

Call to Order: Supervisor Collin Walls called the August 25, 2005, Budget Workshop Meeting of the Springfield Township Board to order at 7:00 p.m. at the Springfield Township Civic Center, 12000 Davisburg Road, Davisburg, MI 48350.

Roll Call:

Board Members Present

Collin W. Walls	Township Supervisor
Jamie Dubre	Township Treasurer
David Hopper	Township Trustee
Dean Baker	Township Trustee
Margaret Bloom	Township Trustee
Dennis Vallad	Township Trustee
Nancy Strole	Township Clerk

Others Present

None

New Business:

1. 2006 Budget Workshop

❖ **General Fund**

REVENUES

Supervisor Walls said the projection for unallocated reserve by the end of 2006 based on the numbers provided is just over \$250,000.00. The target has always been to retain six months reserve and the common practice is three months. \$250,000.00 is about a month and a half. When we decided to place the non PEG cable funds and 10% of the federal revenue sharing in the Fire fund, it was a goal to be able to expand Fire Station #2 without borrowing money. In looking at this, from a cash flow standpoint that may need to be rethought especially if we can get a loan at approximately 3.85%. Supervisor Walls said he projected to leave the PEG funds in fire and he moved the revenue sharing out for next year.

The projected current tax collection based on an estimate of 95% is \$599,000.00, if we squeeze that to 97% that is \$612,000.00, 100% is \$630,000.00. Supervisor Walls said Plan Review Charges could go up to \$135,000.00; interest and dividends could go up to \$28,000.00; Right-of-Way Fees could go up to \$8,000.00.

Supervisor Walls said he received communication from the Road Commission that the Board of Commissioners has agreed to fund a significant increase in the Tri-Party Program; Springfield Township's allocation at this point looks like it will increase by 50% to \$138,000.00. If we want to anticipate using that, the road matching should go up from \$35,000.00 to \$70,000.00. In regard to the Civic Center Capital Outlay, the \$75,000.00 should be \$140,000.00.

Trustee Vallad said in comparing increases from 2004 to 2005 and all the tax revenue collections, those increases were about 6% so he believes Supervisor Walls proposed numbers are very conservative and thinks we will have to squeeze a little bit. Treasurer Dubre said we already have the number for the budget and that number is too high. \$599,000.00 is more than what we actually collected. The settlement that was already done is the 2006 fiscal monies. Supervisor Walls said the 2006 funds are funds that will begin to be collected in December. He noted that 6% may be higher than what we will get. Trustee Cooper said he believes we should leave the amount at \$599,000.00. Treasurer Dubre, Clerk Strole and Trustee Lamont agreed. Trustee Vallad and Trustee Hopper disagreed and thought we should use the amount of \$612,000.00.

In regard to State Shared Revenue, Supervisor Walls asked the Board members if they concurred that it should all be put back in the General Fund? The Board members unanimously agreed it should be.

Regarding Other Local Revenues, Supervisor Walls reiterated that Plan Review could be as high as \$135,000.00; Right-of-Way could be \$8,000.00 and Interest & Dividends could go up to \$28,000.00. Supervisor Walls said the new total would be \$477,450.00 leaving a net difference of \$45,500.00 from the proposed \$522,950.00.

In regard to the Civic Center, using the \$150,000.00 appropriation from the Prior Year Fund Balance the new total is \$173,000.00.

Supervisor Walls said the Total Revenue for the General Fund would be \$2,183,450.00.

EXPENDITURES

Supervisor Walls said he is not projecting any salary increases for any employee and he would recommend that we continue to do that at least for this meeting. In his opinion, with one or two exceptions, that will be his permanent opinion. He explained that he attempted to put some uniformity in various cost centers such as medical. For BCBS, he used current rates plus 10% for next year.

Supervisor Walls said for example, Supervisor Salary would be \$63,800.00 and conferences and dues could be reduced from \$1,300 to \$1,000 and the mileage from \$1,000 to \$500.00; this nets \$1,500.00. Treasurer Dubre said she does not agree with the salary change but agrees with the other suggested changes. Clerk Strole said she concurs that salaries across the board should remain the same as 2005. However, by keeping the suggested Supervisor salary in the budget, it

gives some wiggle room for the cost center. There were no objections to changing the total to \$138,150.00.

