

APPROVED – July 30, 2014

CITY OF BENTON HARBOR

RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING

June 25, 2014

City of Benton Harbor Receivership Transition Advisory
Board Meeting held June 25, 2014 at Commission Chambers,
Benton Harbor City Hall, 200 East Wall Street, Benton
Harbor, Michigan at 11:00 a.m.

REPORTED BY: ALISON R. HUFFMAN - CSR-0945

Certified Court Reporter

BOARD MEMBERS:

CARY J. VAUGHN (Chairman)

SHARON HUNT

MARVIN RAGLON

BRET WITKOWSKI

TREASURY STAFF:

R. ERIC CLINE

ROBERT WIDIGAN

BENTON HARBOR STAFF:

DARWIN WATSON

1 Benton Harbor, Michigan

2 Wednesday, June 25, 2014 - 11:00 a.m.

3 MR. VAUGHN: It is 11:00. I'm calling the
4 Benton Harbor Receivership Transition Advisory Board
5 meeting to order.

6 Mr. Cline, would you please call the roll?

7 MR. CLINE: Yes.

8 Cary Vaughn?

9 MR. VAUGHN: Here.

10 MR. CLINE: Bret Witkowski?

11 MR. WITKOWSKI: Here.

12 MR. CLINE: Sharon Hunt?

13 MS. HUNT: Here.

14 MR. CLINE: Marvin Raglon?

15 MR. RAGLON: Here.

16 MR. CLINE: All present.

17 MR. VAUGHN: I'd like to remind the public if
18 you wanted to speak at public comment, there is a public
19 sign-up sheet at the front of the room there. Please sign
20 that sheet. If you're not on the sheet, you will not be
21 allowed to speak at public comment time.

22 The first order of business is the approval of
23 the agenda. We all have a copy.

24 Is there any discussion on the agenda?

25 MR. WITKOWSKI: No.

1 MR. VAUGHN: Hearing no discussion, do I have a
2 motion to approve the agenda as presented?

3 MR. WITKOWSKI: I'll make that motion.

4 MS. HUNT: I second.

5 MR. VAUGHN: Discussion?

6 All those in favor, say aye.

7 MR. WITKOWSKI: Aye.

8 MS. HUNT: Aye.

9 MR. RAGLON: Aye.

10 MR. VAUGHN: All those opposed, say no.

11 Motion passed.

12 The next order of business is the approval of
13 the April 30th, 2014 RTAB meeting minutes.

14 Are there any corrections or modifications
15 needed?

16 MR. RAGLON: Mr. Chairman, on Page 12, Line 10,
17 it states, "Resolutions from March 7th." I think that
18 should be from the April 7th, 2014 meeting.

19 MR. CLINE: And, Mr. Chairman, we did identify
20 Page 9, Line 17, March 7th should read April 7th, so --

21 MR. VAUGHN: Okay. Noted.

22 Any other corrections?

23 I'd like to entertain a motion to approve the
24 draft minutes of the April 30, 2014 meeting as amended.

25 MR. RAGLON: I so motion.

1 MR. VAUGHN: Is there a second?

2 MR. WITKOWSKI: I'll second it.

3 MR. VAUGHN: Any discussion?

4 All those in favor, say aye.

5 MR. RAGLON: Aye.

6 MR. WITKOWSKI: Aye.

7 MS. HUNT: Aye.

8 MR. VAUGHN: All those opposed, say no.

9 Motion passed.

10 Next order of business is old business, which we
11 have none.

12 We'll skip to the new business. First order of
13 the new business is approval of resolutions and ordinances
14 for City Commission minutes, April 21st, 2014 regular
15 meeting Minutes. Those include the April 17th, 2014
16 minutes, appointment of Richard Hensel to the Library
17 Board, one resolution regarding minimum wage.

18 Is there any discussion on that?

19 I'd like to entertain a motion to approve all
20 City Council resolutions from the April 21st, 2014
21 meeting.

22 MR. WITKOWSKI: I'll make that motion.

23 MR. RAGLON: I'll second.

24 MR. VAUGHN: Further discussion?

25 All those in favor, say aye.

1 MR. RAGLON: Aye.

2 MS. HUNT: Aye.

3 MR. WITKOWSKI: Aye.

4 MR. VAUGHN: All those opposed, say no.

5 Motion passed.

6 Next item is for the May 5th, 2014 regular
7 meeting. That includes the minutes from April 21st, 2014.
8 There's also a resolution approving the CROP Walk.

