections and concerns over potential conflict of interest, and contrary to Mr. Fink’s opinion. (*See Minutes, Exhibit A.4; see also* Ex. A.2.) The Clerk fervently advised the Board that it would be unethical and likely illegal to delegate authority to the Supervisor and Administrator in the manner proposed by the Supervisor. (Ex. A.2, pp. 82-91, 119-123, 130-134.)

II. February 22, 2022 Resolution 2022-05.

At the Board meeting of February 22, 2022, the Board passed Resolution 2022-05, “Updating the Township Administrator Job Description and Authority and Designating FOIA Coordinator,” (**Exhibit A.5**, Resolution), over the Clerk’s stated objection under MCL 41.75a. The Clerk cited statutory and case law to support her objections, urging the Board to reject this affront to the separation of powers. (VFAC ¶18; **Exhibit A.6** (Minutes of 2/22/22 meeting).)

III. May 2022 Appointments And Interference With the Clerk's Statutory Duties.

On May 10, 2022, the Clerk was not at the regular Board meeting due to illness. (Clerk Aff. ¶9.) At the meeting, the Board appointed James Merte as interim administrator, and the Supervisor appointed Sandra Egeler (former Finance Director already serving as the current Deputy Treasurer) as Deputy Supervisor, with which the Board concurred. (*Id.*)

On May 12, 2022, the Clerk held a meeting with newly appointed interim Administrator Merte. (*Id.* ¶10.) He confirmed that the Supervisor instructed him to immediately gain required access to BS&A to provide Sandra Egeler (Deputy Treasurer and Deputy Supervisor) the ability to manipulate the General Ledger. (*Id.*) The Clerk objected. (*Id.*) The Clerk encouraged Mr. Merte to reach out to Attorney Fink for counsel. (*Id.*) The Clerk followed up this verbal direction with written direction. (**Exhibit A.7 and A.14.**) On May 13, 2022, auditor David Helisek of Plante Moran confirmed that in an effort to maintain integrity of the Township's journals and ledgers the Clerk should not allow the Deputy Treasurer & Deputy Supervisor, Sandra Egeler, permission to manipulate the General Ledger module of BS&A. (VFAC ¶32; Clerk Aff. ¶11.)

Just after 5:00pm on Friday May 13, 2022, at the direction of Supervisor Hathaway to NetSmart (the Township's I.T. Managed Services Provider), James Merte received his own permissions to, and extended permission to Sandra Egeler, to manipulate the General Ledger module within BS&A which are a portion of the current journals and ledgers of the Township, in contravention of MCL 41.65. (VFAC ¶33-34; Clerk Aff. ¶¶11-15.) Around 7:00pm on Friday May 13, 2022, the Clerk restored Sandra Egeler's regular access to view the General Ledger, restricted so that she could not manipulate it. (*Id.*) By Saturday morning, May 14, 2022, Mr. Merte had revoked the Clerk's necessary Administrator access, removing any ability for her to control who enters what into the journals and ledgers of the Township. (*Id.*) The Clerk could not

see what changes Mr. Merte or others may have made to the journals and ledgers, or if other unauthorized people had access. (*Id.*) The Clerk demanded access be restored. (*Id.*; Ex. A.7.)

On May 18, 2022, Mr. Michael Homier, another of the Township’s attorneys hired in December 2021 (in addition to the existing township attorney, Mr. Fink) agreed with the Clerk that any such access by Ms. Egeler should be “READ” access only. (Ex. A.7.) It was not until mid-day May 24th that Plaintiff compelled Mr. Merte to end read/write access to Ms. Egeler for the General Ledger module. (Clerk Aff. ¶¶15-17.) It was on May 26th that Mr. Merte disabled permissions for Ms. Egeler to unlock and re-adopt prior year budgets, records that are Plaintiff’s statutory responsibility to keep. (*Id.*) During those 11 days, Egeler entered 155 general journal entries all dated within the prior fiscal year ending March 31st, and Egeler posted 57 of these to the general ledger. (*Id.*) Plaintiff instructed Merte to ask Egeler to reverse all general journal and general ledger entries. (*Id.*) Instead, Ms. Egeler reversed only the 57 general ledger entries. (*Id.*) Last fiscal year ending March 31st is not yet closed, because the Township has lacked qualified finance staff to prepare closing adjustments and financial statements. (*Id.*)

There may be more ongoing and unauthorized access to the eight financial management modules of BS&A, as well as to the Assessing or Tax Rolls that are within other BS&A modules. (*Id.*) Currently, Plaintiff does not have the necessary permissions to be able to fully verify the integrity or corruption of these Township records. (*Id.*) The Clerk’s administrator permission for the BS&A General Ledger module was restored after being illegally revoked, but the Administrator still has not restored the Clerk’s administrator permissions for the BS&A modules of Fixed Assets, Payroll, Accounts Payable, Purchase Orders, Utility Billing, Miscellaneous Receivables, and Cash Receipts. (*Id.*) As long as Mr. Merte, a staff person working at the direction of a Board, has “Enterprise Administrator” access as authorized under

the illegal Resolutions of August 17, 2021 and February 22, 2022, any of the Clerk's actions may be overridden without consent or knowledge by the Board through its staff person. (*Id.*)

ARGUMENT AS TO COUNT I

I. The Board Has Interfered With the Clerk's Statutory Duties.

The Clerk's statutory duties are set forth in MCL 41.65:

The township clerk of each township shall have *custody* of all the records, books, and papers of the township, when no other provision for custody is made by law. The township clerk shall file and safely keep all certificates of oaths and other papers required by law to be filed in his or her office, and shall record those items required by law to be recorded. These records, books, and papers shall not be kept where they will be exposed to an unusual hazard of fire or theft. The township clerk shall deliver the records, books, and papers on demand to his or her successor in office. The township clerk shall also open and keep an account with the treasurer of the township, and shall charge the treasurer with all funds that come into the treasurer's hands by virtue of his or her office, and shall credit him or her with all money paid out by the treasurer on the order of the proper authorities of the township, and shall enter the date and amount of all vouchers in a book kept by the township clerk in the office. *The township clerk shall also open and keep a separate account with each fund belonging to the township, and shall credit each fund with the amounts that properly belong to it, and shall charge each fund with warrants drawn on the township treasurer and payable from that fund. The township clerk shall be responsible for the detailed accounting records of the township utilizing the uniform chart of accounts prescribed by the state treasurer. The township clerk shall prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township.*

(emphasis added); *see also McKim*, 158 Mich App at 204-205. The August 2021 Resolution, titled "Adopting Job Descriptions for Supervisor, Township Administrator," and the February 2022 Resolution, which "Updated" the "Township Administrator Job Description and Authority," contain illegal provisions that must be vacated by this Court because, in redefining and expanding the authorities of those positions, they usurped the Clerk's statutory authority over the township's books and records. *See, eg, McKim*, 158 Mich App at 204-205.

Indeed, pursuant to MCL 41.75a, the Administrator (and any other employee hired by the

Board for that matter) may only perform the “duties *lawfully* directed by the township board, *except those duties that are delegated by law to another township official, unless consent has been granted.*” (emphasis added). The Clerk has not consented, and in fact repeatedly objected, to any employee being given authority over the Clerk’s statutory duties.

Most recently (and most egregiously), on May 10, 2022 the Board appointed Mr. Merte as interim administrator and confirmed Supervisor Hathaway’s appointment of Ms. Egeler as Deputy Supervisor, respectively, and immediately instructed them *to have Mr. Merte grant read/write access over the general ledger to himself and Ms. Egeler and revoke the Clerk’s necessary Administrator access to control who enters what into the journals and ledgers of the Township.* This was a clear and astounding violation of MCL 41.65. Both of the Board’s attorneys, Messrs. Fink and Homier, agree that under no circumstances should Sandra Egeler, as the newly appointed Deputy Supervisor (while also serving as Deputy Treasurer) have the power to manipulate the general ledger. (*See* Exs. A.1 and A.7.)

These recent blatant and egregious usurpations of the Clerk’s custody and control of the general ledger only serve to underscore the *illegality* of the provisions of Resolutions 2021-31 and 2022-05, which provided the Supervisor, his deputy and the administrator with such illegal authorities. These are the Resolutions (with attached job descriptions) *on which the Board relied to commit these violations.* These recent breaches confirm that the “interpretation” applied by the Board to the Supervisor’s and Administrator’s job descriptions under these Resolutions, (*see* Ex. A2, pp. 58-59), is far too broad and permits abuse, as the Clerk vigorously cautioned. (*Id.* pp. 82-91, 119-123, 130-134.) All of the offending provisions of Resolutions 2021-31 and 2022-05 and the actions taken under the auspices of this authority must be vacated. The Court should order the Board to provide an accounting of all edits Ms. Egeler or any other unauthorized person yet

unknown to the Clerk made to the journals and ledgers of the Township.

In *McKim*, the board adopted a resolution, titled “Incoming Mail Procedures,” which routed all incoming township mail through the General Township Secretary instead of the Clerk. *Id.* at 202. The board also adopted a resolution, titled “Incoming Bill Procedures,” which similarly routed all incoming township bills through the General Township Secretary for handling, with only presentation to the clerk for signature. *Id.* Within two months thereafter, the board approved a motion prohibiting the removal of township records from the township hall for a period longer than eighteen hours. *Id.* at 203.

The clerk in *McKim* “vigorously opposed the resolutions and the eighteen-hour restriction as an unreasonable restraint on her ability to perform her statutory duties as township clerk under MCL 41.65.” *Id.* After independent legal opinions failed to persuade the board, the clerk filed suit in the circuit court alleging that the two resolutions and the eighteen-hour restriction impeded her ability to perform her statutory duties, and sought injunctive relief. *Id.* The clerk further complained that the board had limited the funding for the clerk’s office by removing a clerical position and limiting the salary allocated for a deputy clerk and sought a writ of mandamus ordering sufficient funding. *Id.* The clerk moved for summary disposition in the circuit court. *Id.* Following argument and taking the matter under advisement, the circuit court “entered a written opinion granting plaintiff injunctive relief by vacating the resolutions and the eighteen-hour restriction.” *Id.* at 203-204. The circuit court also “retained continuing jurisdiction” to “ensure that [the clerk] was provided with adequate secretarial assistance” to “permit plaintiff to perform her job.” *Id.* at 203-204.

The Court of Appeals affirmed the circuit court. As the *McKim* court concluded, “[i]t follows that the board’s resolutions entrusting *control* of township mail and bills *to the general*

township secretary is in contravention of MCL 41.65.” *Id.* (emphasis added). The *McKim* court recognized that “this result is consistent with MCL 41.69 [], which requires *the clerk* -- not the general township secretary -- to file a bond ‘especially for the safekeeping of the records, books, and papers of the township in the manner required by law’” *Id.* (emphasis added). “*A clerk without custody or control of township papers can hardly fulfill her duty of safekeeping those records.*” *Id.* (emphasis added). The *McKim* court affirmed the vacating of the township board’s two resolutions interfering with the clerk’s statutory duties. *Id.* The *McKim* court further affirmed the trial court’s conclusion that the board’s “eighteen-hour restriction” was an “illegal attempt to restrain [the clerk’s] right to custody of the Township records.” *Id.* at 205-206.

In rejecting the township’s opposition to injunctive relief and continuing jurisdiction of the circuit court, the *McKim* court explained that injunctive relief is proper and available “where, as here, the plaintiff has established a continuous interference by the defendant.” *Id.* at 206, citing *Soergel v Preston*, 141 Mich App 585, 590 (1985). Contrary to the township’s argument, such an “injunction and order of continuing jurisdiction” is not a violation of “the doctrine of separation of powers” because the plaintiff was not asking the court to assume “budget and personnel responsibilities” or substitute its “judgment for the judgment of the township officers.” *Id.* Rather, the circuit court “simply rule[d] on questions of law.” *Id.*

McKim is on all fours with this case. Instead of funneling mail and bills through the secretary notwithstanding the clerk having statutory control over those papers, as occurred in *McKim*, the Board is funneling administration of and access to the township’s papers and financial records, including the general ledger, through the administrator position – an employee (not officer) position which serves at the pleasure of the Board. Resolutions 2021-31 and 2022-05 plainly revised the job description and duties of the Township Supervisor and Administrator

positions to illegally engulf the Clerk’s statutory duties and give the administrator control over critical aspects of the township’s finances and records, including access to them and the ability to manipulate them. “Custody” means “immediate *charge and control* exercised by a person or an authority.” *McKim*, 158 Mich App at 205 (emphasis added) (citing Webster’s Seventh Collegiate Dictionary (1972). “Paper” means “any writing or printed document, including letters, memoranda, legal or business documents, and books of account” *Id.* (citing Black’s Law Dictionary (rev 4th ed)). Therefore, MCL 41.65 “bestows a township clerk with the responsibility to *exercise control over* all township papers, including mail and bills, unless otherwise provided for by law.” *Id.* (emphasis added). The Supervisor promised on August 17, 2021 that the Board would not “interpret” these new Supervisor and Administrator job descriptions to “conflict” with any “statute,” (Ex. A.2, pp. 58-59), but then did exactly that by, among other ways discussed in the next section, using these Resolutions to allow Administrator Merte to have administrator authority, and to grant administration authority, to Deputy Treasurer & Deputy Supervisor Egeler over the financial journals and ledgers within modules of BS&A.

Besides these most recent violations with regard to the manipulation of the general ledger under the auspices of the subject Resolutions, many other provisions of the Resolutions should be vacated. The Clerk refused to grant consent under MCL 41.75a for the Board to assign to the Administrator the Clerk’s duty to “prepare and administer related financial reports.” (VFAC ¶13; Ex. A.2, pp. 85-85, 119-120, 122.) Under virtually every recognized dictionary, “Administer” means to manage or have executive charge of, and thus, administration of financial reports would mean administration of the journals and ledgers containing financial information.

The Clerk further objected to the provision of Resolution 2021-31 stating that the “Budget and Finance Director reports to the Supervisor...” as an illegal subordination of the

Clerk by the Supervisor, in contravention of MCL15.181, as the Clerk is responsible for finance in a Township (which the Township attorney also advised, *see* VFAC ¶14; Ex. A.2, p. 56). The Clerk also objected to Resolution 2021-31 because the Board may not delegate to the Supervisor the responsibility “for the preparation of the Township’s annual financial report to the state” or “oversee the audit and selection of the auditor and make recommendations for hiring the same for BOT approval.” (VFAC ¶15.) It is the Township Board (*see* MCL 141.411 for ‘local unit’ defined) that must retain certified public accountants to perform audits in compliance with MCL 141.427 and MCL 141.428. This is a function the Board may not delegate. Further, it is in direct violation of MCL 141.438(4): “No duties shall be delegated to the chief administrative officer that diminish any...statutory responsibilities of an elected or appointed official”

Resolution 2022-05 is illegal because the Clerk refused to grant consent under MCL 41.75a for the Board to assign to the Administrator the Clerk’s duty to “prepare and administer related financial reports.” This was first added by the Board on August 17, 2021 (discussed above) over the Clerk’s objection and stated lack of consent under MCL 41.75a, and carried over to Resolution 2022-05. Resolution 2022-05 is also illegal because the Clerk refused to grant consent under MCL 41.75a for the Board to assign to the Administrator to “[o]versee and prioritize the allocation of Finance staff work time to accomplish tasks.” MCL 41.65 is clear that it is the Clerk who shall prepare and maintain the journals and ledgers of the Township, and be responsible for the detailed accounting records of the Township. Insofar as Finance staff carry out work that is the statutory responsibility of the Clerk—which is virtually all of the work of Finance staff—the Clerk shall retain direct supervision of the staff and oversight of the work, as attorney Fink correctly opined. (Ex. A.1.; Ex. A.2, pp. 56-59.)

Resolution 2022-05 is also illegal because the Clerk refused to grant consent under MCL

41.75a for the Board to assign to the Administrator “ultimate authority over BS&A administration and accessibility.” This delegation of authority contravenes MCL 41.65, providing that “[t]he Clerk prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township.” Under MCL 41.65, the Clerk shall “open and keeps a separate account with each fund belonging to the township” Only the Clerk and staff deputized by the Clerk have exclusive access to manipulate the journals and ledgers of the Township.

Resolution 2022-05 also conflicts with the Clerk’s statutory duty under MCL 141.421(1). The Clerk is the “official who by law [] is charged with the responsibility for the financial affairs of the local unit” and who “shall insure that the local unit accounts are maintained and kept in accordance with the chart of accounts.” The Board’s Resolution 2022-05 providing that the Township Administrator has “ultimate authority over BS&A administration and accessibility” prevents the Clerk from performing her statutory obligations, as the Clerk would not maintain control over access to BS&A modules that are required for the preparation and maintenance of the journals and ledgers of the Township.

By statute, the Clerk must have custody and control of the journals and ledgers. MCL 41.65. Without such custody and control, the Clerk cannot fulfill her obligation to ensure that these journals and ledgers have integrity, for which she is personally responsible, as such records could be modified under standards unknown to the Clerk. Yet, under the heading of “Information Technology and Data Management” of the Administrator’s job description, bullet point 2 of the illegal job description of Resolution 2022-05 provides for the Administrator to “[h]old ultimate authority over administration of all software including assignment of access.” This illegally places ultimate access to Township records with the Administrator, which Mr. Merte has used to

illegally grant access to himself and Ms. Egeler and revoke the Clerk's access.

The Clerk recognized this potential for abuse immediately and explained it to the Board at length during the August 17, 2021 meeting, (Ex. A.2, pp. 82-91, 119-123, 130-134), but the Board ignored the Clerk. If there was any question about "interpretation" and how the Board may seek to use the new Supervisor and Administrator job descriptions, (*see id.* pp. 58-59), those questions were laid soundly to rest on May 13 and 14, 2022 – when interim administrator James Merte (hired by the Board three days earlier) invoked this newfound power as the administrator as set forth in the illegal Resolutions to grant his own permissions, and extended permission to Sandra Egeler, and revoke the Clerk's necessary Administrator access, removing any ability for her to control who enters what into the journals and ledgers of the Township. These violations of MCL 41.65 are crystal clear, as it is the Clerk who is personally responsible to "prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township" under MCL 41.65. The Court should enjoin these illegal interferences of the Clerk's duties as set forth in the Proposed Order. (Ex. D.)

STATEMENT OF FACTS PERTINENT TO COUNT II

I. Insufficient and Undertrained Finance Staff.

Three quarters of the Township's \$18 million annual budgeted expenditures exceed revenues. (VFAC ¶36.) The Township has rarely conducted meaningful financial planning for its regular operations or capital plans, and the qualifications and capacity of the finance team fall far short of what is recommended. (*Id.*) For decades, the Township has had only two finance staff positions, fewer than is recommended by The Woodhill Group ("WHG") (**Exhibit A.8**) and former Township Administrator David Rowley. (**Exhibit A.9.**) Historically, the two finance positions have been those of Finance Director and Finance Manager. (VFAC ¶37.) But the

Finance Director position has remained vacant since November 9, 2021, and the Finance Manager needed paid time off in March 2022 due to ongoing family medical issues. (*Id.*)

Former Administrator Rowley summarized the Township's insufficient finance team with his proposal to the Board for the April 12, 2022 meeting, which set forth a comparison of typical township finance staffing versus Scio Township finance staffing. (VFAC ¶38; **Exhibit A.10.**) Rowley explained: "While a typical sized jurisdiction will generally have four (4) to five (5) full time employees in the finance department of varying skills, abilities and certifications, the Township of Scio has one (1)." (Ex. A.10.) Even when the Township had two finance employees (still insufficient), neither of them held requisite certifications or experience. (VFAC ¶40.)

II. Attempts To Replace Sandra Egeler With A Qualified Finance Director.

The Board voted on December 28, 2020 to open an early retirement window for then-Finance Director Sandra Egeler. (Clerk Aff. ¶14.) The window closed on February 28, 2021 without Ms. Egeler opting in, and she remained in her position as Finance Director. (*Id.*) On March 27, 2021, Supervisor Hathaway and the Clerk agreed that the Finance Director should be terminated and a new Finance Director hired. (Clerk Aff. ¶15.) But in the Spring of 2021, the Supervisor told the Clerk that "circumstances have changed" and suggested that the Finance Director should become the Deputy Treasurer instead of terminating her. (*Id.*) Based on discussions with the Supervisor, the Clerk agreed with the expectation that a replacement Finance Director would be promptly hired. (*Id.*) On November 9, 2021, Ms. Egeler vacated the position of Finance Director, leaving only the position of Finance Manager filled. (VFAC ¶41.)

But the Clerk's many proposals to fill the vacancy—permanently or temporarily—have been blocked by the Board. (*Id.*) The positions of Finance Director and Finance Manager, which report directly to the Clerk and have long been budgeted, must be filled with qualified personnel

for the Clerk to perform her statutory duties. (*Id.*; Clerk Aff. ¶25.)

III. Serious Errors By The Understaffed and Undertrained Finance Team.

Over multiple years, auditors have found many errors and failures to follow regulations by the Township, with the Township never catching up to current standards of practice. (VFAC ¶42.) In the most recent audit for the year ending March 31, 2021, the auditor noted four instances of noncompliance with laws and regulations—two of which were material weaknesses. (*Id.*) The Clerk and Treasurer submitted a required Corrective Action Plan to the Department of Treasury outlining plans to correct these deficiencies, but they have been unable to implement any of these due to the Board’s continued refusal to hire qualified finance staff. (VFAC ¶43.)

Administrator Rowley bluntly stated to the Board on March 22, 2022: “Let’s just cut to the chase. We don’t have any plan.” (VFAC ¶44.) Referring to Scio’s unusually affluent tax base, Rowley decried, “It’s the only reason your doors are still open. If this was a normal general law township you would have been bankrupt a long time ago. If that sounds harsh, I’m sorry. You’ve asked for my professional opinion and I’m giving it. You need additional financial staff.” (VFAC ¶44; **Exhibit B** (MLIVE article March 29, 2022; **Exhibit A.11** (resignation letter).)

Significant and frequent errors have been made. (VFAC ¶46.) On April 26, 2022, the Treasurer publicly announced that during the Tax Settlement process in March the County Treasurer discovered that the Treasurer failed to place the County Roads millage request and the Conservation District millage request on the winter tax collection, a \$750,000 short fall in Township collections for the County. (*Id.*; see also **Exhibit A.12.**) There was also an accounting error in violation of GASB Statement No. 33, issued in 1998, which formalizes the ‘matching principle,’ a bedrock of accounting. (VFAC ¶47.) The special assessment district levy for fire services in November 2008, with the first levy of \$1,006,653 collected by mid-February 2009,

was incorrectly booked as revenue for the next Fiscal Year. (*Id.* ¶48; *see also* **Exhibit A.13** (Balance Sheet and Account Balances for Fire Fund from FYE09 through FYE23).) Many other examples exist.

IV. Administrator Rowley Resigns in Protest of Board's Refusal to Act.

Mr. Rowley started as Township Administrator on December 1, 2021. (VFAC ¶49.) He brought over 25 years of experience in Michigan local government, including in local government finance and tax policy and local government administration. Mr. Rowley put forth several proposals to address the emergency and longer term requirements for qualified financial staff, but the Board rejected them all. (VFAC ¶49; *see also* Exs. A.9, A.10, A.11.) The Township has an upcoming annual audit for the year ending March 31, 2022 for which it is not prepared with the necessary resources or staff, and is already behind in year-end closing activities. (VFAC ¶50.) Still, at the March 22, 2022 meeting, the Board again tabled the most recent proposal to fill these most immediate needs on the finance staff. (*Id.*)

On April 12, 2022, Administrator Rowley announced his resignation effective May 15, 2022 in protest over the Board's refusal to implement finance staffing required for responsible internal controls. (VFAC ¶51; Ex. A.11.) Rowley pleaded: "I do call on the Board of Trustees to fill the vacant Finance Director position with an experienced individual who holds a Master of Business Administration degree or who is a Certified Public Accountant and to conduct a three (3) to five (5) year internal audit to fully understand the status of township finances." (*Id.*)

ARGUMENT AS TO COUNT II

I. The Board Has Failed To Hire Qualified Staff Needed To Support the Clerk.

The Township is understaffed on the finance team by any objective measure, and under the written opinions of multiple experts. Yet, a majority of the Board – who has no finance

expertise – has tabled or rejected multiple proposals to hire qualified staff, and instead continued to understaff the finance team on a patchwork basis with temporary employees who have no pertinent educational experience, degrees, or practical experience. The Board’s actions have been arbitrary and capricious, to the detriment of the Clerk’s ability to perform her statutory duties. As in *McKim*, where the clerk showed that the board limited the funding for the clerk’s office by removing a clerical position and limiting the salary allocated for a deputy clerk, this Court should, at minimum, “retain[] continuing jurisdiction” to “ensure that [the clerk] [is] provided with adequate” finance staffing to “permit plaintiff to perform her job.” *See id.* at 203-204.

But the Court is not limited to merely retaining continuing jurisdiction to monitor the Board’s finance staffing necessary to adequately fund the Clerk’s office. Under these circumstances, this Court may and should order performance. Appropriations decisions of a public body are not exempt or immune from judicial review. *Wayne County Prosecutor*, 93 Mich App at 121. “Whenever a board fails to perform duties imposed by the state Legislature or constitution, *the courts will not hesitate to order performance.*” *Id.* (emphasis added)

Township Clerks and Township Treasurers are personally responsible and liable for carrying out their statutory duties, MCL 41.69, so the local funding unit must provide the reasonable and necessary funding for a Township Clerk or Township Treasurer to perform their statutory functions. *See Wayne County Prosecutor*, 93 Mich App at 121; *see also* VerBurg, Kenneth; *Managing the Modern Michigan Township* (1990); *see also* Clerk Aff. ¶¶8, 25 and Ex. A.1.) The leading treatise on township governance, *Managing the Modern Michigan Township* (1990), by Kenneth VerBurg, addresses this issue under a section entitled, “**PROTECTION FOR CLERK AND TREASURERS.**” (**Exhibit C** (excerpt), emphasis in original.) Short of “gross improprieties” by the Clerk or Treasurer, “others in the township hall may not interfere in

the performance of their tasks.” *Id.* pp. 42-43. The treatise notes that, in view of court rulings applicable to counties which have parallels to townships, such as *Wayne County Prosecutor*, 93 Mich App at 121, a “township board [can] set minimum qualifications and establish working conditions for employees in the offices of elected officials” where “**the officer concurs, but boards that do so in the face of opposition by the clerk or treasurer may be treading on thin ice.**” *Id.* p. 43 (emphasis added). “In the matter of budget appropriations, the township board ***must*** exercise some care.” *Id.* (emphasis added). Discussing the *Wayne County* case, the treatise notes that “elected officers were mandated to provide certain services and the board of county commissioners ***was obligated to appropriate funds sufficient to carry out those duties.***” *Id.* (emphasis added). Certainly, Boards are not required to “give whatever elected officials ask for,” but “cuts cannot be so severe as to render the office unable to perform the constitutionally and statutorily mandated functions.” *Id.* “Because township officers ***have constitutional*** and statutory duties, the principles of this [*Wayne County*] decision may apply to township boards as well.” *Id.* p. 44 (emphasis added). “A clerk or treasurer may be fair game in the political arena, but not to the point these officials cannot carry out their statutory responsibilities.” *Id.*

The principles of *Wayne County* can and do apply to townships. The Clerk has constitutional and statutory duties. The Board’s arbitrary and capricious limitation of the finance staff to a single Finance Manager who is dealing with family medical issues is woefully insufficient to support the Clerk. Its refusal to fill the Finance Director position with a qualified person while also refusing to contract outside vendors like WHG or Rehmann to assist is irresponsible to say the least. Thus, contrary to the Board’s red herring argument, this is not about “minimum staffing requirements,” which are precluded under MCL 41.3a. Rather, this is about permitting the Clerk, a township officer who has constitutional and statutory duties for

which she is personally liable, to perform her statutory duties. MCL 41.75a permits the Board to hire employees “*as are necessary*,” yet the Board has left the Finance Director vacant for many months while hiring completely *unnecessary* part time and full time employees over the Clerk’s objections who are unqualified to perform the finance tasks the Board has assigned to them while refusing to hire the necessary employees as advised by those who have the expertise in the area, including the Clerk, former administrator Rowley, Plante Moran, Rehmann Robson, and The WoodHill Group. The Board’s refusal to support the Clerk with qualified staff is arbitrary and capricious. The Court should order the Board to comply with its duties to support the Clerk.

ARGUMENT AS TO COUNT III

I. Plaintiff Should Be Awarded Fees and Costs.

An exception to the American Rule regarding awards of attorneys fees is “when a public official incurs attorney fees in connection with asserting or defending the performance of his or her legal duties.” *McKim*, 158 Mich App at 207-208 (citations omitted). That is the entire basis of this lawsuit, for which Plaintiff is expending personal funds for this necessary protection of the Clerk’s office and the separation of powers. The Clerk requests an award of fees and costs.

CONCLUSION

Plaintiff respectfully request that the Court: (1) grant Plaintiff’s motion for summary disposition; (2) enter judgment for Plaintiff as set forth in the Proposed Order (**Exhibit D**); (3) award fees and costs to Plaintiff; and (4) grant such other relief as this Court deems just.

Dated: June 15, 2022

Respectfully submitted,
 By: /s/ Mark J. Magyar
 Dykema Gossett PLLC
 Attorneys for Plaintiff
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 Lansing, Michigan 48933
 (616) 776-7523
 mmagyar@dykema.com

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WASHTENAW

JESSICA FLINTOFT, as Clerk of Scio
Township,

Plaintiff,

Civil Action No. 22-000414-CZ

vs.

Hon. Timothy P. Connors

SCIO TOWNSHIP BOARD OF TRUSTEES,

Defendant.

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**INDEX TO EXHIBITS TO PLAINTIFF'S BRIEF IN SUPPORT OF SUMMARY
DISPOSITION**

Exhibit	Description
A	Affidavit of Jessica M. Flintoft, Scio Township Clerk
A.1	August 12, 2021 Opinion of Township Attorney James A. Fink
A.2	Excerpts of Transcript of August 17, 2021 Board Meeting
A.3	August 17, 2021 Board Resolution 2021-31
A.4	Minutes of August 17, 2021 Board Meeting
A.5	February 22, 2022 Board Resolution 2022-05
A.6	Minutes of February 22, 2022 Board Meeting
A.7	May 15 – May 18, 2022 Correspondence re access to financial information
A.8	May 12, 2022 Recommendation by the WoodHill Group re Finance
A.9	May 15, 2022 Finance Staffing Recommendations of David Rowley
A.10	April 12, 2022 Finance Staffing Analysis By Administrator David Rowley
A.11	Administrator David Rowley's April 12, 2022 Resignation Letter
A.12	April 26, 2022 Treasurer Report to Board
A.13	Balance Sheet and Account Balances for Fire Fund from FYE09 through FYE23

A.14	Text Messages May 12, 2022 between Clerk, David Rowley, and James Merte
A.15	NetSmart Company Service Report p. 1 and p. 11-12
A.16	May 13, 2022, Administrator provision of access to financial records to Deputy Supervisor / Deputy Treasurer
A.17	BS&A Audit Summary Reports as of June 9, 2022
A.18	Item G10. Cottontail Court. May 24, 2022 meeting
A.19	Minutes of May 24, 2022 Board of Trustees Meeting
B	MLive March 29, 2022 Article, ““You would have been bankrupt’: Scio Township hears dire warnings over finances”
C	Excerpt of VerBurg, Kenneth; Managing the Modern Michigan Township (1990)
D	Proposed Order

EXHIBIT A

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WASHTENAW

JESSICA FLINTOFT, as Clerk of Scio
Township,

Plaintiff,

Civil Action No. 22-000414-CZ

vs.

Hon. Timothy P. Connors

SCIO TOWNSHIP BOARD OF TRUSTEES,

Defendant.

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AFFIDAVIT OF JESSICA FLINTOFT

I, Jessica Flintoft, being first duly sworn, depose and state as follows:

1. I am the duly elected Clerk of Scio Township and the Plaintiff in this action.
2. This Affidavit is based upon my personal knowledge. I can competently testify to the facts contained herein if called upon to do so.
3. I fully adopt, attest to, and incorporate as though fully reproduced and set forth herein all allegations of my Verified First Amended Complaint, filed May 19, 2022. I verified my pleading with the intention that it be a sworn document with the same effect as an affidavit, but I incorporate herein out of an abundance of caution and to the extent required to consider such evidence with my motion for summary disposition under MCR 2.116.

BACKGROUND

4. In 2017, then-Clerk of Scio Township, Nancy J.C. Hedberg, appointed me as Deputy Clerk. When Hedberg retired as Clerk, I pursued the appointment to Clerk by the Board.

5. The Board unanimously appointed me as Clerk on May 28, 2019, effective June 1, 2019. I ran unopposed for Clerk in 2020, and chose not to run as part of either local political slate. I earned 8,842 votes from Scio voters, the most votes that any Scio Township official has ever earned.

6. I graduated with honors from Cornell University in 1999, and earned my Master's degree in Public Policy from the U.C. Berkeley Goldman School of Public Policy in 2004. I have worked for and with local governments since 2000, earning accolades for my public service.

EXHIBITS

7. The following attached exhibits, of which I have personal knowledge through my personal involvement and/or through my position as Clerk, as custodian of Scio Township's books, records, and papers, are true and correct copies of:

Exhibit 1. August 12, 2021 Opinion of Township Attorney James A. Fink, which I personally solicited as Clerk.

Exhibit 2. Excerpts of Transcript of August 17, 2021 Board Meeting

Exhibit 3. August 17, 2021 Board Resolution 2021-31

Exhibit 4. Minutes of August 17, 2021 Board Meeting

Exhibit 5. February 22, 2022 Board Resolution 2022-05

Exhibit 6. Minutes of February 22, 2022 Board Meeting

Exhibit 7. May 15 – May 18, 2022 Correspondence re access to financial information

Exhibit 8. May 12, 2022 Recommendation by the WoodHill Group re Finance

Staffing

- Exhibit 9.** May 15, 2022 Finance Staffing Recommendations of David Rowley
- Exhibit 10.** April 12, 2022 Finance Staffing Analysis By Administrator David Rowley
- Exhibit 11.** Administrator David Rowley's April 12, 2022 Resignation Letter
- Exhibit 12.** April 26, 2022 Treasurer Report to Board
- Exhibit 13.** Balance Sheet and Account Balances for Fire Fund from FYE09 through FYE23
- Exhibit 14.** Text Messages May 12, 2022 between Clerk, David Rowley, and James Merte
- Exhibit 15.** NetSmart Company Service Report p. 1 and p. 11-12
- Exhibit 16.** Screenshot by Clerk on May 13, 2022 of James Merte's provision of access to financial records to Sandra Egeler.
- Exhibit 17.** BS&A Audit Summary Reports as of June 9, 2022: James Merte's Changes to Sandra Egeler's Access to General Ledger module; James Merte's Changes to Sandra Egeler's Access to Accounts Payable module; James Merte's Changes to Nancy Colasanti's Access to Accounts Payable module.
- Exhibit 18.** Item G2. Cottontail Court. May 24, 2022 meeting.
- Exhibit 19.** Minutes of May 24, 2022 Board of Trustees Meeting

AUGUST 17, 2021 SPECIAL MEETING

8. Immediately before the start of the August 17, 2021 Special Meeting of the Board called by Supervisor Will Hathaway, Attorney Fink met alone with the Supervisor and me in the Meeting Hall. Attorney Fink advised both the Supervisor and me that the Township Board could not reduce staffing to a point where I could no longer carry out my statutory duties related to finance.

MAY 10-26, 2022

9. I was not at the May 10, 2022 Board meeting due to illness. The Board knew that I was ill and that my illness was the reason I was not in attendance. At this meeting, the Board appointed James Merte as interim administrator; and the Supervisor appointed Sandra Egeler (the current Deputy Treasurer) as additionally a Deputy Supervisor, an action with which the Board concurred.

10. On May 12, I held a meeting with newly appointed interim Administrator Merte. Mr. Merte told me that he and Supervisor Hathaway had agreed to his temporary appointment about two weeks earlier, and that Hathaway had instructed Merte not to discuss it with other members of the Board of Trustees, a condition to which Merte agreed. Merte told me that the Supervisor had expressly instructed him to immediately gain required access to BS&A to provide Sandra Egeler the ability to manipulate the General Ledger. I condemned the plan, and directed Merte not to proceed, citing my office of Clerk and MCL 41.65. I encouraged Mr. Merte to reach out to Township Attorney James A. Fink, for counsel, and that he speak with the then still current Administrator David Rowley with whom Merte had as of yet not conferred about any aspect of the Administrator position. I followed up this conversation in writing via text message to both Rowley and Merte. (See Exhibit 14.)

11. On the afternoon of May 13, I held a direct call with auditor David Helisek of Plante Moran and confirmed his concurrence with my determination that in an effort to maintain integrity of the Township's journals and ledgers I would not allow the Deputy Treasurer & Deputy Supervisor, Sandra Egeler, permission to manipulate the General Ledger module of BS&A. Auditor Helisek said that if in fact Egeler or other person working under the direction of the Treasurer or Supervisor were instructed to propose any journal entries, that those should be done on paper only, to maintain a most basic internal control for the Township.

12. Instead of going through typical Township procedures to onboard new employees, the Supervisor himself contacted NetSmart, the Township's I.T. Managed Services Provider, directly on Wednesday May 11, 2022 with a request regarding "Urgent Steps for Township Administrator Transition." Sean Goldman, the Chief Information Officer assigned by NetSmart for the Township, noted his concern about the unusual contact from the Supervisor. At 4:55pm on Friday May 13, 2022, after being directed twice by Supervisor Hathaway, Mr. Goldman remoted into James Merte's computer, and provided him with "Enterprise Administrator" access to all BS&A modules. (**Exhibit 16**, NetSmart Company Service Report p. 1 and p. 11-12.)

13. At some point between 4:55pm and around 7:00pm on Friday May 13, Mr. Merte granted Ms. Egeler privileges over the General Ledger module allowing her to manipulate the general journal and ledger which are a portion of the current journals and ledgers of the Township, in contravention of MCL 41.65. (Ex. 16.)

14. Upon discovering around 7:00pm on Friday May 13, 2022, I restored Sandra Egeler's long standing level of access to view the General Ledger, restricted so that she could not manipulate it. At that time, I saw that Mr. Merte had been granted "Enterprise Administrator" access, and I chose not to disable that access, instead trusting that we would discuss and resolve the issue on Monday. Instead, on Saturday morning, Mr. Merte chose to revoke my "Enterprise Administrator" access, removing any ability for me to control who enters what into the journals and ledgers of the Township. Further, I could not even see what changes Mr. Merte or others may have made to any of the journals and ledgers, or if other unauthorized people had been granted access. I demanded my full access be restored, and for legal authority under which these actions were taken.

15. In fact, Mr. Merte had—against my express direction—extended permissions to Egeler to manipulate both the General Ledger and Accounts Payable module. On Saturday May

14, he added Nancy Colasanti—someone Mr. Merte claims he had the authority to hire on behalf of the Township—and provided Ms. Colasanti with permissions to manipulate the Accounts Payable module. Instead of answering my demands that he return control of these public records to me, Mr. Merte provided Mr. Egeler with additional high-level permissions within the General Ledger on May 18th. That same day, Attorney Homier advised me and Mr. Merte that per MCL41.65, Ms. Egeler and Ms. Colasanti should have only read access. It wasn't until May 24th mid-day that I compelled Mr. Merte to end read/write access to Ms. Egeler for the General Ledger module. It was on May 26th that Mr. Merte disabled permissions for Ms. Egeler to unlock and re-adopt prior year budgets, records that are my statutory responsibility to keep.

16. During those 11 days, Egeler entered 155 general journal entries all dated within the prior fiscal year ending March 31st, Egeler posted 57 of these to the general ledger. I instructed Merte to ask Egeler to reverse all general journal and general ledger entries. Instead, Ms. Egeler reversed only the 57 general ledger entries. Last fiscal year ending March 31st is not yet closed, because the Township has lacked qualified finance staff to prepare closing adjustments and financial statements.

17. There may be more ongoing and unauthorized access to the 8 financial management modules of BS&A, as well as to the Assessing or Tax Rolls that are within other BS&A modules. Currently, I do not have the necessary permissions to be able to fully verify the integrity or corruption of these Township records. I do now have Administrator permission for the BS&A General Ledger module, but I still have not had restored the Administrator permissions for the BS&A modules of Fixed Assets, Payroll, Accounts Payable, Purchase Orders, Utility Billing, Miscellaneous Receivables, and Cash Receipts. And, as long as Mr. Merte, a staff person working at the direction of a Board of Trustees has “Enterprise

Administrator” access, any of my actions may be overridden without consent or knowledge, ongoing, by the Board of Trustees through its staff person.

Township Finance Staff

18. The Board voted on December 28, 2020 to open an early retirement window for Sandra Egeler, opening negotiations for a voluntary separation agreement so that the Township could hire a replacement Finance Director who could meet the current needs of the Township. The window closed on February 28, 2021 without Ms. Egeler opting in, and she remained in her position as Finance Director continuing to report to me.

19. On March 27, 2021, Supervisor Hathaway and I, after consultation with the Township’s employment attorney, agreed that we would recommend to the Board that the Finance Director should be terminated and a new Finance Director hired. On May 14, 2021, Supervisor Hathaway told me that “circumstances have changed” with respect to his previous agreement that the Finance Director should be replaced. The Supervisor never disclosed to me what had changed, but he suggested that the Finance Director should become the Deputy Treasurer, providing full-time support to the Treasurer, instead of terminating her. Based on my discussions with the Supervisor, I agreed based on the expectation that a replacement Finance Director would be promptly hired, and continue to report to me so that the Township could build out the long needed professional financial capacity required for responsible accounting of public funds. I expected to have a new Finance Director by August 1, 2021.

20. It wasn’t until November 9, 2021 that the Treasurer announced appointment of Ms. Egeler as Deputy Treasurer, thereby vacating the position of Finance Director. As Deputy Treasurer, Ms. Egeler is responsible for handling the cash of the Township, and to maintain appropriate segregation of duties per State Treasury guidelines. I restricted her access to view, but not modify, the General Ledger. The Board of Trustees has gone to extraordinary lengths to

block efforts by former Administrator Rowley and myself to fill the Finance Director position, which remains vacant, or otherwise bring in qualified outside professional financial assistance.

21. In August 2021, Mr. Merte retired as Assessor of Scio Township. Mr. Merte did not have any Township-issued credentials to access BS&A or any other information systems from his retirement in August 2021 until his re-employment on May 10, 2022. In October or November of 2021, Mr. Merte volunteered to assist Treasurer Palmer and newly appointed Deputy Treasurer Egeler to prepare the 2021 Winter Tax Bill, collected within Fiscal Year ending March 31, 2022. This 2021 Winter Tax Bill contained major errors, one of which has been publicly reported by Treasurer Palmer. (*See Exhibit 12.*)

22. When I have separately asked Mr. Merte and Treasurer Palmer to describe how this error happened, each have said that Treasurer Palmer, Deputy Treasurer Egeler, volunteer Mr. Merte, and Assessor Kulkarni were present at Township Hall. Mr. Merte told me he sat at a computer terminal entering data into BS&A Tax module in order to generate the 2021 Winter Tax Bill. Mr. Merte told me that Treasurer Palmer and Deputy Treasurer Egeler provided the data that he entered.

23. The 2021 Winter Tax Bill omitted some millages due to the County, an error within a fiduciary fund which would likely not be evaluated as part of the Township's annual audit of Financial Statements. The week of May 30th I learned of a second error in the 2021 Winter Tax Bill—a missing assessment of one or more Township Special Assessments for neighborhood road improvements. Because these activities are accounted for as governmental funds, any fund in deficit position would certainly be evaluated by the Township Auditor.

