

Resolution No. 2006-15

Resolved, it is hereby ordered that a special meeting of the Burt Township Electors will be held no sooner than 15 days and no later than 20 days to consider the following issues:

- A) Whether Burt Township should seek a loan and/or mortgage on the smith brothers beach property located on the south shore of Grand Marais Harbor for \$150,000.00 or in another amount found appropriate, on just and appropriate terms, the proceeds of which may be used:
 - 1) First, to pay off all unlawful loans made during May and June of 2006, which were used to pay back employment taxes, fines and/or penalties assessed by the IRS, in the approximate amount of \$70,000.00;
 - 2) Second, to pay the cost of the audit being conducted of the Burt Township financial records for the past approximately 5 years as well as the normal financial audit of the books and records of Burt Township for fiscal year ending March 31, 2006;
 - 3) Third, to reimburse the Burt Township General Fund for all monies paid for back employment taxes, fines and/or penalties to the IRS arising out of Burt Township's failure to pay employment taxes in a timely fashion (approximately \$25,000.00);
 - 4) Fourth, to pay the expenses associated with the investigative special hearing set for August 19, 2006 (Transcript, filing fees, subpoena costs, etc.); and
 - 5) Fifth, to deposit the remaining loan and/or mortgage proceeds into a new account designated the "Rainy Day Fund" to be distributed only by further resolution of the Burt Township Electors and/or Burt Township Board to apply to the loan and/or mortgage, defray any further expenses connected to Burt Township's failure to pay the employment taxes described above and/or any other payment found appropriate from time to time.
- B) Whether the salary currently awarded to the elected Burt Township Supervisor should be reduced, with the supervisor's written consent, in the amount of \$10,000.00 (from \$13,200.00 to \$3,200.00) and the \$10,000.00 savings paid to fund the new Township Manager position.
- C) Whether the Burt Township Board, in the future, shall be allowed to indebt the township in any fashion without a lawful resolution duly passed at a meeting of the Burt Township Electors.

The above resolution was adopted on motion by James Seibert, seconded by Lois Leavenworth and the Special Meeting of the Electors is scheduled for August 22, 2006, at 7:00 p.m. at the Burt Township Community Center – 4 ayes.

STATE OF MICHIGAN)
COUNTY OF ALGER)

I, Kay L. Wampler, Clerk of the Township of Burt, Alger County, Michigan, certify that the above is a true and correct copy of the resolution which was adopted by the Township Board at a meeting held on August 5, 2006.

Signed:

Dated:

Kay L. Wampler, Clerk