

Minutes of
BOARD OF TRUSTEES
BUDGET WORKSHOP MEETING
September 26, 2016

SPRINGFIELD
CHARTER TOWNSHIP

Laura Moreau, Clerk



Call to Order: Supervisor Walls called the September 26, 2016 Special Workshop Meeting of the Springfield Township Board to order at 6:05 p.m. at the Springfield Township Civic Center, 12000 Davisburg Rd., Davisburg, MI 48350.

Roll Call:

Board Members Present

Collin W. Walls	Township Supervisor
Laura Moreau	Township Clerk
Jamie Dubre	Township Treasurer
Marc Cooper	Township Trustee
Judy Hensler	Township Trustee
David Hopper	Township Trustee
Dennis Vallad	Township Trustee

Board Members Not Present

None

New Business:

1. 2017 Budgets
 - a. Parks and Recreation Fund

Director Richmond presented the 2017 Parks and Recreation budget. The appropriations for prior year funds are \$37,560 and this is to be used for repairs that need to be addressed including new computers for the parks staff. They are anticipating the transfer in from endowment fund of \$7,850 towards the River Run preserve. Regarding the Civic Center allocation, the Park Commission requested that the General Fund cover the Parks share of the Civic Center expenses again this year of \$6200. In the Grant cost center, they are requesting \$17,597 for the WHIP grant which is for the invasive treatment prior to doing a conservation cover planting. They were hoping to do this in 2016 but due to the grant coordinator changing they did not get their reimbursement in a timely manner. Ms. Richmond summarized the expenditures including Supplies and Equipment under \$10,000, Administration Personnel Cost Center, Maintenance Cost Center, Stewardship Cost Center and Tax Tribunal Refund Cost Center.

Trustee Vallad asked what a Community Instructor is.

Director Richmond replied that these are instructors for classes like Hunter Safety, Boater Safety and all of the exercise classes. They are offering some new classes and this could account for changes in this cost center.

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Clerk Moreau asked about the painting of the Hart Community Center.

Director Richmond replied that it hasn't been painted since 2012 and the garage is starting to peel significantly. They were told by a professional that if they keep that concrete building well painted and protected, it would be beneficial.

Trustee Vallad asked what the card services account is.

Director Richmond replied that since they take credit cards for the RecPro system, they get charged fees for using those credit cards. They did increase some of their program fees to offset this charge.

Trustee Vallad stated that the balance sheet shows these fees as an asset and it seems like a lot of money to be tied into this account. It is all Parks Fund.

Treasurer Dubre answered that it is an asset. It goes into a separate account for credit cards; it is separate from the general savings account.

Treasurer Dubre indicated that she spoke with Director Richmond earlier today regarding the budget and the final budget that they present to the Township Board is removing the appropriation fund balance in their revenue cost center. That is how they are handling all of their funds now. This would then show a change in equity of what they plan to appropriate.

Director Richmond concurred.

b. Cemetery, Debt, Softwater, Waumegah Lake and Eliza Lake Funds

Township Board members discussed and agreed that they did not have any questions on these accounts.

Treasurer Dubre asked Chief Assessor, Vicki Sievers what the annual weed assessment was for Waumegah Lake. Ms. Sievers provided the amount.

Township Board members discussed the changes needed for the Waumegah Lake Fund.

c. Cable Fund

Clerk Moreau asked what the amount budgeted for Capital Outlay was going to be used for.

Supervisor Walls answered that this amount was in the budget for 2016 and was not spent. He confirmed that the recording equipment should be replaced.

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Clerk Moreau noted that they have had problems with the audio equipment operating properly. This amount of \$10,000 would cover this equipment purchase.

Treasurer Dubre asked about the amount under General Services expense. She is concerned because this is not listed in the General Ledger and this makes it difficult to figure out what they are spending for services related to salary because they are split up into several different funds. She asked Supervisor Walls what was going to be the monthly amount for rent that he suggested.

Walls stated \$600.

Treasurer Dubre questioned IT Administrator and Property Manager expenses. The actual cost is hard to determine since the amount is divided between two people whose salaries are already split over cost centers. She suggested that they use a fixed number per month that they are charging instead of the split on the salaries.

Clerk Moreau asked if the Supervisor's Administrative Assistant was still responsible for updates to the cable channel.

Supervisor Walls answered yes.

Clerk Moreau stated that she assumed that some of her time is deducted as well.

Supervisor Walls answered not that he is aware of.

Faye White payroll clerk was in attendance and answered that the Administrative Assistant has a running total each month that goes to that account.

Treasurer Dubre suggested to have a Support Services line in the Cable Fund for 2017. Staff time would be charged to this line as a charge for services and reimbursed to the General Fund. That way they would know how much is charged on a monthly basis.

Clerk Moreau explained the proposed location of the Support Services line within the General Services cost center.

Supervisor Walls stated that he will work on this.

Treasurer Dubre stated that she would include this change with all of the planned rents and charges summary effective in 2017.

Supervisor Walls stated that the line that they set up in 2016 Contract Program Services is now under Contracting and Consulting.

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d. Improvement Revolving Fund

Township Board members discussed the additional \$50,000 requested by Supervisor Walls for this fund.