9 Is there any discussion on this?

10 MR. CLINE: Mr. Chairman, just as a reminder to
11 the Board, the Board did grant a conditional pre-approval
12 for the CROP Walk at its last meeting, so this is just
13 sort of -- as we go through this, this is just sort of a
14 reaffirmation of that decision, so --

15 MR. VAUGHN: Okay. Thank you, Mr. Cline.

16 Any further discussion?

17 I'd like to entertain a motion to approve all
18 City Council resolutions from the May 5th, 2014 meeting.

19 MS. HUNT: I'll motion it.

20 MR. RAGLON: I'll second.

21 MR. VAUGHN: Further discussion?

22 All those in favor, say aye.

23 MR. RAGLON: Aye.

24 MS. HUNT: Aye.

25 MR. WITKOWSKI: Aye.

1 MR. VAUGHN: All those opposed, say no.

2 Motion passed.

3 Next order of business is the May 19th, 2014
4 regular meeting, which includes the minutes from May 5th
5 and the annual CDBG Action Plan and it's Attachment 4 in
6 your packets.

7 Is there any discussion?

8 MR. CLINE: Mr. Chairman, we are recommending
9 just as sort of a procedure that we use for the various
10 RTABs is that any litigation be addressed separately and
11 the City Commission has made a recommendation to settle a
12 particular lawsuit, which I believe the city manager will
13 speak to, so we're recommending a motion to approve all
14 the resolutions from that meeting with the exception of
15 that particular piece of litigation, which we can handle
16 in a subsequent motion, so I just wanted to clarify that.

17 MR. VAUGHN: Thank you, Mr. Cline.

18 Any further discussion?

19 I'd like to entertain a motion to approve all
20 City Council resolutions from the May 19th, 2014 meeting
21 with the exception of the Motion to Settle the Anthony
22 Benhart lawsuit.

23 MR. RAGLON: I so motion.

24 MR. WITKOWSKI: I'll second that.

25 MR. VAUGHN: Further discussion?

1 All those in favor, say aye.

2 MR. RAGLON: Aye.

3 MS. HUNT: Aye.

4 MR. WITKOWSKI: Aye.

5 MR. VAUGHN: All those opposed, say no.

6 Motion passed.

7 The next item on the agenda is the Benhart
8 lawsuit.

9 Mr. Watson, can you give us any information on
10 that lawsuit, please?

11 MR. WATSON: Yes, sir.

12 This lawsuit is involving the former cemetery
13 superintendent, Mr. Anthony Benhart. In November of 2011,
14 we were -- the Board was apprised Mr. Benhart had been --
15 that he had pled guilty to -- I'm sorry -- he had been
16 charged with embezzlement under \$200. Subsequently to
17 that in January of the following year, he pled guilty to
18 that offense; was on probation.

19 Then in March of 2012 his contract, which I
20 provided each one of you a copy of that contract, was not
21 renewed at that time, so it expired in March of -- on
22 March 31st, 2012 and he was not rehired or retained for
23 services.

24 Later that year or early last year, he
25 subsequently filed suit against the City of Benton Harbor

1 for breach of contract, and we have dealt with that for
2 the better part of a year-and-a-half, almost going on two
3 years now, and we have reached a tentative settlement with
4 Mr. Benhart settling issues he had with retirement, sick
5 days, vacation days as well as back-pay; I believe it's
6 back-pay, but those are the terms of the settlement that
7 we've proposed to settle that lawsuit.

8 If there's any questions relative to it that I
9 can answer that don't breach any kind of issues that we
10 may have for settlement, I can answer any time now.