24. The week prior, on the May 24, 2022 Agenda of the Board of Trustees, the Supervisor placed four action items each of which would loan General Fund monies to four Special Assessment Districts assessed by the Township under Act 188. It was unusual for the

Supervisor to place financing issues on a Board agenda, and the language of his proposed motions raised several questions for me. The Board discussed them at length, with Supervisor Hathaway relying heavily on Deputy Treasurer & Deputy Supervisor Egeler to explain to the Board the basis and rationale for Item G10 regarding financing the Cottontail Court SAD. (See **Exhibit 18**.) In the course of the Board discussion, Deputy Treasurer & Deputy Supervisor Egeler told the Board that passing the proposed motion for Item G10 would authorize the Township staff to backdate a loan from the General Fund to March 31st in the General Ledger, resolving what would otherwise be a fiscal year-end deficit position in that particular Road SAD Fund 410. Deputy Treasurer & Deputy Supervisor Egeler explained that the need for the loan arose from unexpected expenses within the fiscal year. *Never did anyone present who would have had knowledge, state that the position of the fund was in fact due to there being \$0 in revenue. The lack of revenue is due to a second error made in the 2021 Winter Tax Bill—failing to bill this Special Assessment.* The Board voted to table these four items 4 to 1, with only the Supervisor opposing, until there could be further consultation with the Auditor. (See **Exhibit 19**.) I followed up with Auditor Helisek the following week, discovering the lack of Special Assessment collection. When I asked interim administrator Merte if he knew of any special assessments that had been missed on the 2021 Winter Tax Bill, he said he had been notified some time ago of ‘a few’ that had been missed.

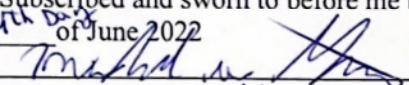
25. The Board has usurped certain of my statutory duties as Clerk, not the least of which is that I currently do not have sole control over manipulation of the township’s financial journals and ledgers. Further, the Board refuses to support my office of Clerk with the qualified personnel necessary for me to perform my statutory duties for no reasonable or rational basis that I can discern.

26. I declare under the penalties of perjury that this Affidavit has been examined by me and that its contents are true to the best of my information, knowledge, and belief.

FURTHER AFFIANT SAYETH NAUGHT.



Jessica M. Flintoft

Subscribed and sworn to before me this
14th day of June 2022


Michael A. Gable, Notary Public
Washtenaw County, Michigan
Acting in Washtenaw County, MI.
My commission expires: Feb. 4th, 2028



EXHIBIT A.1

Two questions

James Fink <james.fink@finkandfink.com>

Thu 8/12/2021 1:04 PM

To: Jessica Flintoft <Jflintoft@ScioTownship.org>

Madam Clerk –

You asked me two questions –

Can the board designate someone other than the CAO to file required reports under the UBAA?

It appears that the answer is NO.

But the board may designate someone other than the CAO to have final responsibility for the budget (MCL 141.434).

May the Clerk, as the person responsible to prepare and maintain ledgers (and other financial records) have the authority to grant/deny access to manipulate (use read/write functions) the records? I find no specific case law, but the answer must be YES. The clerk, as the responsible party, must be able to limit the ability of others to ENTER or REMOVE financial data.



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EXHIBIT A.2

STATE OF MICHIGAN

WASHTENAW COUNTY

SCIO TOWNSHIP BOARD OF TRUSTEES

SPECIAL MEETING

HELD VIA ZOOM VIDEOCONFERENCE

Date: Tuesday, August 17, 2021

Broadcasted from: Scio Township Hall
827 North Zeeb Road
Ann Arbor, Michigan 48103

BOARD MEMBERS:
WILL HATHAWAY, Supervisor
DONNA PALMER, Treasurer
JESSICA FLINTOFT, Clerk
JACQUELINE COURTEAU, Trustee
ALEC JEROME, Trustee
KATHY KNOL, Trustee
JANE VOGEL, Trustee

TRANSCRIPTION PROVIDED BY:
KRISTEN SHANKLETON (CER 6785)
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101-A North Lewis Street
Saline, Michigan 48176
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1 MR. FINK: -- I repeat that advice --

2 CLERK FLINTOFT: -- welcome another motion to
3 table.

4 MR. FINK: -- but since we have talked about it,
5 as I understand it, we're talking about the three changes
6 in this specific job description. It adds Human Resources
7 Generalist and Project Manager to the chain of command for
8 the Administrator, and it adds the words:

9 "...and related financial reports..."

10 Under the Finance --

11 CLERK FLINTOFT: And the fourth change is it
12 changes supervise and slash oversight to supervise.

13 MR. FINK: Okay.

14 CLERK FLINTOFT: At top.

15 MR. FINK: Yeah, it's not bolded because it's
16 not there, so I missed that.

17 CLERK FLINTOFT: Uh-huh.

18 MR. FINK: So the first part of that I think is
19 who is responsible for Finance in a Township, and I will
20 repeat what I have said before is that that is clearly and
21 soundly to me the responsibility of the Clerk who is
22 responsible for the general ledger and the books and
23 records and in conjunction with the work that the
24 Treasurer does there's the checks and balances that are
25 there. That does not mean that the Supervisor can't

1 prepare a budget or have the Administrator assist the
2 Supervisor in preparing and administering the annual
3 budget and related financial reports under policies
4 formulated by the Board and state law.

5 I think the question comes up, what do we mean
6 by --

7 TRUSTEE KNOL: Right.

8 MR. FINK: -- "...and related financial
9 reports"?

10 TRUSTEE KNOL: Right.

11 MR. FINK: There is a -- and I know Mr. Davis is
12 listening and he will correct me on anything later, but
13 there is a principle under the law that you presume
14 statutes and ordinances to be valid, and you read them in
15 the way that makes them valid. So if someone interprets
16 "...and related financial reports" to mean that the Board
17 is saying the Clerk is not responsible for the general
18 ledger, and not only responsible, has that authority, then
19 that interpretation would be incorrect. But if you
20 interpret it as I do, which is that the Supervisor will be
21 preparing the budget with the Administrator and the
22 related financial reports that go with the budget, such as
23 getting information from the Clerk and the Treasurer, then
24 I don't see how it is a conflict between the two roles, or
25 that it would be illegal.

1 When Trustee Knol first asked the question, I
2 thought she was asking about a potential conflict between
3 the job description that you adopted recently and this
4 one, and my answer to that is that the Board can amend
5 motions and resolutions and ordinances as much as it
6 wants, and I'm not giving a political opinion on this,
7 whether it makes sense or not. And bodies do that all the
8 time. We see Congress and presidents make 180 degree
9 shifts in policy when someone new takes office. This
10 Board could do exactly the same thing.

11 So if you want to adopt a new Administrator's
12 job description every second Tuesday of the month from now
13 until your term's end, you have the legal authority to do
14 that. I would say that that would be ridiculous, but you
15 can do that.

16 I think I have answered the three things that I
17 thought I was being asked.

18 CLERK FLINTOFT: And one clarification. I read
19 it as "prepare and administer related financial reports."

20 TRUSTEE KNOL: Yeah. Me, too. I had a broader
21 interpretation of that.

22 SUPERVISOR HATHAWAY: I think -- I think -- I
23 think Attorney Fink has answered this question, that
24 people can read things into documents and they can come
25 away with an interpretation that is counter to what the

1 intent is of the language. That's possible to have
2 happen, and that if that happens, and it is, and that
3 interpretation is, you know, shows that there's a conflict
4 with a, you know, statute, that we can clarify that, "Oh,
5 no; that's not what it meant."

6 MR. FINK: My answer to that is you can have
7 your Administrator prepare and administer any report you
8 want as long as it doesn't infringe upon the statutory
9 authority of the Treasurer or the Clerk, and the
10 Supervisor I assume would be delegating some
11 responsibility and authority there. Well, delegating
12 authority. You can't delegate your responsibility.

13 So again, when you read that in the context of
14 the authority of the other elected officials, I don't
15 think that it creates a conflict.

16 UNIDENTIFIED SPEAKER: With the word
17 "administer."

18 MR. FINK: Because the Administrator cannot
19 usurp the Clerk's authority.

20 SUPERVISOR HATHAWAY: Trustee Courteau?

21 TRUSTEE COURTEAU: I wonder whether simply
22 substituting the word "analysis" for "report" is part of
23 what this issue hinges on, because this is not trying to
24 diminish any of those reporting duties of the Clerk. In
25 my reading of this it sounds like it's mainly financial

1 because I think we still have some issues. But, do we
2 want to go forward with the vote? You know, it's been
3 moved. I understand. And that can happen.

4 SUPERVISOR HATHAWAY: Clerk Flintoft.

5 CLERK FLINTOFT: Thank you.

6 On the motion, I just, I want to say one
7 clarification of what Jane said. When I referenced rules
8 of order, it is the single attorney privilege draft that
9 everybody has seen. There's not anything else there.

10 And I will say, you know, for my time since
11 being appointed clerk in June 2019, I made very clear that
12 -- you know, I think some things are being conflated here,
13 and if you all understand it and are still conflating it,
14 I want at least the public to be clear, that I made clear
15 to everybody at Township Hall that I would pursue the
16 nomination and run for clerk understanding that I would
17 take over supervision of the Finance Director and Finance
18 Manager from the then Township Manager. That's what's
19 done in an overwhelming number of townships. I don't -- I
20 don't know of others that don't have Finance under the
21 clerk. In small places like Webster, the clerk does
22 payroll themselves.

23 So I've observed from my time as Deputy Clerk
24 that, you know, while the Township I think has benefitted
25 from Donna's fiscal stewardship, the economic growth that

1 we were decades behind, and using fiscal information to
2 drive decision making. I saw how Finance staff had
3 concerns that they held close, could not get them before
4 the Board, and I had hoped that by elevating the Finance
5 Director and Manager from being stuck under the Township
6 Manager to a direct report to the Clerk, that we would get
7 more opportunities to the Board to hear directly from
8 Finance staff.

9 And so these issues aren't new since I've taken
10 them on. I think I have just brought them to light, and
11 we are trying to address them. The Board created, at my
12 recommendation, the Budget and Finance Committee in fall
13 2019. The first time we talked about these issues
14 publically. And despite the capacity building that we've
15 done, the coaching and the training, I remember it took me
16 two Board Meetings to get a conference approved for the
17 two Finance staff. They'd never been to a professional
18 conference before. I've come to the conclusion that our
19 Finance staff combined, despite working many hours, 50
20 plus hours a week, they simply do not have all of the
21 skills that we need to do the job we need done. And I see
22 Andy, I see new utilities directors. We're not going to
23 be able to seriously recruit and retain great department
24 heads without better central operations and fiscal staff.

25 We brought in Woodhill last spring. They've

1 done an outstanding job, and they're frustrated, you know,
2 that we haven't embraced more of their forward-thinking
3 recommendations. But they have for the first time
4 implemented a capital improvement plan. We've never had
5 one. Doing the water rate study, which we'll hear more
6 about, reformed our utility billing system, and have
7 showcased for the Board what a more robust capital
8 planning and budget process could look like.

9 They've also helped the Township begin to use
10 more components of BS&A Enterprise software to make our
11 processes more efficient because a lot of what our staff
12 is doing is breaking under these inefficient processes.

13 That said, in all of our discussions we have
14 needed additional Finance staff. Additional Finance
15 staff. And I believe, not junior staff as Will is
16 proposing, but additional Finance staff who are more
17 senior; have more experience, more analytical skills,
18 ability to present and visualize display data, provide the
19 independent reporting that we all need for our Township
20 operations.

21 As you know, this has been a mission of mine,
22 and so when on Friday I was presented with the org chart,
23 and this plan, this proposal, Jane and Donna, goes right
24 into that, of eliminating the position of Finance
25 Director, and so we would eliminate a position when we

1 need to expand.

2 We're already behind our legally required
3 monthly reports. Donna has shared she's behind on her
4 legally obligated investment reports. I am so
5 enthusiastic about the full-time Deputy Treasurer that
6 we've approved. And I'm enthusiastic about Will's
7 interest in taking on the budget. I think this is -- I'm
8 glad he's got an interest in that and have him take that
9 on. And if he wants the Deputy Treasurer to take on the
10 budgeting responsibilities, I think that's wonderful.
11 I've said this openly and repeatedly. Typically it's the
12 Finance Director, but if it's the Deputy Treasurer, that's
13 fine.

14 But I insist on retaining two positions. We
15 will likely are at risk of losing our other person if we
16 go this path, and I think she has made that very clear to
17 me and directly to Will earlier today. So I insist on
18 retaining both the Finance Director and Manager position
19 under the Clerk, and I oppose any shifting of Finance to
20 the Supervisor Treasurer staff.

21 I agree, we need more capacity. When I joined
22 here, this was the most undertrained group of people I've
23 ever met. Love 'em to death, love working with everybody,
24 but undermanaged and undertrained. And I think with
25 Diane, with Andy, with all the good leadership we're

1 bringing in, people are really rising to the occasion.

2 I will say specifically on the Township
3 Supervisor job description, I am lamenting that we don't
4 have a better draft since we had so many different
5 versions before. I oppose the Budget and Finance Director
6 suggested creation under supervises. I don't believe that
7 MCL 41 allows Finance to be under the Supervisor. I will
8 say that again and again. This problem will not go away
9 after tonight's vote.

10 Meetings. I object to this paragraph in the
11 words of making conduct-based interventions and setting
12 date and time for special meetings. It goes beyond
13 anything that's contemplated in the rules of order. And
14 so while I believe the intent is good, I think the
15 language is imprecise. And if this is adopted by
16 resolution, this will prevail over rules of order.

17 Appointments. Again, I'd like to revisit.
18 While I believe the Supervisor does a nice job of reaching
19 out, I think other Members of the Board should be able to
20 bring nominees for certain commissions. I think it's
21 wonderful that you're working so hard with Doug and
22 appreciate your work on enforcement, Will.

23 The Budget. Again, this is set annually by the
24 Board on who prepares the budget. As CAO it is the annual
25 financial report, the F-65, as well as requesting an

1 extension for the audit. I think the Board should empower
2 the Supervisor to do that for this year but not codify it
3 in a job description.

4 I oppose supervise -- I oppose the language
5 under Direct Report, second paragraph:

6 "...any such budget amendments as may be
7 necessary or appropriate thought the year for
8 BOT approval."

9 We have worked so hard to engage our wonderful
10 department heads, like the fire chief, and not have
11 everything get bottlenecked. So again, budget amendments
12 should stay with those in charge of the budgetary center.
13 Obviously if there's a big one, but I don't want it
14 getting bottlenecked with a Supervisor Administrator. All
15 of our department heads have access to the GL. They're
16 using the system for the first time just this year.

17 Again, no budget in Finance Director.

18 Administration, page 2, Chief Administrative
19 Officer. I have a question for Will, if you can answer
20 when I just finish the list here, what do you mean by
21 Chief Administrative Officer? We use that term in the
22 personnel policy. Is that what it's referring to? And
23 just, because I don't think that's from the budget
24 statute, so I'm wondering what that means.

25 You are not the Chair of the Board's Budget and

1 Finance Committee. The Clerk, I am the Chair of the
2 Board's Budget and Finance Committee. If this is a way of
3 changing the September 2019 resolution that the Board
4 passed with a Committee charge to make you the Chair, I
5 think this is a pretty inappropriate way to try to sneak
6 that change in. If it's in error, please say so.

7 The contract negotiation and oversight,
8 certainly I saw some something about that, along with the
9 Supervisor and Clerk splitting contract management, the
10 Township Administrator's job description. Again, I would
11 hope the Administrator would administer most contracts,
12 but certainly there's always a role.

13 I oppose the paragraph on financial reporting
14 and audit function. Again, the audit is of all the
15 records of the Township which belong a few to you, some to
16 the Treasurer and mostly under the purview of the Clerk.

17 I don't know where you're getting the language
18 of the, "...by statute, must be audited." If you see MCL
19 41.110a, you will see that those two are I believe
20 separate items, Will. We have the external audit, and
21 then there is also a annual financial report, the F-65
22 you'll upload.

23 I oppose the Supervisor overseeing the audit and
24 the selection of the auditor. Again, that is a Board
25 decision. It is the Board obligation to complete the

1 audit. Under MCL 141, we should always be opening up and
2 making a very deliberate decision. I think that is a
3 dangerous delegation of authority to put that to one
4 person.

5 Human Resources, I suggest cutting altogether.
6 We have an Administrator who will be overseeing a human
7 resources generalist. That seems sufficient.

8 Township Growth. I think that is a great
9 paragraph. We had better language months ago. Where did
10 this go? The general idea is good.

11 Legal. Certainly you are our Township's
12 designated agent; however, "...implement administrative
13 actions such as land divisions," I would prefer a little
14 more clarity about which administrative actions. Maybe
15 it's just land divisions, maybe it's others.

16 Meeting Agenda, I oppose. Again, this goes
17 beyond what is in the proposed rules of order. I would
18 suggest that the Board strike that, and instead just table
19 that for the rules of order. That would take care of it.

20 Legislation. "Act as chief legislator." That's
21 not a thing. This is -- and I'm sorry for my curtness,
22 but I have given Will this feedback, as have all the
23 committee members feedback over two months, and none of it
24 was integrated. Chief legislator is not a thing. In
25 fact, you know, there are seven equal voices. We are

1 seven equal legislators, and I don't think any one of us
2 is the chief.

3 Communications. I, while I appreciate a lot of
4 the spokesman -- spokespersonship for the Township does
5 fall on you, I certainly would want to make clear you're
6 not the only one to write on behalf of the Township. I
7 think this difference of perspective came up in discussion
8 of correspondence when some Board Members have asked me to
9 include Will's emails as Township response. A message
10 from Will or a message from Jessica is just that, and must
11 be -- have been authorized by the Board to speak more
12 broadly on behalf of everybody.

13 And again, I oppose the review and approval of
14 the newsletter because I have seen firsthand your concern,
15 and it was regarding when I mentioned that the Board had
16 established a committee to look at the administration.
17 And so certainly not controversial or inappropriate, and I
18 think really well within the news of the Township.

19 The Township Administrator, I would ask -- I
20 still object to the related financial reports. I don't
21 believe that that meets the statute. That will continue
22 to be an issue for the Township if the Board takes this
23 action tonight. And I will say also, part of why I was so
24 disappointed to see this packet is because we did just
25 have a 7-0 vote on July 27th, and so I would ask to be

1 ever so clear with our candidates, with our recruiter,
2 with everybody that Diane's going to have to update, I
3 would ask to make this clean. If a majority of this Board
4 wants to go forth with revising this to please first
5 rescind the motion that first adopted the one on July 27th
6 so we have a very clean record of which one has been
7 adopted.

8 That's all.

9 SUPERVISOR HATHAWAY: Are there other comments
10 from the Members of the Board of Trustees?

11 TREASURER PALMER: I have a question regarding
12 definitions. And this may -- Jim, you may have to chime
13 in on this.

14 MR. FINK: (Unintelligible).

15 TREASURER PALMER: What is the ramifications, I
16 don't know how else to state it, between a motion and a
17 resolution?

18 SUPERVISOR HATHAWAY: Jim?

19 TREASURER PALMER: They're both Board actions,
20 but.

21 MR. FINK: They're both Board actions. The way
22 I understand it, without doing any research in answering
23 your question, is that the Board takes action in three
24 ways. You pass motions. You adopt resolutions which are
25 a little more formal.

1 TREASURER PALMER: Right.

2 MR. FINK: And you enact ordinances. And
3 there's a hierarchy so that an ordinance carries more
4 weight and would supersede a resolution or a motion to the
5 contrary, and the -- this hasn't come up at a Board
6 Meeting, but it has come up I think with the three of you
7 where we've had conversations where if you pass a
8 resolution, the way to rescind it or amend it is to either
9 adopt a new resolution or an ordinance. A motion would
10 not be sufficient.

11 TREASURER PALMER: Okay.

12 CLERK FLINTOFT: And Donna, this is a motion to
13 adopt a resolution.

14 TREASURER PALMER: But see that, I wanted that
15 clarification --

16 CLERK FLINTOFT: Uh-huh.

17 TREASURER PALMER: -- in a step by step --

18 CLERK FLINTOFT: Uh-huh.

19 TREASURER PALMER: -- process that we have to
20 take. Because I'm going to go back again to these job
21 descriptions. I do not want to set in stone something
22 that another group is going to say, "No, no, no, Mr.
23 Supervisor or Mr. Administrator," oh, I shouldn't say
24 Mister, "We are going to have you do this." And I think
25 it would be better to think about motions and some of

1 these actions we need to take, versus resolutions. And of
2 course I wasn't thinking ordinances because that, in my
3 understanding and my thinking, is a whole different
4 ballgame not related to this. But I appreciate the
5 clarification of the, you know, the wording.

6 SUPERVISOR HATHAWAY: Trustee Vogel?

7 TRUSTEE VOGEL: So I really support that
8 thinking. It's really been in conversations just
9 casually. Conversations are of value with lots of people.
10 You've had lots; lots of folks talked with lots of folks.
11 There's nothing nefarious about that.

12 I really want to support what Donna is saying,
13 and I think we've got to put these two position
14 descriptions in a format that recognizes -- here's the
15 line we have to walk. We have to get something clear
16 enough so we can set this new Administrator up for
17 success. Right?

18 UNIDENTIFIED SPEAKER: Yep.

19 TRUSTEE VOGEL: But it needs to be flexible
20 enough to evolve, depending on the skillset that happens
21 and the experience that's going to be walking through the
22 door. So I'm going to put Jim on the spot yet again, but
23 you've got a little bit of time, what should be the
24 format?

25 I'm kinda guessing we're maybe moving in a

1 direction of a motion. But I guess what I want to do, out
2 of respect for the strength of the Clerk's conviction, I
3 hope I can be as graceful as Trustee Courteau in making a
4 couple of suggestions, because I think the intent is good,
5 but the words could be misread.

6 On the Appointments I think we should say "Work
7 in partnership with the Board to nominated individuals."

8 On the Direct Reports, in that second section
9 say, "Work with department heads on any budget
10 amendments," because that is where the expertise is, so
11 let's just make those two little changes.

12 So again, Appointments, "Work in partnership
13 with the Board."

14 On the Budget piece, just get the phrase where
15 it belongs, "...in partnership with the department heads,"
16 because that's where the expertise is, right?

17 Let's keep going.

18 MR. FINK: Let me throw a wrench in real quick.

19 TRUSTEE VOGEL: Oh, okay.

20 MR. FINK: And I'm sorry. And it won't
21 necessarily change what you decide to adopt or even that
22 language, but if a statute or an ordinance says that the
23 Supervisor nominates someone, the "work with partnership
24 and the Board" --

25 TRUSTEE VOGEL: Oh.

1 MR. FINK: -- would not prevent the Supervisor
2 from nominating someone under the statute --

3 TRUSTEE VOGEL: Oh, yeah. Certainly. So, so
4 the, just the phrase has to change. And ultimately he
5 does appoint. We just found this fantastic person who is
6 going to join TAP. We recommended that to the Supervisor.
7 He's going to be the -- what? What?

8 SUPERVISOR HATHAWAY: I just want to clarify the
9 language and, because I think we're getting into the weeds
10 here.

11 TRUSTEE VOGEL: We are in the weeds.

12 SUPERVISOR HATHAWAY: We're getting into the
13 weeds and it's going to make the meeting go very long.

14 TRUSTEE VOGEL: We can't.

15 SUPERVISOR HATHAWAY: It's going to derail this.

16 TRUSTEE VOGEL: We can't.

17 SUPERVISOR HATHAWAY: So I would like to clarify
18 that all of this language has been gone over very
19 carefully to make sure that it complies with statute. The
20 nominating function, the nominating authority is to put a
21 name of somebody --

22 TRUSTEE VOGEL: Right.

23 SUPERVISOR HATHAWAY: -- for a position before
24 the Board of Trustees for appointment. So the appointment
25 is actually an action by the Board of Trustees. All we're

1 talking about is the nominating of a person to be --

2 TRUSTEE VOGEL: Fine. Fine.

3 SUPERVISOR HATHAWAY: -- considered and voted on
4 by the Board of Trustees.

5 TRUSTEE VOGEL: All right, then -- then I'm
6 going to say, I am good with this. My motion's going to
7 stand.

8 And I hear all this public concern, and I just
9 support Trustee Jerome, nobody's trying to consolidate
10 power. Nobody's -- nobody's doing anything nefarious
11 here. I promise. I know this man. I'm getting to know
12 Jessica. I know them to be exactly like was said, people
13 of good will. I am confident -- I hope I -- I hope -- I
14 hope this is going to be true, we can find a way to work
15 together.

16 But Jessica, I know you've got so many ideas and
17 so many initiatives and so many good intentions. They
18 only come to fruition if we work together. And, and I
19 think that I support, and I recognize how hard this will
20 be, I do support some fine tuning within the finance
21 function to both strengthen it and get this three-legged
22 stool built in. And that's nobody grabbing power; that is
23 ensuring and feeling confident that we can deliver the
24 finance function and manage the finances acceptably.

25 So I stand by this and I will stand by my motion

1 with whatever the right language is.

2 SUPERVISOR HATHAWAY: I just want to clarify,
3 and you can correct me if I'm wrong, Jim, but so a
4 resolution sort of supersedes a motion, and an ordinance
5 sort of supersedes a resolution in terms of sort of, you
6 know, ruling, you know, what rules in terms of --

7 MR. FINK: I would suggest we never have to
8 answer that question, but yes. The real point is that if
9 the Board has adopted a resolution and you want to change
10 it, you need at least a resolution to make that change.

11 SUPERVISOR HATHAWAY: Right. That's, I guess
12 that's what I was trying to get at. Thank you for saying
13 it so much better.

14 So really, in order to change this, all we need
15 to do is have another resolution. It's pretty
16 straightforward. I mean, in terms of your concern that
17 you were raising, Donna, I think in terms of the
18 flexibility, all we need to do in order to make a change
19 in this is make another resolution at another, you know,
20 meeting of the Board of Trustees and we can change this.

21 TRUSTEE VOGEL: Continuing to evolve it.

22 SUPERVISOR HATHAWAY: Yes.

23 TRUSTEE VOGEL: We have to.

24 SUPERVISOR HATHAWAY: Exactly.

25 TRUSTEE VOGEL: We have to, but we need a

1 baseline to work from.

2 SUPERVISOR HATHAWAY: Right, and --

3 TRUSTEE VOGEL: This is the baseline that I
4 think we need to be working from.

5 SUPERVISOR HATHAWAY: Thank you.

6 And I just want -- I don't want to get into a
7 big debate with --

8 TRUSTEE VOGEL: No. No, we can evolve this --

9 SUPERVISOR HATHAWAY: -- with the Clerk about
10 all of the different points, but I do want to say that in
11 some ways this is the point: we are here today with the
12 Board of Trustees, and this resolution would put the Board
13 of Trustees on the record as saying, "Yes, there are
14 certain things that we want these positions to be able to
15 do, and we are," you know, "voting in order to communicate
16 that so that we can go forward, and that person can sort
17 of do those things; that position can do those things for
18 the Township." And that I think was an important point
19 that several people brought up; that this is not about,
20 you know, me grabbing power. This is about trying to
21 figure out as Board of Trustees how to allocate the
22 Board's authority in a way that serves the needs of the
23 Township.

24 Now, people can disagree about that and I, you
25 know, obviously there is disagreement about that. But

1 that's -- that's what this is about. That's what this
2 intent is of this. It's not anything beyond that.

3 And I just want to point out that the linkage of
4 the compensation with this job description was actually
5 something that we talked about at some length in the
6 administrative structure committee last spring, and these
7 two things were I, you know, the way that it was
8 communicated, these were to travel together. And last
9 spring because we weren't quite ready with the job
10 description and all of that, we deferred this question of
11 compensation, and at the time the understanding that I was
12 given was that it didn't matter because whenever we got to
13 it, we could make the compensation retroactive to the
14 beginning of the fiscal year. And the sort of nasty
15 surprise that popped out in the last 24 hours is, "No,
16 that's actually not true." So not only did I work, have I
17 worked full-time since last November 20th as the
18 Supervisor for half-time salary, now, because this truth
19 has emerged, it's clear that since the beginning of the
20 fiscal year, April 1st up to this point, I've also been
21 working and, and likely will always be compensated at
22 half-time for full-time.

23 And I know some people were saying 60 to 70
24 hours a week, and thankfully it hasn't approached that,
25 but it has been a lot. It's been more like 50 to 60 plus

1 hours a week on a regular basis. And it's not because I
2 can't manage my time. It's just there's that much that
3 needs doing, and there's -- we're that short staffed that
4 so much of the work that needs doing is flowing to the
5 Supervisor. So there's a couple of things going on there,
6 and part of it, I honestly, I want to put this out there,
7 I care about doing this job well, and it takes time to do
8 this job. I don't know how prior Supervisors managed to,
9 you know, characterize it as a part-time job. I don't
10 know how it's -- how you could have done that at any
11 point, but certainly not now, and that hasn't been my
12 experience of it.

13 And so we have today a chance to sort of do what
14 has been sort of a pending issue since at least last
15 spring, and clarify what it is exactly that the Board
16 wants this position of Supervisor to do, as a Board, and
17 put it out there. And it is linked with the Township
18 Administrator position, and therefore that's put forward,
19 too. There are some minor changes to that. I don't think
20 it requires a rescinding of an earlier job description to
21 amend a job description, and the compensation sort of goes
22 along with it. It does.

23 So I know it's, you know, Jane I can hear you.

24 TRUSTEE VOGEL: Yeah.

25 SUPERVISOR HATHAWAY: You know, you were trying

1 to wrestle with the imperfection of that situation, but it
2 is what it is --

3 TRUSTEE VOGEL: It is what it is.

4 SUPERVISOR HATHAWAY: -- in terms of the reality
5 of the law, and, you know, it's unfortunate that, you
6 know, we were operating, I was operating under, you know,
7 some bad advice I guess, and some incorrect advice, that
8 the, a compensation could be fixed at any point back to
9 the, you know, beginning of the fiscal year. That's just
10 not true. So, you know, basically we're starting from now
11 to correct, I think, in my view, to correct a situation
12 where somebody who's been working full-time in this
13 position, me, you know, has been doing it for half-time
14 salary. And I don't think anyone would argue that
15 somebody who's working full-time, 60 hours a week, should
16 be paid half-time; that that's somehow right. So that's
17 the question I think that is before us with this motion
18 that you've made and the next motion --

19 TRUSTEE VOGEL: Right.

20 SUPERVISOR HATHAWAY: -- that is sort of a
21 companion to it.

22 TRUSTEE VOGEL: Right. Right.

23 SUPERVISOR HATHAWAY: And I --

24 TRUSTEE VOGEL: Should I do the first one first
25 and get that vote done, and then have the second one?

1 SUPERVISOR HATHAWAY: Well, yes except that I
2 want to make sure that all Members of the Board of
3 Trustees who have not yet spoken to this have a chance to
4 speak to it. I guess everyone has spoken to it, which
5 means that -- I know Kathy, I see your hand raised.
6 Rather than giving another round of comments, I'd like to
7 open it up to the public who have not yet spoken on this
8 issue. So if there's someone who didn't speak during the
9 public comments on this topic at the beginning of the
10 meeting, I would like to make that opportunity available
11 to those members of the public.

12 PUBLIC COMMENT

13 CLERK FLINTOFT: All right. We have, first up
14 is Sandra Egeler, Sandy, followed by David Read.

15 SUPERVISOR HATHAWAY: David actually already
16 spoke.

17 TRUSTEE VOGEL: Uh-huh.

18 CLERK FLINTOFT: I don't know how you determine
19 the topic without asking him.

20 SUPERVISOR HATHAWAY: Okay. But it --

21 CLERK FLINTOFT: I know, I just --

22 SUPERVISOR HATHAWAY: He already spoke to this
23 topic --

24 CLERK FLINTOFT: Okay.

25 SUPERVISOR HATHAWAY: -- and this is the topic.

1 CLERK FLINTOFT: Okay. Okay.

2 Sandy, I can't hear you. Let me move forward.

3 MS. EGELER: No, I'm here.

4 CLERK FLINTOFT: Oh, hi, Sandy. You're on.

5 MS. EGELER: I need to say I am completely
6 offended that Trustee Knol threw my name, threw out my
7 name implying I have done something underhanded or
8 nefarious. I want to be clear. I have never participated
9 in a meeting with the Supervisor, Treasurer, and a member
10 of the public. In fact, I have been on medical leave for
11 the past three-and-a-half weeks due to a severe illness
12 that had me hospitalized for three nights. I have always
13 responded to anyone's questions to the extent allowed by
14 law. To throw out my name is completely disrespectful to
15 me as a staff member, and is completely improper. These -
16 - many of these changes involve me. I completely support
17 moving forward with them.

18 Thank you.

19 CLERK FLINTOFT: Thank you, Sandy.

20 Next up is David Read if you haven't already
21 spoken on this item.

22 MR. READ: I simply want to say that there's no
23 question that the Township needs more staff. I agree with
24 Jane, I agree with Alec. There's no question. What I --
25 what I have a problem with is the fact that the curious

1 nature, perhaps one might even say devious nature by which
2 the changes have been made to this job description. The
3 job description was approved by the Board 7-0, and now at
4 the last minute the job description is brought back and
5 with changes, and everybody's shocked at the fact that
6 nobody -- that we're not allowed to talk about it. I
7 think it's bad policy to approve job descriptions that
8 have phrases that can be interpreted different ways
9 because one person can interpret it any way they want,
10 another person can interpret it the way they want, and
11 there's going to be problems (unintelligible) clarity.
12 (Unintelligible) that Jessica --

13 CLERK FLINTOFT: David, we're having trouble
14 hearing you.

15 MR. READ: -- (unintelligible) to the Board.

16 SUPERVISOR HATHAWAY: I -- I think we've heard
17 David already --

18 MR. READ: Okay, well --

19 SUPERVISOR HATHAWAY: -- on this topic, and if
20 there are other people in the members of the public --

21 MR. READ: Why we need to elect (unintelligible)
22 --

23 SUPERVISOR HATHAWAY: -- who have not already
24 spoken on this topic who would like to speak, that's this
25 -- that's the time -- this is the time --

1 CLERK FLINTOFT: I see a hand for Kathleen
2 Brandt.

3 SUPERVISOR HATHAWAY: Kathleen Brandt has
4 already spoken on this topic.

5 MS. BRANDT: I have not spoken on this topic. I
6 have spoken before actually to the comments about rules of
7 order. I would respectfully request to comment on the
8 compensation issue.

9 CLERK FLINTOFT: Yes.

10 MS. BRANDT: Okay, that -- that -- that little
11 thing was infuriating because that's what I noticed was
12 inserted in the change in the public comments that --
13 anyway, I will get on with what I wanted to talk about.

14 So if I understand the last little bit of
15 discussion there, it seems the Board is going to vote on
16 raising the Supervisor's salary. And I want to point out,
17 Michigan statute MCL 41.95, the Board by ordinance, and we
18 know ordinances are at the higher level, an ordinance was
19 created for the compensation commission. The commission
20 effective date, the ordinance effective date was July the
21 7th, and in that ordinance it says members should
22 appointment within 30 days after ordinance. Okay, so the
23 Board of Trustees is not in compliance with the ordinance.
24 You have not put in the compensation commission.

25 Further I want to make a comment, a reference

1 from a presentation made by the Michigan Township
2 Association. This is titled General Law or Township Law.
3 This is dated November 2016. This is in the presentation
4 under the compensation chapter on page 10. This is about
5 setting salaries. This states if a compensation
6 commission is established, the Township Board cannot set
7 the salary for any of the four Township officers; for
8 instance, the Supervisor, Trustee -- Treasurer or Trustee.
9 It further states that by law, once the determination it
10 not be retroactive. I'm glad that the Supervisor has
11 learned that point of the law.

12 I will also suggest that if this continues, and
13 this is direct in contrast --

14 TRUSTEE JEROME: Thirty seconds.

15 MS. BRANDT: -- this is in direct -- is
16 completely against the compliance of MCL 41.95, you will
17 see residents take action on this. This would be action
18 that Mr. Hathaway would be familiar with, since he did the
19 same thing in 2017 against the Mayor of the City of Ann
20 Arbor himself, and I believe Mr. Harding that he took
21 legal action to correct something the City of Ann Arbor
22 did. So I think we would be forced to take legal action.
23 Thank you.

24 CLERK FLINTOFT: Thank you, Kathleen.

25 Member just by the name of iPhone, followed by

1 Rob Pattinson. iPhone?

2 MS. OWINGS: Hello, can you hear me?

3 CLERK FLINTOFT: Yes. Who are we speaking with?

4 MS. OWINGS: Hi. This is Alice Owings, and I am
5 the interested citizen with a background in municipal
6 finance who sent out the scary, nefarious emails this
7 weekend. I would like to sort of object to the deliberate
8 attempt to miscast my email. Nowhere does it mention that
9 there was ever any meeting because there was none. So
10 Trustee Knol, I -- I would love for you to revisit that.
11 It does seem that you're trying to discredit me, and I
12 guess, you know, everyone is familiar with my long history
13 of trying to voice my concerns about the Township budget
14 and the finances. So with that background, I'm going to
15 read you just a little bit of the email that frankly I
16 guess I thought might be in a meeting packet or something
17 like that. It's certainly not secret, given that I sent
18 it to the entire Board of Trustees and the auditor and the
19 attorney and Sandy Egeler. So there's nothing secret
20 about it, and let me read:

21 "So given my concerns about Scio's
22 financial management, I've been awaiting
23 implementation of the changes to the Scio
24 Board of Trustees approved May 11th when they
25 adopted the Township Administrator model.

1 Accordingly, I've been volunteering my
2 efforts to support the development of a new
3 organizational framework for Scio's financial
4 staff. Please find a chart that I prepared,
5 which is designed to show the statutory
6 grounding for each position, as well as
7 duties that may be attendant or assigned
8 within a newly structured Scio finance
9 department. I invite Township Attorney Jim
10 Fink to review this finance reporting chart
11 and ask that he alert us of any errors or
12 omissions he finds upon his return Monday,
13 August 16th. I hope by taking this step we
14 can settle any lingering doubts on the
15 appropriate delegation of authority from
16 statute prior to the Special Meeting on
17 August 17th."

18 So far from trying to pull a fast one or sneak
19 anything by anybody, I, who I'm not team Jessica and I'm
20 not team Will, I'm just trying to get the budget and the
21 finances worked out. And getting slandered by you --

22 TRUSTEE JEROME: Thirty seconds.

23 MS. OWINGS: -- that somehow this is nefarious.
24 So I reached out to Catherine McClary, she's the Washtenaw
25 County Treasurer, for support on this, and I made that

1 very clear in my email. And that you want to disparage me
2 simply because you've decided that's a good political
3 tactic is too bad. But I will be interested if you will
4 then seek to disparage her as she expressed support of the
5 chart and the plans and the financial structure.

6 Thank you.

7 CLERK FLINTOFT: Thank you, Alice.

8 Next up is Rob Pattinson. Rob?

9 MR. PATTINSON: Thank you.

10 First of all, I'd like to thank Alice Owings for
11 clarifying the issues that have been raised. I think that
12 takes a lot of courage, number one, and number two, I
13 appreciate her detail in clarifying that.

14 And I also initially wanted to speak to say that
15 it has been exhausting to watch this Board for the last
16 several months, and in particular today it was actually
17 heartbreaking how broken this group is. And I hope you
18 find a way to work together and figure this out because we
19 are suffering because of your inability to work together.

20 Thank you.

21 CLERK FLINTOFT: Thank you, Rob.

22 I see no other interested public.

23 TRUSTEE VOGEL: Can I?

24 SUPERVISOR HATHAWAY: Trustee Vogel.

25 TRUSTEE VOGEL: I do want to understand an

1 issue. This is a Special Meeting of the BOT. There was
2 correspondence that came in. Why was that not included in
3 the deck?

4 CLERK FLINTOFT: I typically don't -- only do
5 the correspondence for the regular meetings, just like we
6 do with the minutes. That's just been our protocol.

7 TRUSTEE VOGEL: Okay.

8 SUPERVISOR HATHAWAY: So presumably
9 communications that have come in --

10 TRUSTEE VOGEL: Yeah.

11 SUPERVISOR HATHAWAY: -- since our last regular
12 meeting will be included --

13 TRUSTEE VOGEL: Okay.

14 SUPERVISOR HATHAWAY: -- in correspondence.

15 CLERK FLINTOFT: I do it over a period of time.

16 TRUSTEE VOGEL: I see. Okay.

17 SUPERVISOR HATHAWAY: If I understand you
18 correctly.

19 TRUSTEE VOGEL: So where are we?

20 SUPERVISOR HATHAWAY: Now we are at the point of
21 calling the question. So, since we've heard from the
22 public and we've heard from the Members of the Board of
23 Trustees, please call the roll on the --

24 CLERK FLINTOFT: May I make one more comment?

25 SUPERVISOR HATHAWAY: I don't think so. I think

1 we've had rounds of comments, we've had lots of speeches -
2 -

3 CLERK FLINTOFT: I want -- I want to make sure
4 the Board understands what this resolution -- what the
5 function of the resolution will do over the motion.

6 SUPERVISOR HATHAWAY: The motion -- the motion
7 is to adopt the resolution.

8 CLERK FLINTOFT: I know. There was a question
9 before about what the resolution does --

10 TRUSTEE VOGEL: I think the attorney clarified
11 it.

12 CLERK FLINTOFT: -- that a motion would -- did
13 he?

14 TRUSTEE VOGEL: I think we're good.

15 SUPERVISOR HATHAWAY: I think so.

16 CLERK FLINTOFT: Jim, did you clarify what it
17 would do related to the resolution for the Budget and
18 Finance Committee?

19 MR. FINK: I don't think we talked about the
20 Budget and Finance Committee.

21 CLERK FLINTOFT: Right.

22 SUPERVISOR HATHAWAY: Well, I think that issue
23 was raised and you -- you -- it was among your list of
24 things that you found --

25 CLERK FLINTOFT: Yeah.

1 SUPERVISOR HATHAWAY: -- to be at fault with
2 this, and I don't know that we need another bite at the
3 apple. I think we need a vote of the Board of Trustees
4 and then we need to move on to the next item.

5 CLERK FLINTOFT: And I would ask that my
6 colleagues deliberate in public where you're supposed to.

7 TRUSTEE VOGEL: We are.

8 TREASURER PALMER: Just a minute. The motion is
9 moved by Vogel, support by Palmer that the Scio Township
10 Board of Trustees approves the resolution adopting job
11 descriptions for Supervisor and Township Administrator.
12 That means we are voting on a resolution. That's what's
13 before us.

14 TRUSTEE VOGEL: Uh-huh.

15 SUPERVISOR HATHAWAY: Please call --

16 TREASURER PALMER: And it's a motion to do that.
17 Excuse me, Will.

18 SUPERVISOR HATHAWAY: Sorry.

19 Please call the roll.

20 CLERK FLINTOFT: I have one legal question. Is
21 that an order? It's specific.

22 MR. FINK: What was the question?

23 CLERK FLINTOFT: My question is does this
24 resolution that changes -- that adopts the Supervisor's
25 job description supersede the resolution that adopted the

1 Board's charge of the Budget and Finance Committee?

2 MR. FINK: I can't answer that. I have not
3 looked at those two side by side to answer the question.

4 TRUSTEE VOGEL: Let's recognize that as an open
5 issue.

6 SUPERVISOR HATHAWAY: Please call the roll.

7 CLERK FLINTOFT: Hathaway.

8 SUPERVISOR HATHAWAY: Yes.

9 CLERK FLINTOFT: Palmer.

10 TREASURER PALMER: Yes.

11 CLERK FLINTOFT: Flintoft. No.

12 Courteau?

13 TRUSTEE COURTEAU: Yes.

14 CLERK FLINTOFT: Jerome.

15 TRUSTEE JEROME: Yes.

16 CLERK FLINTOFT: Knol.

17 TRUSTEE KNOL: No.

18 CLERK FLINTOFT: Vogel

19 TRUSTEE VOGEL: Yes.

20 CLERK FLINTOFT: Motion passes five to two.

21 TRUSTEE VOGEL: Could I -- I'm going to stick my
22 head out, and I'm going to make the motion -- oh no, it's
23 this one. The resolution establishing the salary of the
24 Supervisor. I'm making a motion.

