

APPROVED SPECIAL MEETING MINTUES

Special Meeting
March 26, 2024

VILLAGE OF LYONS
Lyons, Michigan 48851
989-855-2125
Fax: 989-855-2813

The meeting was called to order by President Pro-Tem Joe Farrington at 1:00pm
The Pledge of Allegiance was recited.

Formation of the roll was taken, and a quorum was declared:

Roll Call:

Fred Charles AB Joe Farrington P Erin Randall P Patty Priest P (by phone) Jon Houserman P
Jennifer Spearling P Bernard Russell P

Staff Attending: NONE

Approval of Agenda: Trustee Houserman made a motion to accept the agenda with the addition of Elections after Finance, seconded by Trustee Farrington. **Motion carried by voice vote.**

Public Comment: NONE

LEGAL REPRESENTATION: Trustee Houserman stated that Trustee Farrington, Trustee Spearling, and he met with Village Attorney Mr. Cherry on Friday, March 22, 2024 for a follow-up appointment. Trustee Houserman reported that Mr. Cherry clarified that he did not decline to come to the March 18, 2024 meeting as stated by Trustee Priest at the March 18, 2024 meeting. Mr. Cherry clarified that he was advised by Trustee Priest not to attend. Trustee Houserman reported that any official contact with the attorney shall be made through the Clerk, with Trustee Spearling and Trustee Houserman being cc'd on communication. Trustee Houserman confirmed the hourly rate with Mr. Cherry as \$370 an hour (\$435 an hour minus 15% discount). Trustee Houserman stated that Mr. Cherry is working on a personal service contract for Max Darling. Trustee Houserman stated that during the meeting with Mr. Cherry, personnel issues were discussed and he states that he is comfortable with Mr. Cherry and there would be no recommendation to change law firms at this time. Trustee Houserman asked Trustee Priest if she wanted to comment on anything about Mr. Cherry's attendance, and Trustee Priest stated no.

PERSONNEL: Trustee Spearling states that after consulting with the attorney and reviewing the personnel policy, the attorney stated that the reprimands that were given to employees were borderline discriminatory and harassment. The personnel policy was not followed, there was no Council approval, and the decisions to reprimand were made unilaterally. On the advice of the attorney, a letter will be placed in the personnel files regarding the invalidity of the reprimands.

Trustee Houserman stated that irregularities were found in the leave time and vacation hours for employees and they will be corrected. The former Clerk entered the wrong amounts. The former Clerk and Treasurer were receiving more vacation than what they were supposed to and their final payout were more than what was supposed to be given. He is finishing up the audit on those issues and will turn over to the CPA. Trustee Houserman further stated that Cody Averill's pay rate is incorrect as an adjustment was made after his 90 days. The adjustment of payrate was signed by President Charles and Trustee Priest on 02/07/2024 but did not follow the compensation plan. Trustee Houserman stated that he talked to Trustee Priest about this and she stated that the former clerk had calculated it and she didn't know how it was calculated. Trustee Priest confirmed that statement. Trustee Houserman stated that the CPA advised that since the former Clerk made the mistake of the payrate, the correction should be made on the next pay period, with no retroactivity. A motion was made by Trustee Houserman to correct Cody Averill's pay rate to \$20.46 effective pay period 03/29/2024. Seconded by Trustee Farrington. **Motion carried by voice vote, as presented.**

Trustee Houserman stated Cody Averill didn't know that he was entitled to insurance, so an application will be sent to review the costs and let him decide if he wants to take insurance.

Trustee Houserman stated that in researching the level time study and payroll errors, it was found that there were no new hire letters that are supposed to be in files and there were no confidential files that are supposed to be in the personnel files. The files are sloppy and haven't been taken care of since 2020. The new office staff are working on cleaning everything up.

EVENTS COMMITTEE: Trustee Houserman received an email and provided a copy of the email to Council from Trustee Priest regarding funding for Island Fest and her intent to no longer promote the event after this year.

Trustee Priest left the meeting at 1:23pm.

Trustee Spearling stated that she received a letter from a citizen, Sherrie Mason, who wants to chair the events committee and listed her proposed officers.

Trustee Houserman referred to the email from Trustee Priest again and stated that in speaking with the attorney, no action should be taken on the events committee until Trustee Priest is able to respond.

FINANCE: Trustee Spearling stated that the new office staff are doing well and have the new budget year entered into the system with help from Trustee Houserman. Everything is coded correctly and bills have been properly applied. Badger will be in the office this week to help get the water bills out and the fees have been waived for February and March. That issue was already voted on in previous meeting. Trustee Spearling stated that bank reconciliation is up to date. The former Clerk and Treasurer had not reconciled the bank account since October 2023. Further, Trustee Spearling stated that in cleaning up accounts, it had been found that a \$25 fee had been applied to accounts for water shut off. Those fees were being applied incorrectly by the former Clerk and Treasurer. It has been recommended by the CPA that those fees be wrote off due to the clerical error. A motion was made by Trustee Houserman to correct accounts and fee charges that were accessed and inappropriately charged. Seconded by Trustee Spearling. **Motion carried by voice vote, as presented.**

Trustee Houserman stated that the credit card policy needs to be updated as it has not been since 2004. The biggest issue is who is authorized to have a credit card. The Clerk, DPW Superintendent, and DPW full-time employee should be the only ones with access. Trustee Houserman stated that he had asked Trustee Priest where the former clerk's credit card was after she resigned, and Trustee Priest stated that it was in a folder on the desk. After looking for the folder and it not being found, Trustee Houserman asked Trustee Priest again and Trustee Priest stated that the former clerk had shredded it. Trustee Houserman reported that Trustee Priest had also stated that she called the credit card company to have the former clerk removed from the account and inactivate her card. Trustee Houserman stated that he called the credit card company, and the former clerk was still on the account. Trustee Houserman stated that the credit card company is sending new forms so the account can be updated. A motion was made by Trustee Houserman for the Clerk, DPW Superintendent, and DPW full-time employee to have credit cards with a limit of \$5,000 and these individuals listed on the account and that the DPW supervisor and Office supervisor sign invoices for departments. Seconded by Trustee Farrington. **Motion carried by voice vote, as presented.** Trustee Houserman stated in the process of reviewing the credit card statements, there was a purchase made by the former clerk from Amazon for approximately \$1300.00, but he could only find invoices for \$500.00, and those purchases were shipped to a residential home.

Trustee Houserman stated that he spoke with Independent Bank regarding dual signatures for checks and also consulted with the CPA. There should be two people signing checks, the clerk and treasurer. Trustee Houserman stated if the clerk or treasurer are not available, then the office supervisor should be a backup for signing checks. Trustee Houserman made a motion to have the dual signatures for signing checks and bank account users as the Clerk Laura Schoenmehl and Treasurer Jennifer Simms, with Office Supervisor Trustee Jennifer Spearling being a backup. Seconded by Trustee Farrington. **Motion carried by voice vote, as presented.**

Trustee Spearling stated that election nomination forms are available at the office and should be turned into the township by July 30, 2024 and any questions should be directed to the Township office.

Adjournment: A motion was made by Trustee Russell, seconded by Trustee Houserman to adjourn the meeting at 2:06pm. **Motion carried by voice vote.**

Respectfully submitted by Erin Randall, Trustee