11 MR. WITKOWSKI: Where would the funds come from?

12 MR. WATSON: They would come out of the cemetery
13 funds that we have currently in the City of Benton Harbor.

14 MR. WITKOWSKI: Do we get a copy of the cemetery
15 budget?

16 MR. WATSON: The cemetery budget, I believe it's
17 in the budget to actuals.

18 MR. WITKOWSKI: I don't --

19 MR. WATSON: It's not in there?

20 MR. WITKOWSKI: No, I don't know.

21 MR. WATSON: Okay. We can get that to you,
22 but that -- that's not a problem to get it to you,
23 Mr. Witkowski.

24 MR. RAGLON: I believe it is. I recall seeing
25 it somewhere in the packet.

1 MR. WITKOWSKI: Jody, is it in the packet?

2 MS. LUNDQUIST: I'd like to clarify the question
3 about the cemetery budget. The cemetery operates as a
4 separate legal entity for which the City by court order
5 cannot exhibit -- well, for instance, we've had audits
6 year after year because the cemetery has not had its own
7 audit and it has not had its own budget. So when he
8 speaks to the funds from the cemetery, those were just
9 remaining operating cash that the City took over as part
10 of like a management agreement process.

11 MR. WITKOWSKI: So the cemetery's set up like an
12 authority?

13 MR. WATSON: Yes.

14 MR. WITKOWSKI: Operates on its own?

15 MR. WATSON: Yes, it's set up in the Charter as
16 a separate entity with its own Board and --

17 MR. WITKOWSKI: The City Commission appoints the
18 Board, though. Right?

19 MR. WATSON: Correct, they do.

20 And as Ms. Lundquist alluded to, there's a
21 subsequent -- just like late last year where we agreed to
22 a management company handling it, so yeah.

23 MR. VAUGHN: The City's audit is -- the fiscal
24 year is ending in June. Is the cemetery going to be
25 included in this year's audit?

1 MR. WATSON: It should be this year. I know it
2 wasn't last year. I know there was an issue with -- or
3 two years ago it was not in there because of the fact that
4 there was no -- there was no independent audit done.
5 Mr. Harris at the time said that the City of Benton Harbor
6 would not do the audit for the cemetery as it had done in
7 previous years.

8 MR. VAUGHN: Is there a significant amount of
9 fund balance to make this payment from?

10 MR. WATSON: Yes. Yes, there's adequate fund
11 balance in there to make the payment for Mr. Benhart.
12 Part of that is coming from his retirement dollars, so --
13 I think it's like almost 40,000, because I don't have the
14 document in front of me, that is coming from his
15 retirement.

16 MS. HUNT: What are some of the other ways that
17 they utilize that money for the cemetery outside of --

18 MR. WATSON: In years past, dollars that are
19 garnered -- there's a couple things. There's a Perpetual
20 Care Fund that is set up, that the City has a CD set up
21 for perpetual care. There are dollars that come in
22 day-to-day operations that were then used to pay for the
23 salaries that are out there, equipment that's out there,
24 operating costs that are out there, office supplies. So
25 those are the two things that are working for the

1 cemetery, so dollars that are coming into the cemetery.

2 MR. WITKOWSKI: Are there any employees out
3 there or is it all just contract?

4 MR. WATSON: Through the agreement, the two that
5 were there got hired by the company, so they're now
6 working for -- I can't think of the name. It's Legacy --
7 not legacy, but Burt Edquist is the one who owns it and
8 he's the one that handles the contract now.

9 MR. WITKOWSKI: Okay.

10 MR. CLINE: We have talked to the City several
11 times about this lawsuit at the treasury level and I think
12 the Treasury is supportive of seeing this issue resolved
13 because there's been sort of a complex history between the
14 City and the management of the cemetery over the years,
15 and I think this will help move beyond some of that, so
16 we're hoping that the Board here supports the City's
17 recommendation to resolve this issue and can move forward,
18 so --

19 MR. WITKOWSKI: And I apologize. The City
20 Commission voted on it?

21 MR. WATSON: Yes, they did.

22 MR. WITKOWSKI: They voted.

23 MR. WATSON: They approved it.

24 MR. WITKOWSKI: Oh.

25 MR. CLINE: That was part of their May 19th

1 meeting.