25 SUPERVISOR HATHAWAY: Is there support?

1 TREASURER PALMER: Well, I'll support it.

2 SUPERVISOR HATHAWAY: All right. So move by
3 Vogel, support by Palmer. We've already had comments.

4 TRUSTEE KNOL: Oh.

5 TRUSTEE VOGEL: Have we?

6 SUPERVISOR HATHAWAY: Yes, we have. This is an
7 Agenda Item. We've already had comments --

8 TRUSTEE VOGEL: From the public. What about
9 from us?

10 SUPERVISOR HATHAWAY: If you would -- I guess if
11 Members of the Board of Trustees feel that they would like
12 to make another comment on this resolution, we can make
13 time to do that.

14 TRUSTEE VOGEL: I do have a brief comment.

15 TRUSTEE KNOL: So do I.

16 SUPERVISOR HATHAWAY: Okay, Trustee Vogel.

17 TRUSTEE VOGEL: I think that there is just a
18 significant unfairness here. We have the money in the
19 budget. We had an assumption that we could delay this
20 decision because we could go retroactive to April, and now
21 we find out and are informed that we can't do that. So I
22 think we should approve this. It's the compensation to go
23 along with a full-time position, and then that's done.
24 But I want to leave the door open to exploring what is
25 legally possible back to the beginning of the fiscal year.

1 Because it's -- it's just an unfairness. I mean, the
2 previous Supervisor without a Manager was paid full-time.
3 And the previous Board chose to take that compensation
4 back to half-time. And there was probably a reason for
5 that.

6 But the reality is, unlike the previous
7 Supervisor without a Manager, we're paying, we're
8 continuing -- we are presuming to pay this person half-
9 time, even though it is, without the Manager especially, a
10 full-time commitment. So I'm making this motion as it
11 stands, the second one that acknowledges we can't go
12 retroactive, but as a Board I want us to explore options
13 so we can make this whole. That's all I want to say.

14 SUPERVISOR HATHAWAY: Trustee Knol, do you still
15 want to speak?

16 TRUSTEE KNOL: Yes. So we heard from a resident
17 that once a budget, or a compensation commission has been
18 established, that it isn't within the purview of a
19 Township Board to raise the salary; that that should be
20 done by the compensation commission. And I would like to
21 clarify that with our Township Attorney. Is that correct,
22 Jim?

23 MR. FINK: As much as I try to avoid answering
24 on the spot legal questions, that does not appear to be
25 correct to me. I just looked at the statute when I heard

1 that. The statute does not say that the Board shall not -
2 - shall not establish a salary. It's clear that when
3 there is a compensation commission established by
4 ordinance, that's the compensation commission's purview,
5 and the Board follows the statutory scheme in either
6 rejecting it or accepting it. But the statute doesn't say
7 anything about the gap between when the Board adopts an
8 ordinance and when the compensation commission is first
9 established, which it's not, and when the compensation
10 commission makes this determination the statute is clear
11 that the compensation commission's determination starts
12 with the next fiscal year. And so this resolution as I
13 understand it really just takes the Supervisor's salary up
14 until the next compensation commission determination.
15 Although I will point out that if the compensation
16 commission's recommendation was rejected by the Board, the
17 Supervisor's salary would stay at whatever it was at that
18 point.

19 But, so that was a long way to say, no, I don't
20 think that what we heard from the citizen was accurate.
21 I'm not disparaging the person. It's just not the way I
22 read it in the last few minutes.

23 TRUSTEE KNOL: Okay. Thank you.

24 SUPERVISOR HATHAWAY: In that case, I'd like to
25 proceed and call the roll.

1 CLERK FLINTOFT: Hathaway.
2 SUPERVISOR HATHAWAY: Yes.
3 CLERK FLINTOFT: Palmer.
4 TREASURER PALMER: Yes.
5 CLERK FLINTOFT: Flintoft. No.
6 Courteau.
7 TRUSTEE COURTEAU: Yes.
8 CLERK FLINTOFT: Jerome.
9 TRUSTEE JEROME: Yes.
10 CLERK FLINTOFT: Knol.
11 TRUSTEE KNOL: No.
12 CLERK FLINTOFT: Vogel.
13 TRUSTEE VOGEL: Yes.
14 CLERK FLINTOFT: Motion passes five to two.
15 SUPERVISOR HATHAWAY: Okay. That brings us to
16 Item F2. Item F2 is discussion only. It's the Scio
17 Township Organizational Chart with Township Administrator.
18 This is a discussion item, not an action item. We won't
19 be voting on this today.
20 The updated organizational chart represents the
21 evolving thinking about the best way to set up the
22 leadership and staff positions to best meet the full range
23 of complex Township needs. It is aligned with the job
24 description for the Township Administrator. It addresses
25 the separate statutory responsibilities of the three

1 officers, Supervisor, Clerk, and Treasurer, and it
2 respects each officers' statutory authority. For example,
3 the Clerk in this chart has a Finance Manager to provide
4 support for the Clerk's statutory responsibility for the
5 detailed accounting records of the Township, utilizing the
6 uniform chart of account prescribed by the state treasurer
7 and to prepare and maintain the journals and ledgers
8 necessary to reflect the assets, liabilities, fund
9 equities, revenues, expenditures for each fund of the
10 Township. That's based on MCL 41.65, and MCL 141.421.

11 The Treasurer in this chart has a Deputy
12 Treasurer to assist with cash receipts, tax collection,
13 tax reconciliation, tax roll, delinquent personal property
14 tax, special assessments, bond maintenance, et cetera.
15 That's MCL 41.78.

16 The Supervisor has a Budget and Finance Director
17 to assist with the budget, annual financial reporting to
18 the state, reports to the Board of Trustees, audit,
19 Downtown Development Authority, bond origination and
20 maintenance, bond counsel liaison, et cetera, parts of
21 which are included at MCL 141.424 and MCL 141.422.

22 The details of the relationship between these
23 various positions and the necessary financial controls to
24 ensure the essential separation of duties are not spelled
25 out in the organizational chart. This is the baseline for

1 a conversation that will further develop these positions.
2 Conversations with the Township's Auditor and the
3 Township's outgoing Assessor have convinced me that these
4 controls are achievable. As our Auditor explained,
5 financial controls matter more than particular job titles.
6 In addition, the County Treasurer reviewed this
7 organizational chart in a more detailed description of the
8 Division of Budget and Finance Responsibilities, and
9 deemed it a sound administrative plan.

10 So, I feel like we've already talked about this,
11 at least some of us at some length, so I would like to
12 remind everyone that there's no need to repeat things that
13 have already been said. We sort of got into this topic as
14 we were discussing the prior Agenda Item. So are there
15 Members of the Board of Trustees who would like to speak
16 to this who haven't already spoken to this?

17 Clerk Flintoft.

18 CLERK FLINTOFT: I want to make clear to the
19 public and the Board Members that I was not consulted on
20 any of this. So when you talk about working together, I
21 got it Friday. So if there was a deliberation in private
22 in violation of the OMA, then I don't know where you all
23 came to sudden agreement. And I'm very serious about
24 this. This eliminates a Finance Director position. It
25 cuts it out. I have a Finance Director and a Finance

1 Manager. And so this is a power grab. This is a
2 consolidation. This is not about me Jessica. This is
3 about the checks and balances in the Township.

4 Now, Jane, Will, anybody who wants to know how
5 to properly write a resolution, even if I disagree with
6 it, you know I will help you do it. I did that with Jack
7 all the time. So I'm happy to talk with you about ideas
8 that I don't agree with.

9 What I see in this chart is disrespect to the
10 Board. It was one meeting ago we just approved a full-
11 time Deputy Treasurer. You all thank Diane, but do you
12 respect her? Do you respect her? She comes to us with a
13 Township Administrator description. You change it. She
14 comes to us with a Deputy Treasurer description, we adopt
15 it, and now we're saying point five. I am telling you,
16 this is not legal. It is not ethical. No other Township
17 does this and for good reason.

18 Do we have problems with our finance capacity?
19 Yes. I was the first one to tell all of you that. We
20 need more staff with more skills, and that's the bottom
21 line. This is not the solution. So you can continue to
22 portend to the public that this is going to solve it, but
23 it's not. What this is is a consolidation of power, and
24 it is inappropriate. I have talked to the Auditor, I have
25 talked to our attorney, I have talked to our HR

1 consultant. Our HR consultant has advised against this
2 because she has worked in normal organizations in the
3 normal world that have proper checks and balances. It
4 doesn't take a rocket scientist to see what's wrong with
5 this.

6 When Will puts the footnote of, "Well, we'll
7 have to figure out how to make this work," why are we even
8 trying to bend over backwards? It goes back to my motion
9 to table to give the attorney time it investigate what is
10 going on here.

11 I am not one for drama. I am like Leslie Knope
12 from Parks & Rec. And I believe deeply in local
13 government. But ya'll are way off track here, and this is
14 dangerous and this is not going to stop.

15 Now, Will has indicated he has a plan to bring
16 back yet a revised Deputy Treasurer description. Maybe
17 you all know about this. Do you all talk about this in
18 secret? I -- I can't figure it out why there's so much
19 silence about these things of such significance.

20 So I am just disgusted and disappointed, and
21 especially at the lack of regard when Diane Benson brought
22 up Will and I spent, Diane and I spent two hours on Friday
23 mapping it out, and there's no way it's going to work.
24 And I -- Diane says, you know, "Will, hey, think about the
25 impact on staff." Think about my Finance Manager. She's

1 already working 50 hours a week. I just came to you last
2 week to get some temp help. There is no way even
3 operationally that she will be able to handle it. And you
4 know what I fear? I fear that Will knows that.

5 So this is -- this is -- this is so far beyond
6 not being a team, and this is so far beyond, you know,
7 following democracy or not. I mean, this is really --
8 some issues you can decide whatever you want tonight, but
9 I stand by and I am telling you as Clerk I do not believe,
10 I do not grant consent under 41.75a, I refuse to grant
11 consent to the Township Board to direct any employee who
12 does not report to me to carry out those duties delegated
13 by law to me. And under MCL 41, I do not believe the
14 Supervisor may be over Finance. I do not believe the
15 Treasurer may be over Finance. You talk about controls,
16 if we're going to go from two to three people, let's
17 granulate those controls. Let's have better controls.
18 How do you have better controls when you have a Deputy
19 Treasurer and a Budget and Finance Director, somebody
20 doing budgeting, financial reporting, potentially general
21 ledger entries, and cash receipting?

22 I don't want to be creative here. I want to be
23 like every other Township. That's been our mistake is
24 that we haven't invested and grown in the way every other
25 Township has.

1 So I will stop there, but I'm telling you, this
2 vote is going to do nothing other than you all have
3 decided to go nuclear today. This is dangerous. I
4 believe in it deeply. And this -- this will continue.
5 And why you choose this direction is beyond me.

6 That's all.

7 SUPERVISOR HATHAWAY: This is a discussion item.
8 I just want to remind everyone we're not voting on this
9 this evening. There's no vote. This is just a discussion
10 item.

11 Are there other comments from the Members of the
12 Board of Trustees?

13 Trustee Jerome.

14 TRUSTEE JEROME: Well, I just wish we could get
15 to discussion rather than a debate as to whether or not we
16 hate it or like it, and talk about details with regard to
17 this. That's why it was listed a discussion item. We're
18 not taking a vote on it.

19 I'm here to try to understand all of the
20 reporting structure. I, you know, sit here and I look at
21 it, as I say, my approach is simplistic in some senses,
22 but correct in others in terms of the responsibilities of
23 the Treasurer are, you know, taxes, cash, money in. You
24 know, the Clerk is cash out: payroll, general ledger, et
25 cetera. Those are the issues of the Clerk. And I do feel

1 strongly that the Supervisor should have the budgeting so
2 that there is this tripod that I discussed earlier. The
3 nuances of this is why we're having it out in front of us,
4 and I wish we could get to a discussion about it rather
5 than saying it's all of the other adjectives that people
6 have used this evening in terms of the intent behind it
7 and really get down to the minutia.

8 I also want to be very respectful of the fact
9 that we did discuss this a little bit in advance when we
10 were talking about other items, and we do have our
11 consultant here who has patiently waited to try to talk
12 about Project Manager, and I feel horrible about that.
13 But I also want to recognize that there -- we are taking
14 no action this evening with regards to this, I forget what
15 item number this was.

16 SUPERVISOR HATHAWAY: Two.

17 TRUSTEE JEROME: Those are my only comments.

18 SUPERVISOR HATHAWAY: Trustee Knol.

19 TRUSTEE KNOL: Yeah. Well, I have many concerns
20 here, but as Alec just noted, we have our consultant here,
21 and I would like to hear from Diane Benson her opinions on
22 this. She is our consultant, our HR consultant.

23 MS. BENSON: I don't have the org chart in front
24 of me. That's one thing I didn't bring.

25 TRUSTEE VOGEL: I bet a paper copy is going to

1 be more helpful.

2 MS. BENSON: Okay, thank you.

3 SUPERVISOR HATHAWAY: Yeah, it'll be easier to
4 look at.

5 MS. BENSON: Okay, thanks.

6 As Jessica said, she and I spoke with Will on
7 Friday and we talked about this org chart. We actually
8 put it on a white board, the concept of it. And at that
9 time I stressed that the Clerk does need a Finance
10 Director reporting to her because -- and I'm not saying
11 the current Finance Director. I want to make that -- a
12 Finance Director who has the analytical skills, the
13 process management skills; everything that you need. I
14 hear over and over again that you don't have the reports
15 that you need, how can you make decisions?

16 Somebody that's involved in, for example the
17 culvert; that should not have been a surprise. And if it
18 is a surprise, then you need to have a contingency fund
19 that said, "We don't have to take it from the general
20 fund. Hey, we have \$500,000 in a contingency fund."

21 That's why I pressed on we need to have somebody
22 that reports to the Clerk that has very high-level
23 financial skills that can produce reports, can work with
24 what Woodhill has recommended, and frankly that we
25 wouldn't need to hire consultants to provide financial

1 advice and financial reporting. Work with the utilities
2 director in the future on what the needs are.

3 I'm fine if we have a Deputy Treasurer-slash-
4 Budget Director. And there is a person that may take that
5 job and that is fine. But to leave -- to move any access
6 to the general ledger, that doesn't belong under that leg.

7 TRUSTEE JEROME: Tripod.

8 MS. BENSON: The tripod. Yes, thank you.

9 So that's -- other things, you know, the Finance
10 Assistant, I really don't understand what that person
11 would be doing unless they're going, you know, which it's
12 one-third each the -- oh, to Finance, Treasurer, and
13 Budget. Why that would be under that area I don't know.
14 I think we had talked about having it under the Clerk,
15 actually a direct report from the Finance Director to this
16 Finance Assistant. Somebody that can help with bits and
17 pieces through all of them. Yes.

18 TRUSTEE VOGEL: Will?

19 TRUSTEE COURTEAU: Will?

20 SUPERVISOR HATHAWAY: I'm sorry.

21 TRUSTEE COURTEAU: You have two hands.

22 SUPERVISOR HATHAWAY: My screen just sort of
23 like changed in front of me.

24 TRUSTEE VOGEL: It's fine.

25 SUPERVISOR HATHAWAY: I was like what's going on

1 with my computer?

2 Sorry. Go for it.

3 TRUSTEE VOGEL: So, so -- all right. So again,
4 this is just discussion only. I think it's really
5 important that we separate a few things. It's really --
6 there's three, in my head there's three things. One is I
7 always get nervous when I see org charts because they
8 often kick off lots of conversation and untested
9 assumptions, and we're in the midst of one of those.

10 I think we've got to get really clear about -- I
11 hear what you're saying.

12 MS. BENSON: Uh-huh.

13 TRUSTEE VOGEL: It might be exactly the right
14 thing. We have to get really clear about what, and not
15 paragraphs and paragraphs, in just some bullet points,
16 what are the primary responsibilities so we can begin to
17 really understand I think as -- really begin to understand
18 the various positions. So you get a pre-org chart, almost
19 always gets you in trouble. Let's really figure out a
20 very short list of critical, big picture responsibilities;
21 not that we don't need all the detail eventually, but
22 let's get the frame of it first. And keep completely
23 divorced from that, completely, what the actual staffing
24 of this thing will be. Because the one really oughtn't
25 inform the other. We ought to get this right. And know

1 it will evolve, but let's get this right, let's get a
2 baseline, let's get some responsibilities associated with
3 each so we are testing out some assumptions on how each
4 see it, and once we can agree to this baseline, because I
5 really, really support the notion of, I was thinking of a
6 three-legged stool, I could get my head into a tripod,
7 I'll try that shift, either imagery, I like the three. I
8 like the check and balances, I appreciate it's a
9 significant change, but I believe we need to go in that
10 direction. Once we got this, nice baseline, a little
11 clarity, some bullet points, let's go figure out how to
12 staff it.

13 SUPERVISOR HATHAWAY: I'm sorry. Before we
14 start calling people for a second turn, I want to make
15 sure that everyone, all the Members of the Board of
16 Trustees who haven't yet spoken have a chance.

17 TRUSTEE COURTEAU: I just wanted to ask a
18 clarifying because I thought that the position that we
19 approved was Deputy Treasurer, half-time Deputy Treasurer,
20 half-time Budget.

21 UNIDENTIFIED SPEAKER: Uh-uh.

22 TRUSTEE COURTEAU: And so just, I want to
23 understand this. So it sounds to me like the objection
24 here is including that in Finance in that position?

25 CLERK FLINTOFT: That's my complete objection.

1 That's all of it.

2 TRUSTEE COURTEAU: So then I guess I'm wondering
3 what do -- can we define in Finance there? Like how does
4 that in Finance --

5 CLERK FLINTOFT: We have debated it --

6 TRUSTEE COURTEAU: -- differ from --

7 CLERK FLINTOFT: -- one on one a lot.

8 TRUSTEE COURTEAU: -- Finance Manager?

9 CLERK FLINTOFT: There's a disagreement.

10 TRUSTEE COURTEAU: I just --

11 CLERK FLINTOFT: Oh, Finance Manager? So if I
12 may?

13 SUPERVISOR HATHAWAY: Sure.

14 CLERK FLINTOFT: Or not. Okay. Sorry, you
15 know, I -- I don't know if you all -- I know you hadn't
16 talked to Rebecca. I don't know -- I mean, I'm just
17 wondering what data you're pulling from here if you
18 haven't talked to me or the Finance Manager. So excuse my
19 frustration at your exasperation.

20 The Finance Manager and Finance Director used to
21 be a Finance Director and an Accountant. Rebecca got a
22 new job with the City of Ann Arbor in May. And she --
23 last May. It was also a period of time where Sandy was
24 out on personal leave.

25 SUPERVISOR HATHAWAY: 2020.

1 CLERK FLINTOFT: 2020.

2 SUPERVISOR HATHAWAY: Right.

3 CLERK FLINTOFT: Thank you.

4 And, and the Board decided, "You know what,
5 Rebecca is outstanding" --

6 TRUSTEE VOGEL: Rebecca got an offer from the
7 City. You said a position. She got an offer from the
8 City.

9 CLERK FLINTOFT: Thank you. Yes, an offer for a
10 position. And so the Board decided to try to keep
11 Rebecca, and part of her conditions were a well-deserved
12 increase because she did a lot of responsibility that
13 wasn't recognized, as well as reporting directly to me
14 instead of reporting to the Finance Director. So I have
15 two people reporting directly to me. That is not the
16 ideal structure. The better structure is a Finance
17 Director with somebody reporting to that person ideally.
18 But right now with the people we have this is the best,
19 you know, organization.

20 So typically the Finance Director does the
21 budget, and that I think works very well because the
22 Finance Director is the one who has all the planning. So
23 I can't imagine this Township ever needing a full-time
24 Budget Director. We're just too small. Most of it's
25 finance. The Finance Director and Finance Manager really

1 function to support the Treasurer and the Clerk and the
2 whole Township. They do everything and they do a
3 wonderful job. And they build in as many checks and
4 balances as they possibly can. We had the permissions in
5 BS&A granulated well and, you know, who handles money and
6 who doesn't.

7 On the whole, Rebecca does cash receipting,
8 which would go to the Deputy Treasurer. My understanding
9 is that is the only responsibility that would come off of
10 Rebecca's plate and go to the new Deputy Treasurer.

11 We have had a discussion about accounts
12 receivable. Statutorily that's neither the Treasurer's or
13 the Clerk's. Donna has a preference that that be the
14 Clerk's, which is fine, but just noting the workload. The
15 grants management, the Clerk's. Fine. But noting the
16 workload and new workload. We need somebody to get their
17 mind around it and get a system in place.

18 We are behind. We haven't had a financial
19 report, a reconciled bank statements are done from -- and
20 this is a reflection of just the two finance people having
21 too much work to do. This has been chronic. Every year
22 at audit time we get behind on financial reports. We
23 never have up-to-date financials. So again what's been
24 happening in the last two years is not new. We're just
25 talking about it. And, and so we are behind on financial

1 reporting, and so that remains with finance. The bank
2 recs, you know, is really kind of a joint Treasurer, Clerk
3 thing, but mostly --

4 TREASURER PALMER: I don't do bank recs.

5 CLERK FLINTOFT: Yeah.

6 TREASURER PALMER: That's part of the check and
7 balance, and that's your job.

8 CLERK FLINTOFT: So those --

9 TREASURER PALMER: Under your purview.

10 CLERK FLINTOFT: Yes, absolutely. And then the
11 financial records. So maintaining the general ledger, and
12 it's not just the general ledger, it's all the ledgers.
13 Any report of debt, any report of anything, and I will
14 note the DDA is a fund of the Township, and so there's no
15 reason for the DDA to be pulled out under the Supervisor.
16 And in fact, I would wonder a little bit. I think it's --
17 I would advise that the Township keep that as a fund and
18 manage the finances the way we do everything else.

19 So Jacquie, we can sit down and go into the
20 granulated piece. There's a good chart that MTA has
21 about, you know, what goes where, but certainly just on
22 workload alone the Finance Manager would be crushed.

23 TRUSTEE COURTEAU: Payroll.

24 CLERK FLINTOFT: So payroll, accounts payable,
25 accounts receivable, grants management, financial

1 reporting, and the financial reporting, I believe the best
2 financial reporting budget to actuals, actuals however you
3 want to see it, you know, there's awesome reporting we can
4 do. It's not that I don't have an understanding of where
5 we need to go. It's that we don't have the staff
6 collectively with the right skills to get us there.

7 And so -- so I -- I think that the best person
8 to do the reporting is in finance to bring it forward.
9 Remember, we never had our budget. We had it in BS&A, but
10 it was also in Excel. So you would always see it in
11 Excel. So the budget to actuals, when people were
12 spending through the year, they never hit their cap. They
13 never said, "Hey, you're over; hey, you're over." Now we
14 have the electronic PO module that we did, that we
15 invested in so that people are actually running up against
16 their budget. We are for the first time this year making
17 our budget meaningful in the day-to-day if that makes
18 sense.

19 And so all of this is just building and growing
20 and staff have been awesome about implementing new things,
21 but it's all new, and it's wonderful. We all want more
22 reporting, but I think all the reporting really belongs in
23 Finance. I think if, again, what I've talked about many
24 times with Will and Donna is, you know, if the full-time
25 Deputy Treasurer has extra time, and Will would like that

1 Deputy Treasurer to do the budget or capital planning, I
2 think that makes a lot of sense. What I am adamantly
3 opposed to is moving Finance and financial reporting over
4 under the Treasurer or Supervisor.

5 SUPERVISOR HATHAWAY: Are there other Members of
6 the Board of Trustees who would like to comment on this
7 discussion item?

8 (No response.)

9 SUPERVISOR HATHAWAY: Are there further
10 questions for Diane I guess? She's up at the table.

11 MS. BENSON: Well, I might as well stay here for
12 the --

13 SUPERVISOR HATHAWAY: Well, I -- I do want to
14 say I've had some productive conversations both with Diane
15 and with the Assessor, our outgoing Assessor on this
16 question. I talked with the Auditor and I've had a lot of
17 input from them. And today I had a very heartfelt
18 conversation with Rebecca, the Finance Manager. And so,
19 you know, I'm continuing to get input, and this is a
20 discussion item. I think the purpose of it tonight was to
21 sort of introduce the idea to give us a framework for
22 discussion, and in particular because there will be a
23 proposal coming forward for the Board to consider that
24 relates to the Deputy Treasurer position, and this
25 organizational chart is meant to sort of provide a

1 STATE OF MICHIGAN)
2 COUNTY OF WASHTENAW) ss.
3

4 I certify that this transcript is a complete, true, and
5 correct transcript to the best of my ability of the Scio Township
6 Board of Trustees Special Meeting, held Tuesday, August 17, 2021.
7

8 I also certify that I am not a relative or employee of the
9 parties involved and have no financial interest in this matter.
10

11 DATED: December 18, 2021
12

13 *Kristen Shankleton*

14 Transcription provided by:

15 Kristen Shankleton (CER6785)

16 Modern Court Reporting & Video, L.L.C.

EXHIBIT A.3

**SCIO TOWNSHIP
WASHTENAW COUNTY, MICHIGAN
RES #2021-31**

RESOLUTION ADOPTING JOB DESCRIPTIONS FOR SUPERVISOR, TOWNSHIP ADMINISTRATOR

AUGUST 17, 2021

At a Special Meeting of the Township Board of Scio Township, Washtenaw County, Michigan, held at the Scio Township Hall, 827 N Zeeb Road in said Township, on August 17, 2021 at 4:00 p.m.

Members Present: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel

Members Absent: None

The following preamble and resolution were offered by Vogel and supported by Palmer.

WHEREAS MCL 41.69 requires that the township clerk appoint a deputy clerk who shall serve at the pleasure of the Clerk; MCL 168.29 allows the township clerk to appoint a number of assistants as may be necessary to carry out the general provisions of the election law; MCL 41.77 requires that the township treasurer appoint a deputy treasurer who shall serve at the pleasure of the Treasurer; and MCL 41.61(2) allows the township supervisor to appoint a deputy supervisor who serves at the pleasure of the Supervisor; and

WHEREAS, other than the appointments noted directly above, MCL 41.75a prescribes that township employees shall serve at the pleasure of the township board and shall perform duties lawfully directed by the township board, except those duties that are delegated by law to another township official, unless consent has been granted; and

WHEREAS, the Scio Township Board of Trustees desires to retain responsibility for continuing and creating positions and authorizing appointments or continuation of appointments to positions and specifying and fixing the compensation for positions; and

WHEREAS, the Scio Township Board of Trustees desires to retain responsibility for the hiring and firing of township employees, upon the recommendation of and carried out by direct supervisor, and in accordance with all governing statutes, ordinances, administrative rules, and collective bargaining agreements; and

WHEREAS, MCL 41.2(b) prescribes that a township board may make contracts necessary and convenient to exercising corporate powers, that the Scio Township Board of Trustees desires to retain responsibility for approving all contracts for services, but desires to delegate the coordination and management of major contracts to the Supervisor or the Clerk; and

WHEREAS, MCL 141.424 requires the Supervisor, as Chief Administrative Officer, to make an annual financial report of the Township and deliver it to the Treasurer of the State of Michigan in the form and pursuant to the schedule provided by the Uniform Budgeting and Accounting Act; and

WHEREAS MCL 41.65 requires that the Clerk prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township; and

WHEREAS, MCL 41.78 requires the Treasurer keep an accurate account of the receipts and expenditures of township money in a book or by electronic means; and

WHEREAS, the Scio Township Board of Trustees does desire to delegate and assign certain administrative duties to represent and carry out employer management rights to the Supervisor, Clerk, Treasurer; and Township Administrator; and

NOW, THEREFORE, BE IT RESOLVED THAT, the Scio Township Board of Trustees adopts the attached job descriptions for the positions of Supervisor and Township Administrator and affirms the responsibilities and authorities assigned in those job descriptions

BE IT FURTHER RESOLVED THAT this resolution shall be effective on the date of adoption; all provisions shall sunset at the conclusion of the first meeting following November 20, 2024; and its implementation shall be formally reviewed by the Board of Trustees at the First Regular Meeting in April of each year, at which time the Supervisor, Clerk, Treasurer, and Township Administrator shall present reports on this resolution's implementation, its benefits, and recommendations for any changes.

ROLL CALL VOTE:

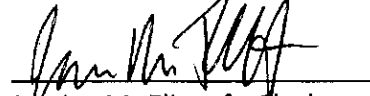
AYES: Hathaway, Palmer, Courteau, Jerome, Vogel

NAYS: Flintoft, Knol

ABSENT: None

ABSTAIN: None

RESOLUTION DECLARED ADOPTED.



Jessica M. Flintoft, Clerk
Scio Township

DATED: August 17, 2021

TOWNSHIP SUPERVISOR

Working Title: Supervisor

Funding: To be determined by the Board of Trustees (BOT)

Salary: Full time, permanent, exempt, \$72,000 plus benefits

Reports to: Voters

Supervises:

- Township Administrator (shared authority with BOT)
- Assessor
- Budget & Finance Director (pending authorization of this position)

Work Location: Scio Township Hall

Supervisor Duties Based on Statutory Authority

Meetings: Serve as moderator of any township meeting, deciding questions of order, granting authority to persons to speak at the meeting and making conduct-based interventions. The supervisor should vote on all issues upon which a vote is required unless there is some proper legal reason, approved by the BOT, for abstaining. Set a date and time for special meetings.

Appointments: Nominate individuals to serve on Township boards, commissions and committees and as representatives of the Township to outside boards/committees.

Enforcement: Work with enforcement officer to enforce township ordinances.

Representation: ex officio member of all BOT advisory committees and represent the Township on various outside organizations. Serve on board of elections commission.

Budget: Prepare the annual budget under policies formulated by the township board and state law and work with the clerk and others to keep the BOT advised on financial conditions of the township.

Direct Reports:

Supervise the assessing function including determination of special assessments. Assessor reports to supervisor. Supervisor oversees hiring of assessor and recommends hire for BOT approval.

Supervise the budget function including preparation of the annual budget and any such budget amendments as may be necessary or appropriate throughout the year for BOT approval. Budget & Finance Director reports to supervisor. Supervisor oversees hiring of Budget and Finance Director and recommends hire for BOT approval.

With BOT approval, supervisor may oversee other staff.

Supervisor Duties Based on Authority From BOT/other

Administration: Chief Administrative Officer for Township participating in regular management meetings. Chief Executive Officer (CEO) and a voting member of the Downtown Development Authority (DDA) Board, Chair of the Township's BOT's Budget and Finance Committee serve on the board and operating committee of Loch Alpine Sanitary Authority (LASA), facilitate communication with and between the various Township advisory boards and commissions.... Participate in contract negotiation/oversight: GFL, Fire, Ann Arbor Water & Sewer, consultants.... Supervise the Township Administrator (together with the BOT) in carrying out such functions as are delegated to them.

Financial Reporting and Audit Function: As *Chief Administrative Officer* per the Uniform Budget and Accounting Act, the supervisor is responsible for preparation of the Township's annual financial report to the state which, by statute, must be audited. Supervisor will oversee the audit and selection of the auditor and make recommendations for hiring the same for BOT approval.

Human Resources: Help guide hiring processes including recruiting, interviewing, and assessment of candidates for senior staff and other positions at the discretion of the supervisor. Help formulate policy for performance review and other human resource programs, serve on HR committee if such committee exists.

Township Growth: Supervise planning and development processes such as Land Use Master Plan, PUD negotiations, facilitate communications between various parties in development projects, supervise public improvements of the township, including capital improvements, Township-led SAD projects, sustainability initiatives, and collaboration with partner organizations

Legal: Serve as the Township's designated point of contact for transacting legal business, implement administrative actions such as land divisions, help represent BOT in the Gelman effort.

Meeting Agenda: Collect and create agenda items in collaboration with the BOT and citizens, and approve a proposed agenda for incorporation with the meeting packets so that the Clerk may distribute to the BOT and public in a manner consistent with any Rules of Order that may be adopted by the BOT.

Legislation: Act as chief legislator, bringing recommendations for consideration by the BOT, seeking legislative actions by other bodies on behalf of the Township.

Conflict Resolution: Receive and respond to complaints to the Township and/or requests for action by the Township. Mediate disagreement between interests.

Communications: Serve as the primary spokesperson for the Township, write communications on behalf of Township, review and approve for publication general communications, such as newsletter.

TOWNSHIP ADMINISTRATOR

Working Title: Director of Operations

Funding: To be determined by the Board of Trustees

Salary: Full time, permanent, exempt, \$80,000-110,000 plus benefits

Reports to: The Board of Trustees (including Clerk, Treasurer and Supervisor)

Supervises:

- Office Coordinator
- **Human Resources Generalist**
- Director of Utilities
- Fire Chief
- **Project Manager**
- Consulting Contracts (Public Safety, Engineering, Planning, Information Technology)
- Other positions as assigned

Work Location: Scio Township Hall

Position Summary

The Township Administrator is responsible for the day to day running of the Township's operations including providing effective methods in its business operations. The incumbent will develop, interpret, and implement Township policies and procedures and ensure compliance with these policies, as well as statutes and ordinances. Decisions made by the Township Administrator will directly impact the effective functioning of the Township's services. The incumbent will work to improve the operational systems and processes to support the Township's mission by developing reports, communication strategies and organizational planning. The Township Administrator is responsible for the various areas of operations but may not necessarily be performing individual tasks and may delegate as needed.

Responsibilities

Administration

- Plan, monitor, evaluate and supervise the Township's administrative services and information management across all areas of the Township including but not limited to

Fire, Utilities, General Government, Planning and Zoning, Parks and Pathways, Open Space, and all other initiatives of the Township

- Effectively administer all reporting departments and associated personnel including the ability to recruit, provide professional development and manage performance
- Track implementation of all Board of Trustees approved actions
- Organize and chair management meetings (currently bi-weekly)
- Research and develop best practices of business processes, work flows and cross-functional work teams to meet the needs of the various areas of the Township

Finance

- Assist the Supervisor in preparing and administering the annual budget **and related financial reports** under policies formulated by the Board and state law
- Act as the purchasing agent for the township
- Collaborate with others in the township to guide compliance with bidding procedures and conduct all sales of personal property which the township board may authorize to be sold

Contract Management

- Coordinate and administer township contract negotiations, applications to the township such as zoning applications, industrial tax, farmland agreements, and all others that may come to the township
- Continually study and provide input to the Board of Trustees as to the best way to leverage in-house staff vs the use of outside consulting resources
- Ascertain that all terms and conditions imposed in favor of the Township or its inhabitants in any public utility franchise or in any contract are faithfully kept and performed
- Monitor relationships with outside consultants to ensure effective communication and best practices to make judicious use of the Township's resources
- Prepare, review, and execute contracts and subcontracts for authorized disbursements for services rendered; prepare and process all necessary documents for fiscal payments to vendors and provide fiscal budgetary controls

Information Technology and Data Management

- Serve as the Township's Chief Information Officer to develop and manage the ability to collect and share usable information to increase efficiency and extend open data to the public

- Manage and/or administer the design and development of data structures and data extracts to support comprehensive data collection, loading, and extraction for complex analyses
- Collaborate with others to develop the Township's use of Geographic Information Systems (GIS) across Utilities, Parks and Pathways, Assessing, Open Space and Protected Natural Areas

Management of Projects

- Serve as the overall Project Manager for the Township including development of project management best practices and processes to ensure alignment with the priorities and outcomes
- Participate in strategy development with Township officials
- Responsible for assembling project team, assigning individual responsibilities, identifying appropriate resources such as additional support staff as needed
- Create a budget, if needed, for approval
- Develop a schedule to ensure timely completion of the project
- Produce reports on status updates including goals met and actions deferred
- Following completion of project and implementation provide a final report including reflecting on what worked and what did not work to ensure success in future endeavors

Human Resources

- Serve as the personnel director for all township employees, included bargained-for employees
- Direct all human resource functions such as recruitment, hiring, performance review, professional development, compensation best practices and employee relations
- Participate in contract negotiations for bargained-for staff and maintain relationships with union representatives
- Serve as the Township Training Officer to provide access to required and recommended training

Facilities Management

- Responsible for the preservation and maintenance of township property, tools, and equipment
- Manage assignment of office and workspace
- Participates in construction and renovation projects as needed
- Administer requests for phone, cell, internet, and access to buildings
- Coordinate disposition of property

Township Meetings Coordination

- Attend all meetings of the Township Board of Trustees with the right to take part in discussions but without the right to vote
- Assist the Supervisor with agenda preparation including assembling components, tracking the queue of potential agenda items and inclusion of status updates
- Partner with Clerk and Supervisor to manage Board of Trustees meetings logistics including room preparation, technical needs, and taking minutes or assigning the responsibility to others

Responsibilities and reporting relationships may be modified based on the needs of the Township of Scio

Qualifications

A bachelor's degree in public administration, business administration/operations or associated area or equivalent is required

A master's degree or graduate studies in Data Sciences, Urban or Regional Planning, Public Administration, Public Policy, Public Health or related field is preferred

Five to seven years of administrative/professional work with preference for experience in government/public administration

Understanding of the principles finance, budgeting, and purchasing

Demonstrated effective verbal and written communication skills including public presentations

Ability to lead an organization and interact with tact and diplomacy

Proven capacity to manage various aspects of a complex organization

Five to seven years' experience supervising, mentoring and professionally developing a variety of staff

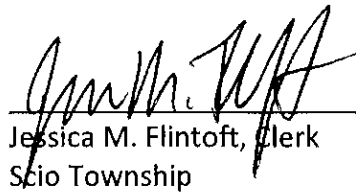
Ability to work proactively in an organization both independently and interactively as part of a team

Strong organizational skills with competency and experience using technical and administrative tools including Microsoft Office Suite and project management software to effectively manage an operation's business practices

Desired software expertise includes Geographic Information Systems (GIS) and BS&A

CERTIFICATE

I, Jessica Flintoft, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of Scio Township, County of Washtenaw, State of Michigan, at a Special Meeting held on AUGUST 17, 2021 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


Jessica M. Flintoft, Clerk
Scio Township

DATED: September 15, 2021

EXHIBIT A.4

SCIO TOWNSHIP BOARD OF TRUSTEES

Special Meeting

August 17, 2021

4:00 PM

Held in Township Hall with remote participation pursuant to MCL 15.263a Sec. 3(a)(1)(b)

MINUTES

As approved on December 28, 2021

A. CALL TO ORDER

Hathaway called the meeting to order at 4:03pm. Hathaway announced the public could speak only once on each item.

B. ROLL CALL

Present: Hathaway, Palmer, Flintoft, Courteau, Jerome (arrived at 4:10pm during C. Adoption of Agenda and left at 7:20pm after F1.), Knol (joined virtually), Vogel.

Absent: None.

Also present: Jim Fink, Township Attorney, participating in Items F1 and F2.

C. ADOPTION OF AGENDA

Knol said that Item F1. *Supervisor and Township Administrator Authority, Supervisor Compensation* is really three separate items and should be split on agenda as such.

Motion by Knol, support by Flintoft, to split Item F1. Supervisor and Township Administrator Authority, Supervisor Compensation into three agenda items.

YES: Flintoft, Knol.

NO: Hathaway, Palmer, Courteau, Vogel.

ABSENT: Jerome.

MOTION FAILED 2-4.

Motion by Vogel, support by Palmer, to adopt the agenda as presented.

YES: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel.

NO: None.

ABSENT: None.

MOTION PASSED 7-0.

D. PUBLIC COMMENT

Mary Gillis (in person), Resident and Deputy Clerk/Newsletter Editor, spoke about importance of integrity in communications, and her concern for overreach of the Supervisor for political purposes in proposing he have sole final approval of Newsletter, which has always been a publication of the Board.

Diane Benson (in person), Resident and Human Resources Consultant, underscored the importance of adopting Rules of Order as priority for this Board, citing the contentious agenda items today, and the additional challenges posed by not having Rules in place.

Michele Cody (remotely) said she is shocked by the proposal by Supervisor to change the Township governance to empower one individual over the objections of the Board of Trustees and citizens. Cody said corruption is back in another form; opposes salary increase and bypass of Board passage of Compensation Commission; opposes change of organizational structure; says she is appalled.

Peter Davis (remotely) said he's concerned about the manipulation of the agenda: starting at 4pm during working hours; agenda and packet posted Friday 13th during power outage. Davis is totally opposed by Supervisor's proposal which is an inexcusable power grab, and said citizens need to rise up.

Dee Dishon (remotely) said she hadn't been to Board meeting since pandemic, and is grateful to be able to join safely by Zoom, and understands there were attempts to eliminate this option for public in effort to reduce public comment: this is unacceptable. Dishon referred to the main justification for Supervisor raise is Supervisor is working 60-70 hours in a part time job; suggested this can indicate a poor use of time, not getting more work done.

Kathleen Brandt (remotely) shared she conducted an audit of public comment rules and language for prior Board meetings. Brandt said language has changed in at least 15 meetings, including huge changes, correcting the record.

David Read (remotely) said proposed Supervisor job description is not appropriate for current Supervisor. Read listed actions the Board had taken to limit public comment, ignore public input, and disrespect fellow members. Read said these are not the people he ran with, and they are not moving Scio forward. Announced that he and Pat Stein have formed a Committee to Recall Hathaway, Jerome, and Vogel.

Pat Stein (remotely) reminded Supervisor of duty to serve the residents of Township who elected him; that these residents are the public whose comments he doesn't want to listen to, doesn't want video recorded, doesn't want included in meeting minutes. Stein said these are the very public who at last meeting waited 3 ½ hours and then were left in the dark for another 1 ½ hours while Board went into Closed Session before calling Public Comment. This behavior is why she has joined Read in recall efforts of Hathaway, and of Jerome and Vogel who willingly join in ill-treatment of fellow Board members.

Jillian Kerry (remotely) urged Board members to review first Governance Academy session presented so well by Jim Fink regarding General Law Township powers and duties. Kerry contrasted Charter and General Law Township duties of Supervisor. Kerry asked Board members to ask themselves if they want to give up their power to the Supervisor.

Kim Phillips-Knope (remotely) said she is deeply concerned about level of authority proposed to give to Supervisor for few reasons: Hathaway has demonstrated he is willing to put Township in legal jeopardy; has not reported accurately back to Board; has not been truthful in remarks he's made in Board meetings on which Board then bases decisions. Phillips-Knope said she finds it laughable that the Supervisor has proposed Conflict Resolution in job description because of her experience trying to resolve community conflict caused by Supervisor.

E. CONSENT AGENDA

There were no items.

F. UNFINISHED BUSINESS

F1. Supervisor and Township Administrator Authority, Supervisor Compensation

Hathaway provided an in-depth introduction to the issue.

Flintoft said she would like attorney's advice prior to discussing or acting on the proposed job descriptions for supervisor and township administrator.

Flintoft moved to table Item F1 the resolution adopting job descriptions for supervisor and township administrator, until Township Employment Attorney Bill Thacker and Township Attorney Jim Fink can confer and advise the Board of Trustees on the question of what liability has been created for the Township—in light of fact that after this agenda and packet were posted, the Board of Trustees received on Saturday two deeply troubling communications—both from an individual unaffiliated with the Township who claims to be lobbying the Board of Trustees on behalf of two officers and one staff person to change the organizational reporting structure that has forever provided the Township with the most fundamental checks and balances over public monies, and who is promoting changes that are eerily in line with what the Supervisor has proposed here today. We the Board have a duty to first ask our Attorney to investigate if any improper use of influence, conflicts of interest, or mutually beneficial dealings have been part of what brings this item to our Board table.

Knol supported the motion.

Hathaway reminded the Board that on a motion to table there is no discussion, and called the question.

YES: Flintoft, Knol.

NO: Hathaway, Palmer, Courteau, Jerome, Vogel.

ABSENT: None.

MOTION FAILED 2-5.

Knol referenced the proposed changes to the job descriptions regarding potential conflict with Clerk's statutory duties related to finance, and is still awaiting a written opinion from our Township Attorney. Knol believes it is likely not legal to move these duties from Clerk. Knol urged Board to get an Attorney opinion prior to moving forward today.

The Clerk spoke at length to register her legal, ethical, and operational reasons for her lack of consent for and objection to the language added to the Township Administrator job description, and provisions in the newly proposed Supervisor job description.

Jim Fink provided answers to questions of Board members.

Board members had a wide ranging discussion.

The Supervisor announced the Board would recess briefly at 5:35pm.

The Board returned from recess at 5:40pm.

Board members continued discussion.

Motion by Vogel, support by Palmer, to approve the resolution adopting job descriptions for Supervisor and Township Administrator, as presented.

Board members registered support as well as objections.