Clerk Strole suggested making the Social Security in the Elections column \$200 instead of \$1,200.00 making the total expense for Elections \$28,450.00. There were no objections.

In regard to Assessor, Hospitalization for next year should be \$38,000 instead of \$36,000.00 due to an upcoming marriage. Total expense for Assessor: \$211,700.00.

In regard to Clerk, Treasurer Dubre said if there is not a specific expense in the Operating Equipment column, it should be reduced to \$0 from \$1,000.00. Total Expense for Clerk: \$212,450.00.

In regard to Treasurer, Supervisor Walls said currently there is no hospitalization expense. Treasurer Dubre said they are anticipating some reimbursement but she does not agree with the \$5,600 suggested by Supervisor Walls. She suggested leaving it at the \$3,800.00. Treasurer Dubre said the mileage allowance is significant. Only two months of this year is reflected of active tax collection driving to the bank. During tax season it is a daily trip therefore, she does not agree with the reduction suggested by Supervisor Walls and suggested \$1,000.00. Treasurer Dubre said she will be requesting a salary increase for one individual in her department. Total Expenses for Treasurer: \$167,400.00.

Clerk Strole asked to change her mileage allowance to \$1,000.00. There were no objections. Clerk's Expense total revised to \$212,950.00 from \$212,450.00.

General Services: Clerk Strole noted that current postage cost is not really \$11,681.59; this figure reflects the purchase of the new postage machine. Supervisor Walls suggested under Computer Consultants reducing the \$8,000.00 to \$3,000.00 and reducing Computer equipment from \$22,000.00 to \$15,000.00. He further suggested reducing Community Development Expense from \$25,000.00 to \$15,000.00. Treasurer Dubre suggested adding Tax Tribunal Refunds at \$5,000.00. Total Expenditures for General Services: \$250,750.00.

Planning Coordinator: Supervisor Walls suggested in the interest of consistency, to change the conferences from \$1,000.00 to \$500.00. There were no objections. Total Expenditures for Planning Coordinator: \$35,400.00.

Public Works: Supervisor Walls asked if the Board wanted to consider Tri-Party Funds? The Board agreed. Supervisor Walls said under the Revenue, Prior Year Fund Balance – Road Fund would be adjusted to \$35,000.00 from \$0. New Total Revenues for General Fund: \$2,253,450.00. Trustee Vallad suggested decreasing the graveling from \$60,000.00 to \$25,000.00 and add the balance to the Parks Fund. The majority of the Board members disagreed but agreed to reduce it to \$50,000.00. Public Works Expenditure Total: \$220,500.00.

Library: Trustee Cooper suggested clearly listing General Fund Civic Center items for the Library and Parks. The majority of the Board members agreed. Treasurer Dubre said she

believes the contribution to the library should be \$15,000.00 not the \$10,000.00 suggested by the Supervisor. She suggested allocating the \$5,000 from the graveling reduction and giving the remaining \$5,000 to Parks. The majority of the Board agreed. Total Library Expenditures: \$15,000.00.

Parks & Recreation: Rich Parke of the Parks Commission explained that the Parks Commission did concur that there are approximately \$100,000.00 worth of items, including the Hart Center parking lot paving, that they could eliminate from their “must have” list. Because of the construction of the proposed multi-purpose building at Shiawassee, there will be little if anything left in the year end fund balance. Mr. Parke explained that the Parks department must prepare a budget amendment for 2005. The final cost for the multi-purpose building is in the neighborhood of \$195,000.00. Supervisor Walls told Mr. Parke the Parks Commission is now approximately \$100,000.00 over the highest number the Township Board saw in reference to this proposed facility. In 2004 the budget for the restroom was \$35,000.00. Mr. Parke said the scope of the restroom changed dramatically since then. Supervisor Walls said there is \$129,000.00 in the Parks Capital Outlay but that included fencing the north line of Shiawassee, expanding a parking lot and other items. He said there is a commitment from the Board for a restroom but this proposed number is shocking and significantly higher than the previous discussions. Mr. Parke said the Parks Commission reviewed the project and decided to look toward the future and identify the need for storage space, work space and concession area and that is how the cost went up.

