

Keene Township Special Board Meeting – Minutes March 4th, 2026

- I. Call to Order: 3:00pm
- II. Attendees - Sandy Smiley, Christine Hendrick, Holli Melton, Nate Wolff, William Pflugradt
- III. **Approval of Agenda** Motion by N. Wolff, second by W. Pflugradt → **Motion carried 5–0.**
- IV. **Public Comment & Guests** – One member of the public was present.
No public comments; no board member comments
- V. **Unfinished business**
 - A. **Review FY 26/27 Proposed Budget**
 - The primary purpose of the meeting is a budget workshop for an upcoming public hearing.
 - The approved budget will be made available to the public on the website and as printed copies six days before the public hearing.

Budget Structure and Process

- The budget is organized by funds: General Fund, Fire Fund, and Cemetery Trust Fund.
- The Cemetery Trust Fund is not a primary budget account; its only income is from perpetual care fees and interest, with only the interest being transferred to the General Fund annually.
- The Whites Bridge fund is also not a budget item, as the township is only holding donated funds for the project.
- This is the first budget using the new BS&A software, which pulls data directly from payroll and AP, and is expected to make future budgets more accurate.
- Budget adjustments will be made quarterly to maintain accuracy and legality, correcting a previous practice of making adjustments after the fiscal year ended.

Revenue and Budget Adjustments

- **State Shared Revenue:** The projection was adjusted to correct a long-standing accounting issue where revenue was not properly accrued. This year's budget will appear inflated as three months of payments are accrued back into the correct period. The township faces an approximate \$12,000 reduction in revenue sharing compared to the previous year.
- **Election Costs:** It was clarified that for primary and general elections, the county typically bills the state for ballot costs, which would be a significant saving for the township. The cost will remain in the budget as a precaution, with an adjustment possible later. If a special initiative is added, the entity adding it must pay the costs.
- **Fire Fund:** Revenue figures are based on tax reports, including delinquent taxes, which the county buys out. The fund includes a "contribution from prior year fund balance" carried over from the fire special assessment. They (Saranac Fire Board) over budgeted by 33,000 in 2025 so that was credited to our budget. Next year, when we do a millage, that adjustment will be taken out. So the Fire Fund shows more revenue than expenditure due to a \$33,000 credit from SCFD, which will be adjusted in the next millage calculation.
- **Cemetery Lot Sales:** There has been significant activity in Grave Site sales, which may help offset revenue loss. New, higher rates will go into effect 30 days after adoption.

- **Licenses and Permits:** Revenue from increased zoning permit fees should be reflected.
- **Printing and Publishing:** The Assessor's printing and publishing budget was updated to reflect a recent bill, with the current year's projection changed to \$754 and next year's budget increased to \$760. The budget also includes costs for public hearings and a survey.
- **General Budget Clarifications:** A zero-dollar "Fire and EMS" line item in the General Fund was clarified as having been moved to the separate Fire Fund. The "Miscellaneous Income" account will be made inactive, and line items with zero balances cannot be removed until there is no activity for a full year.

Future Revenue Options Discussion

- Given a tight budget surplus of about \$900, the board discussed potential revenue-generating options.
- **Millage Increase (up to Headlee Limit):** Could generate an estimated \$30,000 quickly but is not a long-term solution. A voter-approved millage would lock in funding but is subject to Headlee rollback and "millage fatigue."
- **Special Assessment:** A flexible tool that assesses every parcel and is not subject to Headlee rollback. However, it's poorly understood by residents and cannot be used for the general fund. There are concerns about the current Fire & EMS special assessment's fluctuating nature and legal questions about saving funds for future capital purchases.
- **Road Funding:** A road millage is seen as the only way to fund desired improvements, like adding another brining and funding five miles of gravel annually.
- **Bond:** The option of a voter-approved bond was quickly dismissed due to a reluctance to borrow money.
- **Tax Collection Fee:** The board is already implementing the maximum 1% fee.

B. Final Budget Approval

A motion by N. Wolff, second by W. Pflugradt was made to approve the budget as amended, with the single change to the assessor's printing and publishing line item. → **Motion carried 5–0.**

VI. New Business - Public Interviews of 3-4 Candidates for Position of Zoning Admin, Code Enforcement, and Planning Coordinator

The board interviewed multiple candidates (Larry, David Kelsey, Travis) for the combined role of Planning Coordinator, Zoning Administrator, and Code Enforcement Officer.

- **Candidate Larry Mercer:**
 - **Experience:** Currently works for Otisco. His process for complaints starts with a postcard warning, which resolves about 80% of issues.
 - The township can provide a computer, printer/scanner, and secure space. He would meet residents at the township hall.

- **Candidate David Kelsey:**
 - **Experience:** Has 28 years in zoning and serves as Zoning Administrator for six other townships.
 - Keeps records digitally, turns in permits at meetings, and handles court appearances for civil infractions independently.
- **Candidate Travis Ebmeyer:**
 - **Background:** Has a Bachelor's in Business Finance and Accounting and is an EMT along with other credentials, but lacks direct zoning experience. He is invested in the community and willing to take training courses (MTA/MSU).
- **Candidate Associated Government Services (AGS) Proposal:** A proposal from AGS to handle zoning was reviewed but dismissed due to high potential costs and a preference for a local person in the role.

After discussion, A Motion was made by C. Hendrick 2nd by N. Wolff to hire Larry Mercer. He will be offered a two-year contract with a 3% annual rate increase and a 30-day termination clause. The board held a roll-call vote and unanimously decided → **Motion carried 5-0.**

VII. **Public Comment** - (2 min)

Comments and suggestions were made by Jeanne Vandersloot.

VIII. **Motion to Adjourn** by H. Melton, 2nd by N. Wolff at 6:17pm → **Motion carried 5-0.**

Next Keene Township Board Meeting will be Tuesday March 10, 6:00 PM