Sandy Egeler, Finance Director, said she supports moving forward with the changes proposed today.

David Read said Township requires more staff; concerned about devious nature of this proposal's development.

Kathleen Brandt cited MCL41.95 and reminded Board that Scio Township enacted Ordinance to establish a Compensation Commission. Brandt referenced an MTA publication that says that Board may not set officer salaries after Compensation Commission. Brandt said if this goes forward residents will take legal action to correct this.

Alice Owings objected to the deliberate attempt to miscast the emails she sent. Owings said she's been awaiting implementation of May 11th, and has been volunteering her time to prepare a newly structured finance reporting chart and openly asked Township Attorney to weigh in. Owings engaged County Treasurer Cathleen McClary who has expressed support chart, the plans, and financial structure.

Rob Pattinson said its been exhausting to watch this Board, and that today's meeting has been heartbreaking to watch. Pattinson urged the Board to figure out how to work together.

YES: Hathaway, Palmer, Courteau, Jerome, Vogel.

NO: Flintoft, Knol.

ABSENT: None.

MOTION PASSED 5-2.

Motion by Vogel, support by Palmer, to adopt the resolution establishing salary of the supervisor, as presented.

Vogel said there is significant unfairness because Supervisor salary has been budgeted, and asked that Board investigate what's legally possible to retroactively pay the Supervisor.

Knol asked Township Attorney if a Compensation Commission has been established that it isn't within purview of Township Board to raise the salary, that that should be done by Commission, asked Township Attorney who replied that that upon a quick review does not appear to be correct.
YES: Hathaway, Palmer, Courteau, Jerome, Vogel.

NO: Flintoft, Knol.

ABSENT: None.

MOTION PASSED 5-2.

F2. Scio Township Organizational Chart with Township Administrator

Board members discussed the Supervisor's proposed organizational chart reflecting: eliminating Finance Director who reports to Clerk; creating a position of Budget and Finance Director reporting jointly to the Supervisor and Treasurer; creating an unnamed position subordinate to the Budget and Finance Director; and not reflecting the newly established Deputy Treasurer position.

Diane Benson, Human Resources Consultant, provided her advice to the Board on proposed positions and reorganization.

F3. Project Manager Job Description

Diane Benson, Human Resources Consultant, provided overview of proposed Project Manager job description. Board discussed, and all shared support for description, asking it be brought back for action.

G. PUBLIC COMMENT

Michele Cody said she wants the Board to follow up on the legal implications of the proposals that the Clerk so adroitly brought up. Cody said she is very disappointed because there seems to be little solid footing for some of these issues.

Rob Pattinson asked Supervisor Hathaway to explain why he chose not to follow the Human Resources Consultant's advice related to organizational structure and positions related to finance.

H. ADJOURNMENT

Motion by Vogel, support by Courteau, to adjourn.

YES: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel.

NO: None.

ABSENT: None.

MOTION PASSED 7-0.

Meeting adjourned at 7:35pm.

EXHIBIT A.5

**SCIO TOWNSHIP
WASHTENAW COUNTY, MICHIGAN
RES #2022-05**

**RESOLUTION UPDATING THE TOWNSHIP ADMINISTRATOR JOB DESCRIPTION AND
AUTHORITY AND DESIGNATING FOIA COORDINATOR**

At a Regular Meeting of the Township Board of Scio Township, Washtenaw County, Michigan,
held on the February 22, 2022 at 7:00 p.m.

Members Present: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel

Members Absent: None

The following preamble and resolution were offered by Hathaway and supported by Palmer.

WHEREAS MCL 41.69 requires that the township clerk appoint a deputy clerk who shall serve at the pleasure of the Clerk; MCL 168.29 allows the township clerk to appoint a number of assistants as may be necessary to carry out the general provisions of the election law; MCL 41.77 requires that the township treasurer appoint a deputy treasurer who shall serve at the pleasure of the Treasurer; and MCL 41.61(2) allows the township supervisor to appoint a deputy supervisor who serves at the pleasure of the Supervisor; and

WHEREAS, other than the appointments noted directly above, MCL 41.75a prescribes that township employees shall serve at the pleasure of the township board and shall perform duties lawfully directed by the township board, except those duties that are delegated by law to another township official, unless consent has been granted; and

WHEREAS, the Scio Township Board of Trustees desires to retain responsibility for continuing and creating positions and authorizing appointments or continuation of appointments to positions and specifying and fixing the compensation for positions; and

WHEREAS, the Scio Township Board of Trustees desires to retain responsibility for the hiring and firing of township employees, upon the recommendation of and carried out by direct supervisor, and in accordance with all governing statutes, ordinances, administrative rules, and collective bargaining agreements; and

WHEREAS, MCL 41.2(b) prescribes that a township board may make contracts necessary and convenient to exercising corporate powers, that the Scio Township Board of Trustees desires to retain responsibility for approving all contracts for services, but desires to delegate the coordination and management of major contracts to the Township Administrator; and

WHEREAS, MCL 141.424 requires the Supervisor, as Chief Administrative Officer, to make an annual financial report of the Township and deliver it to the Treasurer of the State of Michigan in the form and pursuant to the schedule provided by the Uniform Budgeting and Accounting Act; and

WHEREAS MCL 41.65 requires that the Clerk prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township; and

WHEREAS, MCL 41.78 requires the Treasurer keep an accurate account of the receipts and expenditures of township money in a book or by electronic means; and

WHEREAS, the Scio Township Board of Trustees does desire to delegate and assign certain administrative duties to represent and carry out employer management rights to the Supervisor, Clerk, Treasurer; and Township Administrator; and

WHEREAS, the Michigan Freedom of Information Act, Public Act 442 of 1976, MCL 15.231, et seq., provides for public access to certain public records of public bodies and prescribes the powers and duties of certain public officers and public bodies; and

WHEREAS, section 6 of the Act requires that a township shall designate an individual as the public body's Freedom of Information Act Coordinator, who shall be responsible for accepting and processing requests for the township's public records, and for approving a denial under section 5 of the Act;

NOW, THEREFORE, BE IT RESOLVED that on February 22, 2022, the Scio Township Board designates the Township Administrator to serve as the Township FOIA Coordinator, and that he may designate other Township staff to act on his behalf to accept and process written requests for the Township's public records and approve denials

BE IT FURTHER RESOLVED that the Public Summary of FOIA Procedures and Guidelines and related documents shall be updated to reflect the redesignation of Township FOIA Coordinator

BE IT FURTHER RESOLVED THAT, the Scio Township Board of Trustees adopts the attached job description for the position of Township Administrator and affirms the responsibilities and authorities assigned in that job description

BE IT FURTHER RESOLVED THAT this resolution updates the Township Administrator's job description and authority from Resolution #2021-31 adopted August 17, 2021, and supersedes Resolution #2021-19 adopted June 8, 2021, by appointing the Township Administrator as FOIA Coordinator and modifies #2021-18 adopted June 8, 2021, to reflect that change

BE IT FURTHER RESOLVED THAT this resolution shall be effective on the date of adoption; all provisions shall sunset at the conclusion of the first meeting following November 20, 2024.

ROLL CALL VOTE:

AYES: Hathaway, Palmer, Courteau, Jerome, Vogel

NAYS: Flintoft, Knol

ABSENT: None

ABSTAIN: None

RESOLUTION DECLARED ADOPTED.



Jessica M. Flintoft, Clerk
Scio Township

DATED: February 22, 2022

CERTIFICATE

I, Jessica M. Flintoft, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of Scio Township, County of Washtenaw, State of Michigan, at a Regular Meeting held on February 22, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Jessica M. Flintoft, Clerk
Scio Township

DATED: 2/23/22

TOWNSHIP ADMINISTRATOR

Working Title: Director of Operations

Funding: To be determined by the Board of Trustees

Salary: Full time, permanent, exempt, \$80,000-110,000 plus benefits

Reports to: The Board of Trustees (including Clerk, Treasurer and Supervisor)

Supervises:

Consulting contracts (including Public Safety, Engineering, Planning, Information Technology). All Township employees other than the deputy clerk, deputy treasurer, and deputy supervisor report upward to the Township Administrator.

Work Location: Scio Township Hall

Position Summary

The Township Administrator is responsible for the day to day running of the Township's operations including providing effective methods in its business operations. The incumbent will develop, interpret, and implement Township policies and procedures and ensure compliance with these policies, as well as statutes and ordinances. Decisions made by the Township Administrator will directly impact the effective functioning of the Township's services. The incumbent will work to improve the operational systems and processes to support the Township's mission by developing reports, communication strategies and organizational planning. The Township Administrator is responsible for the various areas of operations but may not necessarily be performing individual tasks and may delegate as needed.

Responsibilities

Administration

- Plan, monitor, evaluate and supervise the Township's administrative services and information management across all areas of the Township including but not limited to Fire, Utilities, General Government, Planning and Zoning, Parks and Pathways, Open Space, and all other initiatives of the Township
- Effectively administer all departments and associated personnel including the ability to recruit, provide professional development and manage performance

- Track implementation of all Board of Trustees approved actions
- Organize and chair management meetings (currently bi-weekly)
- **Organize and chair Budget & Finance Committee meetings (currently monthly)**
- **Serve as Township FOIA Coordinator**
- Research and develop best practices of business processes, work flows and cross-functional work teams to meet the needs of the various areas of the Township

Finance

- Assist the Supervisor in preparing and administering the annual budget and related financial reports under policies formulated by the Board and state law
- **Oversee and prioritize the allocation of Finance staff work time to accomplish tasks**
- **Hold ultimate authority over BS&A administration and accessibility**
- Act as the purchasing agent for the township
- Collaborate with others in the township to guide compliance with bidding procedures and conduct all sales of personal property which the township board may authorize to be sold

Contract Management

- Coordinate and administer township contract negotiations, applications to the township such as zoning applications, industrial tax, farmland agreements, and all others that may come to the township
- Continually study and provide input to the Board of Trustees as to the best way to leverage in-house staff vs the use of outside consulting resources
- Ascertain that all terms and conditions imposed in favor of the Township or its inhabitants in any public utility franchise or in any contract are faithfully kept and performed
- Monitor relationships with outside consultants to ensure effective communication and best practices to make judicious use of the Township's resources
- Prepare, review, and execute contracts and subcontracts for authorized disbursements for services rendered; prepare and process all necessary documents for fiscal payments to vendors and provide fiscal budgetary controls

Information Technology and Data Management

- Serve as the Township's Chief Information Officer to develop and manage the ability to collect and share usable information to increase efficiency and extend open data to the public

- **Hold ultimate authority over administration of all software including assignment of access**
- Manage and/or administer the design and development of data structures and data extracts to support comprehensive data collection, loading, and extraction for complex analyses
- Collaborate with others to develop the Township's use of Geographic Information Systems (GIS) across Utilities, Parks and Pathways, Assessing, Open Space and Protected Natural Areas

Management of Projects

- Serve as the overall Project Manager for the Township including development of project management best practices and processes to ensure alignment with the priorities and outcomes
- Participate in strategy development with Township officials
- Responsible for assembling project team, assigning individual responsibilities, identifying appropriate resources such as additional support staff as needed
- Create a budget, if needed, for approval
- Develop a schedule to ensure timely completion of the project
- Produce reports on status updates including goals met and actions deferred
- Following completion of project and implementation provide a final report including reflecting on what worked and what did not work to ensure success in future endeavors

Human Resources

- Serve as the personnel director for all township employees, included bargained-for employees
- Direct all human resource functions such as recruitment, hiring, performance review, professional development, compensation best practices and employee relations
- Participate in contract negotiations for bargained-for staff and maintain relationships with union representatives
- Serve as the Township Training Officer to provide access to required and recommended training

Facilities Management

- Responsible for the preservation and maintenance of township property, tools, and equipment
- Manage assignment of office and workspace
- Participates in construction and renovation projects as needed
- Administer requests for phone, cell, internet, and access to buildings

- Coordinate disposition of property

Township Meetings Coordination

- Attend all meetings of the Township Board of Trustees with the right to take part in discussions but without the right to vote
- Assist the Supervisor with agenda preparation including assembling components, tracking the queue of potential agenda items and inclusion of status updates
- Partner with Clerk and Supervisor to manage Board of Trustees meetings logistics including room preparation, technical needs, and taking minutes or assigning the responsibility to others

Responsibilities and reporting relationships may be modified based on the needs of the Township of Scio

Qualifications

A bachelor's degree in public administration, business administration/operations or associated area or equivalent is required

A master's degree or graduate studies in Data Sciences, Urban or Regional Planning, Public Administration, Public Policy, Public Health or related field is preferred

Five to seven years of administrative/professional work with preference for experience in government/public administration

Understanding of the principles finance, budgeting, and purchasing

Demonstrated effective verbal and written communication skills including public presentations

Ability to lead an organization and interact with tact and diplomacy

Proven capacity to manage various aspects of a complex organization

Five to seven years' experience supervising, mentoring and professionally developing a variety of staff

Ability to work proactively in an organization both independently and interactively as part of a team

Strong organizational skills with competency and experience using technical and administrative tools including Microsoft Office Suite and project management software to effectively manage an operation's business practices

Desired software expertise includes Geographic Information Systems (GIS) and BS&A

EXHIBIT A.6

SCIO TOWNSHIP BOARD OF TRUSTEES

Regular Meeting

February 22, 2022

7:00 PM

Meeting Hall with remote participation

MINUTES

As Approved March 8, 2022

Amendments in blackline

A. CALL TO ORDER

B. ROLL CALL

Hathaway called the meeting to order at 7:03pm.

Present: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel (left meeting during Item J2.)

Absent: None.

C. ADOPTION OF AGENDA

Motion by Hathaway to remove D1. Approval of Minutes of Regular Meeting of September 14, 2021 because the item is unnecessary, to move J2. Appointment of New Trustee member to the Scio Township Board of Trustees to directly follow F. PUBLIC COMMENT, and to add an item under CONSENT AGENDA as H6. Amendment to Moore Conservation Easement on North Delhi Road as emailed to the Board earlier in the day.

Due to late arrival of H6. Amendment to Moore Conservation Easement on North Delhi Road, Knol asked that it be moved off CONSENT AGENDA. ~~Hathaway concurred.~~

Knol raised the concern that the Supervisor had removed the option for Public Comment on each Possible Action item for tonight's meeting, referring to text appearing on AGENDA G. PUBLIC COMMENT "This is the time for members of the public to speak for up to 3 minutes on any matter on the agenda for this meeting. There is another opportunity for general public comment at the conclusion of the meeting." Knol discussed the lack of published Board rules in relation to the provisions of the Open Meetings Act, of prior Board practice.

Motion by Knol, support by Flintoft, to call for public comment during the Board's hearing of possible action items during the Scio Township Board meeting of February 22, 2022, and for a roll call vote.

Hathaway asked that the Township Attorney Michael Homier respond to Knol because Hathaway had consulted with Homier prior to changing the text under G. PUBLIC COMMENT on the Proposed Agenda.

Homier, Knol, and Hathaway engaged in a discussion of the facts, and different perspectives on if the practice or rule should be changed at this time or in this manner.

Palmer noted that the Rules of Order deliberation would soon resolve this question, and suggested proceeding with tonight's meeting with current practice, and not make a change at this juncture.

The Board discussed the issue. Members of the public interrupted the Board discussion with protest of the Supervisor's proposed change.

Vogel suggested the Board proceed tonight with current practice, noting the amount of time the Board had already spent on this discussion.

Hathaway suggested dispensing with voting on question, and to proceed with the current practice. Flintoft and Knol insisted on a roll call vote on the seconded motion on table.

YES: Palmer, Flintoft, Courteau, Jerome, Knol, Vogel.

NO: Hathaway.

ABSTAIN: None.

ABSENT: None.

MOTION PASSED 6-1.

Flintoft introduced amendment to remove Agenda Item *J4. Rules of Order for the Board of Trustees* from agenda. Flintoft said that the Board was confronting a 'lame duck' situation with tonight being both Trustee Vogel's last Board meeting and the night the Board plans to appoint a new Trustee.

Motion by Flintoft, support by Knol, that because the Board has already accepted the resignation of Trustee Vogel effective February 28th and she will not be bound by these Rules; and whereas the Board is planning tonight to appoint a Trustee effective March 1st who will be bound by these Rules; Therefore be in resolved, that the Board should consider these Rules of Order when the Board members that will be bound by these Rules are present to deliberate on them, at the next Regular Meeting of March 8th.

Knol said this second draft of Rules of Order was premature to put on agenda. Palmer suggested moving forward with Rules deliberation tonight. Vogel said she supported deliberation on Rules with proposed modifications made by Administrator and Attorney because it had not seemed to her that Clerk and Supervisor would resolve differences.

YES: Flintoft, Knol.

NO: Hathaway, Palmer, Courteau, Jerome, Vogel.

ABSTAIN: None.

ABSENT: None.

MOTION FAILED 2-5.

Motion by Hathaway, support by Courteau, to remove *D1. Approval of Minutes of Regular Meeting of September 14, 2021* because the item is unnecessary, to move *J2. Appointment of New Trustee member to the Scio Township Board of Trustees* to directly follow F. PUBLIC COMMENT, and to add an item under NEW BUSINESS as *H6. Amendment to Moore Conservation Easement on North Delhi Road* as emailed to the Board earlier in the day.

MOTION PASSED by voice vote.

D. APPROVAL OF MINUTES

D.2 Approval of Minutes of Regular Meeting of February 8, 2022

Vogel offered two corrections to her comments under J1 and J2.

Motion by Flintoft, support by Palmer, to approve the February 8, 2022 Draft Minutes as amended and to include a banner atop the minutes “The video recording of 02/08/2022 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.”

MOTION PASSED by voice vote with Courteau and Vogel voting No.

D.3 Approval of Minutes of Special Meeting of February 15, 2022

Motion by Flintoft, support by Knol, to approve the February 15, 2022 Draft Minutes as presented and to include a banner atop the minutes “The video recording of 02/15/2022 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.”

MOTION PASSED by voice vote with Vogel voting No.

E. COMMUNICATIONS to the BOARD OF TRUSTEES

E.1 Information Correspondence Received

Flintoft noted the correspondence published, and noted that since publication the Board had received 10 additional letters of support for Trustee candidate Jillian Kerry.

F. PUBLIC COMMENT

Rusty Towers expressed concern over proposed limitations to discussion by the public and by Board members in the proposed Rules of Order.

Caroline Altomare stated her support for trustee candidate Jillian Kerry; expressed concerns over the transfer of responsibility for FOIA from the Clerk to the Administrator.

Ian Hubert stated his lack of understanding over the effort to limit the input of the public in Board deliberations as proposed in Rules of Order.

Kathleen Brant stated that the software recently purchased is the property of Township and should not reside on Supervisor’s private computer; complained that Board is not following purchasing policy.

Pam Boyd read from the State Constitution, the Pledge of Allegiance, and the Board members’ oath of office.

Pat Stein stated that the power of the Supervisor is not that of a king or powerful executive and demanded that public support for Jillian Kerry convince Board to offer her the open trustee position.

Leigh Ann Phillips-Knope asked what the purpose is of changing the FOIA process and of limiting public comment; asked the Board to appoint Jillian Kerry.

Abby Vakilian said that FOIA should remain with the Clerk because she is elected; complained of a meeting cancelled by the Clerk and the Supervisor. Vakilian claimed that the some people oppose the Clerk on moral grounds.

Steve Feinberg stated he was galvanized into public comment by the GFL issue and the lack of transparency; and asked for a roll call vote on the trustee appointment.

Melinda Kerr, resident of Waterloo Township, asked for an amendment to a conservation easement agreement entered into by her parents with Scio Township.

Jillian Kerry expressed support for saying Pledge of Allegiance at the beginning of the Board meetings; recounted that Vogel suggested dipping into the General Fund at a recent TAP meeting.

Jeff Grover characterized the attacks on the Clerk as inconsistent with Christian value of love, that the Clerk has conducted self with honor, and asked Board to come together.

Marty Mayo wondered about the feelings of a silent majority of residents, and asked Clerk to offer a count of the written correspondence received in support of each trustee candidate

Flintoft shared that the Board had received 1 letter of support for Bob Walsh; 6 letters for Patrick McLaughlin; and 60 letters for Jillian Kerry.

Paula Globerson recalled the public being able to question the Board during public comment under Supervisor Tickle, and called the removal of FOIA from the Clerk suspicious.

Gil Crisman endorsed the candidacy of Jillian Kerry because she exemplifies honest and transparent communication.

Roger Rayle emphasized the importance of the Board representing all of the township, and stated that Jillian Kerry represents the voice of the people.

Barry Lonik reported on the closing of the Andres Trust property (formerly Aprill Farm), and noted that the property had been conserved for agricultural use at a cost of 29% of its value to the Township.

Peter Davis asked the Supervisor to appoint Jillian Kerry to the open trustee seat in honor of Hathaway's father who was a former law colleague of Davis's.

Heather Berkovitz condemned the process of choosing a new trustee as unfair and biased and complained of lack of diversity on the Board.

Rob Pattinson characterized the opportunity to invite Jillian Kerry onto the Board of Trustees as a chance to move into a new era of honesty, integrity, and listening; called the removal of FOIA from the record keeper a mistake.

David Read referred to the history of the Rules of Order discussion and noted that the conditions agreed to by the Board for bringing the issue back have not been met; objected to proposed time limits on meetings, limitations on Board discussion, and limits on public comment.

Jonathan Greenberg said he finds the agenda disheartening in its attempts to limit discussion and debate.

J. NEW BUSINESS

J.2 Appointment of new Trustee member to the Scio Township Board of Trustees

Vogel recused herself, leaving the meeting at 8:46pm.

David Rowley, Township Administrator, introduced the item. Rowley provided overview of the process to date and the question before the Board of Trustees.

Motion by Jerome, support by Palmer, to appoint Patrick McLaughlin as Trustee to the Scio Township Board of Trustees to complete a term until November 20, 2022.

Jerome thanked everyone for their interest in filling the position, expressing gratitude for the public interest. Jerome said that McLaughlin presented the best qualities for the position. Jerome said that McLaughlin would be independent, and had familiarity with relevant issues and important skills.

Knol expressed strong support for Jillian Kerry because she has attended Board meetings, has a depth of knowledge, and an understanding of the diverse issues facing Township. Knol said Kerry has deep and extensive community support, a willingness to work hard, and could bring some healing to this divided Board.

Palmer said that McLaughlin has more of the kind of experience important to serving as a trustee. Palmer also said that Kerry is a strong candidate, and thanked everyone for applying.

Flintoft thanked the three for sitting down with her yesterday. Flintoft said all three would run as Democrats, support reproductive freedom, support voting rights, and work to protect the earth. Flintoft expressed her strongest support for Kerry due to overwhelming support from community including staff members. Flintoft said she supported Kerry because she would make Board more of a coalition and more representative than we are now.

Hathaway said he would vote for McLaughlin because of his service on Parks Advisory Board and LASA. Hathaway said McLaughlin engages in constructive dialogue, and was most prepared of any of the four interviewed.

Flintoft underscored Kerry's popularity with voters, and how clearly Kerry wants to serve the community in this position.

Knol said that Kerry or Walsh are better choices for this appointment at this time.

Steve Feinberg stated the biggest problem of this Board is lack of transparency and trust, and urged Board to consider this big picture.

Abby Valkinan claimed there is no legitimacy to this nomination because the Board did not interview all of the candidates.

The Board entered recess at 9:20pm.

The Board returned from recess at 9:27pm.

Kathleen Brant explained that FOIA requests uncovered that some were motivated to vote for a single waste hauler in order to meet criteria to become a charter township, and that is why there is skepticism about changing the FOIA coordinator.

Ian Hubert noted that 89.5 percent of correspondence received by the Board favored Jillian Kerry to fill the open trustee seat and that this Board has a huge problem with trust and perception.

Pat Stein asked Vogel, Palmer, Courteau, and Jerome to list the times they had failed to vote with the Supervisor.

Jeff Grover instructed the Board to listen to the public in order to bring healing.

Leigh-Ann Phillips-Knope expressed her fear for our township if the Board doesn't listen to the people and choose Jillian Kerry.

Marty Mayo stated that the written correspondence received by the Board does not represent the township as a whole, only the people who are engaged and most are not.

Paula Globerson suggested that all Board and committee members should use township email addresses for all township business; objected to time limits proposed in Rules of Order.

Jonathan Greenberg complained about references to a 'silent majority' that supports Board actions.

Roger Rayle claims that a cabal has taken over the elected body; referred to the practice of pause and deliberation modeled by Native American leadership bodies.

Harvey Somers stated that Board members are not meeting their responsibilities to represent us.

Michele Cody stated she was appalled by the authoritarian bent when robust discussion is key and expressed her support for Jillian Kerry.

Gil Crisman expressed the hope that the Board would vote for Jillian Kerry who represents different opinions.

Pam Boyd proclaimed that the Board is subverting the voice of the active, passionate residents in attendance.

Rob Pattinson expressed the hope that the Board would listen to the residents who have spoken.

Flintoft noted that McLaughlin was not in attendance.

YES: Hathaway, Palmer, Courteau, Jerome.

NO: Flintoft, Knol.

ABSTAIN: ~~Vogel.~~

ABSENT: ~~None.~~ Vogel.

MOTION PASSED 4-2.

Vogel returned to the meeting in progress.

G. REPORTS

G.1 Monthly Financial Reports

Flintoft noted the written financial reports provided.

G.2 Regular Reports from Supervisor, Clerk, Treasurer, Administrator, and Committees

As Administrator, Rowley said biweekly management meetings are ongoing, and has asked management to review employment policies of Township. Rowley said that as of March 1st he will have been in the Township for 3 months, and will offer recommendations to Board to improve operations. Rowley said he is working with Clerk to develop recommendations to improve financial operations.

As Chair of Budget and Finance Committee, Rowley said Committee would meet March 3rd at 10am.

As lead on Gelman efforts, Trustee Knol reported that the February 17 Community Meeting went pretty well, with approximately 125 residents in attendance via Zoom. Knol said she would be working with Hathaway to capture all the unanswered questions and post answers on Township website.

As Clerk, Flintoft thanked Rowley for his work on the finance proposal, and implored Board to be prepared to vote 'yes' on proposal when it is brought forth on March 8th.

As Treasurer, Palmer reported that tax season is wrapped up and that they are on schedule.

As representative on Broadband Task Force, Jerome said there was no update.

On behalf of Parks Advisory Board, Jerome said the Parks Advisory Board was refining its budget proposal with the TAP Committee.

Jerome said that the Land Preservation Commission looks forward to presentation to Board on priorities for possible renewal millage. Jerome noted the RFP that is active for Township's first Buy-Protect-Sell opportunity for the Renz property, and expressed optimism for the enterprise.

On behalf of the Sustainability Task Force, Vogel said the Task Force had met again with the UofM graduate students prepared to conduct their Masters Projects, and planned to coordinate their work with the County's Climate Resiliency plan.

On behalf of the Transportation Alternatives Planning Committee, Vogel said that the Committee had focused its efforts on budget request, as well as the PROS planning process.

On behalf of the Roads Advisory Committee, Knol said the Committee would meet next week.

As Supervisor, Hathaway had no report.

H. CONSENT AGENDA

H.1 Payment of the Bills

To approve the payment of claims presented and accept the previous check run report.

H.2 Authorization to purchase stretcher for 2022 Lifeline Rescue vehicle

To waive the bidding process for a sole source vendor and to purchase a demo 2019 Stryker stretcher for the 2022 Lifeline rescue at a cost of \$14,236.95 from Stryker Medical, to be paid for with prior appropriation of American Rescue Plan Act (ARPA) federal funds (Fund 528).

H.3 Approval of banner atop Approved Minutes of Meetings of the Board of Trustees

To ask the Clerk to publish a banner atop Approved Minutes of meetings of the Board of Trustees that reads "The video recording of MM/DD/YYYY meeting is available at sciotownship.org and shall be retained as provided by state law and township policy."

H.4 Adobe Acrobat Standard License Subscriptions

To approve a total of nine adobe acrobat subscriptions with NetSmart at an annual cost of \$1,618.92.

H.5 Parks Recreation Open Space Plan Five-year Renewal Consulting Contract

To approve the attached Carlisle/Wortman Associates Proposal of Services in the amount of \$20,072.00 for development of the Township's 2023 – 2027 Recreation Master Plan subject to review by the Township Attorney.

Motion by Jerome, support by Vogel, to approve the Consent Agenda as presented.

MOTION PASSED by voice vote.

I. UNFINISHED BUSINESS

There was none.

J. NEW BUSINESS (continued)

H6. Amendment to Moore Conservation Easement on North Delhi Road

Motion by Knol, support by Courteau, that the Township sign and record the attached amendment to the Moore conservation easement as recommended by the Land Preservation Commission specifying that the existing residential dwelling may be expanded.

Kathleen Brant expressed her support for granting the amendment to the easement.

YES: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel.

NO: None.

ABSTAIN: None.

ABSENT: None.

MOTION PASSED 7-0.

J.1 Establish Permanent Polling Places in Scio Township

Flintoft described the duties of the Township Board, and explained the proposed placement of polling places within Scio Township's 8 precincts. Flintoft thanked Deputy Clerk Gillis for her work, and polling places for offering their space.

Motion by Courteau, support by Jerome, to adopt resolution as presented to establish permanent polling places in Scio Township.

Abby Valkinan asked that the polling place for Precinct 8 be moved out of a church since voters may not be comfortable voting in places of worship.

Rob Pattinson asked if voters would need to apply again to be on the Permanent Absent Voters list if their polling place changes.

Flintoft shared her efforts to expand use of secular locations for polling places, and said there would be no need for any voter to sign up again to be on the Permanent Absent Voters list.

YES: Hathaway, Palmer, Flintoft, Courteau, Jerome, Knol, Vogel.

NO: None.

ABSTAIN: None.

ABSENT: None.

MOTION PASSED 7-0.

J.3 Township Administrator Job Description and Authority and Designation as FOIA Coordinator

Hathaway said that the Administrator started on December 1st 2021, and ~~since then the Supervisor has identified and he has been working hard but it's become clear that the Board should delegate additional authority the Board should delegate to the Administrator.~~

Motion by Hathaway, support by Palmer, to adopt the attached resolution Updating the Township Administrator Job Description and Authority and Designating FOIA Coordinator.

Flintoft said she would like to read a prepared statement to speak first to issue of FOIA, and then to issue of financial records.

Regarding FOIA, Flintoft said that David didn't ask for yet another assignment, and she had not asked for this assignment to be re-assigned. Flintoft said it is very typical for the Clerk, as custodian of almost all Township records, to be the FOIA coordinator. Flintoft said she has carried out her responsibilities as FOIA Coordinator in accordance with the statute and Township policies.

Flintoft said she has processed a few hundred requests over the last 2.5 years, and made more items available online to reduce requests. Further, Flintoft has made sure staff is well trained to make process easy for the public. Flintoft said she has fulfilled almost all FOIA requests because they are legitimate requests and the public is entitled to these public records. Flintoft said she has denied some requests in part, and a couple in full, in accordance with exemptions under the law to balance the interests of the Township and the interests of the public. Flintoft reported she has had 0 appeals, and

0 lawsuits, and that all have been handled properly. Flintoft thanked Kristy Aiken and Mary Gillis for their assistance on these efforts.

Flintoft said that David is ethical and capable of serving as FOIA Coordinator, and is confident he will continue to comply with all laws and policies. Flintoft implored David, if Hathaway or any other officer pressures you to not follow our laws and policies, to immediately report any interference to this Board.

Regarding her statutory duties of finance and records, Flintoft said that these changes were again Hathaway using the Administrator's job description as a petty attack on her. Flintoft said, "The language, the effort, it's unnecessary. There's no problem being solved by these changes. David and I work really well together—we collaborate daily—and anyone who in the office at work sees that. We share a vision of professionalizing the Township and getting it to where it needs to be. And, just like me, David follows the law. I want to be very clear here—David is very ethical and knows he works for the people."

Flintoft said, "my opposition is to this Supervisor and to what's being asked of this Board—and I want to be clear—that Will continues to use pretexts—there have been dozens of motions and resolutions over the last year—pretexts to simply target me. Whether it's me personally is really of no consequence. What's worse is to target the Office of the Township Clerk. And that is why what is being proposed here tonight is so serious, and so wrong, and why I want to explain what is going on here.

"The most fundamental core checks and balances over public monies in this Township are under threat. And, if this attack were happening to the Township Treasurer, it would be just as serious. Township Clerks and Treasurers enjoy special protections because each of us have duties under that statute that we are personally responsible for. That is why Boards don't do this sort of thing.

"First, there is no question that I am the duly elected Clerk of Scio Township. In fact, I was the top vote getter of anybody here at this table. From the Michigan Constitution—Article VII, Section 18 excerpt—'In each organized township there shall be elected...a clerk... whose legislative and administrative powers and duties shall be provided by law. My duties are provided by law, by the statute.

"The remarkable arrogance of this resolution of Will's is this: it is the job of the legislature to set forth the Clerk's duties—and they are set forth—in statute for my duties not just in my role over Elections but also on Finance and Records. The statute is clear. The statute is plain. And, when in Green Oak Township in the 1980s a Board went as wayward as this Board seems to be headed tonight, the Clerk took that Board to Court and won, decisively.

Referring to the proposed revisions to the Township Administrator's job description, Flintoft proudly reminded the Board that we had first accomplished unanimity in adoption of the job description on July 27th, with Vogel making the motion and Flintoft seconding. It was just a few weeks later at the Special Meeting of August 17th called by the Supervisor, that he offered addition of 'and related financial reports' under heading of 'Finance.'

Flintoft said, "This was added by the Board on 8/17, over my objection and stated lack of consent under MCL41.75a, and due to my stated belief that under MCL 41 as a whole it is not the Supervisor's job to prepare and administer financial reports. In fact, it would create a subordination, contrary to MCL 15.181. Yet, this Board passed this resolution, 5-2. I repeat my objection and stated lack of consent.

Flintoft said, “regarding the second and third bullet points which are newly proposed tonight: ‘Oversee and prioritize the allocation of Finance staff work time to accomplish tasks’ and ‘Hold ultimate authority over BS&A administration and accessibility.’ This clearly conflicts with statutes--MCL 41.65 ‘The Clerk prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township.’ Under MCL 41.65 the Clerk ‘open and keeps a separate account with each fund belonging to the township...’ As well, this would conflict with my statutory duty under Uniform Budget and Accounting Act MCL 141.421(1) as I am the official who by law...is charged with the responsibility for the financial affairs of this local unit of government, I ‘shall insure that the local unit accounts are maintained and kept in accordance with the chart of accounts.’

Flintoft continued, “MCL 41.75a reserves duties statutorily vested in the officers from being assigned by the Board—unless consent is granted. This is the authority under which I declared, with much explanation and full unanimous support for the past two years including from the former Manager—beginning June 1st 2019 when I was first appointed Clerk—that I would not grant consent for another person to supervise and direct the work of the Finance Director and Finance Manager insofar as they conducted work to carry out my statutory duties. Donna directed their work as related to hers; I to mine. I maintain this position.

“I am grateful to have David as a partner in the management of the staff, as HR director, and as Administrator. He may conduct performance reviews, timesheets, design or assign workflows, but I really believe I would actually be abandoning my obligations as Township Clerk if I did not maintain oversight over the staff insofar as they are working in the BS&A components that are required to prepare and maintain the journals and ledgers of this Township. I must have custody and control of the journals and ledgers. Without such custody and control, I would never be able to fulfill my obligation to ensure that these journals and ledgers have integrity. Who has modified them? Using what standards? I wouldn’t be able to answer those questions.

“This proposed action is arrogant. It is not a Township Board’s job to either grow or shrink my statutory duties. That is the duty of the legislature.

Flintoft referred to the heading ‘Information Technology and Data Management’, referring to newly proposed second bullet point, ‘hold ultimate authority over administration of all software including assignment of access.’ She said, “Insofar as this bullet point relates to access to technology, this is already in David’s domain. He’s the Chief Information Officer. He oversees our Managed IT Services contractor, and I’m very grateful for that. But, insofar as this bullet point intends to place ultimate access to Township records, to information, I object, under MCL41.75a which reserves duties statutorily vested in the officers from being assigned by this Board—unless consent is granted.

“MCL41.65 is clear: ‘The township clerk of each township shall have custody of all the records, books, and papers of the township, when no other provision for custody is made by law.’ There are some papers that are the custody of the treasurer, of the supervisor, but most Township records are my responsibility and I take that responsibility seriously.

“So again, I am elected by the people. I am not subordinate to the Board. Otherwise, it would be a breach of duty if I did not exercise control over the access to Township records, particularly when they may be at risk of deletion or destruction.

"I will close by saying that the constitution, the statute, and the case law support my position. I urge the Board to reject this resolution as presented."

Hathaway asked Township Attorney Michael Homier to join. Flintoft demanded Hathaway ask the Township Attorney a legal question. Hathaway asked Homier to respond to the Clerk's assertions about her statutory authority in relation to the proposed job description and authority for the Township Administrator.

Homier said there is a disagreement on how clear the statute is, and said that the case law on subject is not altogether clear. Homier said that the McKim case dealt with opening mail and storage of records. Homier said that even though the Clerk prevailed in that case, the Court was very critical of the Township wasting \$15,000 of taxpayer money in litigating that case.

Homier said but what it does not answer is if the financial records of the Township which may be spread in a lot of different locations fall under the purview of custody and control if one has access to them in the Township. Homier asked does financial staff who may work on that fall under the direction of the Board or the direction of one officer of the Board. Homier said he thinks it's under the Board's direction.

Homier said it's a different question if the Board were to deprive any one officer from performing their statutory duties as well, for example, if the Board employed finance staff and prevented the Clerk from accessing that finance staff so that she could fulfill her statutory duties, that would be problematic under the statute. Homier said that there is not one case dealing directly with that issue; said that he has looked. Homier said that there are no Attorney General opinions dealing with that issue; said that he has looked. Homier said that to say that it is perfectly clear how a court would interpret the statute in that given situation, goes too far.

Flintoft asked Homier to comment on the words "hold ultimate authority" appearing twice in the proposed job description, and asked if those were Homier's or Hathaway's words.

Referring to "'Hold ultimate authority over BS&A administration and accessibility,'" Homier said he didn't believe that would become an issue unless somebody deprives anybody access that they need to carry out their statutory duties. Homier said he reads that language as administration over the BS&A software itself and accessibility to that software, which is something he would expect an Administrator to do.

Homier referred to "hold ultimate authority over administration of all software, including assignment of access," saying it seems similar to the one he'd just read.

Homier said he did not draft this.

Flintoft said there is no administrative access that David doesn't have that this Board has to bring.

Hathaway said it is not just his administrative access, it is his control over Township employees in general, having administrative access; that he would be the person who would have control over that access.

Flintoft said that David and she are calling BS&A to make that happen.

Hathaway said that there is no problem then. Flintoft criticized Hathaway for spending his time this way.

Flintoft said she had no further questions for Homier, and that she stands by her statement. Flintoft said she believes what she is saying is true, that she can read and comprehend the law, that she knows her job, and that she is sick and tired of this Board following this petty crazy waste of time for this Township.

Palmer asked Flintoft to keep her remarks appropriate, professional, and focused on the issues. Flintoft thanked Palmer for the reminder, and told Palmer that when she sees the Foster Swift bills she will understand, referring to her own level of frustration.

Knol said she had questions for Homier, and comments on proposed job description which would go toward discussion of the Board. Knol said she'd read the McKim case decision, it said that the Clerk must have custody or control of Township papers and that she cannot fulfill her duty of safekeeping of these records unless she has that. Knol said that the Clerk would need to guarantee a chain of custody of the records and who has access to them, acknowledging this is an older case of 20-25 years ago. Knol said that the principle would still apply now in the digital era when it is different. Knol said that there are many comments from the Court of Appeals in this case that are significant.

Knol asked if Homier had prepared a written opinion on this issue. Homier said no, and that he had sent the Board a memo outlining various statutory authorities. Knol said she knows and was clear on everything in that. Homier said if Knol is asking him if he has drafted an opinion on a hypothetical question that has not been asked of me then no the answer is no.

Knol asked Homier if he would agree, referencing the McKim case, that the Clerk must have custody or control of Township papers; otherwise, she can't fulfill her duty of safekeeping of the records.

Homier said he would agree that McKim says what is says. Homier said if Knol would like him to draw conclusions from that in some other ~~content~~ context he would be happy to draft an opinion, but has not done it. Knol said she thinks that could be helpful to the discussion.

Courteau said the Board heard citations to several specific laws including MCL 41.76, 41.65, and then to the Uniform Accounting Act 141.421. Courteau asked Homier if there is anything in his reading of those components of the Michigan code that contradicts what's been said in this job description.

Homier said he doesn't think that you could read the job description as to hold or deprive any of the officers of fulfilling their statutory duty; that's just how he reads it. Homier said he certainly agrees that you could look at it and read it a certain way, but he has been clear on this issue and will say it again. Homier said this is different than a situation in which the Township would say actively deprive somebody from fulfilling their statutory duties as opposed to letting an Administrator administer, which is why you hired him.

Palmer said that she doesn't see the duties outlining here as taking away the statutory responsibility for our Clerk or a Clerk; that it is not taking anything away, that they still have the responsibility. Palmer said years ago the Clerk physically did it, but now in Scio we have staff. Palmer said it is still Jessica's responsibility to make sure those things are correct, and the way they're supposed to be that we're doing our fiduciary responsibility, according to law, following the rules. Palmer said this isn't changing the responsibility, but clarifying. Palmer said she doesn't see this proposal as jeopardizing or

taking away any officers' responsibilities, and that any staff we hire report to David. Palmer expressed confidence in David appropriately coordinating with respective officers. Palmer said it is not taking anything away from Clerk's responsibility.

Vogel said it is pivotal that the Township was two years without a manager, that many things got out of alignment: responsibilities, breadth of positions, all shifted in ways in that void. Vogel said we have an administrator who is experienced, expert, and wise. Vogel said the Board can rebalance things. In regards FOIA, Vogel said, speaking for herself, that she is more comfortable with FOIA out of the elected official position and into the professional Administrator position. Vogel said there have been anomalies that she is not comfortable with, and this shift on FOIA feels important.

In regards to the administrative systems, Vogel said we now have a chief of staff who needs to be responsible for all of the tools for running the operations of Scio Township that includes our software systems and it doesn't exclude anybody it is just a part of being a Chief of Staff. Vogel said there have been uncomfortable anomalies.

Flintoft asked Vogel for examples.

Vogel said she is not going to speak about them in a public forum. Flintoft urged her to share out examples. Vogel raised the example of the Supervisor being excluded from Granicus. Flintoft said that was because he was deleting files.

Vogel said that this conflict was exactly the situation—with such conflict in our elected side of our house, we have got to get our critical systems and FOIA, out of that conflict so things cannot be weaponized.

Flintoft said that if anyone deletes files that she will stop them; that that is her job.

Vogel said she is very comfortable with the shifts of FOIA and administration of software systems.

Referring to finance, Vogel said the Township had engaged an attorney specifically expert in municipal financing. Vogel said there is a distinction between keeping the record, and all the work that is required to create the record which is the role of the Township Administrator. Vogel said two of Administrator's key levers is being HR director being able to bring on and cultivate best staff needed, and Financial Management of the Township so that we are professional, deeply capable, to enable this Board to meet its fiduciary responsibilities which it has not been able to do because the Board is not getting good financial information at the Board table which is unacceptable.

Jerome said he would not claim to be an expert in MCL41.65 or 41.75 or the like. Jerome said the statute clearly requires a Deputy Treasurer and Deputy Clerk. Jerome said he is in favor of Administrator being head of Human Resources, and people reporting to him. Jerome would consider it an issue if the Administrator did not provide the Clerk access to detailed accounting records. Jerome said he agrees with the Clerk that it is her job to capture that, but that it is not her job to manufacture that. Instead, Jerome said that the staff reporting to David would provide Clerk with all the information that ~~I need~~ she needs. Jerome said the accounts must be 'filed and preserved' that doesn't necessarily mean 'created by', as Jerome reads it. Jerome said overseeing the administration of all the staff would help to correct some of the disjunct among budget staff. Jerome still has some outstanding questions about duties of specific staff. Jerome said he supports David overseeing that staff to help them provide the Clerk with what ~~I need~~ she needs to make sure ~~I am~~ she is meeting ~~my~~

her statutory requirements. Jerome said there is no intent to circumvent statutory responsibilities of any Township officer. Jerome said it doesn't appear there is anything in opposition of the statutory responsibilities of the Clerk.