Mr. Parke said if the Board uses the suggested dollar amount from the Supervisor then the Parks Department will have to make drastic cuts in programs. Clerk Strole said the Board is faced with the fact that it does not have the kind of money Parks Commission is seeking right now. She suggested that there may be ways to get this done by doing it in phases and still end up with a quality facility.

Supervisor Walls suggested that the Board figure out the minimum they would be willing to contribute giving the Board time to take a look at the Parks budget amendment and bids and see where we end up. Treasurer Dubre suggested \$350,000.00. Trustee Cooper said he does not have a problem with \$353,350.00 to start with. Trustee Hopper said he would agree with \$360,000.00. Clerk Strole agreed with \$360,000.00. Trustee Lamont said he agrees with \$360,000.00. Trustee Vallad said he agrees with \$360,000.00. Supervisor Walls suggested \$40,000.00 for Shiawassee. The majority of the Board members agreed. Supervisor Walls noted that these are numbers for next year’s budget but does not necessarily mean the Board will agree with the budget amendment or the new proposed facility. Mr. Parke said he would draft a budget amendment and present it to the Board at the September 8th Board meeting.

Tax Tribunal Refunds: Supervisor Walls said this \$3,000.00 should be deleted as it is now in the General Services.

Capital Outlay: \$0

Total General Fund Expenditures: \$2,210,700.00

Total General Fund Revenue: \$2,253,450.00

❖ **Fire Fund:**

REVENUES

Clerk Strole noted that under Reserves the 12-31-04 fund balance is \$880,960.00 not \$924,020.00. Trustee Vallad commented that he would like to take \$10,000.00 out of Prior Year Fund Balance for salaries. Trustee Hopper concurred.

EXPENDITURES:

Personnel: Trustee Cooper said one area discussed last year were the two full time firefighters. We talked about this year trying to get them to a fair salary for a 40 hour work week firefighter. He believes that should be one exception to the salary freeze.

Fulltime salary amount would be adjusted from \$66,000.00 to \$72,000.00. There were no objections. Total Personnel \$337,250.00.

General Expenses: Fire Chief Oaks said he does not agree with the \$500.00 suggestion for Fire Prevention. Supervisor Walls said the Board budgets money every year and the fire department never uses the majority of it. The Board agreed to \$1,500.00. Total General Expense: \$70,400.00.

Tax Tribunal Refund: Treasurer Dubre said this needs to be \$4,000.00 and be put in the General Services. New General Expenses Total: \$74,400.00.

Total Revenues: \$1,677,550.00

Total Expenditures: \$1,676,550.00

❖ **Police Fund**

Supervisor Walls suggested that the Township Board hold a meeting in the near future to discuss millage. The Board members agreed.

Supervisor Walls said for 2008 with 11 contracts, the reserve should be \$44,000.00 not \$172,000.00. He asked if there are any Board members that do not think we should add an investigator in 2006? There were no objections.

Total Revenues: \$1,358,300.00

Total Expenditures: \$1,358,300.00

❖ **Building Fund**

Clerk Strole noted that the reserve at the end of 2004 was not 90,670.00 it was \$81,952.00.

Total Revenues: \$335,500.00

Total Expenditures: \$335,500.00

❖ **Cemetery Fund**

Total Revenues: \$600.00

Total Expenditures: \$0

❖ **Cable Fund**

Total Revenues: \$26,000.00

Supervisor Walls said the Cable Coordinator Services should be \$0 and the \$7,500.00 moved to Part-time.

Total Expenditures: \$26,000.00

❖ **Civic Center Debt Fund**

Total Revenues: \$371,000.00

Total Expenditures: \$368,000.00

❖ **Bridge Lake Rd. Fund**

Total Revenues: \$15,000.00

Total Expenditures: \$15,000.00

❖ **Lake Improvement Fund**

Total Revenues: \$255,000.00

Total Expenditures: \$255,000.00

Adjournment:

Hearing no other business, Supervisor Walls adjourned the meeting at 10:30 p.m.

Collin W. Walls, Township Supervisor

Nancy Strole, Township Clerk