2 MR. WITKOWSKI: Okay.

3 MR. RAGLON: The specific amount that they
4 recommended coincides with the information that we have in
5 front of us.

6 MR. WITKOWSKI: I'll make that motion to
7 approve.

8 MR. VAUGHN: I have one more question.

9 MR. WATSON: I'm sorry? There was a question?

10 MR. VAUGHN: I have one more question.

11 Is it your recommendation and is it the
12 recommendation of the city attorney to approve this,

13 Mr. Watson?

14 MR. WATSON: Yes, it is our recommendation.

15 This recommendation was crafted with the assistance of the
16 city attorney, Mr. Randy Hyrns, and through a lot of
17 meetings, a lot of, you know, back and forth, we have come
18 to this to present for your approval.

19 MR. VAUGHN: Thank you.

20 MR. WITKOWSKI: I'll make that motion.

21 MS. HUNT: I second.

22 MR. VAUGHN: All those in favor of passing the
23 Motion to Approve the Settlement of the Anthony Benhart
24 Lawsuit according to the recommendation of the city
25 manager, say aye.

1 MR. RAGLON: Aye.

2 MS. HUNT: Aye.

3 MR. WITKOWSKI: Aye.

4 MR. VAUGHN: All those opposed, say no.

5 Motion passes.

6 The next item on the agenda is the June 2nd,
7 2014 regular meeting. That includes the minutes from
8 May 19th, the reappointment of Brian Joseph to the
9 Planning Commission, approval of a DNR grant agreement,
10 designation of the authorized representative to the MDOT
11 contract, approval of the process to fill a vacancy on the
12 City Commission and one ceremonial resolution.

13 Do we have discussion?

14 Okay. I'd like to entertain a motion to approve
15 all City Council resolutions from the June 2nd, 2014
16 meeting.

17 MR. RAGLON: I so motion.

18 MS. HUNT: Second.

19 MR. VAUGHN: Further discussion?

20 All those in favor, say aye.

21 MS. HUNT: Aye.

22 MR. RAGLON: Aye.

23 MR. WITKOWSKI: Aye.

24 MR. VAUGHN: All those opposed, say no.

25 Motion passes.

1 Next item on the agenda is City Manager Items.
2 That will be Attachment 6 in your packets. There's a
3 Capital Improvements Plan, 6a in your packet.

4 Is there discussion on this?

5 MR. CLINE: Mr. Chairman, if I just may, the
6 final Emergency Manager Order requires the City to provide
7 us with a capital improvements plan within I believe it's
8 90 days of the execution of the final Order. We have
9 received that from the City. However, this is a document
10 that staff and myself in particular have not really had an
11 opportunity to look at in depth. We're not under any
12 obligation to approve it at this meeting, but there was a
13 deadline to receive it. I'd like to postpone any approval
14 of this document until the July meeting to have some time
15 to go through it and discuss anything with the City should
16 that be necessary, so --

17 MR. WITKOWSKI: That's fine.

18 MR. VAUGHN: Thank you, Mr. Cline.

19 Any further discussion?

20 I'll entertain a motion to postpone the
21 consideration of this item until the July 30th, 2014
22 meeting.

23 MS. HUNT: Motion.

24 MR. RAGLON: I second.

25 MR. VAUGHN: The first was by Miss Hunt and the

1 second by Mr. Raglon.

2 All those in favor, say aye.

3 MR. RAGLON: Aye.

4 MR. WITKOWSKI: Aye.

5 MS. HUNT: Aye.

6 MR. VAUGHN: All those opposed, say no.

7 Motion passes.

8 The next item on the agenda is the Operational
9 Plan.

10 Mr. Cline, would you like to --

11 MR. CLINE: Well, again, one of the items that
12 the City was required to provide to us was a five-year
13 financial forecast or a five-year budget as it's sometimes
14 referred to. The City has identified it with the term
15 Operational Plan and, again, as with the Capital
16 Improvements Plan, we really haven't had an opportunity to
17 review this in depth, so I'd like to postpone this again.
18 They have met their deadline, the requirement. We would
19 like to take an opportunity to review it in detail so
20 we're not rushing into anything.