Flintoft said she appreciates David as a partner. Flintoft said she's not referring to an organizational chart or reporting structure, but when it comes to the actual work of preparing and maintaining the books, that is under my direction. Flintoft said she expects David and herself to continue to work well together because they are both professionals. Flintoft said that this is about a problem that isn't there. Flintoft said it is the Board's prerogative to move assignment of FOIA Coordinator. Referring to the other re-assignments, that it is about some pretext, that it is suddenly going to fill the finance staffing gaps we have.

Flintoft said Homier takes direction from Hathaway alone because that's what Homier has been told to do. However, Flintoft said it is not the duty of this Board to tell Flintoft or Palmer how to carry out their duties. Flintoft said she carries out her responsibilities cooperatively and responsibly. Flintoft said the organization of working with an Administrator works. What doesn't work, Flintoft said, is this whole package that Hathaway has put together—the words presented before us is what doesn't work, and raise all of the problems I laid out as clearly as I possibly can for this Board. Flintoft again urged the Board not to accept the proposed resolution as is.

Further, Flintoft asked at least for a correction to a new error presented in the Administrator's job description, under "Supervises," saying that the positions should be listed and major consulting contracts. Flintoft said David needs to continue overseeing these.

Knol said in terms of FOIA Coordinator, that it is typically the Township Clerk in a general law township. Knol said when she was Township Clerk from 2004 to 2008, she was the FOIA Coordinator, despite the Township employing a full time Manager. Knol said she often consulted with an Attorney as needed, but Knol did the work. Knol referred to the research distributed to the Board by Kathleen Brant showing how commonplace it is for the Clerk to serve as FOIA Coordinator.

Knol asked Hathaway what term 'to hold ultimate authority over administration of software including assignment of access.' Hathaway clarified that Knol would be interested in the answer to both references to 'to hold ultimate authority.' Hathaway said that 'ultimate authority' means that if there is a question about accessibility to the software by anyone who works for the Township that the ultimate decision would rest with the Township Administrator. Hathaway said he has spoken with the David Rowley about this, and that Rowley is better informed than is Hathaway about the software.

Knol asked Hathaway, why change the FOIA Coordinator when it is working well? Why assign this to the Township Administrator rather than to Flintoft who has done an excellent job, and didn't request a change. Hathaway said Vogel put it very well earlier. Hathaway said if a Township Administrator had been in place last summer, he asserted that the majority of the Board would have assigned it to the Township Administrator. Hathaway said the Board had to find a place to put the FOIA assignment in the absence of a central administrator. Hathaway said in this vacuum of last two years, many functions have been assigned elsewhere that would more appropriately have been assigned to a Township Administrator. Hathaway said this and other proposed changes are to get away from the kind of siloes that have grown up in the separation of functions. Hathaway said ultimately the goal is to provide the Township staff to work across the Township without these artificial barriers that have grown up. Hathaway said it is not to hinder anyone's effectiveness, but to allow the Administrator to assign

resources to where they are needed, and to make decisions about priorities that are not driven by siloes.

Knol referenced Hathaway's comment that he thought a majority of the Board would have assigned the FOIA Coordinator to an Administrator last summer had we had one. Knol acknowledged Hathaway's affirmative nodding. Knol said that the Board never discussed that, and that would have required a Board deliberation or discussion, and it was never discussed. Hathaway said the Board did deliberate on the question. Knol said the Board did not deliberate on the question. Hathaway said that the Board had deliberated on assignment of FOIA Coordinator. Knol said that the Board had not deliberated before on this question.

Knol asked Vogel why she believes it should be the Administrator instead of the Clerk.

Vogel said there had been a precedent set in the Township. ~~Vogel said her understanding was she~~ it had been assigned to Jim Merte. Flintoft clarified that Jim Merte had been the IT Director, pulling email archive queries as needed. Flintoft said she had served as FOIA Coordinator for 2.5 years, and before that it was Township Manager Bryce Kelley.

Vogel said she does not have the level of trust or confidence in the Clerk to manage that process or manage others objectively. Vogel said politics are a large aspect of the dynamics, saying she thinks there is a very tight alignment with a segment of residents, and that there is a very strong bias. Vogel said that erodes her sense of confidence in the neutrality of the Clerk's Office. Vogel said that when a resident says the Deputy Clerk sent a small group of us the correct link to the Board meeting, my brain goes, 'wow that's interesting, who's the small group, why that group and not another group.'

Vogel said it "assaults the fundamental objectivity required in the Office of the Clerk." For months, Vogel said she has seen enough on this Board, asking 'what FOIA request gets a fee and what one doesn't?' Flintoft interjected, saying that none of the FOIA requestors are charged a fee.

Vogel said she is not confident. Vogel said she is more confident getting FOIA out of the political elected side of the house, out of any bias, and into the very professional management of the Administrator.

Hathaway asked Rowley to comment. Rowley said that as he understood the questions being asked of him and the direction that was discussed as to what possible changes may be appropriate. Rowley said it is generally best practice—most common—that all employees except Deputy Clerk, Deputy Treasurer, Deputy Supervisor report to Administrator if there is one. Flintoft interjected saying she was fine with that.

In regards to FOIA, Rowley said that the question asked of him was what was his knowledge or expertise with FOIA. Rowley said he has dealt with FOIA for 25 years, and was one of the instructors of the FOIA class for MSU Extension, and is very familiar. Rowley said it is the Board's decision to appoint whomever as FOIA Coordinator. Rowley said if the Board wishes that he serve as FOIA Coordinator, that is fine.

In regards to allocation of finance staff, Rowley said that that goes along with overall supervision of all staff. Rowley said he and Clerk consult regularly, and are currently working on a finance proposal both short term and long term to meet financial needs of this organization, noting that Scio has greater needs than for which we are providing services.

In regards to BS&A, Rowley said he is extremely familiar with BS&A and the administration of it. Rowley said one of the issues here in Scio is how it was originally set up. Flintoft concurred. Rowley said the set up is quite unique in how it is currently structured, and that needs to change.

Rowley said administration of any other software is already part of his responsibilities, managing the IT services for the Township. Rowley said he is willing to what the Board assigns, and that he is committed to using resources where they are needed to meet services and accountability.

Kathleen Brant asked Board members whether they had read the relevant statutes and claimed they are breaking statutes.

Abby Vakilian called this discussion a 'food fight' and claimed it is ruining business.

Ian Hubert called this resolution a waste of time and a power play, adding that 80 percent of townships use the Clerk for FOIA.

Jillian Kerry stated that the motivation to change the FOIA Coordinator is keep the public from discovering what Board members have said.

Paula Globerson expressed skepticism in the proposed change to the FOIA coordinator.

Jeff Grover questioned whether Board members understood the optics of their behavior and asked them to focus on doing what's best for the Township.

Pam Boyd said if it isn't broken don't fix it; claimed the problem with the Board is some members are not honest and forthright.

Jonathan Greenberg stated the Board is not listening as evidenced by the proposed limits on public discussion.

Rob Pattinson stated the Board should apologize to the Administrator for the difficult position he's been put in and asked how control over software affects checks and balances.

Kim Phillips-Knope observed that the township lawyer present seems biased in favor of the Supervisor; stated that the integrity of the work is Clerk's concern so it is commonsense to have her in control of it.

Roger Rayle observed that trust in this Board needs to be restored but the opportunity to do so tonight was not taken.

Flintoft asked the Board to at least restore the deleted supervision of major Consulting Contracts. Rowley said he thought that would be important. Hathaway said it was unnecessary to add back. Jerome suggested adding it back. Vogel asked Flintoft for specific language to be restored.

Flintoft offered proposed amendment to job description under heading of 'Supervises' to add back "Consulting Contracts (including Public Safety, Engineering, Planning, Information Technology)." Both Hathaway and Palmer accepted the amendment.

Flintoft asked Hathaway, for the record, if he drafted both the resolution and job description here. Hathaway said that he had created the resolution based on a prior resolution drafted by Township Attorney Jim Fink, which was then reviewed and approved by Township Attorney Mike Homier. Hathaway said both township attorneys were consulted. Flintoft asked Hathaway if either Township Attorney approved this job description. Hathaway asked Homier to answer.

Homier noted the late hour, that the questions being asked are policy questions not legal questions. Homier said he works for the Board. Homier said if the Board would like to get rid of him, to go ahead. Homier said he was not the one asking questions until midnight. Homier confirmed he gets paid for every hour he works. Homier said that if there are legal questions he will answer them.

Homier said he is not making a recommendation on the question one way or another, that this is a policy issue that the Board can implement if it so decides. Homier said he thinks it is lawful in terms of the statutory context and the Administrator's role. Homier said it is the Board's decision on policy, it is not Homier's decision.

Flintoft repeated her question to Homier, referring to the job description's proposed changes, did Homier approve the bolded words such as 'hold ultimate authority.' Flintoft wants to know if this is our Township Attorney-approved language or not.

Homier asked Flintoft what her legal question was. Flintoft said her question is if this is his work product. Homier said that no it was not his work product. Flintoft thanked Homier and confirmed that the proposed changes to the job description were not Homier's work product. Homier said that as the changes are stated he has no legal issues with the proposed changes. Flintoft said she understands, and that this is not Homier's work product. Homier said he did not write it.

Hathaway ~~scolded said to~~ Flintoft ~~saying~~ that in fact it was her advice that we should not pay attorneys to do work if there were things that we as members of the Board of Trustees could do ourselves. Hathaway said he consulted with both Township Attorneys, that they reviewed the work product, but that it was Homier's advice that this was something that Hathaway could do himself.

Motion by Hathaway, support by Palmer, to adopt the attached resolution, as amended, Updating the Township Administrator Job Description and Authority and Designating FOIA Coordinator.

YES: Hathaway, Palmer, Courteau, Jerome, Vogel.

NO: Flintoft, Knol.

ABSTAIN: None.

ABSENT: None.

RESOLUTION ADOPTED 5-2.

J.4 Rules of Order for the Board of Trustees

Knol noted that it was midnight.

Motion by Knol, support by Palmer, to postpone consideration of *Item J4. Rules of Order for the Board of Trustees* until the next regular meeting, as first agenda item.

YES: Palmer, Flintoft, Knol, Vogel.

NO: Hathaway, Courteau, Jerome.

ABSTAIN: None.

ABSENT: None.

MOTION PASSED 4-3.

K. PUBLIC COMMENT

Abby Vakilian stated that the most independent candidate was Jillian Kerry and the Board's failure to appoint her to the trustee opening was tone deaf.

Pam Boyd thanked the Board for choosing McLaughlin, who will galvanize the community opposition to the Board.

Ian Hubert predicted that appointing Jillian Kerry as Trustee would have restored public faith in the Board; and begged Palmer, Courteau, Jerome, and Vogel to vote independently of the Supervisor.

Jillian Kerry said it had been an exciting week for the Township, with many residents hopeful of seeing a change; she expressed her hope that McLaughlin really is an independent thinker.

Kathleen Brant speculated that the Township lawyer might feel uncomfortable charging the Township to attend long Board meetings when he isn't giving legal advice.

Jeff Grover begged the Board to show that they are listening to the public.

Jonathan Greenberg stated he was appalled that the Township Attorney would complain about public comments regarding his behavior.

Caroline Altomare stated her disappointment in Board decisions and the Board itself and apologized to the Clerk for what she has endured.

Roger Rayle stated that this meeting proves that a lot of people are paying attention but unfortunately some Board members are not.

Leigh-Ann Phillips-Knope described a powerful bias on the Board was demonstrated when Jerome was allowed to reply to a resident but Palmer was not; called the attitude displayed by the new Township Attorney troubling and unacceptable.

Rob Pattinson thanked Vogel for voting to postpone consideration of new Rules of Order which he expected the Supervisor to ram through at the end of a long meeting.

Pat Stein observed that the Supervisor encouraged a resident who spoke in favor of McLaughlin to speak up but not those who spoke in favor of Kerry.

L. ADJOURNMENT

Motion by Courteau, support by Palmer, to adjourn.

MOTION PASSED by voice vote.

Meeting adjourned at 12:24am.

EXHIBIT A.7

EXTERNAL RE: BS&A access and finance staff.

Homier, Michael <MHomier@fosterswift.com>

Wed 5/18/2022 1:21 PM

To: James Merte <jmerte@ScioTownship.org>; Jessica Flintoft <Jflintoft@ScioTownship.org>

Cc: Will Hathaway <WHathaway@ScioTownship.org>

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jim,

I am not concerned about who has Enterprise Access to the software and understand that the Board has made a policy decision to give that authority to the administrator. However, it is my further understanding that the Clerk will maintain read/write access to the journals and ledgers. With regard to Ms. Colasanti and Ms. Egeler, I agree with the Clerk that they should only have read access. With read access, both can still document journal and ledger entries that should be added or corrected and pass those on to the Clerk who has the statutory obligation to "prepare and maintain the journals and ledgers necessary to reflect the assets, liabilities, fund equities, revenues, and expenditures for each fund of the township." MCL 41.65. Let me know if you have any questions. Thanks.

Michael D. Homier

Attorney

Foster Swift Collins & Smith PC

1700 East Beltline, N.E., Suite 200

Grand Rapids, MI 49525-7044

Phone: 616.726.2230; 517.371.8120

Mobile/Text: 517.285.4251

Fax: 517.367.7120

mhomier@fosterswift.com

www.fosterswift.com

From: James Merte <jmerte@ScioTownship.org>

Sent: Tuesday, May 17, 2022 12:25 PM

To: Jessica Flintoft <Jflintoft@ScioTownship.org>

Cc: Will Hathaway <WHathaway@ScioTownship.org>; Homier, Michael <MHomier@fosterswift.com>

Subject: RE: BS&A access and finance staff.

Jessica,

I explained this all in my original email and don't have anything further to add. If you would like to discuss the legality of this, I refer you to Mr. Homier at Foster Swift.

Jim

From: Jessica Flintoft <Jflintoft@ScioTownship.org>

Sent: Tuesday, May 17, 2022 9:54 AM

To: James Merte <jmerte@ScioTownship.org>

Cc: Will Hathaway <WHathaway@ScioTownship.org>; James Fink <james.fink@finkandfink.com>

Subject: Re: BS&A access and finance staff.

Do you have any answers to my questions, Jim?

Jessica Flintoft

Clerk

[Scio Township](http://www.ScioTownship.org)

827 N. Zeeb Road
Ann Arbor, MI 48103
jflintoft@sciotownship.org
(734) 369-9400

To view your sample ballot, find out where to vote, or confirm your voter registration status see <https://vote.michigan.gov/mvic/>

From: Jessica Flintoft <jflintoft@ScioTownship.org>
Sent: Sunday, May 15, 2022 2:41 PM
To: James Merte <jmerte@ScioTownship.org>; James Fink <james.fink@finkandfink.com>
Cc: Will Hathaway <WHathaway@ScioTownship.org>; Donna Palmer <DEPalmer@ScioTownship.org>; Sandy Egeler <SEgeler@ScioTownship.org>; David Helisek <David.Helisek@plantemor.com>
Subject: Re: BS&A access and finance staff.

Jim, what legal authority is it that you believe you have to allow people, without my authorization, to manipulate the General Ledger?

What legal authority is it you think you have to have removed by Enterprise Administrator access?

I do not authorize Sandy or Nancy to manipulate the General Ledger.

David Helisek agreed with my determination that Sandy did not need access to manipulate the General Ledger in order to prepare for the audit. In fact, he encouraged me to keep the restriction on Sandy's access in place, as read only, as a bare minimum internal control. She could write journal entries out, if needed.

Jim, you need to get some legal advice from our Township Attorney, or other reputable attorney that you trust. What you, Will, Sandy, and now Nancy are doing is wrong. You must stop.

Jessica

Jessica Flintoft
Clerk
[Scio Township](mailto:jflintoft@sciotownship.org)
827 N. Zeeb Road
Ann Arbor, MI 48103
jflintoft@sciotownship.org
(734) 369-9400

To view your sample ballot, find out where to vote, or confirm your voter registration status see <https://vote.michigan.gov/mvic/>

From: James Merte <jmerte@ScioTownship.org>
Sent: Sunday, May 15, 2022 2:02 PM
To: Jessica Flintoft <jflintoft@ScioTownship.org>
Cc: Will Hathaway <WHathaway@ScioTownship.org>; Donna Palmer <DEPalmer@ScioTownship.org>; Sandy Egeler <SEgeler@ScioTownship.org>
Subject: BS&A access and finance staff.

Jessica,

I have granted access in BS&A general ledger software to Sandy as necessary to complete the FYE and prepare for audit and asked her to begin immediately. Since commencement of this task is so late, I

have also authorized a new temporary employment agreement with Nancy Colasanti to assist in the effort.

Notwithstanding your legal challenge to the same, I have taken this action to comply with the terms of my employment agreement and Township Administrator Job Description, (and the clear expectation of the Board). The applicable section is as follows:

Finance

- *Assist the Supervisor in preparing and administering the annual budget and related financial reports under policies formulated by the Board and state law*
- *Oversee and prioritize the allocation of Finance staff work time to accomplish tasks*
- *Hold ultimate authority over BS&A administration and accessibility*
- *Act as the purchasing agent for the township*
- *Collaborate with others in the township to guide compliance with bidding procedures and conduct all sales of personal property which the township board may authorize to be sold.*

I have done this, not as an act of confrontation or willful disrespect, but out of a sense of urgency. The task at hand is not optional and further delaying its completion may cause substantial harm to Scio Township. The Township residents are expecting its officials and staff to do their jobs well and in a timely fashion.

On a more practical note: I have 100% confidence that staff assigned to complete the FYE and audit preparation are both competent and experienced. Sandy Egeler has completed this task successfully for over 25 years and her intimate knowledge of the Scio Township general ledger may very well make her *the* most qualified person of anyone, internal or external to the organization.

I'm hoping we can move forward from this and work together cooperatively on the many issues that need our attention in the service to Scio Township residents.

-As a side note: I have intentionally narrowed the distribution of this communication to internal leadership only. Although everyone has the freedom to share this as they see fit, I would hope we could all start to model a healthier working relationship.

Jim

James Merte
Scio Township
(734) 369-9400
jmerte@sciotownship.org

EXHIBIT A.8

THE WOODHILL GROUP

29488 WOODWARD AVE, STE 298, ROYAL OAK, MI 48073



May 12, 2022

Jessica Flintoff, Clerk
Scio Township
827 North Zeeb Road
Ann Arbor, MI 48103

Re: Staffing Inquiry

Dear Jessica,

WoodHill recently completed several accounting and finance related projects for the Township, and you wondered if we had any suggestions on staffing structure based on that recent experience.

Since Townships separate the cash management, accounting, and budget responsibilities among the three officers; the staffing structure depends on the internal coordination of the Supervisor, Clerk and Treasurer offices. A single finance 'team' can report to all the officers or, alternately, each officer may have their own staff.

Your inquiry is related to only the Clerk's office and therefore the account recordkeeping, audit and financial reporting component; our suggestion will be limited to that area.

A suggested staffing model for the Clerk's office:

- 1.0 Full time equivalent controller
 - o Audit coordination, Accounting oversight, General Journal Entry approvals, Monthly financial reporting
- 1.5 full time equivalent support staff
 - o Accounts Payable/Payroll/Miscellaneous Receivables

Please note that each entity's staffing needs change with the skill set of the employees and responsibilities assigned and this is a suggested structure.

Regards,

Colleen M. Coogan, CPA, CPFO

EXHIBIT A.9

*Will Hathaway, Supervisor
Jessica Flintoft, Clerk
Donna E. Palmer, Treasurer*

Township of Scio

*Trustees: Jacqueline Courteau
Alec Jerome
Kathleen Knol
Patrick McLaughlin*

Sunday May 15, 2022

Scio Township Board of Trustees
By Email

As my resignation letter of April 12, 2022, will become effective this evening at midnight, the following remarks will constitute my final report to the Board of Trustees on the issues and topics presented. These remarks will provide current recommendations to the Township for moving forward on the various points discussed and will close out any and all requests for additional information or outstanding questions from township officials. All township property in my possession has been personally returned and is now in the possession of the Township Clerk pursuant to the custodial nature of the Clerk's office.

I wish all of you personally and collectively, including Interim Administrator Merte as he officially takes office tomorrow, May 16, 2022, the best of luck in the days and weeks ahead.

Sincerely,

David S. Rowley

David S. Rowley
Scio Township Administrator

Part 1 – Topic / Task List Update

Each of the following issues have been considered, researched, implemented or are in the process of implementation. As they are all ongoing, the list is presented in no particular order.

Transition Conversation

Interim Administrator Merte and I had an approximate hour and a half conversation during the evening of Friday May 13, 2022. Several of the enclosed topics were discussed in detail with him.

Township Staffing / New Positions

Please refer to Part 2 of this report for a full discussion of the staffing issue.

Township Budget and Finance

Please refer to Part 3 of this report for a full discussion of township budget and finance issues.

Township Employee Handbook Update.

The Management Team was asked to each complete a comprehensive review of the current edition of the employee handbook. Each team member was asked to read the entire document with an eye toward what items are clear, unclear, missing, or incomplete. The expectation was that the Management Team would be the "policy review committee" and recommend corrections/updates to the BOT for the improvement of the handbook. While the team has completed the preliminary review, no formal discussion has been held with the team due to recent management team meetings being required for more immediate township issues. This discussion process should begin with the June 2022 Management Team meetings with a targeted goal of a recommendation to the BOT by October 1, 2022.

Employee Health Care

Due to the nature of rise health care costs and benefits, research should be completed into alternative health care provides as a possible alternative to our current program. For the current year of 2022, information was not received until January 2022 with a March 1, 2022, new year implementation date. Such a timeline did not allow any opportunity to research alternatives due to rising costs. A possible alternative provider or status quo provider option should be presented to the BOT by November 1, 2022.

Employee Retirement Options

The current provider of such benefits is MERS. While an excellent organization and the provider to many local units of governments across the state, the Township has not looked at other options for an extended period of time if at all. Other investment providers should be considered with recommendation to the BOT by November 1, 2022, for a continuation with MERS or a possible change to Nationwide, Fidelity, etc.

Employee Bi-Weekly Pay Period

Most general law townships pay their employees monthly. However, due to the size of Scio Township, the decision was made some years ago to move to a twice a month pay specially being the 15th and 30th of each month. While this appears to be a logical extension, a twice a month pay schedule does present its own set of challenges. I have been advised while some issues do exist for township staff, even greater implementation issues for fire department personal due to the nature of work schedules, overtime, etc. Conversations with departments head and various employees lead to support a payroll change from the 15th and 30th to every two (2) weeks throughout the calendar year. This every two-week pay is completely in line with good governance principles and is widely used throughout Michigan's local units of government. Therefore, the recommendation is to develop a timetable for implementing a change to a Bi-Weekly pay schedule at an appropriate date in July as July 1 begins the second half of the year.

Liberty Road Project Funding

Information provided from OHM notes that Phase I of the project is being completed. Phase II has not been formalized in terms of a funding source. Due to the ongoing issues of financial staffing and reporting, there is inadequate information to determine the internal funding capacity. The Supervisor did coordinate a meeting with the bonding attorney some months ago but I have not been provided with any additional information on a possible bond funding source or any other internal funding mechanisms since that time.

DDA Annual Audit

A review of DDA Scio Township records from the Local Government Document Search Site of the Michigan Department of Treasury, Community Engagement and Finance Division did not locate any filings since 2017. Recommendation is to review all DDA materials for compliance with annual filing requirements. The Local Government Document Search Site may be located at:

<https://treas-secure.state.mi.us/DocumentSearch>

BS&A Software Programs

Based upon data provided by the Finance Manager, the following are the current in place BS&A software programs and their original year of implementation.

Utility Billing	2001
Cash Receipts	2002
Payroll	2003
Miscellaneous Receivables	2009
Assessing	2009
Tax Program	2009
General Ledger	2009
Accounts Payable	2009
Special Assessments	2010
Delinquent Personal Property	2010
Fixed Assets	2021
Purchase Orders	2021

Discussions with existing staff clearly reveal the fact that not all programs are being utilized to their full capacity even though over 80% of the programs have been in place for anywhere from 12 to 21 years. Additionally, cross training of staff for numerous backup/support opportunities is limited or nonexistent. Recommendation is to schedule an onsite review with township staff and BS&A representatives to develop a comprehensive training/update program for each program as may be needed as well as documentation of cross training opportunities. Once completed, an implementation plan for improvements should be accomplished by December 31, 2022.

Computer Server Issues

The Township has been experiencing program delays and actual periods of being offline. Ongoing discussions have been held with NETSMART our contract IT coordinator for possible solutions. Recent discussions have included representatives from BS&A software. Recommendation is to consolidate and remove as many of the existing nine (9) township servers as possible to increase server capacity and performance and to move as many BS&A programs as possible to their cloud based back up system for data storage and retrieval. Such cloud-based systems should be implemented within the next sixty days.

Water / Sewer Agreement with the City of Ann Arbor

The Utilities Director and I have worked to resolve long standing payment issues with the city of Ann Arbor for tap in fees. Recommendation is to continue to review the process made from changing the payment schedule from annual to monthly and to continue to improve the process for payments. Also, continue to work with the City of Ann Arbor to resolve an outstanding financial issue of Scio Township's improper calculation of rates which does result in an additional payment to the City of Ann Arbor for services rendered.

Industrial Facilities Tax Abatements and Industrial Development Districts

The recent Optiflow applications to the BOT for an IDD district and then an IFT application clearly demonstrate the need for the BOT to develop a comprehensive criterion for evaluating both district and IFT applications in terms of investment, job growth and retention, and longevity of the proposed project for applying the number of years from 1 to 12 for any abatements. Recommendation is to develop such development guidelines by July 1, 2022.

Fire Department Labor Union Contract

The current union contract expired on April 20, 2022. Due to Scio Township's method of accounting, the fire department deficit / funding issues / questions, several economic issues for the contract could not be addressed. As I understand, the Fire Chief and Fire Union have reached an interim agreement to continue the current contract as it presently exists until such time a new contract may be finalized. Recommendation is to resolve the fire department funding issue within the next 30 days. The funding issue has developed from what appears to be an incorrect implementation of Public Act 33 of 1951 and an incorrect implementation of the accounting standards as provided for the Michigan Department of Treasury. Public Act 33 creates a township wide special assessment district with specific procedures. The implementation of the special assessment suggests that fire funding has instead been treated as an extra voted millage which

it is not. I have held on going discussions with the Township Attorney (Homier) and the Fire Chief to address this issue.

Capital Improvement Plan (CIP)

The Township did not adopt a capital improvement plan as part of its FY 2022-2023 budget discussions. Instead, several capital improvement projects / items were listed on various budget documents and have led to confusion from Department Heads as to whether such items were approved during the budget process. As part of the annual budget cycle, a five-year capital improvement plan is expected. Recommendation is to develop a timeline and process for the annual creation / review of the five-year capital improvement plan. The CIP should be developed in conjunction with the annual FY budget cycle. Also, the timely implementation of the Uniform Chart of Accounts as required by the Michigan Department of Treasury would be a huge first step.

Part 2 – Township Staffing / New Positions

The issue of staffing positions has been a matter of concern. I have held individual discussions with each employee of the township and fire department. I have obtained questions, information, and input from various members of the BOT, unions, Department Heads, and township committees. Each have offered opinion as to what is important in their specific point of view and suggested how the analysis should be conducted. After much consideration of the materials gathered and in keeping with good governance practices as well as my own personal experience and education, I would offer the following recommendations as to potential staffing levels. One caveat, however, all staffing levels are subject to the implementation of qualified accounting staff, with appropriate CPA oversight, in order to determine the actual level of funding available for the various positions.

The list of FTE positions dated March 17, 2022, has been reviewed and should be considered as a base for consideration of township staff for the next fiscal year. It should be amended with the following positions as appropriate.

High Priority Staff

Due to the nature of the duties, these positions should be filled within the next three (3) months.

Finance Director

This position is currently open and being recruited for by Amy Cell LLC. Objective is for a person with proper government accounting expertise and a CPA, MBA, or CPFO certification.

Human Resources Generalist (1/2 time)

This position is needed to develop/revise existing job descriptions and conduct internal township job recruitments. While the more advanced/technical positions may require the services of a firm, many of the township positions could be handled in house with proper HR staff.

Township Manager

Scio Township needs to reevaluate its position on an "Administrator Model". A full time Township Manager is needed with the authority to be the Chief Administrative Officer as defined in the statutes for overall budget preparation. The manager should also be given full hiring/firing authority and be held accountable for those actions. A part time Interim Administrator model will not resolve township issues in the long term. A full time Township Manager must be hired with all the duties, responsibilities, and authority of same.

Medium Priority Staff

These positions should be filled within the next three to six months.

As part of the overall redesign of the finance team, the Finance Director is the first step. In addition to the high level of analytics and professionalism this person will provide, support and

direction to the Finance Manager as well as the following two positions. Each of these two new positions will report to the Finance Manager (Rebecca) and complete the 3.5 FTE for finance.

Finance Accounting Specialist

This position would assist the Finance Manager and Finance Director with the implementation and ongoing work of the following tasks:

Accounts Receivable	Detailed records for asset
Purchasing	management
Accounts Payable	Budget Process
Payroll and Benefits	Capital Improvement Plan
Audit and Year-End Reporting	Grants Management
Investments and Cash Management	Special Assessments
Debt Management	Payment in Lieu of Taxes (PILOT)
Uniform Chart of Accounts	Utility Billing (Back Up)
Assist/Review deposits/payments for errors	

Utility Billing Clerk (1/2 time – Laurie Carey)

NEW – Accounting Finance Specialist (1/2 time)

Restore the Utility Billing Clerk position to full time status. Due to the BOT's rejection of the Temporary Finance Officer proposal earlier this year, a reorganization of the Finance Department was not possible. Therefore, due to retirement of the Utility Billing Clerk, the position was only able to be filled on a part time contractual basis. The contract, unless renewed, will expire on June 30, 2022. Adding accounting / finance duties to this position in terms of accounts payable and payroll will provide back up support to the Finance Manager as well as potential other financial tasks that may need additional support. This new hybrid position will be moved from the utilities department to the finance department with a change in reporting from the Utilities Director to the Finance Manager.

Fire Department Administrative Assistant (1/2 time – Terry Soave)

NEW – Expand to Full Time

Discussions with both Terry and the Fire Chief have noted the need for an expansion of this position. In addition to assistance with the inspection program and current BOT zoom meeting coordinator, new duties will include additional administrative tasks as follows:

- Payroll processing
- Scan and organize all paper files (about 5 filing cabinets full)
- Develop and maintain maintenance schedules for building, equipment, and apparatus
- EMS licensing
- EMS supply ordering

Utility Department Technician

The utility technician will expand the department's capacity to respond to various tasks assignments that are currently either on a very long-term schedule or are not scheduled at all. This new position will report to the Utilities Director and work with existing staff on additional projects as follows:

Annual issues regarding water and sewer lines	Hydrant Flushing
Preventative maintenance issues	Winter snow removal
Value Turning	EAGLE inspection assistance
	Support for Township park maintenance

Associate Assessor (Michigan Advanced Assessing Officer MAAO-3)

The assessing department is in need of additional field staff and analytical capacity. Current department staff is at two (2) persons. This is inadequate for a jurisdiction of this size and taxable value. The Michigan State Tax Commission (STC) requires a physical inspection of at least 20% of a unit's parcels on an annual basis. Current staffing levels are inadequate to meet this state standard.

Firefighters – Township Fire Department – Two (2) Positions

Standard certified fire fighter positions. The Fire Chief has indicated that current staffing levels are inadequate to meet all possible circumstances without the need for overtime or other additional support.

Low Priority Staff

These positions are considered low priority due to the limited nature of the task, the inadequacy or inconsistency of the support material or the simple fact that much of this work may be accomplished by existing or other newly acquired staff.

Parks Manager (1/2 Time)

Trustee Jerome mentioned at the May 10th BOT that maintenance would be a major concern for a parks manager. Considering this and after extension review of all submitted parks materials, the Utilities Director has been instructed to confer with the parks committee and develop a summer / winter maintenance schedule. With existing Utilities staff and the addition of the new Utilities Technician, the opinion was expressed that current internal capacity exists to support the parks without the need to consider the hiring of full-time park specific staff. When township parks expand from pathways and nature preserves, a full-time parks staff may be appropriate. However, as of today, a part time position is appropriate to assist the overall existing utility staff.

Project Manager

Here again submitted materials were not persuasive that this position is needed at this time. Additionally, without professional financial staff, it has been impossible to determine the exact nature of the 15% administrative costs of the park's millage. There are a variety of topics that may or may not be applicable to be included in the calculation of the 15%. Moreover, a simple

calculation did determine that the 15% cap was approximately \$127,000. Early 2022 budget requests were in the \$200,000 range. Without more detailed analysis of how the costs could be allocated to various township "projects", a project manager position simply cannot be funded within current administrative cost restrictions of 15%.

Grant Manager

During conversations earlier this year regarding grant opportunities, the Supervisor took the lead on developing these tasks. With the appointment of the Interim Administrator, the Supervisor should continue to have ample time to lead the grant effort. With current limited grants, a specific grant manager position is unnecessary.

Part 3 – Budget and Finance

We have been having an ongoing conversation about budget and finance since January. This has also been a major point of disagreement with the BOT regarding sound financial policy and adequate financial staff. As I have presented multiple times on good governance procedures and the development of sound fiscal decision making, I will not restate them now. I will, however, attach a copy of the PowerPoint presentation from a May 10, 2022, Michigan Department of Treasury webinar entitled, "Chart Chat". While the entire PowerPoint is excellent, I would specially call your attention to the section on "Budgeting" presented by Roxanne Foster, Senior Auditor, Community Engagement and Finance, Department of Treasury. I will summarize some of her key budget points below. You may recall many of the same points that I have presented at both BOT and Budget and Finance Committee meetings.

Developing a Budget Document

- Have a budget calendar
- Have a document to explain the budget
- Involve staff in draft developments
- Have workshops with elected officials
- Develop a balanced budget

Preparing for your Budget

- Timeline – create a checklist
- Include the public – Citizen engagement is critical
- Get Feedback – surveys, workshops, newsletters, summaries, social media, etc
- Plan for future needs
- Tie to Capital Improvement Plan (CIP)

Adopting a Budget

- Provide enough time for review
- Provide workshops with staff and the governing body
- Public Hearing
- Formal Presentation with proper resolutions

Communicating the Purpose of the Budget

- Ask for public comment
- Take Surveys
- Interactive sessions for public engagement

Designing your Budget

- Follow budget policy and state law
- Minimum requirements of state law or going above and beyond
- Know which funds require a budget – governmental funds – General Fund – Special Revenue Funds

Preparing to Amend your Budget

Review your revenue and expenditure report monthly
Amend your budget not less than quarterly

Common Budgeting Pitfalls

No goals or strategy of what to accomplish
Failing to forecast revenue
Failing to include information from other sources such as CIP
Not updating your fee schedule annually
Rushing or having no timeline
Poor or no data to show past performance
Not including elected officials in the budget process
Not involving staff in the development phase
Not providing a draft copy for public inspection
Budgeting alone without any consideration of neighboring communities

The Budget and Finance Committee needs to take heed to the discussion on budget development that I offered at the April 21, 2022, meeting and begin the budget process for the April 2023-March 2024 fiscal year in June of this year. The argument is simple.

Budgeting is a long-term sustainable process that addresses capital improvements, legacy costs, and all operating. It works at a strategic level (3-5 projections) and has well defined performance measures to implement the goals and objectives of the board itself. All departments must be included in the budget development process as well as the public. Several work sessions well in advance of established timeline deadlines must be held.

Before anything else, this BOT needs to develop short- and long-term goals and objectives for township staff to implement when determining budget requests. As the current Scio Township budget process now stands, the BOT does not have any goals or objectives but instead relies on its various specific issue committees to provide guidance as to policy direction. The Scio model is clearly one of the tail wagging the dog. To correct this unsupportable situation going forward, the BOT should adopt the following budget timeline before the end of May 2022:

May 2022	Adopt short- and long-term goals in a work session
June	Revise goals and adopt budget calendar
June	Departments and Committees begin to assemble data in keeping with BOT goals
July	Work session(s) held with Departments and Committees to review data requests
August	Departments and Committees submit final budget requests. Informal reviews are held
September	Public Hearings for public comment
October	Changes and updates are needed based on public comment
November	Revised budget requests from Departments and Committees are submitted for review

January 2023 Current Fiscal Year year end projections are made
February Final work session and draft budget presented for public review
March BOT holds final public hearing and adopts budget for next fiscal year

BOT needs to take steps to address all financial reporting to guarantee accuracy and compliance with applicable statutes and procedures including:

Monthly Budget Progress Reports
Year to Date Expenditures and Revenues
Timely Investment Reports
Monthly Reports on Status of all Accounts

Full use capacity of all BS&A software programs must be implemented. Extensive reliance on excel spreadsheets leads to confusion as to which "version" is final and correct.

The Michigan Department of Treasury's website of Community Engagement and Finance should be reviewed frequently for updates and ongoing municipal financial information.

EXHIBIT A.10

This proposal will only include a discussion of Accounts Payable and Payroll in the absence of the Finance Manager due to a family medical emergency. It should **not** be confused with the prior submission of the "Temporary Township Finance Officer" staff contract proposals submitted by Plante Moran and Rehmann. Any data analysis or detailed review requested of the entire finance department is not part of this current proposal but will be considered at a later date when all township staff positions are scrutinized.

Background

Please refer to Attachment A.

While a typical sized jurisdiction will generally have four (4) to five (5) full time employees in the finance department of varying skills, abilities and certifications, the Township of Scio has one (1). The Finance Director position was vacated by the Township Board in November 2021. This staff reduction left only the Finance Manager as the entire Finance team. Scio's Utility Billing Clerk is not part of Finance but is in the Utilities Department.

The Finance Manager experienced a family medical emergency in March 2022 which required her to begin using personal leave time for an unknown length of time. As in mid-March, the length of the possible leave time was undeterminable, Scio Township was without **any** staff to process the March 30th payroll and accounts payable invoices. In addition to the payroll and accounts payable issues, there are also lapses in the workload of the general ledger, year end closing for the fiscal year that ended on March 31, 2022, and the preparation for the annual audit which is tentatively scheduled to begin in early June.

Referencing the Scio Township Purchasing Policy and Procedures (November 2019), paragraph 2d provides for Emergency Purchases as follows:

"Whenever there is an imminent threat to the public health, safety or welfare of the Township or its residents, the Township Supervisor or a member of the Board of Trustees may authorize the purchase of supplies, materials, equipment, services or construction, utilizing competition as may be practical and reasonable under the circumstances."

The opinion was expressed that the welfare of the township and its residents were about to suffer an imminent threat as without the Finance Manager the township would be incapable of paying its bills, contracts, and also its employees. As the word "welfare" is generally defined, this lack of the ability to meet payroll and accounts payable would clearly cause a "calamity" and impact the "prosperity" and "happiness" as well as impacting the "well-being in any respect" of the township's employees and its creditors.

In response to this emergency, a meeting was called by the Township Administrator with the three (3) elected board members in township hall, Supervisor, Clerk, and Treasurer. A discussion was held. The Township Clerk and Township Treasurer agreed that this situation met the definition of "Emergency Purchases" authorized the engagement of Rehmann Robson to provide temporary accounts payable and payroll services. The Township Supervisor did not agree.

Rehmann Robson prepared the March 30th payroll and accounts payable. They are currently in the process of preparing the same for the April 15th distribution.

The Board of Trustee's Motion from March 22, 2022, states:

"The Township hereby terminates the "emergency" engagement of Rehmann Robson for payroll and accounts payable services effective April 12, 2022, if either the Finance Manager is able to carry out those duties at that time, or the Township Administrator is able to create an alternative plan for accomplishing these tasks using the Township's full and part time employees, including the Deputy Treasurer, with the understanding that the Administrator's plan may include outside resources."

In response to this motion, the Township Administrator reviewed all of the current human resource files on the township's "full and part time employees" in order to determine the in-house knowledge skills and abilities to serve an interim role in finance. The records were incomplete and offered limited guidance.

An employee survey was prepared to obtain the information that the personnel files lacked. See ATTACHMENT B. The survey was sent to the seven (7) current employees who were most likely to have at least some of the skill set needed. The cover memo clearly stated that, "The intent of this data gathering is to supplement the development of the finance task work plan. ... I am attempting to document the various skill sets of our current staff to determine the internal township staff support capacity as opposed to solely relying on anecdotal statements. Any consideration for the option of current township employees modifying their existing roles would be based on documented skills sets and the individual employee's expressed interest in the new opportunity."

Analysis of the survey provided the following details. Of the seven (7) employees surveyed, three (3) have skill sets in the payroll and accounts payable BS&A systems that the township currently utilizes. These individuals are Rebecca Maute, Laurie Carey, and Sandy Egeler.

As presently assigned, Laurie is the part time Utilities Billing Clerk. Sandy is the appointed Deputy Treasurer and serves at the pleasure of the Treasurer. As you may recall, Sandy requested this appointment and to be removed from finance. This Deputy Treasurer appointment was approved by the Board of Trustees to this position in November 2021. Rebecca is the Finance Manager who has payroll and accounts payable assigned as part of her normal job duties.

In consultation with Rebecca and in keeping with past township practice, a Memorandum of Understanding (MOU) was entered into on April 5, 2022. This MOU permits her to work a flexible hybrid schedule. She has remote login capacity from her home and will also be in the office on a periodic basis. The MOU is in effect until June 30, 2022, and Rebecca has agreed to provide the Township Administrator with a regular report of her working schedule and tasks.

Alternate Plan

Based upon the review of Scio human resource files and my analysis of the results of my April 5, 2022, survey, any alternate plan for payroll and accounts payable would be based upon the following model:

Primary Task Person: Rebecca Maute

Rebecca is the current Finance Manager and has stated regarding payroll that "I am the only employee that knows how to access and upload MERS monthly payroll reports, upload the State of Michigan SUW monthly and annual returns, and the only employee that has uploaded the 941 to the Department of Treasury."

As to accounts payable she states, "I am currently the only employee at Scio Township that knows the new process for inputting Accounts Payable invoices into the system using our new Purchase Order module."

Secondary Task Person: Laurie Carey

While Laurie is a part time employee in Scio Utility Billing, she is also employed part time in another local jurisdiction and is a current user of the various BS&A programs needed to serve as support to Rebecca. She has agreed to do so.

Back up Task Person: Sandy Egeler

While Sandy has had past experience in Scio Township BS&A programs, she stated in a planning meeting with the Supervisor and Treasurer words to the effect that she would need some training as the programs are different than they were in the past. She is familiar with the utility billing program as she stated on her survey form that she "set up the Scio program" and that the utility program is used "every day for LASA". Sandy provides utility billing services for LASA which is an independent authority from Scio Township.

Option 1.

Maintain the agreement with Rehmann Robson as it was negotiated with them in good faith. Rehmann has fully performed on each aspect of the agreement. The agreement will remain in place until June 30, 2022. During the time until then, a complete comprehensive permanent finance department staffing plan can be formulated and implemented. The Rehmann agreement also allows Rebecca the needed worktime flexibility.

Option 2.

Should the Board of Trustees decide to terminate the agreement with Rehmann on April 12, 2022, then the internal staffing plan is as follows:

Primary - Accounts Payable and Payroll – Rebecca Maute

Secondary – Accounts Payable and Payroll – Laurie Cary

Back up to Utility Billing/payroll/accounts payable – Sandy Egeler

(Sandy as back up rather than primary or secondary also preserves the separation of duties and checks and balances across departments due to her role as Deputy Treasurer. Also, this backup role would not impact the Treasurer's office as the entire staff is composed of the Treasurer and Deputy Treasurer.)

Recommendation:

The Township Administrator's recommendation is for Option 1 – maintain the agreement with Rehmann until June 30, 2022.

ATTACHMENT A.
SCIO TOWNSHIP FINANCE STAFF VS TYPICAL STAFF OF
SIMILAR SIZED JURISDICTIONS with \$2 - \$3 MILLION PROPERTY TAX REVENUE

SCIO TOWNSHIP

TYPICAL JURISDICTION

Finance Director
(Vacant Since November 2021)

Finance Director

Finance Manager
Rebecca Maute
(Out on MOU until June 30,2022)

Actual title of position
depends upon the specific
unit but the duties are similar.

Assistant Finance Director
Finance Manager
Budget Director / Analyst

Utility Billing Clerk (Part time 20-25 hours)
Laurie Carey (Replaced Shawn Slane – Retired)
Currently part of Utility Dept not Finance
Started in position – March 29, 2022

Finance Clerk
Accounting Specialist

Billing Clerk/Cashier

Cashier/Billing Clerk

<1.0 FTE Current Capacity Finance
0.50 FTE Utility Billing

4.0 to 5.0 FTE Capacity
Finance and Utility Billing

Emergency procurement services were needed for accounts payable and payroll until June 30, 2022, due to understaffed Finance Department and no backup in workload capacity.

MEMORANDUM

To: Scio Township (Full and Part Time Employees) as follows:

Kristy Aiken
Laurie Carey
Sandy Egeler
Andrea Garrett

Rebecca Maute
Terry Soave
Frances Szuma

From: David S. Rowley, Township Administrator

Date: April 5, 2022

Subject: Information Request

The Township Board of Trustees has requested the development of a plan for the accomplishment of various township finance tasks which "may include outside resources" and the use of "the Township's full and part-time employees".

Pursuant to this request I have completed my review of outside resources as well as a review of township human resource records pertaining to the full and part time employees listed above. However, the historical data contained in the township human resource records is incomplete in terms of the documentation needed to accurately verify the commonly held view of the knowledge, skills, and abilities of each of the various employees.

Therefore, I have developed the attached questionnaire. ***Please complete this form with the requested information and return the completed form to me by 12:00 pm (Noon) on Friday April 8, 2022.*** The intent of this data gathering is to supplement the development of the finance task work plan. In other words, I am attempting to document the various skill sets of our current staff to determine the internal township staff support capacity as opposed to solely relying on anecdotal statements. Any consideration for the option of current township employees modifying their existing roles would be based on documented skills sets and the individual employee's expressed interest in the new opportunity.

Please let me know of any questions.

SCIO TOWNSHIP
(Full and Part Time Employee Review – Two Pages)

Instructions:

Please complete this form with as much detail as possible. This form is provided as a word document so that you may compose answers on the original form. Attach additional pages as needed. Upon completion, please sign, date, and return to the Township Administrator by 12:00 pm (Noon) on Friday April 8, 2022. If you have a current resume, please attach a copy.

Name of Employee

Current Position

Title and Length of Time Served

Professional Experience

Please list employment for the last ten (10) years including position title, length of time in position, and type of job duties

Computer Skills

Describe your computer skills for the following programs and identify the last time frame when you used the program

Word

Excel

BS&A Software

Accounts Payable

Payroll

General Ledger

Purchase Orders

Utility Billing

Education

Please list your highest degree earned (i.e., High School, Associates Degree / Certificates, Bachelor's Degree, etc.) Please list any applicable coursework to your present position in Scio Township. Please attach appropriate transcripts.

Certifications and Awards

Please list any professional certifications or organizational awards that you have received with the applicable date(s)

Organizations

Please list any applicable local, regional, or statewide organizations to which you belong and your role in each

I attest that the above information is a true and accurate description of my credentials in terms of the topics listed and that I understand that this form will be added to my Scio human resource files.

Signature

Date

EXHIBIT A.11

MEMORANDUM

To: Scio Township Board of Trustees
From: David S. Rowley, Township Administrator
Date: April 12, 2022
Subject: Termination of Employee Agreement



After long conversations with family and friends, it is with great regret that I do provide Scio Township notice that I elect to terminate my Employment Agreement with the Township as of May 15, 2022, pursuant to Section 9 of the current employment agreement for the Township Administrator. Today's notice is greater than the thirty (30) day minimum required.

I am sorry both personally and professionally that this action is necessary. My original intension though was to remain in Scio until my final retirement. However, there is no incentive to remain here. Ongoing township events have clearly demonstrated that there will never be agreement between myself, and Scio Township elected officials as to the principals of good governance regarding local government fiscal management and certified oversight. As a professional local government manager, administrator, and educator with now over thirty (30) years of day-to-day actual experience, I am in a greater position to opine on what is needed for local government and I am greatly saddened by the Scio's political approach to millions of dollars of taxpayer's money. My reputation in local government, as well as my integrity and professionalism are well known across the state and respected by my colleagues. As a state and national education award winner in government education excellence, I choose to no longer be a part of the Scio Township model of local government. I do call on the Board of Trustees to fill the vacant Finance Director position with an experienced individual who holds a Master of Business Administration degree or who is a Certified Public Account and to conduct a three (3) to five (5) year internal audit to fully understand the status of township finances.

To the staff and employees of Scio Township, I thank you for your dedication and professionalism. Stay strong. You are the very best of Scio Township. To the township residents and taxpayers, I thank you for your many statements of support and the kind words that I have received. Continue to watch, observe, and hold your elected township officials accountable for every one of their actions. It has been my greatest pleasure to have been your public servant even for this short period of time.

EXHIBIT A.12

Report to the Board of Trustees regarding the two missed County milage requests for the December 2021 tax bill.

To fellow Board members:

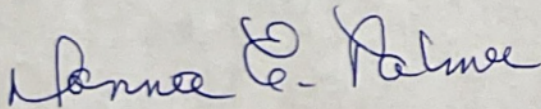
During the Tax Settlement process, the county treasurer's office discovered that I had missed two of their milage requests, Roads for 0.4981 and Conservation District for 0.0199. I have thoughts as to how this happened, but that is immaterial, at this point in time.

I contacted BS&A, our software provider and was surprised to learn that it is an easy process to do the correction. A special assessment district will be created for each levy request and then will be imported in the billing step. By doing so in this manner, we can use the 2021 database, which is very important. It will make the reconciliation process easy and accurate.

This process puts everything on one bill, clearly explained. For those citizens whose taxes are paid through their mortgage escrow account, it eliminates the confusion that emailing two data files would create.

In response to the question regarding an additional L-4029 request form, one is not needed.

To inform the citizens, I am proposing an article in our newsletter, information on the website, and an information letter mailed by May 20, 2022.



Donna E. Palmer

Scio Township Treasurer

April 26, 2022

EXHIBIT A.13

Month Ended: March

GL NUMBER	DESCRIPTION	BALANCE AS OF 03/31/2009	BALANCE AS OF 03/31/2010	BALANCE AS OF 03/31/2011	BALANCE AS OF 03/31/2012	BALANCE AS OF 03/31/2013	BALANCE AS OF 03/31/2014
Fund 206 - FIRE DEPARTMENT FUND							
206-000-001.000	CHECKING	940,519.74	55,958.54	676,358.00	2,000,462.70	2,224,893.56	1,407,406.94
206-000-001.900	CHECKING - MEDICAL REIMB ACCT.	0.00	0.00	0.00	2,675.48	1,012.80	0.00
206-000-002.000	POOLED SAVINGS	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.010	SAVINGS	0.00	1,300,032.09	1,005,138.14	0.00	0.00	0.00
206-000-002.012	FLAGSTAR SAVINGS-FIRE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.020	SAVINGS @ STATE BANK	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.100	INVESTMENT-COMMERCIAL PAPER	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.200	INVESTMENT-US TREASURIES	0.00	0.00	0.00	0.00	0.00	0.00
206-000-003.000	CERTIFICATES OF DEPOSIT	0.00	0.00	0.00	0.00	0.00	1,006,698.94
206-000-005.000	CASH - CLASS	0.00	0.00	0.00	0.00	0.00	0.00
206-000-007.000	INVESTMENT-CLASS ACCT	0.00	0.00	0.00	0.00	0.00	0.00
206-000-020.000	REAL TAXES RECEIVABLE	0.00	0.00	31,527.37	0.00	0.00	0.00
206-000-028.210	TAXES REC - DELQ PERS PROP - 20	0.00	0.00	91.62	89.60	89.60	89.60
206-000-028.220	TAX REC - DELQ PERS PROP - 2020	0.00	0.00	0.00	0.00	0.00	0.00
206-000-035.000	CURRENT ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-037.000	DUE FROM COUNTY-DELQ TAX	66,709.50	58,135.32	50,161.61	40,582.01	36,499.87	36,115.63
206-000-056.000	INTEREST RECEIVABLE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-078.000	DUE FROM STATE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-084.703	DUE FROM TAX COLLECTION FUND	0.00	0.00	0.00	0.00	0.00	0.00
206-000-123.000	PREPAID EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00
206-000-202.000	ACCOUNTS PAYABLE	198.06	4,672.37	35,504.44	8,945.22	15,903.27	8,715.19
206-000-214.101	DUE TO GENERAL FUND	0.00	0.00	0.00	0.00	0.00	0.00
206-000-257.000	ACCRUED WAGES PAYABLE	0.00	17,470.76	16,348.12	15,113.55	13,472.57	16,902.28
206-000-258.000	ACCRUED TAXES/PENSION PAYABLE	0.00	1,520.75	1,553.08	1,648.68	1,487.72	1,697.53
206-000-299.000	OTHER CURRENT LIABILITIES	0.00	0.00	5,912.00	8,354.00	3,808.92	2,729.97
206-000-339.000	DEFERRED REVENUE	1,006,653.03	989,822.77	934,364.89	925,240.31	921,606.17	936,842.28
206-000-390.000	Fund Balance	0.00	378.15	400,639.30	769,594.21	1,084,508.03	1,306,217.18
206-000-398.000	Change in Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
<hr/>							
Total Fund 206 - FIRE DEPARTMENT FUND							
BEG. FUND BALANCE		0.00	378.15	400,639.30	769,594.21	1,084,508.03	1,306,217.18
NET OF REVENUES & EXPENDITURES		378.15	400,261.15	368,954.91	314,913.82	221,709.15	177,206.68
ENDING FUND BALANCE		378.15	400,639.30	769,594.21	1,084,508.03	1,306,217.18	1,483,423.86
TOTAL LIABILITIES AND FUND BALANCE		1,007,229.24	1,414,125.95	1,763,276.74	2,043,809.79	2,262,495.83	2,450,311.11

Month Ended: March

GL NUMBER	DESCRIPTION	BALANCE AS OF 03/31/2015	BALANCE AS OF 03/31/2016	BALANCE AS OF 03/31/2017	BALANCE AS OF 03/31/2018	BALANCE AS OF 03/31/2019	BALANCE AS OF 03/31/2020
Fund 206 - FIRE DEPARTMENT FUND							
206-000-001.000	CHECKING	1,042,438.24	0.00	0.00	0.00	0.00	0.00
206-000-001.900	CHECKING - MEDICAL REIMB ACCT.	0.00	0.00	1,000.00	21,000.00	18,450.29	10,829.04
206-000-002.000	POOLED SAVINGS	0.00	1,196,535.52	539,795.87	872,065.35	828,659.29	1,160,343.12
206-000-002.010	SAVINGS-FLAGSTAR	0.00	0.00	876,115.43	179,601.36	30,234.59	30,408.67
206-000-002.012	FLAGSTAR SAVINGS-FIRE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.020	SAVINGS @ STATE BANK	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.100	INVESTMENT-COMMERCIAL PAPER	0.00	0.00	0.00	0.00	0.00	0.00
206-000-002.200	INVESTMENT-US TREASURIES	0.00	0.00	0.00	0.00	0.00	0.00
206-000-003.000	CERTIFICATES OF DEPOSIT	1,514,620.96	1,524,253.58	1,262,877.61	1,275,625.37	1,016,392.54	822,412.44
206-000-005.000	CASH - CLASS	0.00	0.00	0.00	0.00	521,085.97	0.00
206-000-007.000	INVESTMENT-CLASS ACCT	0.00	0.00	0.00	0.00	0.00	532,034.08
206-000-020.000	CY TAXES RECEIVABLE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-028.210	TAXES REC - DELQ PERS PROP - 20	89.60	0.00	0.00	0.00	0.00	0.00
206-000-028.220	TAX REC - DELQ PERS PROP - 2020	0.00	0.00	0.00	0.00	0.00	0.00
206-000-035.000	CURRENT ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00	0.00	1,550.00
206-000-037.000	DUE FROM COUNTY-DELQ TAX	38,605.68	33,137.94	30,381.52	26,431.40	35,432.96	56,736.66
206-000-056.000	INTEREST RECEIVABLE	0.00	0.00	0.00	0.00	0.00	2,395.77
206-000-078.000	DUE FROM STATE	0.00	0.00	0.00	0.00	0.00	0.00
206-000-084.703	DUE FROM TAX COLLECTION FUND	0.00	0.00	0.00	0.00	0.00	44,565.30
206-000-123.000	PREPAID EXPENSES	0.00	0.00	0.00	0.00	0.00	8,926.00
206-000-202.000	ACCOUNTS PAYABLE	4,768.88	19,555.89	9,982.73	23,215.81	33,686.06	27,980.49
206-000-214.101	DUE TO GENERAL FUND	0.00	0.00	0.00	0.00	0.00	0.00
206-000-257.000	ACCRUED WAGES PAYABLE	15,115.03	15,761.95	17,585.79	40,834.29	22,354.51	20,777.91
206-000-258.000	ACCRUED TAXES/PENSION PAYABLE	1,814.57	1,815.27	2,234.30	4,225.19	1,710.11	1,589.50
206-000-299.000	OTHER CURRENT LIABILITIES	1,931.04	1,873.26	967.18	2,270.62	886.70	0.00
206-000-339.000	DEFERRED REVENUE	958,945.79	988,821.10	1,016,566.08	1,045,760.24	1,096,095.98	1,744,635.92
206-000-390.000	Fund Balance	1,483,423.86	1,613,179.17	1,726,099.57	1,662,834.35	1,258,417.33	1,295,522.28
206-000-398.000	Change in Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
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Total Fund 206 - FIRE DEPARTMENT FUND							
BEG. FUND BALANCE		1,483,423.86	1,613,179.17	1,726,099.57	1,662,834.35	1,258,417.33	1,295,522.28
NET OF REVENUES & EXPENDITURES		129,755.31	112,920.40	(63,265.22)	(404,417.02)	37,104.95	(420,305.02)
ENDING FUND BALANCE		1,613,179.17	1,726,099.57	1,662,834.35	1,258,417.33	1,295,522.28	875,217.26
TOTAL LIABILITIES AND FUND BALANCE		2,595,754.48	2,753,927.04	2,710,170.43	2,374,723.48	2,450,255.64	2,670,201.08

Month Ended: March

GL NUMBER	DESCRIPTION	BALANCE	BALANCE
		AS OF 03/31/2021	AS OF 03/31/2022
Fund 206 - FIRE DEPARTMENT FUND			
206-000-001.000	CHECKING	506.96	1,234.50
206-000-001.900	CHECKING - MEDICAL REIMB ACCT.	7,863.94	5,706.91
206-000-002.000	POOLED SAVINGS	551,117.82	769,472.67
206-000-002.010	SAVINGS-FLAGSTAR	0.00	0.00
206-000-002.012	FLAGSTAR SAVINGS-FIRE	0.00	0.00
206-000-002.020	SAVINGS @ STATE BANK	1,493,067.35	1,496,056.23
206-000-002.100	INVESTMENT-COMMERCIAL PAPER	0.00	0.00
206-000-002.200	INVESTMENT-US TREASURIES	0.00	0.00
206-000-003.000	CERTIFICATES OF DEPOSIT	0.00	0.00
206-000-005.000	CASH - CLASS	0.00	0.00
206-000-007.000	INVESTMENT-CLASS ACCT	533,468.89	533,768.84
206-000-020.000	CY TAXES RECEIVABLE	0.00	86,400.02
206-000-028.220	TAX REC - DELQ PERS PROP - 2020	1,994.42	(19.59)
206-000-035.000	CURRENT ACCOUNTS RECEIVABLE	0.00	0.00
206-000-037.000	DUE FROM COUNTY-DELQ TAX	63,415.48	58,980.54
206-000-056.000	INTEREST RECEIVABLE	0.00	0.00
206-000-078.000	DUE FROM STATE	24,812.70	24,812.70
206-000-084.703	DUE FROM TAX COLLECTION FUND	81,561.58	0.00
206-000-123.000	PREPAID EXPENSES	4,463.00	4,463.00
206-000-202.000	ACCOUNTS PAYABLE	12,367.06	34,231.64
206-000-214.101	DUE TO GENERAL FUND	0.00	0.00
206-000-257.000	ACCRUED WAGES PAYABLE	21,492.73	21,492.73
206-000-258.000	ACCRUED TAXES/PENSION PAYABLE	2,113.02	2,113.02
206-000-299.000	OTHER CURRENT LIABILITIES	0.00	0.00
206-000-339.000	DEFERRED REVENUE	1,819,431.70	0.00
206-000-390.000	FUND BALANCE - UNASSIGNED	875,217.26	906,867.63
206-000-398.000	Change in Fund Balance	0.00	0.00
Total Fund 206 - FIRE DEPARTMENT FUND			
BEG. FUND BALANCE		875,217.26	906,867.63
NET OF REVENUES & EXPENDITURES		31,650.37	2,016,170.80
ENDING FUND BALANCE		906,867.63	2,923,038.43
TOTAL LIABILITIES AND FUND BALANCE		2,762,272.14	2,980,875.82

Month Ended: March

GL NUMBER	DESCRIPTION	BALANCE	BALANCE	BALANCE	BALANCE	BALANCE	BALANCE
		AS OF	AS OF	AS OF	AS OF	AS OF	AS OF
		03/31/2009	03/31/2010	03/31/2011	03/31/2012	03/31/2013	03/31/2014
<hr/>							
Fund 206 - FIRE DEPARTMENT FUND							
206-000-402.000	REAL PROPERTY TAXES	0.00	1,006,653.03	983,969.71	931,922.89	929,837.55	924,554.51
<hr/>							
Total Fund 206 - FIRE DEPARTMENT FUND							
TOTAL ASSETS		0.00	0.00	0.00	0.00	0.00	0.00
BEG. FUND BALANCE		0.00	378.15	400,639.30	769,594.21	1,084,508.03	1,306,217.18
+ NET OF REVENUES & EXPENDITURES			1,006,653.03	983,969.71	931,922.89	929,837.55	924,554.51
= ENDING FUND BALANCE		0.00	1,006,653.03	983,969.71	931,922.89	929,837.55	924,554.51
+ LIABILITIES		0.00	0.00	0.00	0.00	0.00	0.00
= TOTAL LIABILITIES AND FUND BALANCE		0.00	1,006,653.03	983,969.71	931,922.89	929,837.55	924,554.51

Month Ended: March

GL NUMBER	DESCRIPTION	BALANCE	BALANCE	BALANCE	BALANCE	BALANCE	BALANCE
		AS OF	AS OF	AS OF	AS OF	AS OF	AS OF
		03/31/2015	03/31/2016	03/31/2017	03/31/2018	03/31/2019	03/31/2020
<hr/>							
Fund 206 - FIRE DEPARTMENT FUND							
206-000-402.000	REAL PROPERTY TAXES	937,689.92	959,003.57	989,806.51	1,015,565.62	1,051,817.93	1,104,788.63
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund 206 - FIRE DEPARTMENT FUND							
TOTAL ASSETS		0.00	0.00	0.00	0.00	0.00	0.00
BEG. FUND BALANCE		1,483,423.86	1,613,179.17	1,726,099.57	1,662,834.35	1,258,417.33	1,295,522.28
+ NET OF REVENUES & EXPENDITURES		937,689.92	959,003.57	989,806.51	1,015,565.62	1,051,817.93	1,104,788.63
= ENDING FUND BALANCE		937,689.92	959,003.57	989,806.51	1,015,565.62	1,051,817.93	1,104,788.63
+ LIABILITIES		0.00	0.00	0.00	0.00	0.00	0.00
= TOTAL LIABILITIES AND FUND BALANCE		937,689.92	959,003.57	989,806.51	1,015,565.62	1,051,817.93	1,104,788.63

05/18/2022 12:21 PM
User: Jessica
DB: Scio

ACCOUNT BALANCE HISTORY REPORT FOR SCIO TOWNSHIP

Page: 1/1

Month Ended: March

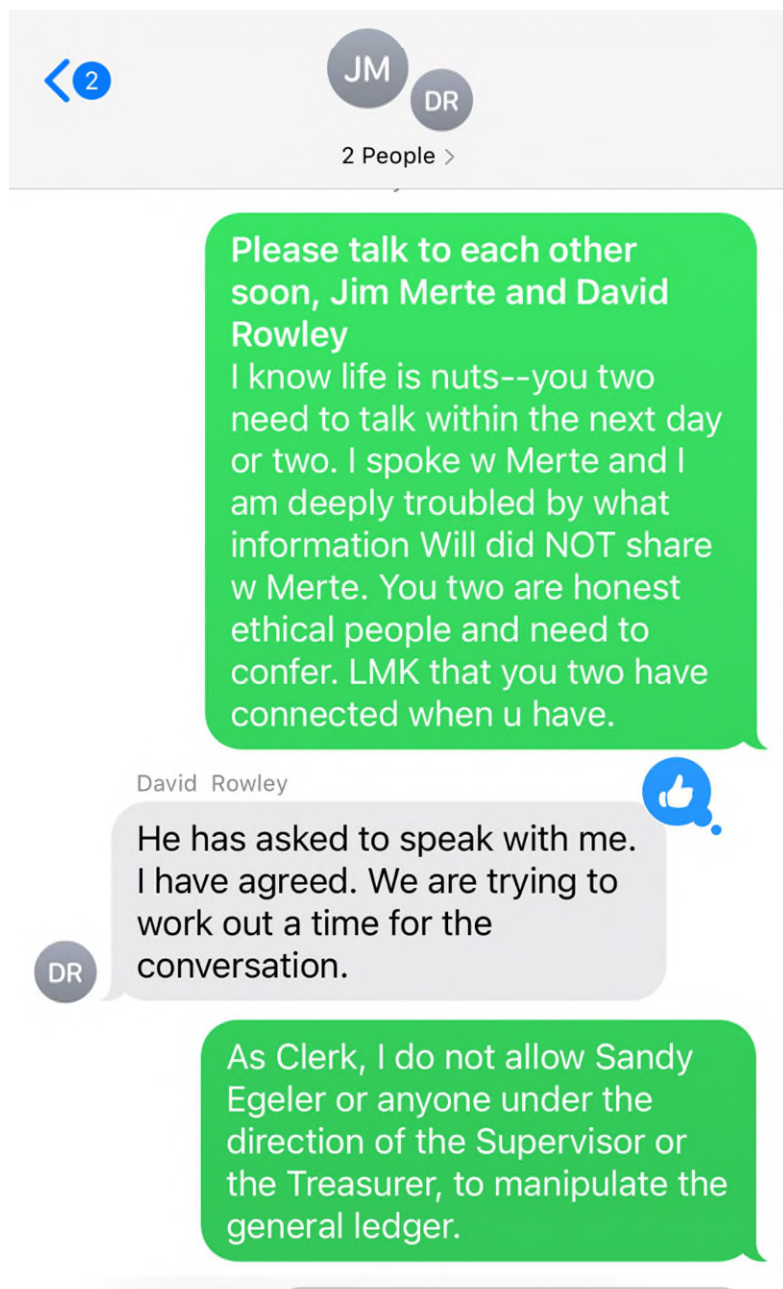
GL NUMBER	DESCRIPTION	BALANCE AS OF 03/31/2021	BALANCE AS OF 03/31/2022
Fund 206 - FIRE DEPARTMENT FUND			
206-000-402.000	REAL PROPERTY TAXES	1,744,635.92	3,707,483.09
Total Fund 206 - FIRE DEPARTMENT FUND			
TOTAL ASSETS		0.00	0.00
BEG. FUND BALANCE		875,217.26	906,867.63
+ NET OF REVENUES & EXPENDITURES		1,744,635.92	3,707,483.09
= ENDING FUND BALANCE		1,744,635.92	3,707,483.09
+ LIABILITIES		0.00	0.00
= TOTAL LIABILITIES AND FUND BALANCE		1,744,635.92	3,707,483.09

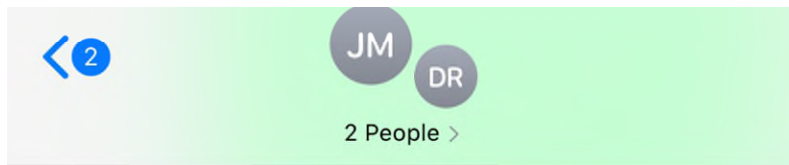
EXHIBIT A.14

Screenshots of Text Messages

Between Clerk Jessica Flintoft, Administrator David Rowley, and Interim Administrator
James Merte

From Thursday, May 12, 2022 | 4:17PM – 5:43PM





David Rowley

DR I have a 4:30 pm meeting but but type of information was not shared?

Any of your recommendations around finance, oversight, good governance, avoiding impropriety. Jim is not up to date on recent Board meetings or issues contained in my lawsuit. Will had instructed Jim to immediately take over BS&A administration alone and to give Sandy read/write access to GL immediately.

I shared w Jim fact that auditors may not even audit us this year and invited him to my 1pm tomorrow w Plante Moran. Dave H had no idea what Will was gonna pull at Tues Board meeting.



JM

DR

2 People >

Dave H had no idea what Will was gonna pull at Tues Board meeting.

(And Will had given Jim this instruction verbally only, not in writing, probably because Will knows it is illegal/currently being litigated.

Is that a fair summary Jim?

Jim Merte



Jessica - None of this conversation is appropriate in a text message strand. This subject needs to be addressed in a forum where all can be heard (not read). I'm looking forward to speaking with David before he departs and then I will schedule a meeting with you, Will, and Donna next week.

JM

Great!

EXHIBIT A.15

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Company Name:	Scio Township		Service Type:		# of Tickets:	6	Total Hours:	0.07
Business Unit:	Admin				# of Tickets:	6	Hours:	0.07
Ticket #:	744083	Location:	NetSmart	Status:	Closed		Hours:	0.00
Summary:	Please install another monitor for Sandy Egeler. I believe we will need to buy a new monitor. I d							
Resolution:								
Ticket #:	764761	Location:	NetSmart	Status:	Resolved		Hours:	0.00
Summary:	FW: Urgent steps for Township Administrator transition							
Resolution:	Wednesday 05/11/2022 4:15pm UTC-04/ Sean Goldman- I spoke with Jim Merte and confirmed with Kristy Aiken that Jim has returned to Scio Township. Will's email was concerning since we have not had very much interaction. I have enabled Jim's access on the servers and in Exchange 365.							
Ticket #:	764978	Location:	NetSmart	Status:	New - To Do		Hours:	0.07
Summary:	RE: EXTERNAL Ticket#762435/Scio/2nd monitor -- has been updated							
Resolution:	Thursday 05/12/2022 1:08pm UTC-04/ David Le'Mon- Hi Terry I can see the quote was generated but not able to see if it has been presented to the approvers process of SCIO. I have informed Dean that you are chasing, and let him know to reach out. I am assigning this ticket directly to him so if you reply to it, he will receive your responses. Regards david							
Ticket #:	764990	Location:	NetSmart	Status:	New - To Do		Hours:	0.00
Summary:	FW: EXTERNAL Ticket#762435/Scio/2nd monitor -- has been updated							
Resolution:								
Ticket #:	765321	Location:	NetSmart	Status:	New - To Do		Hours:	0.00
Summary:	Your GFI Archiver license expires in 90 days							
Resolution:								
Ticket #:	765498	Location:	NetSmart	Status:	Ongoing		Hours:	0.00
Summary:	FW: Urgent steps for Township Administrator transition							
Resolution:								
Company Name:	Scio Township		Service Type:	New Computer	# of Tickets:	1	Total Hours:	0.00

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Business Unit:	Admin			# of Tickets:	1	Hours:	0.00
Ticket #:	763232	Location:	NetSmart	Status:	Closed	Hours:	0.00
Summary:	New Computer detected at Scio Township \ Main						
Resolution:							
Company Name:	Scio Township			Service Type:	Application	# of Tickets:	6
Business Unit:	Managed Service			# of Tickets:	6	Hours:	11.10
Ticket #:	761020	Location:	NetSmart	Status:	Resolved - Remote	Hours:	1.05
Summary:	miss dig mapping file format						
Resolution:	<p>Tuesday 05/17/2022 8:25am UTC-04/ Ryan Eckhoff-</p> <ul style="list-style-type: none"> - Reached out to Richard - Remoted into his computer - Discussed issue at hand - Reviewed file - They do not have a program that supports the file type needed by misdig - Downloaded and installed google earth pro - Pro version still cannot convert the files - Does not appear to be a valid way to convert the files to the necessary file type without software that supports SHP/SHX files - Explained this to Richard and his operator - They are all set for now <p>Richard if you need anything else please let us know.</p> <p>Thank you, Ryan</p>						
Ticket #:	761717	Location:	NetSmart	Status:	Closed	Hours:	0.02
Summary:	Accessing email remotely						
Resolution:							
Ticket #:	761808	Location:	NetSmart	Status:	Closed - Remote	Hours:	4.51
Summary:	Current version of Google Chrome needed						

Location: NetSmart
Business Unit: All
Board: All
Company: Scio Township

NetSmart
Company Service
Period: 05/01/2022 to 05/17/2022

Service Type: All
Status: All
Show: Billable
Hours: Actual
Include Tickets With No Time Entries: Yes

Resolution:	Wednesday 05/04/2022 1:22pm UTC-04/ Malachi Corliss- Good afternoon Jessica!						
	I did troubleshooting on this issue and was able to find the cause of the issue.						
	<ul style="list-style-type: none">- It appears that there may have been an old policy that blocked updates for Chrome.- Eric assisted you with creating a key in the background to enable this for Chrome, and I have done this site-wide.- I was able to verify my Registry update is applying correctly.						
	Please confirm that other users are able to update Chrome successfully. You may need to restart the computers for this change to apply.						
	I left you a voicemail with my findings, but you can also email me back on this ticket and I will see your update. I will mark this ticket as pending confirmation for now, and will monitor for your status update. Please respond within the next day to let me know if this fixed your issue or not. I am happy to assist further.						
	Thanks!						
Malachi Corliss Netsmart Plus Field Technical Specialist							
Ticket #:	762936	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.15
Summary:	I need help installing software on Pollbook2.scio.loc						
Resolution:	Wednesday 05/04/2022 9:25am UTC-04/ Bryon Hochkins- user needs id maker software installed software package already downloaded ran installer, added shortcuts issue resolved						
Ticket #:	763546	Location:	NetSmart	Status:	Closed - Remote	Hours:	2.24
Summary:	BS&A is not working on the website.						

Location: NetSmart
Business Unit: All
Board: All
Company: Scio Township

NetSmart
Company Service
Period: 05/01/2022 to 05/17/2022

Service Type: All
Status: All
Show: Billable
Hours: Actual
Include Tickets With No Time Entries: Yes

Resolution: Monday 05/09/2022 11:12am UTC-04/ Kristy Aiken KAiken@ScioTownship.org BS&A is working now on the website. Thank you!!! Thank you, Kristy Aiken Scio Township Office Coordinator 827 N. Zeeb Road Ann Arbor, MI 48103 (734) 369-9400					
Ticket #:	764254	Location:	NetSmart	Status:	Closed - Remote
Summary:	BS&A Database Error				
Resolution:	Tuesday 05/10/2022 10:20am UTC-04/ Nate Sherman- Remoted into scio6: There were a few transaction logs that were too large, which caused the disk to fill up on space Backed up the transaction logs to another disk and then tried shrinking the transaction logs to free up space After the transaction logs finished backing up and shrinking, the drive gained more space Reviewed Maintenance Plans in SQL, there were a few that existed, but were pointing to a drive that no longer exists (G drive) Modified one of the backup maintenance plans so that it points to the K drive since that drive had a lot of free space available. Checked the other SQL instance to see if those maintenance plans were configured correctly, noticed that this one also had some issues with pointing to the wrong drive Modified the maintenance plan on the other instance so that it points to to the K drive Remoted into scio1: Checked SQL jobs to make sure that everything was functioning properly Checked SQL disk space and verified that the transaction logs replicated with no issues Called Rebecca: Remoted into the PC, the application was able to launch with no issues Rebecca tried voiding a check, which also worked with no issues Rebecca asked me if I could create a ticket for issues with the printer, scanner, and the dual monitors. Told Rebecca that I will create a ticket for each issue Told Rebecca that I will keep this ticket open to make sure that the maintenance plans that we created will run with no issues Please let me know if you have any questions or concerns. Thanks! Have a great day! - Nate Sherman				
Company Name:	Scio Township	Service Type:	Server	# of Tickets:	6
				Total Hours:	10.29

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Business Unit:	Managed Service			# of Tickets:	6	Hours:	10.29
Ticket #:	761460	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.00
Summary:	DRV - Free Space Remaining for C drive is < 10% Total Size. Free space is 7510 MB at Scio Township						
Resolution:	<p>Thursday 04/28/2022 4:04pm UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space.</p> <p>Thursday 04/28/2022 1:01pm UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space.</p> <p>Thursday 04/28/2022 10:58am UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space.</p> <p>Thursday 04/28/2022 9:56am UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space.</p>						
Ticket #:	762207	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.83
Summary:	DRV - Free Space Remaining < 10% Total Size Exclude C drive NOC servers:108638 - SCIO6 6512 E						
Resolution:	<p>Wednesday 05/04/2022 4:02pm UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main.</p> <p>Wednesday 05/04/2022 12:59pm UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main.</p> <p>Wednesday 05/04/2022 10:55am UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main.</p> <p>Wednesday 05/04/2022 9:55am UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main.</p>						
Ticket #:	762303	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.12
Summary:	VPN						
Resolution:	Monday 05/02/2022 10:06am UTC-04/ Bryon Hochkins-remoted into Rebecca's device reset password issue resolved						
Ticket #:	762490	Location:	NetSmart	Status:	Closed - Remote	Hours:	2.62
Summary:	DRV - Free Space Remaining for C drive is < 10% Total Size. Free space is 7511 MB at Scio Township						

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Resolution:	Thursday 05/05/2022 4:05pm UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space. Thursday 05/05/2022 1:02pm UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space. Thursday 05/05/2022 10:59am UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space. Thursday 05/05/2022 9:56am UTC-04/ ConnectWise Software Free space on C drive is greater then 10 % of total space.								
Ticket #:	762898	Location:	NetSmart	Status:	Closed - Remote	Hours:	5.79		
Summary:	BS&A Login Issue								
Resolution:	Thursday 05/05/2022 10:18am UTC-04/ Mike Merchant- Review the issue. Failover several mirrored databases back to SCIO6. Contact Kristy to test access. The application appears to lock up when opened. Review application activity with Process monitor and find repeated calls to SCIO6/BSA which the application is unable to access. Investigate and locate the folder on the server which appears to be the intended share path. Share the folder and verify that Kristy is able to launch the application. Correct permissions in the folder to address errors when launching the application from the COUNTERR2 machine. Restore an isolated backup copy of SCIO6 and verify the share path and add additional missing shares for F:\Backups and F:\Images.net. Wednesday 05/04/2022 9:00am UTC-04/ Zhan Shahnazarian- - Call was escalated to me by Jennifer - Diagnosed problem, checked and verified hard drive space on SCIO6 and SCIO2. Verified databases are still in sync. Forced a failover back to SCIO6. Appears drive on SCIO server was low which caused the failover - All databases are now active on SCIO6 - Jennifer's team will follow up and change status to resolved ticket								
Ticket #:	764272	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.93		
Summary:	FW: EXTERNAL Server Storage Error								
Resolution:	Wednesday 05/11/2022 9:40am UTC-04/ Vince Tucker- Researched the error message, found possible solution to fixing truncated logs. The amount of disk storage available on SCIO1 does not appear to be full and I could not identify whether LOG_Backup was linked to another drive. Consult MMerchant regarding my findings and where I was impeding in progress. The storage issue was affecting SCIO6. Per our discussion, he may have already resolved the issue yesterday. Verified with Laurie that the error pertaining to the transaction log database being full.								
Company Name:	Scio Township			Service Type:	Peripherals	# of Tickets:	6	Total Hours:	1.82

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Business Unit:	Managed Service			# of Tickets:	6	Hours:	1.82
Ticket #:	761704	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.42
Summary:	Monitors						
Resolution:	Tuesday 05/03/2022 9:23am UTC-04/ Eric Martinez- -called -went into laptop - has an hdmi -used VIEW - displayport and a weird usb connection - usb SHOULD work -tried it - did not recognize it -made sure monitor was on auto -still nothing - may need drivers but easiest would be to use an HDMI cable -she said she may have one lying around -if she needs any additional help, she will call -resolving						
Ticket #:	762435	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.13
Summary:	2nd monitor						
Resolution:	Monday 05/02/2022 1:29pm UTC-04/ Bryon Hochkins- created purchase ticket and assigned to VCIO your VCIO Sean Goldman will create an quote and reach out to Jessica. please reach out to Dean if you have any questions about the process. He has been CC'ed on this email for ease of communication						
Ticket #:	762943	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.33
Summary:	Laurie's external speakers have no sound, appear to not be powered.						
Resolution:	Friday 05/06/2022 11:24am UTC-04/ Chuck Smith- I emailed her to call me and she said she already fixed it						
Ticket #:	762955	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.33
Summary:	Scanner						
Resolution:	Wednesday 05/04/2022 12:59pm UTC-04/ Bryon Hochkins- user needed to select dual monitors in the rdp shortcut installed drivers for scanner installed scanner application issue resolved						
Ticket #:	764358	Location:	NetSmart	Status:	Resolved - Remote	Hours:	0.43

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Summary:	Issues with Scanner				
Resolution:					
Ticket #:	764361	Location:	NetSmart	Status:	Resolved - Remote
Hours:	0.18				
Summary:	Setup Dual Monitors				
Resolution:	Friday 05/13/2022 8:34am UTC-04/ Bryon Hochkins- checked use both monitors function on RDP profile confirmed it worked as expected				
Company Name:	Scio Township	Service Type:	MUST CHANGE	# of Tickets:	6
Business Unit:	Managed Service	Hours:	4.02	# of Tickets:	6
Ticket #:	761888	Location:	NetSmart	Status:	Waiting for Confirmation
Hours:	3.82				
Summary:	Scanner not working				
Resolution:					
Ticket #:	762366	Location:	NetSmart	Status:	Closed
Hours:	0.00				
Summary:	FW: EXTERNAL Reminder: Select a time for Phone Call with Client Experience Escalations				

Location: NetSmart
Business Unit: All
Board: All
Company: Scio Township

NetSmart
Company Service
Period: 05/01/2022 to 05/17/2022

Service Type: All
Status: All
Show: Billable
Hours: Actual
Include Tickets With No Time Entries: Yes

Resolution: Monday 05/02/2022 10:07am UTC-04/ Terry Soave This issue has been resolved. Thank you! Terry Terry Soave Scio Township Fire Department Administrative Assistant Phone: 734 / 665-6001 From: NetSmart Plus <noreply@timezest.com>; Sent: Sunday, May 1, 2022 2:25 PM To: Terry Soave <tsoave@sciotownship.org>; Subject: EXTERNAL Reminder: Select a time for Phone Call with Client Experience Escalations CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. [image] Hi, You recently received a request to schedule a time with us to continue working on your issue with you. It does not appear that you have scheduled a time with us yet. We are sending this final reminder, please select a time for a 30-minute Phone Call with Client Experience Escalations at NetSmart Plus, regarding your ticket: ##761717 - Accessing email remotely Click the following button to choose a time that suits you: Choose a time If we do not hear back from you within the next 24 hours, this ticket may be closed. However, if closed it can be reopened at any time in the future. Kind regards, NetSmart Plus This email was sent by TimeZest Inc									
Ticket #:	763168	Location:	NetSmart	Status:	Closed - Remote		Hours:	0.00	
Summary:	BS&A								
Resolution:									
Ticket #:	763190	Location:	NetSmart	Status:	Closed - Remote		Hours:	0.00	
Summary:	VM - no message								
Resolution:									
Ticket #:	763237	Location:	NetSmart	Status:	New - To Do		Hours:	0.00	
Summary:	Rich Hughes scio township								
Resolution:									

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Ticket #:	763599	Location:	NetSmart	Status:	TimeZest - Client has Scheduled	Hours:	0.20
Summary:	Scio Township miss dig mapping						
Resolution:							
Company Name:	Scio Township	Service Type:	Printer	# of Tickets:	2	Total Hours:	1.14
Business Unit:	Managed Service			# of Tickets:	2	Hours:	1.14
Ticket #:	761951	Location:	NetSmart	Status:	Closed - Remote	Hours:	0.91
Summary:	Scio Township						
Resolution:	<p>Wednesday 05/04/2022 8:32am UTC-04/ Vince Tucker- Review ticket and check documentation for DYMO setup, found guide in reference to their QVF support, there's a particular order to set up. Attempt to call, but line was busy, Laurie not in directory. Called back and spoke to Kristy, who transferred me over. I left a voicemail message, when no one answered.</p> <p>Laurie called back shortly after, I connected to her workstation. Verified DYMO 450 Turbo printer, search for driver for install. Installed the legacy driver as it works best, she tested but it failed to print. The previous label driver interfered with the new driver. Laurie unplugged the label printer, then I uninstalled both the old and new label drivers as well as the DYMO software. Review installation steps.</p> <p>Reinstalled DYMO software and had her plug the device back in, then tested again confirming to be successful.</p>						
Ticket #:	765107	Location:	NetSmart	Status:	Resolved - Remote	Hours:	0.23
Summary:	Printer keeps disconnecting from the user's PC						
Resolution:	<p>Friday 05/13/2022 8:11am UTC-04/ Bryon Hochkins- discussed issue with Rebecca printer errored out on test print re-added printer confirmed printer worked as expected issue resolved</p>						
Company Name:	Scio Township	Service Type:	Network	# of Tickets:	1	Total Hours:	11.85
Business Unit:	Managed Service			# of Tickets:	1	Hours:	11.85
Ticket #:	762612	Location:	NetSmart	Status:	Scheduled	Hours:	11.85
Summary:	slow/dropping internet at the fire station						
Resolution:							

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Company Name:	Scio Township		Service Type:	User Management	# of Tickets:	4	Total Hours:	0.44
Business Unit:	Managed Service				# of Tickets:	4	Hours:	0.44
Ticket #:	762974	Location:	NetSmart	Status:	Closed - Remote		Hours:	0.07
Summary:	Fw: EXTERNAL							
Resolution:	Wednesday 05/04/2022 11:12am UTC-04/ Michael Edwards- Good morning Terry, I have blocked the spam sender in the 365 admin center. Please continue to forward us any suspicious looking emails as always. Thank you, Michael							
Ticket #:	763478	Location:	NetSmart	Status:	Closed - Remote		Hours:	0.25
Summary:	Login issues							
Resolution:	Friday 05/06/2022 8:16am UTC-04/ Grant Whitmer- Grant Whitmer Fri 05/06/2022 -Laurie called in and explained the password issue -She informed me that she was locked out and it said incorrect password -Verified the user by sending an email verification code -Reset password -Discussed if there was anything else i could assist with -Marking ticket as resolved							
Ticket #:	764762	Location:	NetSmart	Status:	Resolved - Remote		Hours:	0.12
Summary:	Disable User - 5/13/2022 @ 5PM							
Resolution:	Monday 05/16/2022 9:03am UTC-04/ Michael Edwards- Logged into SCIO2 DC, disabled user's account Logged into 365 admin, blocked sign-in and removed licenses Logged into SCIO1, entered BSA admin tool and set user's access to No Access for all fields							
Ticket #:	765468	Location:	NetSmart	Status:	Closed		Hours:	0.00
Summary:	FW: Township Administrator's authority over BS&A and other software							

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Resolution:	Friday 05/13/2022 4:55pm UTC-04/ Sean Goldman- Called Jim Merte and remoted into his computer. Logged into BS&A using Admin4Scio credentials. Enabled James Merte in BS&A and enabled Enterprise Administrator access. Removed Jessica Flintoft's Enterprise Administrator's access. Logged out of BS&A Admin4Scio account. Jim successfully connected to BS&A. Disabled David Rowley's access within BS&A.							
Company Name:	Scio Township		Service Type:	Incident	# of Tickets:	15	Total Hours:	2.84
Business Unit:	Professional Services				# of Tickets:	15	Hours:	2.84
Ticket #:	761921	Location:	NetSmart	Status:	Closed		Hours:	0.00
Summary:	DRV - Free Space Remaining < 10% Total Size Exclude C drive NOC servers:108638 - SCIO6 6512 E							
Resolution:	Saturday 04/30/2022 9:56am UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main. Friday 04/29/2022 12:30pm UTC-04/ ITBD NOC 2- Hi Team, we have received DRV - Free Space Remaining < 10% Total Size Exclude C drive NOC servers:108638 - SCIO6 6512 E steps performed: Login to the server checked in E: drive 12gb is free out of 210gb In E: drive it contains backup folders (which we are not authorize to move or delete data from it) Adjusted older shadow copies, and now 26.4gb free. now its more then threshold all looks good,hence closing the case.							
Ticket #:	762090	Location:	NetSmart	Status:	Resolved		Hours:	0.77
Summary:	UPTIME - SVR 45 Days Since Reboot:99007 - SCIO5 6494 SCIO5							
Resolution:	Friday 05/13/2022 9:55am UTC-04/ ConnectWise Software UPTIME - SVR 45 Days Since Reboot SUCCESS on Scio Township\SCIO5 at Main for SCIO5 result Microsoft Windows Server 2012 R2 Standard x64.							
Ticket #:	762091	Location:	NetSmart	Status:	Resolved		Hours:	0.32
Summary:	UPTIME - SVR 45 Days Since Reboot:99007 - SCIO10 6497 SCIO10							

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Resolution:	Thursday 05/05/2022 9:55am UTC-04/ ConnectWise Software UPTIME - SVR 45 Days Since Reboot SUCCESS on Scio Township\SCIO10 at Main for SCIO10 result Microsoft Windows Server 2012 R2 Standard x64.				
Ticket #:	762854	Location:	NetSmart	Status:	Closed
Summary:	Disk - E: Drive Space Critical-SCIO6(6512):124873 - SCIO6 6512 E:				
Resolution:	Wednesday 05/04/2022 1:50am UTC-04/ ConnectWise Software Disk - E: Drive Space Critical-SCIO6(6512) SUCCESS on Scio Township\Main\SCIO6 has returned to over 1GB of free space.				
Ticket #:	763029	Location:	NetSmart	Status:	Closed
Summary:	EV - Drive Errors and Raid Failures:80 - SCIO6 6512 22-05-04 11:26:01: An error was detected on devi				
Resolution:					
Ticket #:	763693	Location:	NetSmart	Status:	Resolved
Summary:	DRV - Free Space Remaining < 10% Total Size Exclude C drive NOC servers:108638 - SCIO6 6512 E				
Resolution:	Wednesday 05/11/2022 9:56am UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main.				
Ticket #:	763830	Location:	NetSmart	Status:	Closed
Summary:	Disk - E: Drive Space Critical-SCIO6(6512):124873 - SCIO6 6512 E:				
Resolution:	Monday 05/09/2022 2:00am UTC-04/ ITBD NOC- Hi Team, We received an alert for Disk - E: Drive Space Critical-SCIO6(6512):124873 - SCIO6 Logged into automate Cleared temp files and folders Configures shadow copies storage space Found shadow copy is disabled for Drive E: System now has 10Gb space available Hence proceeding with ticket closure Regards, Gabe Monday 05/09/2022 1:59am UTC-04/ ConnectWise Software Disk - E: Drive Space Critical-SCIO6(6512) SUCCESS on Scio Township\Main\SCIO6 has returned to over 1GB of free space.				