21 MR. VAUGHN: Thank you, Mr. Cline.

22 Any further discussion?

23 I'd like to entertain a motion to postpone the
24 consideration of this item until the July 30th, 2014
25 meeting.

1 MR. WITKOWSKI: I'll make that motion.

2 MR. RAGLON: Second.

3 MR. VAUGHN: Further discussion?

4 All those in favor, say aye.

5 MR. RAGLON: Aye.

6 MS. HUNT: Aye.

7 MR. WITKOWSKI: Aye.

8 MR. VAUGHN: All those opposed, say no.

9 Motion passes.

10 The third item under City Manager Items is the
11 Commission Vacancy Process.

12 Mr. Watson, would you please explain this
13 process to us?

14 MR. WATSON: Thank you, Mr. Vaughn.

15 What you have in your packet is a proposed
16 vacancy process that as the City Commission is charged
17 with replacing a member once there is a vacancy that
18 exists, there has never been a formal process adopted.

19 We are presenting this as a proposed methodology
20 to handle those and, also, the issue is -- a question I
21 have for the RTAB is that we currently have a vacancy and
22 does the person, once the process is executed, once that
23 person is selected, does the RTAB have to approve it
24 before that person starts serving in the position or
25 capacity of commissioner.

1 MR. VAUGHN: Mr. Cline, do you have any input?

2 MR. CLINE: I think that's going to be one we're
3 going to have to talk about and discuss. I don't really
4 have an answer ready at this point. We would in the
5 natural course be reviewing any resolutions or anything
6 adopted at that meeting, but I don't have -- I can't
7 recall any specific Emergency Management Order that would
8 require the RTAB to approve a member before they're seated
9 and begin to serve. So I think that's an area that we're
10 going to have to get clarified as to exactly how that
11 works. So we're going to get back with the City on that.

12 MR. WATSON: Okay.

13 MR. VAUGHN: Thank you, Mr. Cline.

14 MR. CLINE: However, I will say, I might add as
15 well, I specifically had several conversations with
16 Mr. Watson on this process before he recommended it for
17 commission approval and shared with him some of my
18 experiences in similar processes in other communities, so
19 I've reviewed the process they have developed, and I feel
20 that it's pretty sound, so I have no concerns about it
21 whatsoever.

22 MR. VAUGHN: Okay. Thank you.

23 Further discussion?

24 I would entertain a motion to approve the
25 commission vacancy process according to the recommendation

1 of the city manager.

2 MR. WITKOWSKI: I'll make that motion.

3 MS. HUNT: I'll second.

4 MR. VAUGHN: All those in favor, say aye.

5 MR. RAGLON: Aye.

6 MS. HUNT: Aye.

7 MR. WITKOWSKI: Aye.

8 MR. VAUGHN: All those opposed, say no.

9 Motion passes.

10 The next order of business is the Revision of
11 the Emergency Manager Order 14-8.

12 Mr. Watson, can you please describe this for us?

13 MR. WATSON: Yes, sir.

14 In the Order 14-8, it states that -- I'm going
15 to read from the memorandum sent. Under Scheduled Fees
16 and Penalties, it states, "Failure to register by July 1,
17 2013." We just need to take the year connotation off of
18 it. This will be July 1 of each year going forward.

19 Other than that, the Order as it stands is fine.

20 MR. VAUGHN: Just a minor revision.

21 MR. WATSON: Just a minor revision, exactly.

22 MR. CLINE: Since this is the first time this
23 particular type of issue has come before the Board, we're
24 required to take a recommendation. So if the Board votes
25 to support this, it will be simply a recommendation to the

1 state treasurer to amend the Order and then what we'll do
2 is we'll prepare a recommendation, a written
3 recommendation to the treasurer, submit that to him and
4 then he will, if he approves it, he'll sign off on it and
5 then we'll prepare a new EM Order for the City that will
6 reflect that change and provide it to them, put it in
7 their records and to post on their website and then we
8 will also have an official copy. So any affirmative vote
9 today by the Board will be a recommendation to the state
10 treasurer, so there will still be a little bit of a
11 process here before this becomes effective.

12 MR. WITKOWSKI: That's fine.

13 MR. VAUGHN: I'd like to entertain a motion to
14 recommend to the state treasurer an amendment to EM Order
15 14-8 according to the recommendation of the city manager.

16 MR. RAGLON: I so move.

17 MS. HUNT: I second.

18 MR. VAUGHN: Further discussion?

19 All those in favor, say aye.

20 MR. RAGLON: Aye.

21 MR. WITKOWSKI: Aye.

22 MS. HUNT: Aye.

23 MR. VAUGHN: All those opposed, say no.

24 Motion passes.

25 The next item is Lawsuit Update, Attachment 6e.

1 Is there any discussion on this topic?

2 MR. CLINE: Well, this is a document that the
3 Treasury had requested that the city manager just provide
4 us periodically to get some idea of the number of lawsuits
5 and litigation facing the City so we have some idea of
6 what's out there. We've had a number of communities that
7 we have been working with that have a number of lawsuits
8 and legal actions that far exceeds what Benton Harbor is
9 facing, but it gives us some reference for when to provide
10 that to the Board just for informational purposes.
11 There's really no action that's required by the Board, so
12 we're just recommending that you just receive and file the
13 report.

14 MR. VAUGHN: All right. Thank you, Mr. Cline.

15 Any further discussion?

16 I would entertain a motion to receive and file
17 this information.

18 MR. WITKOWSKI: I'll make that motion.

19 MS. HUNT: I second.

20 MR. VAUGHN: Okay. All those in favor, say aye.

21 MS. HUNT: Aye.

22 MR. WITKOWSKI: Aye.

23 MR. RAGLON: Aye.

24 MR. VAUGHN: All those opposed, say no.

25 Motion passes.

1 Next items are non-action items. There's a
2 monthly financial report for April 2014. That's
3 Attachment 7. A monthly financial report for May 2014,
4 and that's Attachment 8, and then the City Manager Update.
5 No votes are necessary for those.

6 We have come to the point of public comment.

7 MR. WITKOWSKI: Couple questions.

8 MR. CLINE: Do you want to have any commentary
9 or any questions of the city manager on the financial
10 reports? And I must apologize, this is something that was
11 not on your last agenda, but Item 3 is City Manager
12 Update, and we started working this in our other
13 communities to just provide an opportunity for city
14 administration to maybe give a few comments on how the
15 status of everything is going just to give the Board a
16 little more perspective, and I intended on providing a
17 note on that and I forgot, so my apologies for that, but
18 I did not know if there were any comments on any of the
19 financial information.

20 MR. WITKOWSKI: Just a couple questions on the
21 CDBG portion of it, Jody or Darwin, whatever. I see
22 there's a big difference between budget revenues and
23 budget expenses.

24 Was that due to lack of a grant coming in or --

25 MR. WATSON: Well, no. What the problem is,

1 we're having issues with the federal government. The
2 problem is that once we -- our community and economic
3 development director left in March of this year. Trying
4 to get a password and a log-in for Ms. Winters has been
5 quite bureaucratic. So we haven't been able to make the
6 requisite transfers from CBG to the General Fund for those
7 activities, but we're working through that to get that
8 taken care of and as soon as that's done -- I think we've
9 gotten it done, so yeah.

10 MR. WITKOWSKI: And then on the Public
11 Improvement Fund, I see revenues are only like 10
12 percent of what was budgeted and expenditures the same.
13 Is that --

14 MS. LUNDQUIST: The funds are available in the
15 Tax Fund. It's a matter of making the bank transfer.

16 MR. WITKOWSKI: Okay. And then of the 2.3
17 million that came in for the loan to pay off, is that all
18 on the expense side then, too?

19 MS. LUNDQUIST: Well, for the most part the
20 emergency loan proceeds were to pay off past due balances
21 of invoices that spanned across fiscal years.

22 MR. VAUGHN: Excuse me, Miss Lundquist. Could
23 you step up?

24 MS. LUNDQUIST: Sure.

25 The emergency loan proceeds for the most part

1 were for paying off past due balances and those invoices
2 spanned across fiscal years, so to the extent that those
3 expenses were incurred in the fiscal year, they were on
4 the expense side, but to the extent that, for instance, we
5 still had invoices outstanding from early 2012, they would
6 have been reported in the prior year's budget.