Location: NetSmart
 Business Unit: All
 Board: All
 Company: Scio Township

NetSmart Company Service

Period: 05/01/2022 to 05/17/2022

Service Type: All
 Status: All
 Show: Billable
 Hours: Actual
 Include Tickets With No Time Entries: Yes

Ticket #:	763860	Location:	NetSmart	Status:	Closed	Hours:	0.50
Summary:	EV - Drive Errors and Raid Failures:80 - SCIO2 6491 2022-05-09 05:03:57: The device, \Device\Harddis						
Resolution:	<p>Monday 05/09/2022 8:30am UTC-04/ ITBD NOC- Hi Team,</p> <p>We received an alert for EV - Drive Errors and Raid Failures:80 - SCIO2 6491 2022-05-09 05:03:52: The device, \Device\Harddis</p> <p>Steps Performed:</p> <ul style="list-style-type: none"> - Logged into server SCIO2. - Checked disk management - drive status found healthy. - Ran CHKDSK - No errors found. - Ran wmic diskdrive get status - OK. - Ran sfc scannow - completed successfully. <p>These events are generally generated during paging operations like from mapped drive or USB drives or during data swapping between system and drive.</p> <p>Hence, Proceeding with ticket closure.</p> <p>Regards, Rauf</p>						
Ticket #:	763861	Location:	NetSmart	Status:	Closed	Hours:	0.00
Summary:	EV - Drive Errors and Raid Failures:80 - SCIO2 6491 2022-05-09 05:03:54: The device, \Device\Harddis						
Resolution:							
Ticket #:	763862	Location:	NetSmart	Status:	Closed	Hours:	0.00
Summary:	EV - Drive Errors and Raid Failures:80 - SCIO2 6491 2022-05-09 05:03:52: The device, \Device\Harddis						
Resolution:							
Ticket #:	764184	Location:	NetSmart	Status:	Assigned	Hours:	0.00
Summary:	ITBD Alerts has found SCIO2 server is offline of Scio Township\Main.						
Resolution:							
Ticket #:	764194	Location:	NetSmart	Status:	Resolved	Hours:	0.00
Summary:	LT - Offline Servers 30 Min:144568 - SCIO2A 6528 SCIO2A						
Resolution:	Monday 05/09/2022 10:51pm UTC-04/ ConnectWise Software SCIO2A is in a SUCCESS state at client:Scio Township location:Main, the last heartbeat was received at 5/9/2022 10:51:34 PM						
Ticket #:	764195	Location:	NetSmart	Status:	Resolved	Hours:	0.00
Summary:	LT - Offline Servers 30 Min:144568 - SCIO2B 6539 SCIO2B						

Location: NetSmart
Business Unit: All
Board: All
Company: Scio Township

NetSmart
Company Service
Period: 05/01/2022 to 05/17/2022

Service Type: All
Status: All
Show: Billable
Hours: Actual
Include Tickets With No Time Entries: Yes

Resolution:	Monday 05/09/2022 10:51pm UTC-04/ ConnectWise Software SCIO2B is in a SUCCESS state at client:Scio Township location:Main, the last heartbeat was received at 5/9/2022 10:51:35 PM							
Ticket #:	764228	Location:	NetSmart	Status:	Resolved	Hours:	0.00	
Summary:	Disk - E: Drive Space Critical-SCIO6(6512):124873 - SCIO6 6512 E:							
Resolution:	Tuesday 05/10/2022 10:59am UTC-04/ ConnectWise Software Disk - E: Drive Space Critical-SCIO6(6512) SUCCESS on Scio Township\Main\SCIO6 has returned to over 1GB of free space.							
Ticket #:	764280	Location:	NetSmart	Status:	Resolved	Hours:	0.25	
Summary:	DRV - Free Space Remaining < 2 GB:7 - SCIO6 6512 E							
Resolution:	Tuesday 05/10/2022 3:55pm UTC-04/ ConnectWise Software Drive Free Space is back to normal on Scio Township\SCIO6 at Main. Tuesday 05/10/2022 11:30am UTC-04/ ITBD NOC- Hi Team, Issue: DRV - Free Space Remaining < 2 GB:7 - SCIO6 6512 E Connected to the server via screen connect Checked and found drive E has 121 GB free out of 210 GB i.e; 58% Alert is cleared hence closing the case Regards, Raymond							
Report Totals:					Total Tickets:	53	Total Hours:	43.57

EXHIBIT A.16

Version: 04/01

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ClerkD

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UtilitiesBS&A ApplicationsHelp

Audit Record Details

⬆ ⬇

General Information

Date/Time: 5/13/2022 5:19 PM

User Name: Sandy

User Name: James

Summary: UserModified

Details

Type/Reference #	▲	Action	Field	Old Value	New Value
Security: 290		Modified	(GL) Program Access Level	Set Access	Administrator Access

Total Details: 1

Close

Total Entries: 42

Close

EXHIBIT A.17

**Audit Summary Report
For 'General Ledger'**

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/26/2022

User Name Sandy

Field(s) modified	Old Value	New Value
(GL) Budget Setup Options - Adopt Approved B	YES	NO
(GL) Budget Setup Options - Edit Previous Ye	YES	NO
(GL) Budget Setup Options - Lock/Unlock Budg	YES	NO
(GL) GL Setup Options - View GL Number Attac	NO	YES
(GL) Journal Entry Options - Enter Journal E	YES	NO

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Post Journal En	YES	NO

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Database - Backup a Database	NO	YES
(GL) Database - Connect to BS&A FTP Site	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Post Journal En	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/18/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Enter Journal E	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/18/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Budget Setup Options - Adopt Approved B	NO	YES
(GL) Budget Setup Options - Edit Monthly Bud	NO	YES
(GL) Budget Setup Options - Edit Previous Ye	NO	YES
(GL) Budget Setup Options - Enter Budget	NO	YES
(GL) Budget Setup Options - Enter Negative B	NO	YES

(GL) Budget Setup Options - Lock/Unlock Budg	NO	YES
(GL) Budget Setup Options - Save Budget Temp	NO	YES
(GL) Budget Setup Options - Select Columns F	NO	YES
(GL) Budget Setup Options - Setup Budget Ent	NO	YES
(GL) Budget Setup Options - Setup Budget Opt	NO	YES
(GL) Budget Setup Options - Setup Cash Flow	NO	YES
(GL) Budget Setup Options - Setup Long-Term	NO	YES
(GL) Program Access Level	Administrator Access	Set Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/14/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Set Access	Administrator Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: Jessica
Date Time: 05/13/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Administrator Access	Set Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/13/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Set Access	Administrator Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/26/2022

User Name Sandy

Field(s) modified	Old Value	New Value
(GL) Budget Setup Options - Adopt Approved B	YES	NO
(GL) Budget Setup Options - Edit Previous Ye	YES	NO
(GL) Budget Setup Options - Lock/Unlock Budg	YES	NO
(GL) GL Setup Options - View GL Number Attac	NO	YES
(GL) Journal Entry Options - Enter Journal E	YES	NO

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Post Journal En	YES	NO

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Database - Backup a Database	NO	YES
(GL) Database - Connect to BS&A FTP Site	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Post Journal En	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/18/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Journal Entry Options - Enter Journal E	NO	YES

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/18/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Budget Setup Options - Adopt Approved B	NO	YES
(GL) Budget Setup Options - Edit Monthly Bud	NO	YES
(GL) Budget Setup Options - Edit Previous Ye	NO	YES
(GL) Budget Setup Options - Enter Budget	NO	YES
(GL) Budget Setup Options - Enter Negative B	NO	YES

(GL) Budget Setup Options - Lock/Unlock Budg	NO	YES
(GL) Budget Setup Options - Save Budget Temp	NO	YES
(GL) Budget Setup Options - Select Columns F	NO	YES
(GL) Budget Setup Options - Setup Budget Ent	NO	YES
(GL) Budget Setup Options - Setup Budget Opt	NO	YES
(GL) Budget Setup Options - Setup Cash Flow	NO	YES
(GL) Budget Setup Options - Setup Long-Term	NO	YES
(GL) Program Access Level	Administrator Access	Set Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/14/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Set Access	Administrator Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: Jessica
Date Time: 05/13/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Administrator Access	Set Access

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/13/2022

User Name: Sandy

Field(s) modified	Old Value	New Value
(GL) Program Access Level	Set Access	Administrator Access

**Audit Summary Report
For 'Accounts Payable'**

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/24/2022

User Name NancyC

Field(s) modified	Old Value	New Value
(GL) Program Access Level	No Access	Disallow Login

Reference Table: Users
Change Type: Record Updated
Description: User Modified

Changed By: James
Date Time: 05/14/2022

User Name: NancyC

Field(s) modified	Old Value	New Value
Inactive User (disable user login)	Yes	No

EXHIBIT A.18

AGENDA # G10.
Scio Township Board of Trustees
Cottontail Special Assessment District Financing

FOR MEETING DATE OF: May 24, 2022

PREPARED ON: 5/19/22

PREPARED BY: Will Hathaway

SUBMITTED BY: Roads

ITEM TYPE: Possible Action

SUGGESTED ACTION: Approve loan from General Fund to finance the Cottontail road improvement.

BACKGROUND: Most of the Cottontail Special Assessment District road improvements were completed in FYE 2020, however some work occurred in FYE 2021. This loan from the General Fund will cover that additional, expense.

FISCAL IMPACT: Up to \$22,500 loan from the General Fund to be paid back in full over the remaining years of the Cottontail SAD.

RECOMMENDATION: Supervisor recommends approval.

MODEL MOTION: To authorize a Loan of up to \$22,500 from the General Fund (101) to Road Sad Fund 410 to be paid back each fiscal year not to exceed 9 years for the purpose of completing the Cottontail Special Assessment District road improvements. And to authorize finance staff to make payments to pay off the loan as funds are available. The loan will be coded to 101-084.411 and 410-214.101.

QUESTION: Shall this Motion be APPROVED?

EXHIBIT A.19

SCIO TOWNSHIP BOARD OF TRUSTEES
Regular Meeting
May 24, 2022
7:00 PM
Meeting Hall with remote participation

Minutes
Approved as presented June 14, 2022

A. CALL TO ORDER

Hathaway called the meeting to order at 7:00 pm.

B. ROLL CALL

Present: Hathaway, Palmer, Flintoft, Knol, McLaughlin
Absent: Courteau, Jerome
Also Present: Township Administrator Merte, Township Attorney Homier, Administrative Assistant Soave

The Board recited the Pledge of Allegiance.

C. ADOPTION OF AGENDA

MOTION by Flintoft, support by Knol, to amend and approve the agenda as follows: add the *Authorization of bidding and award for energy management improvement*; and the *Authorization of temporary township finance officers staff contract* (PMGAP, or Plante Moran Government Accounting Professionals)

Hathaway supported the first amendment but not the 2nd. He said he thought the issue of temporary finance officer was a settled matter.

MOTION by Hathaway, support by McLaughlin, to amend the motion to amend and approve the May 24, 2022 agenda, to remove the second amendment.

Motion discussion:

- McLaughlin stated that his position was not to oppose fiscal support for the Township.
- Flintoft believed there was an unrealistic deadline for having the books ready for the audit without outside professional help, which was part of the proposal from former Administrator Rowley that was tabled on March 22.
- McLaughlin said that the Board had acted to provide additional internal help, specifically Deputy Treasurer & Deputy Supervisor Sandy Egeler, and his impression was that internal resources were sufficient.
- Flintoft was concerned that having the same person who brings in the cash also handling the books was a conflict, and that as Clerk she would not certify any of the accounting records without independent financial checks. The audit will not get done without professional fiscal assistance.
- Knol noted that prior Administrator Rowley had commented extensively on the lack of internal checks and balances, that there were deficiencies noted in last year's audit, and she expressed support for a discussion regarding internal checks and balances.

The video recording of the 5/24/22 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.

- Hathaway said this issue was discussed yesterday. Knol noted she was not part of that discussion, and she felt it was the responsibility of the Board to have dialogue and deliberation regarding major decisions. She felt too many decisions were made in the last week and a half without appropriate Board deliberation.
- Palmer stated that they have always been able to get the audit done. She also understood that Plante Moran could not help prepare for the audit, because they had already booked their time.
- Hathaway agreed. At a meeting the previous evening, Administrator Merte had said that he had talked with Plante Moran, who indicated they had no time to help prepare for the audit. Additionally, there were certain things Plante Moran could not do in preparation for the audit because Plante Moran was the auditing firm. Adding this as an agenda item was a non-starter, because Plante Moran could not perform the work.
- Flintoft said the Board tabled this item 2 months ago when it was urgent. At that time prior Administrator Rowley suggested a plan B, for a 6 month interim period with two firms. However, Rehmann Robson and Woodhill Group had backed out, and there was a lack of finance firms who were currently willing to work with the Board.
- Flintoft continued that on May 10, when Flintoft was absent due to illness, Hathaway said the Township would be ready for the audit on June 1, but that was never realistic. Being ready for the audit meant that the Township had been properly keeping up with the financial accounting all year long; this had not happened.
 - Preparing for the audit requires some financial “chops” that the Township did not have in house.
 - There was the question of checks and balances where a Deputy Treasurer & Deputy Supervisor—the tax collector and chief assessor—are doing entries in the books, which have to be approved by the Clerk. While Flintoft works with Palmer regarding the books, Flintoft is the one that has to certify that the books are correct, without mistakes or screw ups, and right now she cannot do that, and will not be pressured to do it, without appropriate financial expertise.
 - While PMGAP could not make entries into the books, PMGAP could help Scio Township prepare for the audit, and was available to help on some projects.
 - Flintoft asked to put his item on the agenda so the Board could discuss it.
- Township Administrator Merte said he supported professional review of the entries being prepared by Deputy Treasurer & Deputy Supervisor Egeler, but his conversations with PMGAP indicated that PMGAP would only be available to prepare entries, which was what the Deputy Treasurer & Deputy Supervisor was doing. Additionally PMGAP did not have room in their schedule to do this. The Township needed this support, but would need to look elsewhere.
- Flintoft pointed out that the next Board meeting was 3 weeks away, and reiterated that it was not realistic to begin the audit June 1, unless there were resources available to do this. Putting the item on the agenda gave the Board an opportunity to be creative. There were questions she had regarding whether certain items in the General Ledger were correct, such as whether there was a deficit in the in the fire fund.
- Merte suggested that a motion be made to approve a certain amount of money for some company to help prepare the audit, not limited to PMGAP.
- Flintoft asked to keep the agenda item as stated. She needed help regarding some of the bigger budget and accounting issues, and not necessarily a review of all entries. Plante Moran used to be Scio Township’s auditors and understood Scio’s books.
- Flintoft was concerned that the Board continued to push away any financial professionalism.

The video recording of the 5/24/22 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.

- Hathaway noted there might be a compromise position as described by Merte, and said he would withdraw his motion to amend the original motion to amend. McLaughlin agreed.

Motion to amend the motion to amend the agenda, by withdrawing the second item, was withdrawn.

- Hathaway suggested the following amendment to the agenda: Move item G10, Cottontail Special Assessment District Financing, out of the Consent Agenda.
- Flintoft asked that items G3, G4, G5, G6, and G7 be moved out of the Consent Agenda, in order to review the model motions and make changes if necessary.

The motion now read:

MOTION by Flintoft, support by Knol, to amend and approve the agenda as follows:

1. Add: The authorization of bidding and award for energy management improvement.
2. Add: The authorization of temporary township finance officers staff contract (PMGAP: Plante Moran Government Accounting Professionals)
3. Move G.10 out of the consent agenda.
4. Move items G3, G4, G5, G6, and G7 out of the consent agenda.

Motion passed by voice vote.

D. APPROVAL OF MINUTES

D.1 Approval of Minutes of the Regular Meeting of May 10, 2022

The Board made the following corrections:

- Page 1, Add: Mary Gillis, Deputy Clerk also present.
- Page 4, Correct as follows: David ~~Reed~~ Read
- Page 15, 4th paragraph, Correct as follows: May ~~13~~ 15
- Page 24, Correct New Business to be agenda item K.
- Page 27, Correct Public Comment to be agenda item L.
- Page 28, Correct Adjournment to be agenda item M.
- Page 26, Paragraph before motion, correct: Mr. ~~Stallman~~ Stollman.
- Page 28, Add at end: Meeting adjourned at 1:10am.

MOTION by McLaughlin, support by Palmer, to approve the May 10, 2022 Regular Meeting Minutes as corrected.

MOTION passed by voice vote.

E. COMMUNICATIONS to the BOARD OF TRUSTEES

Flintoft acknowledged correspondence received, which was included in the Board packets.

F. PUBLIC COMMENT

Pam Boyd listed concerns with organizational issues within the Township, and asked for the implementation of an internal audit regarding the incorrect implementation of PA33 of 1951

The video recording of the 5/24/22 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.

regarding Fire Station funding. She was also concerned that the Clerk had been denied access to BS&A ledger entries for the past 1.5 weeks.

Kathleen Brant:

- Asked about the bill for \$774 for a depository safe.
- Asked about a recent hire by Merte, whether the Deputy Treasurer was now doing payroll, and about access to BS&A ledger being denied to the Township Clerk.

Bill Doty, 465 Woodgrove Dr., was concerned regarding potential increased stormwater runoff to Parkwood condominiums from the proposed Arbres Grove Development, and asked the Board to deny this proposal when it came before them.

Roy Townsend, Transportation Alternatives Planning Committee Chair, spoke in support of:

- J1. Zeeb Road Pathway, Segment IV. State Representative Donna Lasinski secured \$750,000 for this project via a Michigan Economic Development Corporation Grant. The money was in the budget, the project was approved, with completion scheduled for this summer.
- J2. Zeeb Road/I-94 Overpass, Segment VI. State Representative Donna Lasinski secured \$750,000 in Michigan Economic Development funds for pedestrian improvements to the Zeeb Road/I-94 overpass, including widening the sidewalk on the west side of the bridge. No match is required and there are only limited requirements for the funds. He recommended hiring OHM or similar consultant to start designing this project, and potentially put the project out for bid next year.

Regarding J1, Clerk Flintoft pointed out that the budget attached to the agreement referred to segments IV and V, and the supporting letter from Rep. Lasinski referenced going border to border; there appeared to be potential scope discrepancies within the grant documentation.

Alan Burbano, Parkwood Condominiums, referenced a letter he had sent earlier today regarding the proposed Arbres Grove development. He was concerned that the Township had encouraged the Abres Grove developer to maximize density, disadvantaging Parkwood. He asked the Board not to approve the Arbres Groves proposal.

Kevin Jackson, Parkwood Condominiums, remained concerned about the density of the Arbres Grove project, and asked the Board not to approve the project. He thought the current proposal of 35 units violated several legal requirements.

Oleg Michajlenko, Parkwood Condominiums, was concerned that the Arbres Grove development would increase stormwater runoff to Parkwood Condominiums.

Susan Hadley, Parkwood Condominiums, spoke in support of her neighbors. Water affecting their homes was a huge concern.

Abby Vakilian encouraged the Board to conduct a study of the stormwater runoff effect of the Abres Grove development. He remained concerned regarding Board members' political ideology, including Republicans who ran as Democrats in order to be elected in Scio Township. Current Scio Board politics was harming Scio Township's reputation.

The video recording of the 5/24/22 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.

Steve Feinberg, Scio Resident, was concerned that not following prior Administrator Rowley's recommendations led to financial problems.

Helene Neu, Parkwood Condominiums, described the flooding at her home located at the dead end of Woodgrove, and was concerned that the Abres Grove development would make the stormwater runoff worse.

Rob Pattinson, Scio Township, spoke in opposition to agenda item J2, citing a conflict of interest involving Jeff Harshe of the DDA, under Section 14 of the proposed agreement. Mr. Harshe's company MAVD would receive direct benefit from this agreement, and he should have recused himself from any DDA discussions of the Zeeb Road/I-94 Overpass sidewalk.

David Read, Scio Township, asked that answers to the following questions be brought to the next Board meeting:

- Has the letter from the Treasurer been mailed that would explain the missing millages?
- Has the Clerk's access to BS&A software been restored to its proper level? Why was her access reduced?
- Why was one person holding multiple incompatible offices (deputy treasurer and deputy supervisor) in contravention of MCL 15?
- Who are the 30 taxpayers that have been affected by the reversed deposit? Who authorized the reversal?
- Regarding J.1 and J.2, the funds allocated from the Township-wide SAD to the TAP fund are to be used for TAP projects other than pathways; the path and parks millage funds can only be used for paths and parks. As one of the authors of the road millage, Mr. Read said the intent of the 10% was to be used for non-pathway projects.
- It is obvious the Township needs professional financial help.

G. CONSENT AGENDA

G1. Payment of the Bills

To approve the payment of claims proposed for May 25, 2022, and to receive prior check run report for May 11, 2022.

G2. Changes to Scio Township Employee Handbook

To Adopt the Scio Township Employee Handbook as presented with the two floating holidays being retroactive to January 1, 2022.

G9. Exception to Personnel Policy for Assistant Fire Chief

To approve the addition of ten days of PTO annually for Assistant Fire Chief Doug Armstrong commencing with FYE 2023.

G11. Loch Alpine Fireworks Event

To approve the attached application for the Loch Alpine event fireworks permit.

MOTION by Knol, support by Flintoft, to approve the Consent Agenda as amended.

Motion passed by voice vote.

H. REPORTS

H1. Regular Reports

As Interim Administrator, Merte did not yet have a prepared report.

In response to questions from Knol, Merte gave the following information:

- The job description under which he was hired indicated the Township Administrator should be in control of all BS&A applications, and he had acted on that in terms of assuming the role of BS&A Enterprise Administrator. He had no intention of restricting any privileges of the Clerk from the financial applications, and as of this afternoon, the Clerk had complete control over all access to financial applications. Merte added that the Township Attorney had advised him that the Clerk had authority and complete control over the general ledger. Flintoft interjected saying that as of this afternoon, she had made some progress with Merte, but that her access issues were not yet resolved.
- In his previous role before he retired as IT Director of Scio Township, Merte had complete control over BS&A, basically as the Enterprise Administrator, and there was never any conflict. He had always honored what the Department Heads or the people who were affected wanted in terms of access.

Trustee Knol confirmed that Flintoft had communicated to Merte that under MCL41.65, the Clerk had statutory responsibility to maintain control over the general ledger entries, and that there were many who believed the Clerk has authority to deny access to the general ledger, something that is implicit in her having control over the general ledger.

Merte agreed, and said that this had also been the counsel from the Township Attorney. The issue had arisen out of the way his job description was written, in that the Administrator has the task of distributing financial tasks as well as all other tasks.

Knol pointed out that the Clerk position is not subordinate to the Administrator, the Supervisor, or the Board. In her 10 years on the Township Board, and as a former clerk, she had never seen anything like what had happened in the last 1.5 weeks, and was appalled it had taken place.

Flintoft confirmed that Merte had been hired as Administrator, and not as IT director. Multiple people could appropriately have Enterprise Administrator access.

Speaking on behalf of the Transportation Alternative Planning Committee (TAP), McLaughlin reported on the following:

- The previous meeting was canceled because they did not reach quorum.
- This month TAP will discuss, revise, and refine a pathway evaluation tool.
- TAP created an ad hoc committee with two representatives from TAP and two representatives from the Roads Advisory Committee to review the Collector Road SAD. They will meet with Board members and seek feedback from the public. The goal was to make a recommendation to the Board by this fall.
- The University of Michigan's School of Environment and Sustainability (SEAS) community engagement team will meet with TAP in June. The team is developing Scio Township's first Environmental Sustainability and Climate Action Plan.

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On behalf of the Roads Committee, Knol reported that the Committee had not met in the last two weeks.

As lead on Gelman efforts, Knol stated there was no new Gelman report.

As Clerk, Flintoft reported the following:

- Explanation of Fire Fund 206 Accounting Adjustment, as described in a memo and spreadsheet distributed this evening:
 - Balance adjustment to fund 206 Fire Fund will result in a fund balance increase of \$1.8 million. This will not change the cash position of the Township, but was an accounting adjustment only.
 - Under the “matching principle,” the expense comes first and the revenues are raised to match it.
 - Voters passed the Fire Fund SAD in November 2008; funds were levied in 2008 and booked as deferred revenue, and booked as revenue in 2009-2010. This pattern was followed in all subsequent years.
 - Consequently, the Fire Department was behind one year in booked revenue. This affected the amount in the fund balance each year for capital planning purposes.
 - The accounting adjustment will correct this situation, and as stated, will result in a fund balance increase of \$1.8 million.

Merte said this change would bring the fire fund into consistency with how other funds were treated in the Township.

Treasurer Palmer gave some of the history of the Fire Fund SAD, which originally involved decisions made to avoid double taxing then Village of Dexter residents, who were already paying a village levy. Because there was already money allocated from the General Fund in the year the SAD was approved, the Township collected money for the next year, and it went forward from there.

Flintoft added that the SAD had been treated as a levy. The Fire Special Assessment was meant to defray Fire Department costs, but in the transition from General Fund to Fire Fund, the SAD became the entire Fire Department funding. While she is supportive of raising 100% of the funding for the Fire Department through a levy, that is not how Act 33 works.

On June 14, the Board will look at the estimated expenses for this year and then assess revenue to cover those expenses. The revenue will be levied on December 1, so the Fire Fund will show revenue during the same year as expenses.

In response to a comment from Hathaway, Flintoft stated that the Board would talk about how Act 33 funding mechanisms are meant to function at the June 14 public hearing, which will have two parts: 1) Chief Houde will provide information about where he wants to go with the department, and what it will take to provide different levels of service. 2) Hearing on the annual assessment.

In response to a question from McLaughlin, Flintoft explained that the levy covers 100% of actual Fire Department expenses. More funds were needed to raise the level of service, including constructing a 2nd fire station.

Hathaway advised that Act 33 is designed to allow more flexibility than the Township has used.

- Flintoft addressed Board actions on May 10 when she had been absent due to illness, and which had represented her worst fears.
 - The Township could not realistically be prepared for an audit on June 1. The books had not been correct for months, bank statements had not been reconciled, and the Township does not have appropriate financial staff. Year-end journal entry was one of the smallest parts of audit preparation.
 - She believed Hathaway had directed Deputy Treasurer & Deputy Supervisor Egeler to get into the books. In a Zoom meeting with Merte, Merte had said he had been instructed that Egeler should have access to the books. At that time Flintoft explicitly gave instruction as Clerk under MCL 41.65 not to allow this access, and she followed up the verbal instruction with written instruction.
 - The Township auditor had said that as a minimum fair measure of internal control, that the Deputy Supervisor should not have access to the books because she is conflicted, because she is also Deputy Treasurer. The auditor explained that as a minimum level of control, Egeler can write out paper journal entries, and then the Clerk should confer with a financial expert and decide whether or not to post those journal entries.
 - She had asked Merte what his legal authority was for giving Egeler access, and Merte had stated this was what he understood his job to be.
 - Hathaway had contacted the Township's IT services provider Netsmart on Friday May 13th, at 5pm, instructing Sean Goldman to make these changes, and Trustee Knol had intervened.
 - Despite Flintoft's direction, the existing opinions of the Township attorney and the auditor, on Friday the 13th Flintoft saw that Egeler had been given access to start entering and changing the General Ledger, and that Merte was an Enterprise Administrator. At that time, Flintoft restored Engeler's status to what it had and should be, as was Flintoft's duty under the law.
 - By the next morning, Flintoft could no longer tell what access anyone had, and her access had been revoked. She asked for the legal authority by which this had been done. And while she and Merte had a good conversation today, what occurred was wrong. These are the accounting journals and ledgers of the Township, and represent its most fundamental checks and balances.
 - The Clerk was the Township's accountant, per the vote of Township residents. She had been desperately asking for help, and instead access was removed. Yet Merte said he was just following Board direction, even though she believed most Board members did not know what was going on. What was done was improper and clearly illegal.
 - Flintoft was pursuing all options to get the public records returned to her control and custody. She said she had written and now would state publicly her demand to the Board: return the public records, which must be in the custody of the Clerk under the law. She thanked Merte for the progress made today, as he had started rolling back Egeler's permissions. But Egeler was still allowed to create journal entries and modify aspects of the budget module, and Egeler's ability to enter data should be ended.
 - For a week and a half Flintoft could not see who was allowed to modify the accounting records, which are her responsibility. As of today, Flintoft could now see who is allowed to modify the accounting records of the Township.

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- Egeler had reversed the 49 journal entries she made over two days. Most of the entries are typical, but some Flintoft had questions about, which is why she wanted to get financial expertise in house, particularly if these entries are going to be rammed through.
- Flintoft was continuing to work with the Township's IT provider Netsmart, and BS&A, to examine if any other changes were made. She will report back to the Board and the public about the status of the accounting records; she will not finalize or certify any accounting records for audit purposes until she has a qualified financial professional to work with, to ensure that the records had integrity.
- Flintoft would continue to work with Merte to address the BS&A permissions issues that are outstanding.
- Further, Flintoft has kept the Township's insurance company Decker Insurance informed regarding her ongoing concerns of impropriety and the erosion of the last threads of internal controls, and the Board's refusal to bring in qualified financial staff or consultants. The risk control operations lead for Decker Insurance will be at Township Hall Thursday, June 2, at 9am to meet with board representatives, staff, zoning, fire, water and sewer to do a review.

Palmer affirmed that Deputy Treasurer & Deputy Supervisor Egeler had over the years kept the records and prepared for the audit, and the audits had been top rated. Egeler is a phenomenal account who has always done a phenomenal job.

Merte agreed that Egeler had been posting journal entries until Township Attorney Homier clarified the roles under the statute. Under Flintoft's authorization, Merte asked Egeler to reverse all the entries she had made. This happened last Wednesday, immediately after explanation had been received by the Attorney.

Flintoft said Egeler had made entries on May 15 and 16. Her own communication verbally and in writing had said this process could not be followed, and had pointed to Statute, the auditor's opinion, and the Attorney's opinion.

In response to a question from Palmer, Flintoft said she was asking for a financial professional to be brought on board to help her review the records.

Knol asked what public records Flintoft needed returned right now.

Flintoft explained that custody and control go hand in hand, and she is demanding that the Board return to her the financial modules in BS&A. She and Merte were in agreement as to what those modules are, and Flintoft determines who can or cannot enter information there.

- There was continuing disagreement as to how much permission Egeler has.
- Instead of just the IT provider having Enterprise Administrator Access, the Board has put a Board employee (Merte) in the position of having Enterprise Administrator Access over the Clerk, Treasurer, or anyone else. This is inappropriate, as demonstrated on Friday May 13 when Merte had authority to override the Clerk. In theory, the Board could start manipulating changing the general ledger, an issue that prior Administrator Rowley and the Clerk and previously identified, when they had been working with BS&A to better granulate permissions.
- Right now the Clerk does not have authority and ultimate control over the records for which the Clerk is responsible, because the Township Administrator can simply

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override anything the Clerk does and any settings she makes, including settings made to protect the journals and ledgers.

Knol pointed out that the licensing agreement with BS&A is between BS&A and the Township. A lot of the resolution may need to come through BS&A.

Flintoft said that that was partially true. Netsmart was also going to propose some new controls.

Knol asked if these highly irregular events could slow down the audit process. Flintoft said that was the case, but what slowed down the audit process the most was not having a qualified Finance Director or similar position for many months. The temporary finance officer had also offered an opportunity to get things moving forward. The current audit preparation was in reality a hasty effort to finish some of the accounting from the past year, and Flintoft would not approve that, especially when the person doing the work is disqualified by virtue of her position as deputy treasurer while working under the direction of the Supervisor as deputy supervisor.

Flintoft said that at every BOT meeting she asked for professional finance staff. Prior Administrator Rowley had resigned in protest over the Board's unwillingness to provide professional finance staff. She looked forward to a sincere effort being made to hire a professional finance director.

As Treasurer, Palmer reported on the following:

- During the week of April 4, while balancing the tax deposit account, it was discovered that the deposit for the February 16 receipts, made on February 25, were reversed within 20 minutes of the deposit being made. She immediately contacted the bank, and bank's records showed those transactions occurred within a half hour of each other at the request of Scio Township. She had no answer as to why and had no recollection of making such a request, but she was the only one with that authority.
- Palmer immediately began researching backup record reports, and searched her office and home, with no results. The bank had also researched its records and procedures.
- Palmer was working with the residents who had been impacted by the lost checks. No checks had cleared, but it has become certain that the checks are gone.
- No cash was involved in the deposit transaction; the cash had been deposited earlier in the day.
- On May 5 an explanatory letter was mailed to everyone whose checks were involved in the deposit. If they choose to ask for a stop payment on their check, the Township will reimburse the fee. Citizens were asked to send a replacement check with the extra copy of the letter that was sent out.
- To date, fourteen of the 28 checks had been replaced and deposited. Another letter will be mailed tomorrow to those who have not replaced their checks, as a reminder of the importance of doing this.
- She encouraged anyone with questions to call her. Her direct line is 734-369-9415.
- She thanked everyone for their understanding and kind words. She had no answer as to the how and why this had occurred.

Flintoft asked for more investigation into the idea that the Bank action was taken "at the request of Scio Township."

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As Supervisor, Hathaway reported on the following:

- It was important to have everyone's understanding of how things transpired when there is conflict around events.
- When Merte became the Interim Township Administrator he moved quickly to put into effect the duties that were listed in the job description, which was updated and approved by the Board earlier in the year. The description included ultimate administrative oversight of software, including BS&A. Merte was uniquely qualified to do this since during Merte's 40 years at the Township he set up many of the software systems.
- Merte was contacted by Sean Goldman at Netsmart, who told him that Trustee Knol had advised that Merte did not have the authority from the Board of Trustees to take certain steps.
- Knol's communication with Netsmart preceded Hathaway's conversation with Mr. Goldman. Hathaway then provided Netsmart with documentation that Merte had authority from the Board of Trustees.
- Hathaway said they were trying to get the preparation for the audit done on time, so they can comply with the statutory requirements for the Township, which was to complete the audit by September 30. The timeline presented by the auditor included the June 1 deadline for the first items they have to give the auditor, and June 6 for the balance of the items. Deputy Treasurer & Deputy Supervisor Egeler has been working hard to assemble everything.
- The disagreement within the Township about the prior Township Administrator's proposal to hire outside consultants in February/March 2022 did not have a bearing on how the books were kept prior to that proposal.
- The Board was facing the question of how the Township will prepare for the audit, under the required deadline. The Township had in place a former finance director who is still the same person with the same skills, who has been doing this work for decades. She is in a position to help the Township succeed in getting prepared for the audit on time.
- As tonight's meeting proceeds, the Board will hear from Amy Cell regarding a Board workshop that was held to try and gather information that members of the Board had been seeking for a long time, including the workload and capabilities of existing Township staff in terms of the finance function. The discussion had been productive, and the Board was moving forward toward hiring a finance director.

Noting that it would be three weeks until the next Board meeting, Flintoft said there was pressure to export the trial balance/general ledger to Plante Moran, shown by the 47 journal entries going back to April 17, and made in two days over the weekend after May 13, without her input or even being notified. Since the audit deadline itself was not until September 30, she would like to wait 3-4 weeks, hire a Finance Director or get some volunteer help, in order to present records that had integrity. Flintoft said she wanted an honest audit.

H2. Report on Finance & Accounting Function Workshop

Workshop Facilitator Amy Cell gave the following report:

- The May 12 workshop had been collaborative in nature.
- The goal for facilitating the workshop was to bring together key stakeholders including the Clerk, Supervisor, Treasurer, and various staff that play a role with finance and accounting, in order to focus on the goals the finance and accounting function should have, and then discuss the status of tasks and approximate timeframes that had been identified toward meeting the goals.

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- The shared goals of the team regarding finance and accounting were:
 - A high quality finance and accounting function
 - Strong budgeting and forecasting competencies
 - Excellent cash flow planning
 - Streamlined and efficient processes that use technology, are easy for residents, and implement best practices
 - A high level of compliance, with on-time implementation of regulations
 - A highly trained team with excellent reporting
 - The ability to track and report on funds to use as good decision makers
 - To be efficient and use resources wisely
 - To have a strong advisory support function to provide financial analysis for major decisions and to support ballot initiatives for the Township
- Participants looked at the roles and activities and identified approximately how many hours the activities would take, as well as identified a variety of special, one-time only projects.
- The workshop was a great first step in terms of overall finance structure.
- The analysis wasn't complete, but they were now at a point to determine that a Finance Director would be a very good benefit to the Township.
- She was working on a detailed job description for a Finance Director and had shared that with the Clerk, Supervisor and Treasurer today. It was very important to specifically identify tasks, responsibilities, roles and responsibilities.
- They had started the search for a Finance Director; looking at adding additional staff could be the next step.
- They had a good response to the job posting, and three candidates would be interviewing tomorrow.
- The Michigan Municipal Services Authority (MMSA) has identified eight hours of free support to help Scio Township assess its needs, following which the Township could work with different contractor/specialists, including Plante Moran. She recommended consideration of this option for short-term needs.

Flintoft asked if the 8 hours of free support from MMSA could be used to help with the year-end close. Ms. Cell said she was unsure if MMSA could provide support to close the year.

Flintoft asked how the Township could move forward to use the 8 hours of free support. Ms. Cell said she could facilitate an exploratory meeting between the MMSA executive director and the Clerk, Treasurer, Supervisor, and Township Administrator.

Hathaway supported this idea, and suggested the point person be the Township Administrator.

Flintoft asked what the next steps for a Finance Director would be if there was a candidate they wanted to move forward after tomorrow's interviews.

Ms. Cell said that if there was a candidate that they were comfortable with, she would likely schedule a second round more detailed interview, for that person to come on site, meet with the rest of the finance and accounting team, and learn about the issues. It was important to make sure the person was a good fit.

Knol asked if the candidates were local. Ms. Cell said that the candidates will be local; one was in process of locating to the area.

In response to a question from Hathaway, Ms. Cell said she would provide sample interview questions to the Board. She also asked the Board for feedback regarding the Finance Director job description; she was especially looking for areas that might have been omitted, and how the 3 different areas in the Township would like to be supported.

Flintoft said that the position being proposed will support both the Treasurer and the Clerk, as well as the CFO function, which better fit a larger municipal organization than Scio Township. Flintoft was envisioning someone who would support finance. Did Ms. Cell think whoever was hired should support Treasury also?

Ms. Cell said while she didn't want to take away from the statutory duties that the three operating elected officials had, the Finance Director could direct and coordinate all staff activities to help achieve efficiencies, make sure there is cross training, ensure that the internal controls are in place, and support the budget process and the different activities for which the Board is responsible.

I. UNFINISHED BUSINESS

I.1 The authorization of temporary township finance officers staff contract.

Flintoft explained that the proposal as presented on May 10 was not to exceed \$33,000 for qualified financial assistance from PMGAP. A small portion of the scope was the Chart of Accounts conversion, as approved at the May 10 meeting; the larger part was to provide feedback and suggestions for possible process improvements based on observations of Township accounting practices and software configuration. Implementing recommended changes would be the responsibility of management, as explained in Plante Moran's February 15 letter, p. 1:

"Provide feedback and suggestions for possible process improvements based on our observations of the Township's accounting practices and software configuration during this assignment. Any subsequent changes to Township process, policies, or software configuration are the responsibility of Management."

-And-

"During the course of our work, it is likely that we will identify journal entries Scio Township should consider. Any recommendations for adjusting entries will be summarized in writing and presented to Scio Township Management for their evaluation. Management [the Clerk] agrees to accept responsibility for reviewing, approving, and posting any adjusting entries proposed by Plane Moran."

Flintoft asked the Board to authorize a dollar amount for financial assistance. She noted that PMGAP employees are a known entity who are familiar with the Township's books.

In response to a question from Hathaway, Merte said he had asked Brian Camiller from PMGAP if they could come to Scio Township and work through with the Clerk all the journal entries that Egeler is proposing, fix mistakes, etc., so that the Clerk can feel comfortable posting the entries and moving forward the with audit. Mr. Camiller had responded PMGAP did not have the independence from their Audit division that would allow them to do that.

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Also, PMGAP's time was completely booked for the time period needed to do this. Mr. Camiller had recommended the Woodhill Group, but that relationship with the Township had been damaged. Mr. Camiller suggested that Merte call Woodhill Group anyway, and see if there was the possibility of support.

Flintoft said there were two options: 1) To contract what PMGAP had proposed in their February 15 letter, which was to act in a broader consultant role. 2) Have MPGAP do the journal entries, so as to avoid the conflict of interest by having the Deputy Treasurer & Deputy Supervisor do this. Also, in spite of PMGAP's comment about their availability, Flintoft would try to work with them to buy hours anyway; a larger contract might help secure that contract. There was no harm in approaching Plante Moran, and if the answer remained that they could not do it, Scio was no worse off than before.