7 MR. WITKOWSKI: So that 2.3 shows up on the
8 expense side?

9 MS. LUNDQUIST: Correct.

10 MR. WITKOWSKI: Okay. Do you know how much of
11 the 2.3 shows up on the expense side for this fiscal year?

12 MS. LUNDQUIST: Not off the top of my head, but
13 I could definitely provide that.

14 MR. WITKOWSKI: Yeah, I'm just curious, just
15 want to make sure the City ends up in the black fiscally
16 for the year, so I'm just curious how much of that was --

17 MR. VAUGHN: One moment, please.

18 Your fiscal year is closing in June.

19 MS. LUNDQUIST: Yes.

20 MR. VAUGHN: So you will be getting an audit
21 soon. How are your books? How are the condition of the
22 books?

23 MS. LUNDQUIST: Good. I'm happy to report that
24 we are proceeding as budgeted. The outlook was fantastic
25 that we will have had budget actuals close to what we had

1 projected. I actually just spoke with our auditors this
2 morning and we are scheduled to begin our audit the second
3 week of September.

4 MR. WITKOWSKI: Is that Rehman-Robson?

5 MS. LUNDQUIST: Yes.

6 MR. WITKOWSKI: Is your next year's budget
7 available?

8 MS. LUNDQUIST: Yes. That was adopted in March
9 and I believe available online, but I could provide that
10 as well.

11 MR. CLINE: That was part of the two-year
12 budget. It's already in place.

13 MR. WITKOWSKI: Sounds good.

14 MR. VAUGHN: Thank you.

15 MR. RAGLON: No surprises.

16 MS. LUNDQUIST: No surprises. Well, you already
17 talked about the litigation.

18 MR. VAUGHN: Right.

19 MR. WITKOWSKI: That's all I have. Thank you.

20 MR. VAUGHN: Mr. Watson, would you like to give
21 us an update?

22 MR. WATSON: Thank you, Mr. Vaughn.

23 First, I'd like to introduce our mayor, Mayor
24 James Hightower, and if he would like to say anything -- I
25 don't know if everyone has met him formally, but he's here

1 today.

2 Mr. Hightower, if you'd --

3 MAYOR HIGHTOWER: I'm fine.

4 MR. WATSON: Okay. All right.

5 Thank you for your approval on the litigation.

6 That's one of the things that has occupied an inordinate
7 amount of time, staff time as well as attorney time is
8 handling the lawsuits that are out there because there are
9 some that have extended a couple years. There seems to be
10 a "sue" bug in the air that people are generating lawsuits
11 for little, if anything.

12 As Jody alluded to, we are very, very optimistic
13 about this year's audit. We're getting stuff in order now
14 in preparation for the closing of the books on June 30th
15 and looking forward to a very, very favorable audit going
16 forward for this year and getting ready to gear up for the
17 next fiscal year starting July 1.

18 But that's about it right now. Everything else
19 is pretty calm, but I guess that's the calm before the
20 storm, so --

21 MR. VAUGHN: Maybe.

22 MR. WATSON: Thank you.

23 MR. VAUGHN: Thank you, Mr. Watson.

24 It appears nobody signed up for public comment.

25 Are there Board comments? Anybody?

1 MS. HUNT: I'd like to make a comment, being
2 a resident of Benton Harbor, that I'm very pleased that
3 we're moving in a good direction on the City's part.
4 I'm proud of our mayor, Mayor Hightower, as well, so
5 thank you.

6 MAYOR HIGHTOWER: Thank you.

7 MR. VAUGHN: Thank you, Miss Hunt.

8 With that, I'd entertain a motion to adjourn.

9 MR. WITKOWSKI: I'll make that motion.

10 MS. HUNT: I second.

11 MR. VAUGHN: All those in favor, say aye.

12 MS. HUNT: Aye.

13 MR. WITKOWSKI: Aye.

14 MR. RAGLON: Aye.

15 MR. VAUGHN: All those opposed, say no.

16 Meeting adjourned.

17 (At 11:31 a.m. meeting adjourned.)

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CERTIFICATE

State of Michigan
County of Van Buren

I certify that this transcript, consisting of 28 pages,
is a complete, true and correct record of the Meeting
held 6/25/14.



Alison R. Huffman - CSR-0945
Certified Court Reporter
Notary Public in and for
Van Buren County, Michigan
Commission Expires: 8/19/2019