Merte suggested approving an amount for a "yet to be identified" firm.

Hathaway suggested a motion to approve up to \$10,000 for the Township Administrator to work with the Clerk and try to locate financial support that the Clerk needs through PMGAP, if available, or another comparable firm.

Flintoft suggested using the model motion as provided May 10: to enter into an agreement with PMGAP for services outlined in the February 15 engagement letter for a term to begin on May 24, and end not later than September 30, based on actual hours worked, with a not to exceed contract amount of \$10,000.

Flintoft stated that she is limiting the proposal to PMGAP because she is trying to show a good faith effort to Plante Moran.

Knol suggested adding wording: "or a comparable accounting firm".

After further discussion, the following motion was offered:

MOTION by Flintoft, support by Knol, that the current agreement dated [insert date] with Plante Moran be modified, to include services outlined in the February 15 engagement letter for a term to begin on May 10, 2022 and end not later than December 31, 2022, based on actual hours worked and with a not to exceed contract amount of \$16,000. The Township Supervisor and Clerk are authorized to sign agreements approved by the Township Attorney as to form and substance of this motion, to be paid from budgeted funds 101-191 (Accounting), and to authorize the Township Administrator to identify an alternate contractor if PMGAP is not available.

Motion discussion:

Flintoft explained that the \$16,000 included the \$10,000 being authorized this evening and the \$6,000 authorized for accounts conversion at the May 10, 2022 BOT meeting.

Flintoft said the record should show the sole purpose of this action was not to get to a point that "the Clerk can feel comfortable posting the entries." She did not want to be blindsided, disrespected, and disregarded, as she was during the past week.

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May 10 was included as the start date of the agreement, as that was the date the original \$6,000 was approved by the Board of Trustees, which agreement was being modified by this motion.

Roll call vote:

Hathaway	yes
Palmer	yes
Flintoft	yes
Knol	yes
McLaughlin	yes

Motion carried 5-0.

J. NEW BUSINESS

J1 Zeeb Road Pathway Michigan Economic Development Corporation Grant

Hathaway said he had talked with MEDC Grant Administrator Kristyn Blackmer today; and she gave the following information:

- These grants are not the same as other grants such as those received from the Michigan Department of Natural Resources, which have restrictions and conditions attached, and require matching dollars.
- Both J1 and J2 were coming to the Township via the leadership and advocacy of Representative Donna Lasinski.
- In receiving these grants, the Township had to provide other funding sources to be used to complete their project(s). The budgets were assembled by the Transportation Alternative Planning Committee, and are attached in the appendices of each of the two agreements. The budgets basically reflect back the information given to the MEDC from the Township.
- The grants do not require a match. The funds are awarded to Scio Township for the purpose that is stated with the awarding of the funds.
- There was flexibility attached to the funds. There was a timeframe in which the funds should be used, but if the purpose changed from constructing a pathway to purchasing equipment to keep the pathway clear of snow, for instance, the MEDC would consider that, if the funds would still be used for the same general project. The timeframe itself was also flexible.
- The flexibility attached to these grants was attested to not only by Ms. Blackmer, but also by OHM consultants and others.
- There were no strings attached to the funds such as were attached to DNR grants.

Hathaway said the issue tonight was whether to sign the agreements to accept the funds from the State for the stated purposes. The plan was to spend the \$750K from J1, for the northern portion, in 2022.

Flintoft thanked Hathaway for his research and Representative Lasinski for her leadership. She was very supportive of both items. She was, however, concerned about the budgets attached to the agreements, because the budgets did not make sense to her. She had the following concerns:

- Was the flexibility of fund use as explained by Hathaway in writing anywhere?

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- In her correspondence, Representative Lasinski referenced connecting the entire length of the border to border trail. Exhibit A to the J1 agreement references Phases IV and V, which would take the project to border-to-border completion. However, the agreement seemed to reference only 1,000 feet of construction.
- What were the other funding sources – local and other funding? Didn't those sources represent a type of matching funds?

Hathaway explained the budget numbers were derived from the TAP project budget that was turned in to the State, for purposes of signing the agreement to receive the funds. While this was called a Michigan Enhancement Grant, it was better thought of as a gift.

- Flintoft said that she could only go by the language in the narrative and in the agreement, and in future years should there ever be a question, that was the language that would be argued. Her experience with grants was that language was critical. She didn't understand where the totals were coming from in the budget, or why Phases IV and V were both being referenced in the J1 agreement. If these funds were gifts, the language would say so. The agreement that would be signed referenced grants.
- Flintoft appreciated everyone's efforts in making this grant happen and she supported both grants. She thought the agreement language should be revised to carefully state what the Township was committing to. For instance, she would like the J1 agreement budget document limited to Phase IV only. There was a mismatch between the budget and the scope, and the information provided regarding flexibility was not in writing anywhere. While the word "match" was not used, the additional funding was a type of match.

Knol said she wanted a little more history regarding the use of the SAD funds for this project.

Hathaway explained that he would have to research the actual motion, but the Board had voted to use SAD funds to allocate to this type of project. He thought the amount was \$200,000. This project's Phase IV would be paid out of a combination of millage funds and funds from the TAP portion of the Township-wide SAD, something that had been approved earlier in the year.

Referencing David Read's comments during public comment, Knol said she would like more information regarding what the SAD funds were to be used for, including TAP projects such as bus shelters, pedestrian crosswalks, traffic lights, charging stations, and so on.

Hathaway pointed out that the DDA was funding bus shelters, and those would hopefully be installed before the end of the year. Other improvements were also being made. The requests in J1 and J2 were both recommended by the TAP committee.

Flintoft said it was important to control risk and have integrity when entering into agreements of this nature. It was important to be consistent in language. Again, she would like the J1 agreement budget figures to reference phase IV only.

Merte said that the Board needed to weigh whether there was enough of a risk to turn down a \$750,000 grant. He felt everyone was proceeding in good faith.

Flintoft said the J1 agreement was committing the Township to spend \$4.2M within 3 years to get the pathway border to border.

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Hathaway disagreed, saying the commitment was to spend the money toward that goal, but not promising to reach the goal within that particular time frame.

Hathaway indicated he was ready to make a motion:

MOTION by Hathaway, support by McLaughlin, to authorize the supervisor to sign the attached Michigan Economic Development Corporation Grant agreement for \$750,000 in funding for the Zeeb Road Pathway, as presented.

Motion discussion

Flintoft said the budget attached to the agreement was the operative portion of the agreement. She felt rushed in this matter being brought to a vote, when the budget didn't match the scope, which says 1000 feet, and later addressed border-to-border completion. She thought the matter should be tabled until this question could be resolved.

McLaughlin expressed appreciation to Rep. Lasinski for her help with this grant. While there were some funding sources that had not yet been identified or applied for, he was confident in the budget numbers provided. He pointed out that OHM was in the planning stages for Phase V. He supported the motion. The Zeeb Road Pathways would enhance the quality of life in the community, and provide greater access to trails and also the financial district, reducing reliance on motorized vehicles.

Knol asked if the motion could be tabled to give time to get questions answered.

Palmer supported the motion going forward. It was important to move forward when funds were available.

Flintoft asked if there was a deadline for accepting the grant.

Hathaway explained that the money was awarded last fall, and the agreement arrived at the Township in January. For some reason, the agreement was not acted upon right away, and the Township lost some time. They were now acting to approve both agreements, so that funds could be received. Regarding J1, the funds could be spent on Phase IV, which was the intent and which was already in the budget.

Flintoft thanked Rep. Lasinski and apologized to the TAP committee, as she supported this project, but could not support this motion. She felt it important to work with accurate numbers when signing binding agreements.

Roll call vote:

Hathaway	yes
Palmer	yes
Knol	yes
Flintoft	no
McLaughlin	yes

Motion carried 4-1.

J2 Zeeb Road/I-94 Overpass Michigan Economic Development Corporation Grant

Hathaway explained that this item was a similar agreement to J1, and was also for \$750,000. This part of the Zeeb Road pathway contained the highway overpass. The funds will be used toward improving the safety for pedestrians and cyclists making their way over the Zeeb Road Bridge.

MOTION by Hathaway, support by Palmer, to authorize the Supervisor to sign the attached Michigan Economic Development Corporation grant agreement for \$750,000 in funding for the Zeeb Road/I-94 Overpass pedestrian improvements.

Motion discussion

Flintoft had concerns similar to her concerns for the prior item, J1. However, in this instance the labeling was clearly for Phase VI of the Zeeb Road Pathway, which was correct. The term was also for four years, which she felt was more realistic. However, she was also concerned with the issue brought up in public comment regarding the conflict of interest/DDA issue involving Jeff Harshe of the DDA.

Hathaway explained the proposal would help pedestrians and cyclists get safely back and forth across the overpass. Regarding the grant budget, the DDA had made a commitment to use the portion of TIF (tax increment financing) money captured for the DDA to put into pathway or TAP projects that occur within the DDA District.

Hathaway did not believe there was a true conflict of interest regarding Jeff Harshe in this case. However, because the perception of a conflict of interest could persist, he agreed to write a letter to the Michigan Economic Development Corporation disclosing the membership of the DDA and their interests in the business community. This disclosure would be attached to the signed agreement being approved this evening.

Flintoft asked about the scope of the project referenced by this grant.

Hathaway explained that the schematics presented this evening represented conceptual plans prepared by Carlisle Wortman, based on conversations with the County Road Commission and MDOT.

The Board discussed locations of traffic signals as warranted by the Road Commission, pedestrian-activation of the signals, and the location of the potential pedestrian crossing. Hathaway emphasized that the drawings were conceptual; there were many steps to go through before the project would be finalized.

Flintoft asked why the funds would be used for construction and not for the engineering of the improvement.

Hathaway said that the Board was being asked to accept the grant for this project, and as long as the funds were spent toward the project, the terms of the grant would be met. The schematic showed in concept the kinds of improvements that were part of this proposal, and the benefit to the Township.

Flintoft suggested a friendly amendment, that would require the TAP Committee or OHM to make a presentation to the Board regarding this project within 60 days.

On behalf of TAP, McLaughlin said it had not yet been determined who would do the engineering work for this project.

Hathaway said this suggestion did not need to be made a condition of the motion, but TAP could be asked separately to present to the Board. He did not want to impose an arbitrary time schedule on the TAP volunteers.

Roll call vote:

Hathaway	yes
Palmer	yes
Flintoft	yes
Knol	yes
McLaughlin	yes

Motion carried 5-0.

As the time was 11:00pm the following motion was offered:

Motion by Flintoft, support by Palmer, to continue the meeting.

Motion carried by voice vote.

J3: The authorization of bidding and award for energy management improvement.

Flintoft noted that a \$25,000 grant had been received from EGLE. She asked Environmental Sustainability Task Force Chair Jan Culbertson to give background on this item. Ms. Culbertson explained the following:

- As part of joining the 2030 District, the Township was able to benchmark energy use in its buildings. They benchmarked Township Hall, and found that it received a score of 48 out of a 100.
- As part of their 2030 District membership, the Township received a grant for an ASHRAE level two energy audit, at the end of which were a series of suggestions:
 - Replace fluorescent lighting currently in the older portion of Township Hall. Fixtures must be replaced by electrical contractors. Light bulbs can be done by Township staff.
 - Retro-commission the heating, ventilation and air conditioning systems. There were three rooftop units currently at end of life, and the proposal from Inclination Engineering was to look at three options for replacement, with one a gas option, and the other two electrification of the three systems.
 - The grant was at the end of the term of the grant, and it had taken some time for the application to move through the EGLE system. Now that the grant had been awarded, the work needed to be complete and paid for by the end of July.
 - Chair Culbertson was working with Utilities Director Steve Wyzgoski.
- The Township Board was being asked to accept the proposal of Inclination Engineering to recommission the systems in parallel with a controls contractor.

MOTION by Flintoft, support by Hathaway, to authorize the expenditure, accept the grant, approve the two proposals as presented, and to appoint Jan Culbertson, Jim Merte, and Steve Wyzgoski, as a Committee to evaluate bids and make awards to the bidders. The

The video recording of the 5/24/22 meeting is available at sciotownship.org and shall be retained as provided by state law and township policy.

Committee will report progress at the June 14 BOT meeting. The Committee will meet as a public meeting, and is authorized to make a decision regarding the bid awards.

Motion carried by voice vote.

Flintoft proposed the motions below as replacements for the model motions submitted.

G3. Daleview Drive Special Assessment District Financing

MOTION by Flintoft, support by Hathaway, to authorize a loan of up to \$197,791.00 from the General Fund (101) to the Road SAD Fund 411, to be paid back each fiscal year not to exceed 10 years, for the purpose of completing the Daleview Drive Special Assessment District road improvements. And to authorize payment of 1/10th of the loan by March 1st of each year plus 100% actual interest that is collected.

Motion discussion:

- Flintoft explained that the date would set an appropriate schedule, and the General Fund would be recouping the interest.
- Merte pointed out that when people prepaid their assessment, the Township would be receiving less than 10% of the amount each year.
- It came out in discussion that the 10% would be a way to specify the amount budgeted every year. Early in the SAD contract there would be more than 10% collected, and later perhaps there would be less, but the repayment would always be 10% of the loan.
- As stated, 100% of the interest would go back to the General Fund.

Motion carried by voice vote.

G4. Merlin Way Special Assessment District Financing

MOTION by Flintoft, support by Hathaway, to authorize a loan of up to \$233,044 from the General Fund (101) to Road SAD Fund 411 to be paid back each fiscal year not to exceed 10 years for the purpose of completing the Merlin Way Special Assessment District road improvements. And to authorize payment of 1/10th of the loan by March 1st of each year plus 100% actual interest that is collected.

Motion carried by voice vote.

G5. Wagner Ridge Court Special Assessment District Financing

MOTION by Flintoft, support by Hathaway, to authorize a loan of up to \$121,040 from the General Fund (101) to Road SAD Fund 411 to be paid back each fiscal year not to exceed 10 years for the purpose of completing the Merlin Way Special Assessment District road improvements. And to authorize payment of 1/10th of the loan by March 1st of each year plus 100% actual interest is collected.

Motion carried by voice vote.

G6. Westview Way/Southwood Court Special Assessment District Financing

MOTION by Flintoft, support by Hathaway, to authorize a loan of up to \$109,554 from the General Fund (101) to Road SAD Fund 411 to be paid back each fiscal year not to exceed 10 years for the purpose of completing the Merlin Way Special Assessment District road improvements. And to authorize payment of 1/10th of the loan by March 1st of each year plus 100% actual interest collected.

Motion carried by voice vote.

Deputy Treasurer & Deputy Supervisor Egeler pointed out that the cost allocation for audit costs comes out of the yearly interest. If 100% of the collected interest goes back to the General Fund, nothing will be available to pay for the audit costs. Also, at the end of every special assessment fund, the remaining balance is always transferred to the general fund.

Egeler said that sometimes the general fund has to cover a shortage, which was why interest should not be taken out of the SAD until the end of the term.

G10. Cottontail Court Special Assessment District Financing

Egeler explained that the request for G10 was similar to what had occurred last year. In the present case, the Board approved loaning fund 410 the amount of cash that it needed on March 31. What it did not take into account was subsequent bills paid out; there were checks that were paid out in April and May 2021, and maybe one in June, where the expenditures were back dated, and that wrapped up that special assessment. This resulted in a leftover cash shortage of approximately \$22,500. The action requested this evening was to fix the resultant shortfall.

Egeler also advised that the Board typically never approved loans for the entire amount, because sometimes people will prepay their assessments, and it didn't make sense to loan money to a fund that might not need it, and that would take 10 years to repay. Ultimately all collections went back to the general fund.

Regarding Cottontail, the SAD was complete. However, at the end of the term, there were some unexpected expenses involving the repair of sprinkler systems, and the fund was currently in a negative balance.

Discussion followed.

- Egeler explained that back dating expenses and revenues was common practice and good accounting practice, as was back dating a loan to bring the fund out of a negative balance at the end of a fiscal year, in preparation for an audit. The Township had been following this practice for decades, and had passed every audit. The practice had never been questioned by Plante Moran, and in fact Plante Moran expected this to occur.
- Back-dating the loan would simply codify what had been done in practice, in that the loan had already been made to the SAD by the Township.
- Egeler further explained that the action needed to be taken as part of audit preparation, which starts June 6. The original motions made for G3 through G7 had also been intended to back date loans to the funds involved.
- Flintoft said she had not understood that when making her motions, and her motions did not accomplish that. She did not support taking actions on May 24 and back dating those actions to March 31. She suggested rescinding the motions made and tabling

further action on G3 through G7, as well as tabling action on G10, until the June 14 BOT meeting, when the motions can be prepared and adopted as part of the consent agenda.

- Township Attorney Homier said that while the discussion focused on an accounting question, Act 188, Section 41.732 prohibited general funds from making up deficiencies in SAD collections: *Should the assessments in any special assessment roll prove insufficient for any reason, including the noncollection thereof, to pay for the improvement for which they were made or to pay the principal and interest on the bonds issued in anticipation of the collection thereof, then the township board shall make additional pro rata assessments to supply the deficiency, but the total amount assessed against any parcel of land shall not exceed the value of the benefits received from the improvement.*

Township Attorney Homier advised if there is a deficiency caused for whatever reason, the Township has an obligation to make pro rata additional assessments to make up the deficiency in the district; it was not for the general fund to loan money or general fund taxpayer money to fund improvements that have a special benefit to those benefited by the improvements.

However, it was commonplace for townships to provide loans to pay for public improvements in anticipation of the collection of special assessments to pay for those improvements. Act 188 specifically authorizes one of two means to do that: 1) The payment of general fund monies for the improvement in anticipation of those collections, or 2) To issue bonds in anticipation of those collections. Either way, a loan is taking place, providing financing for the public improvement. The special assessment district is the revenue stream over a period of time with interest on that financing. Again, this was commonplace.

In terms of payments for work performed, if the Township paid the contractor in anticipation of later receipt of SAD funds, the loan was made the moment the contractor was paid.

Homier said the motions made tonight requiring payback of 10% a year didn't make sense for several reasons. If excess money was in the SAD, it should be transferred to the general fund where it belongs, in order to pay the SAD off faster, and in order to potentially invest the money on behalf of the Township.

Flintoft remained concerned about back dating a loan amount after the fact, and wanted time to reword the motions already made.

MOTION BY Flintoft, support by Knol, to rescind the motions for Agenda Items G3, G4, G5, and G6 and to table all, including G10, until the June 14 BOT meeting.

Motion discussion:

Flintoft explained she wanted time to understand the issues and to have a conversation regarding this with Plante Moran, and to have time to rewrite the motions for G3, G4, G5, G6, and G10 so that they could clearly represent the intent of the Board.

Knol asked if entries were back dated outside of the SADs.

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Egeler said this was required, in that the Township was required to keep the March 31 books open for 60 days after the audit to account for any expenses that might be discovered, and those expenses had to be backdated to before the fiscal year end. This was common practice in every municipality.

Flintoft asked for a roll call vote on the motion on the floor:

Roll call:

Hathaway	no
Palmer	yes
Flintoft	yes
McLaughlin	yes
Knol	yes

Motion carried 4-1.

K. PUBLIC COMMENT

Pam Boyd, Scio resident, said that words mattered. She reacted to issues brought forward in tonight's meeting, including the fire millage being credited in the wrong year. She was concerned about conflicts among Board members, specifically about animosity being directed toward the Clerk. She was concerned that Supervisor Hathaway lacked relationship skills.

Kathleen Brandt asked a series of questions of Interim Administrator Merte, regarding his education in finance, and regarding the fact that prior Administrator Rowley advised the Board in February to lock in a contract with an accounting firm. She reviewed events of the past week regarding the Clerk being denied access to the general ledger on BS&A.

Abby Vakilian spoke about the constant arguing among board members, which was reflected in articles in local newspapers. The turf wars were not doing Scio Township any good. The Board should participate in conflict resolution.

Pat Stein, Scio Township, agreed that the Board needed to get its act together. She supported the roadmap left by prior Administrator Rowley. She asked that the Board take into consideration the needs and wants of their residents.

Rob Pattinson, Scio Township, spoke regarding the conflict of interest issue for the Zeeb Road bridge project. The conflict of interest was that an employee of a developer is part of Scio Township government, and will benefit from the project and the grant. He asked that the Fire Department funding issues be treated as an emergency for the Board to act quickly to resolve. Recent financial mistakes should be described in writing. He asked that Supervisor Hathaway modify his leadership style.

David Read, Scio Township, asked how promises could be made regarding financial mistakes when no one knew how they happened in the first place. Simple checks and balances were critical. He supported the Township getting professional financial assistance.

Sandy Egeler offered two corrections for the record:

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- There was no mistake in how the Fire SAD was handled from the beginning; the funds were always planned to provide deferred revenue for the next year's fiscal expenses.
- She was a governmental accounting professional, with a degree in accounting, and more than 30 years of accounting experience. She believed the Clerk will never listen to anything she has to say, and believes nothing she says, which is why Ms. Egeler stopped being the CFO (reporting to Clerk) for the Township and became Deputy Treasurer.

Jillian Kerry, said she did not understand how some members of the public had to be in person at Township meetings and others did not. She felt the basic structures of government were not in place in Scio Township. Perhaps Scio should look at well-run townships and discover what their secrets are.

L. ADJOURNMENT

MOTION by McLaughlin , support by Knol , to adjourn the meeting.

Motion carried by voice vote.

The meeting adjourned at 12:55 am.

EXHIBIT B



‘You would have been bankrupt’: Scio Township hears dire warnings over finances

Updated: Mar. 29, 2022, 10:44 a.m. | Published: Mar. 29, 2022, 10:42 a.m.



Scio Township Hall at 827 N Zeeb Rd in Ann Arbor on Thursday, Oct. 7, 2021. Alyte Katilius | MLive.com



By **Lucas Smolcic Larson | lsmolciclaron@mlive.com**

WASHTENAW COUNTY, MI – Elected leaders in Scio Township heard a series of dire warnings about the state of their local government's finances on March 22 as they began to mull the coming fiscal year's budget, allocating some \$3.9 million in taxes and other revenue.

Multiple key pots of public money, including the township's general fund and water, sewer and fire funds are in the red, the deputy treasurer said. Auditors have dinged the township for errors and failure to follow

regulations.

The township's finance team needs a "complete reorganization," said David Rowley, the 30-year veteran municipal official brought in last December as township administrator after more than two years with a hole at the top of internal government operations.

He was blunt.

"Let's just cut to the chase. We don't have any plan. We spend money because we have it," he said. The township is fortunate to reap the benefits of an affluent tax base just outside Ann Arbor, the administrator said.

"It's the only reason your doors are still open. If this was a normal general law township you would have been bankrupt a long time ago. Now if that sounds harsh, I'm sorry. You've asked for my professional opinion and I'm giving it. You need additional financial staff."

But those warnings appeared to fall on skeptical ears for a majority of the township board. In a five-hour meeting pockmarked by verbal barbs hurled between officials, a majority voted to shelve Rowley's proposed solution.

Then, Township Supervisor Will Hathaway went one step further, moving to end emergency financial staffing authorized by the clerk and treasurer, arguing existing staff were sufficient.

The tense exchanges were the latest in a series of power struggles that have played out in the township board room on Zeeb Road among members of the government body who themselves acknowledge their own dysfunction.

Notably, Rowley — questioned during his hiring over his experience navigating conflict between officials and framed by one resigning township trustee “an opportunity for a reset” — appears to have entered the fray.

Administrator proposes \$137K stopgap, urges better financial planning

In an eight-page memo, the latest in a series of tabled proposals to beef up financial staffing, the administrator said the world around Scio Township officials has changed, while its internal operations have largely stagnated.

“Scio can no longer afford to do business with the mindset of ‘this is the way we’ve always done it.’ We cannot continue to use the same past practice and procedures and then expect different results,” he wrote, noting the absence of basic levels of financial planning.

Its \$1.49 billion dollars of taxable value dwarfs even more populous local governments and demands four to five finance staff members, according to the administrator. The township now has one, with “limited backup,” he wrote.

Rowley proposed a stopgap, asking the township board to OK hiring two consulting and accounting firms for a three to six-month period to fill a “vital short-term need” while he develops a long-term plan.

The consultants would provide basic financial services, help prepare for an upcoming annual audit and complete a state-mandated account conversion the township has failed to do for years, according to the proposal.

Without righting the ship, the township could hurt its bond rating, critical to mounting major infrastructure projects, Rowley warned.

But some township leaders balked at the \$137,000 price tag on the proposal.

The cost isn't warranted, said Hathaway, saying the township's existing staff is "perfectly capable" of doing the work and adding he saw no clear analysis of what positions needed to be filled in the administrator's proposal.

"I wonder how the administrator could hold such firm opinions about the cause and effect relationship between past events when he only started working at the township in December, just over three years ago," the supervisor said.

Trustees Patrick McLaughlin, Alec Jerome and Jacqueline Courteau all acknowledged the township needed additional resources, but said they lacked a detailed needs analysis of the existing finance team and how it should be supplemented, so struggled to support the proposal.

On the other side of the debate, Clerk Jessica Flintoft urged her colleagues to get on board, voicing frustration that the township body had stymied her efforts to boost financial staffing in recent months.

The township hired Rowley because “our board was floundering,” Trustee Kathleen Knol, also supportive of the proposal, noted, saying she trusted his recommendation.

In the end, their two voices were a minority, as the board voted 5-2 to table the plan for future consideration.

Supervisor moves to end ‘emergency’ financial staffing

Hathaway then went one step further.

Days earlier, on March 15, Flintoft and Treasurer Donna Palmer had on an emergency basis authorized bringing on outside financial help to handle accounts payable and payroll as a key township financial staffer had to take leave, according to the clerk.

Hathaway moved to cancel the arrangement “due to lack of an emergency,” saying the procedures should be reserved for situations like a midnight sewer main break or a tornado, and the situation presented no threat to residents’ safety or well-being.

“This motion is insane. It’s insane,” Flintoft said, becoming increasingly agitated.

The township has millions in pending invoices, she said. “We will not pay you if this goes through ... This is audit findings. This is newspapers. This is a nightmare.”

Hathaway countered that the deputy treasurer, Sandy Egeler, had outlined how she could do the necessary work with the help of a part-time staffer whose contract is ending soon – a proposal Flintoft railed against, claiming it offered inadequate internal controls and oversight for the staff handling the money.

Rowley also pushed back on the move, in a sharp exchange with Hathaway, who he accused of misrepresenting existing staff members’ capacities.

“Look at your budget, sir,” Rowley said. “Scio Township has inadequate financial planning in all of its aspects, and this proposal is continuing that in perpetuity.”

Other township leaders attempted to broker a compromise, with Jerome suggesting the emergency financial contract be regularly reevaluated for its necessity.

The final motion backed off a quick cancelation of the arrangement altogether.

It would terminate the emergency engagement on April 12 if the township's financial manager is able to carry out her duties at that time, or the township administrator is able to create an alternative plan that could include outside resources.

The measure passed 5-2, with Flintoft and Palmer casting no votes. "We have to have this help," Palmer said, expressing confusion over what the motion actually meant after the extended back-and-forth that crafted it.

As the meeting concluded, Flintoft continued to criticize the "dire, dire state" caused, she said, by a lack of investment in additional finance staff.

The situation has reached a point where the clerk can't recommend officials accept large grants, like \$1.5 million in the state budget for the Zeeb Road Pathway secured by State Rep. Donna Lasinski, D-Scio Township, she said.

Noting deficits in township funds, the clerk asked how officials could cut down on legal costs, which have mounted.

One of the township's attorneys, Michael Homier, present at the meeting, had a simple answer.

"The more dysfunctional you are the more you will pay me," he said.

Scio Township will continue to debate its Fiscal Year 2023 budget at a special meeting at 7 p.m. on Tuesday, March 29. For the agenda and to attend virtually, [click here](#).

EXHIBIT C

Managing the Modern Michigan Township

Third Edition

by
Kenneth VerBurg

Published by:

Michigan State University Extension Service

and

Department of Resource Development
Michigan State University
East Lansing, Michigan
2002

FOREWORD

Today's Michigan townships face an increasingly complex and challenging task as they seek to meet citizens' needs. Today's townships face many of the same issues as Michigan's cities; and smaller townships are confronted with many of the same issues as larger ones. They need to promote economic development while at the same time managing growth and change. They must meet the demands for greater levels of municipal services while confronting citizen opposition to increases in taxes. They must respond to a myriad of demands to protect the environment, improve roads, "cut government waste," and provide public safety services, to name only a few. In the face of these challenges, the Michigan Townships Association and Michigan State University Extension have cooperated to produce this third edition of *Managing the Modern Michigan Township*.

Once again, Kenneth VerBurg, recently retired Professor from the Department of Resource Development at Michigan State University, was called upon to apply his many years of experience in state and local government to the development of this book. Professor VerBurg has remained on the leading edge of developments in local government law and practice. This edition incorporates the significant changes in township governance that have taken place since the release of the previous edition in 1991. It is intended to provide a survey of township operations that will prove useful to all township officials and personnel. Although it provides detail on current legal and administrative practices, it provides sufficient general principles to help township officials understand the workings of township government, and the policy issues and problems they may face. As with all of Professor VerBurg's publications, this edition is written in a straightforward, readable style with valuable practical advice.

G. Lawrence Merrill
Executive Director
Michigan Townships Association

Gary D. Taylor, J.D.
Extension Specialist, State & Local Government Programs
Michigan State University

Donald Z. Thall
Kalamazoo Charter Township Clerk (Kalamazoo County)

AUTHOR'S PREFACE

The roots of this book go back a couple of decades now. The first edition came about in 1981 at the request of Robert Robinson who was then Executive Director of the Michigan Townships Association. A few years earlier, he had asked if I would write a manual for township board members and township employees. I was then a professor in the Institute for Community Development at Michigan State University. I wrote the book that was then published under a joint copyright of the Michigan Townships Association and the University.

Some years later interest in the book continued and so I wrote the second edition. And, I had thought that I would complete a revision and publish the third edition before I retired. That did not quite work out and so I am now writing the book as a professor emeritus, a title universities award to retired professors.

Members of the MTA staff, township officers, and ordinary people are not fully aware of how important they are to the writing of this book. Some, of course, are aware of part of their contributions because they have read and reviewed the manuscript and suggested changes. MTA Executive Director G. Larry Merrill, Education Director Debra McGuire, Evelyn David, Director of MTA Membership Information, MTA Legal Counsel, John H. Bauckham, Donald Z. Thall, Clerk of Kalamazoo Charter Township, Past President and member of MTA Board of Directors, Jennifer Fiedler, Communications Specialist, and Jennifer Gorchow, Communications Coordinator all made time in their schedules to help make this a better and more accurate source of information for township officials. (Donald Thall also reviewed the first edition.)

How did township officers and ordinary people contribute? In a very important way. Over the years they called or wrote me and asked questions. Writing a book of this nature depends to a very great degree on knowing what questions potential readers have. Those telephone calls and letters helped me learn what matters I had to address in the book. Researching the law and judicial decisions, applying principles of government, and questioning practitioners of township government provided me information with which to respond.

The book thus covers a broad spectrum of topics on which township officers, township employees, and residents will want information. Some township officers, new to township government and perhaps to government in

Michigan, will find reading the book a useful way of getting an overview of township government in our state. Those who are more experienced may not have time or need to sit down and read the book from cover to cover. I hope that they, however, will still find the book useful as they search out questions of law and practice in their roles as township officers.

I have tried not only to write in a style that would provide an overview of township government but one that would provide a ready resource for those people who need some technical background or context for situations they are encountering. For that reason, I have provided a large number of statutory and judicial citations that provide a basis for many of the statements in the book. In addition, the footnotes provide a source for your own further research in pursuit of solutions to particular conditions.

To assist in these reading and research efforts, I have tried to provide comprehensive access to the book. Part of these access tools is the table of contents. It provides chapter titles and also several levels of section headings. This somewhat detailed table of contents will help the reader seek out the desired topics. It will also serve as a tool to access the book topics because they are hot-linked to the respective pages on the CD Rom version. In addition, we have provided a detailed index that will help readers access various topics directly.

In addition to the persons mentioned above who helped to bring this book to completion, I would like to add the name of Tracy Brummel who prepared the pages of the book for presentation to the publisher. I am grateful for her excellent skills and assistance over the years. I am grateful to all those who have helped bring the book to completion. At the same time, it is appropriate that I acknowledge that I am responsible for any errors that somehow managed to persist through all the reviews and changes.

I hope you will find the book useful in your township government service and to the residents of your township.

Kenneth VerBurg

substantial sums on hand. The attorney general, however, held that township treasurers have no statutory obligation to “invest tax collections or to maximize investment income on such tax collections.”⁴⁷ At the same time, residents would be disappointed if treasurers left the township cash reserves lie idle in the township checking account. But they would be even more disappointed if they placed the reserves into high-risk instruments that ended the loss not only of interest but of principal as well. Treasurers, thus, should make policy choices that fall between these two extremes.

TAX COLLECTION

The big task of the township treasurer, of course, is collecting and disbursing property tax receipts. State law defines this responsibility in detail, but treasurers have some discretionary authority, both in terms of the general public and working in the office.

The general public is probably in its worst mood when it gets the property tax bill. Townships get a great deal of the blame for high tax bills, even though they are responsible for only a very small portion of the total. The public generally knows that but often forgets.

Treasurers cannot make paying taxes pleasant but they can at least adopt a policy to inform citizens about taxes. Treasurers can consider whether the tax bill itself is understandable and whether a statement about property tax receipts – how they are distributed and how property assessment increases are limited to the lesser of the rate of inflation or 5 percent – might be helpful. How treasurers view their responsibilities in these respects are policy matters that treasurers themselves can decide.

Other policy matters relating to tax collecting concern office hours during tax time, equipment to be used, control procedures in the office, security arrangements, and the frequency of disbursements to schools and other agencies for whom taxes are collected. State law specifies some minimum requirements on these questions, but treasurers have some flexibility within these rules. For example, some townships place bar codes on the tax bill to expedite the collection and reconciliation process. Others have made arrangements for residents to make payments to the township by credit card.

Township treasurers have particular responsibilities to collect delinquent taxes on personal property – responsibilities discussed in detail in Chapter 5. Again, state law demands certain levels of performance, but in many cases, the treasurer’s policy and judgment determine how the requirements will be carried out.

PROTECTION FOR CLERKS AND TREASURERS

As elected officials, clerks and treasurer hold a special trust that other board members and citizens sometimes overlook. Sometimes citizens and township board members are inclined to view clerks and treasurers as township employees which, of course, they are not. They are chosen by election for the purpose of carrying out certain state and township responsibilities. The law holds these officers directly responsible for these duties. And short of gross improprieties, others in the

township hall may not interfere in the performance of their tasks.

The law referred to here has developed in connection with county officials, but an appeals court decision also addresses the matter with respect to townships. The case involved a township board resolution forbidding the township clerk to remove township records from the office for more than 18 hours at a time. The board also sought to direct the township secretary, rather than the clerk, to receive all incoming mail and bills. The clerk sued and ultimately the Michigan Court of Appeals ruled that the board action was improper because it interfered with the clerk's duties.⁴⁸

County law is not entirely applicable to township clerks and treasurers but some parallels may apply. A 1986 Michigan Supreme Court decision held that the elected county officers were "co-employers" with the board of commissioners.⁴⁹ This means that county officers are parties to collective bargaining agreements that affect employees in their respective offices. Consistent with this decision, an earlier attorney general opinion ruled that boards of commissioners could not impose a personnel policy on the employees of the county officials. As desirable and reasonable as such a personnel policy may be, the law does not allow the county board to "interfere" in this way.⁵⁰

As a result of that decision, county officers have the legal authority to refuse to sign a labor-management agreement if they were not pleased with the way the proposed contract affected the employees in their offices.

In view of these rulings, can the township board set minimum qualifications and establish working conditions for employees in the offices of elected officials? Certainly it can, if the officer concurs, but boards that do so in the face of opposition by the clerk or treasurer may be treading on thin ice. This general rule applies especially to chief deputies – employees who are appointed to act on behalf of clerks and treasurers. A special trust relationship should exist between the elected official and the chief deputy. Thus, clerks and treasurers are free to select, at a minimum, their chief deputies. At the same time, it is important to note that the major difference between county officers and those in townships is that county officers are not members of the policy board and this court decision gave them a direct voice in the contractual arrangements. Township officers, on the other hand, are members of the policy board and therefore have a voice in the contract. Hence, the precedents for county officers may not be applicable to township officers.

Similarly, in the matter of budget appropriations, the township board must exercise some care. In a Wayne County case, a circuit judge ruled that the county board could not make an across-the-board funding cut of 15 percent for all county departments. The board appealed and the appeals court, while affirming the county board's budgetary authority, ruled that the elected officers were mandated to provide certain services and the board of county commissioners was obligated to appropriate funds sufficient to carry out those duties.⁵¹

The judge did not say boards must give whatever elected officials ask for. But cuts cannot be so severe as to render the office unable to perform the constitutionally and statutorily mandated functions. Because township officers have constitutional

and statutory duties, the principles of this decision may apply to township boards as well.

We do not state these principles to encourage clerks and treasurers to flaunt their special status. Fundamentally, they need to work at cooperating rather than at being independent. As members of the board that makes those decisions, clerks and treasurers are well advised to try to shape board policies during the debate and thereafter to live as best they can with the results. Our purpose is to address other board members who may inadvertently interfere with the statutory duties of these township officials. A clerk or treasurer may be fair game in the political arena, but not to the point these officials cannot carry out their statutory responsibilities.

THE ROLE OF DEPUTIES

Clerks and treasurers must each name a person to work a deputy with the authority to act for them in all respects except for their membership on the township board. At one time, the attorney general held that deputies also were permitted to vote in the clerk's or treasurer's absence.⁵² But in 1982 the legislature clarified this point – deputies may not vote on issues before the board.⁵³

These deputies must file an oath of office and a fidelity bond. In many townships, of course, these deputies function as employees of the township with a special designation and are paid on a salary basis. They are not required to have a full-time, salaried employment arrangement with the township, however. The legislature's concern was to have a person authorized to take the place of the clerk or treasurer in the event of absence, illness, disability, or death of the clerk or treasurer. Hence, the law permits the township board to make the decision as to how the deputy is to be compensated.⁵⁴ For deputies who are salaried and full time, it is probably appropriate to continue the person's salary at its regular rate. On the other hand, if the deputy is "standing in" for an extended period, it may be appropriate to provide a temporary increase.

In the past, supervisors did not have deputies, at least officially. Now the statute permits them to appoint a deputy if they wish, but one is not required as is the case with clerks and treasurers.⁵⁵ The statute states that the supervisor's deputy serves at the pleasure of the supervisor and is paid on a salary or other basis as the township board determines. The act also states that the deputy possesses the powers and must perform the duties of the supervisor, and, of course, does not have a vote on the board. May the supervisor's deputy chair the annual meetings of the township? The answer is no because another statute directs the clerk to serve in that capacity until members in attendance chose a moderator.⁵⁶ What about regular meetings of the board? This issue is resolved by a statute designating the clerk to preside until the members present select a person to chair the meeting. Because it is not likely that the supervisor will be absent very often, it may be wise to incorporate such a provision in the board's bylaws. The bylaws could also provide for the designation of a chair pro tempore at the organizational meeting each year. A member, then, would be elected by the members to serve as temporary chair whenever the supervisor is absent. In the event both members are absent, the board could then revert to the specifics of the statute. However, these are matters that the board arranges for in its bylaws.

EXHIBIT D

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WASHTENAW

JESSICA FLINTOFT, as Clerk of Scio
Township,

Plaintiff,

Civil Action No. 22-000414-CZ

vs.

Hon. Timothy P. Connors

SCIO TOWNSHIP BOARD OF TRUSTEES,

Defendant.

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ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY DISPOSITION

At a session of the Washtenaw County Circuit Court held in Ann
Arbor, Michigan, on _____, 2022

PRESENT: Honorable _____
CIRCUIT COURT JUDGE

This matter having come before the Court on Plaintiff's Motion for Summary Disposition under MCR 2.116(C)(10) and MCR 2.116(I)(1), the Court having reviewed the pleadings and all filings relative to Plaintiff's motion, including but not limited to Defendant's response and Plaintiff's Reply, and having conducted a hearing on the motion, the Court being fully informed in the premises and for the reasons stated on the record of the hearing:

IT IS HEREBY ORDERED that:

- 1.) Plaintiff's motion for summary disposition is GRANTED;
- 2.) The Clerk shall have all direct supervisory authority of any finance staff hired by the Township, lawfully directing the activities to the extent the financing functions directly implicate and affect the Clerk's ability to perform the statutory duties of the Clerk's office; and,
- 3.) The Clerk must have the authority to retain the necessary staffing to responsibly carry out statutory duties of the Clerk's office; either through direct appointment of finance staff necessary to carry out these duties, or through the Board hiring appropriate finance staff who shall serve at the Clerk's sole direction in carrying out these duties.
- 4.) The Clerk shall hold the exclusive authority to determine who may be permitted to manipulate the journals and ledgers, including the accounts and accounting records of the Township, as enumerated in MCL 41.65 including those that are the BS&A modules of the General Ledger, Fixed Assets, Payroll, Accounts Payable, Purchase Orders, Utility Billing, Miscellaneous Receivables, and Cash Receipts.
- 5.) The Clerk shall have custody of the journals and ledgers, including the accounts and accounting records, and all other records of the Township when no other explicit provision by law has been made, including those that exist in BS&A or other enterprise management software.
- 6.) Portions of the August 17, 2021 Board Resolution 2021-31 to Delegate Authority and Set Jobs for Supervisor and Administrator are over broad and violate the Clerk's statutory duties and are hereby VACATED, including:
 - (a) the provision that the Supervisor "Supervise the budget function..."; and

(b) the entire provision under the heading “Financial Reporting and Audit Function...”.

7.) Portions of the February 22, 2022 Board Resolution 2022-05 to Amend Administrator’s Job Description and Amended Job Description are over broad and violate the Clerk’s statutory duties and are hereby VACATED, including:

(a) the portion providing that “All Township employees...report upward to the Township Administrator”;

(b) the portion providing that the township administrator is to “[o]versee and prioritize the allocation of Finance staff work time to accomplish tasks”;

(c) the portion providing that the township administrator is to “[h]old ultimate authority over BS&A administration and accessibility”;

(d) the portion providing that the township administrator is to “[h]old ultimate authority over administration of all software including assignment of access”;

8.) The actions of interim administrator James Merte on or around May 13, 2022, at the direction of the Board, to grant himself permissions, and extended permission to Sandra Egeler, Nancy Colasanti, and any other unauthorized people yet unknown to the Clerk, to manipulate the BS&A modules of the General Ledger, Fixed Assets, Payroll, Accounts Payable, Purchase Orders, Utility Billing, Miscellaneous Receivables, and Cash Receipts, which are a portion of the current journals and ledgers of the Township, are VACATED;

9.) The actions of interim administrator James Merte on or around May 13 or 14, 2022, at the direction of the Board, to revoke the Clerk’s necessary Administrator access, removing ability for her to control who enters what into the journals and ledgers of the Township, are VACATED.

10.) Defendant is enjoined from interfering with and obstructing the Clerk's ability to perform her statutory duties as Scio Township Clerk;

11.) Defendant is enjoined from exerting authority and oversight over the Township's finance staff to the exclusion of the Clerk because financing staffing directly affects the Clerk's ability to perform her statutory duties;

12.) Defendant's current staffing of the finance team is inadequate, arbitrary and capricious. Defendant shall make its appropriations determinations in compliance with the Board's duties to retain qualified staff to support each the offices of Clerk and Treasurer for those officers to be able to utilize such staff in a manner that permits them to meet their statutory duties.

13.) The Court retains continuing jurisdiction to ensure that the Clerk is provided with adequate finance staffing to permit the Clerk to perform her job.

14.) Plaintiff is awarded here attorneys fees and costs in connection with this lawsuit because it was filed to defend the performance of her legal duties.

This is a final order deciding all issues between all parties and providing complete relief as between all parties, and closes this case.

Dated: _____ 2022

Honorable Timothy P. Connors
Circuit Court Judge