Supervisor Walls stated that this is intended for the Sherwood paving project but he has no idea what the cost is going to be.

Treasurer Dubre confirmed that they would then have \$100,000. She agreed with having the additional amount here and available and not tied up into other things. She stated that this transfer in would take official Board action and she explained how it will be done through the budget process.

e. Police Fund

Supervisor Walls stated that this is the second year in a row that they have budgeted for Police with no idea as to what the projected costs were going to be. Oakland County is currently negotiating with two unions for labor contracts. The Finance Director indicated a raise of up to 2% and Supervisor Walls anticipated a 5% raise.

Trustee Hensler asked about an increase to Contractual.

Supervisor Walls explained the 5% increase used. The fact that the 2016 budget and the recommended 2017 budget are almost the same is a fluke.

f. Building Fund

Township Board member discussed the Building Fund.

Treasurer Dubre explained that the amount for the audit was \$1700 when it was expected to be \$1400. The Supported Services number is shown as a duplication of the insurance bond number.

Clerk Moreau asked if the Receipting, Accounting, Payroll and Audit was being changed to \$14,000.

Supervisor Walls confirmed that amount.

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g. Fire Fund

Supervisor Walls stated that the budget that was prepared is a reasonable estimate of the ISO charges within the next year and a half to two years to accomplish the goal of reducing insurance rates from the current Class 7 and Class 9/10 to a Class 5. The ISO consultant met with Supervisor Walls and the Chief. Walls summarized the meeting. The items needed are reflected in the Capital Outlay and in Equipment over \$10,000. The Township has been putting 10% of the sales tax revenue into the Fire Fund since 2015. This was not included for 2017. This is not to imply that the General Fund will not have to assist the Fire Fund in the next year but it will do it directly as a transfer, if needed.

Clerk Moreau asked if the transfers would be paid back.

Supervisor Walls answered that they could be.

Supervisor Walls explained that there are two new line items under personnel. One is coverage and one is non-incident. They created these to split from the coverage which is very different. Non-incident is pay that the Chief will be recommending for things that are not directly related to the fire and medical runs, shifts or coverage.

Chief Feichtner gave examples of non-incident being work at the 4-H Fair and work on various ISO projects. Coverage is for personnel who cover for Lt. Hart or Captain Strickland when they are on vacation, sick or maybe attending a conference. Shift pay is the two people who will be covering the station after the first of the year. They wanted to separate shift pay from coverage.

Supervisor Walls stated that the shift pay is from 6 pm to 6 am.

Treasurer Dubre asked about the training salary.

Chief Feichtner stated that training salary is for sending one of the officers to a leadership class that falls on a weekend; the intention is to pay them for their time in the class. Right now they go to a class on their own time. Training salary also covers Officers Meetings and monthly drills.

Treasurer Dubre stated that historically, they have not spent a fraction of what is budgeted.

Chief Feichtner stated that right now individuals are spending their own personal time taking training classes but this way, they can be reimbursed if it is appropriate. There is going to be an increase in the amount of training next year based on what they are short on. There are additional requirements being added next year.

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Supervisor Walls stated that they needed to differentiate training salary from tuition and training.

Treasurer Dubre asked why the salaries for the paid on call going up if they are breaking out shifts, training, non-incident and coverage.

Chief Feichtner stated that in the last year they doubled the membership in the Fire Department hiring fourteen more between last year and this year. They also took into account an increase in the number of calls they are going on. They are about at 40-45 staff which is the number that they wanted to be at when they talked a year ago.

Treasurer Dubre stated that she would expect a decrease in the amount for paid on call because shift is responding first.

Chief Feichtner stated that the shift personnel respond first but they need additional responders at the scene.

Clerk Moreau asked if they were still using a Google calendar to guide availability or how do they determine who is available.

Treasurer Dubre asked about limiting the number of personnel that show for a medical call.

Chief Feichtner responded that they try to send out a call of “sufficient personnel” as soon as possible so they can limit the number of people who respond. There are software programs out there in which you are able to track availability. The Fire Department now uses a dry erase board at the station to determine who is available and when.

Treasurer Dubre reiterated that the paid on call amount should come down. They have never spent that amount.

Trustee Vallad stated that even with shift coverage, whoever is available goes to the call.

Trustee Cooper stated that they can control it using radios.

Trustee Vallad stated that its always been that whoever is available responds to a call; next year once they have some experience with this number of fire fighters, they can start to address response.

Clerk Moreau stated that it is difficult to project a budge if the Board considers how it was always done instead of the changes coming for 2017. They need to make sure that the right people are responding and the right number. She does not believe the intent is to continue that any and all flood a scene. She is comfortable with leaving those funds in the budget for now, but this is something that needs to be looked at.

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Chief Feichtner stated that over half of the people that they hired are still under the probationary pay so this accounts for some of the increase.

Treasurer Dubre stated that she thought hiring the full time firefighter along with shifts was going to take care of some of it and offset the charge for paid on call. She asked why the heat and electric went up so much.

Supervisor Walls answered that this is due to the increase in the number of fire stations because even during construction, they have heat and electricity.

Clerk Moreau asked about the Tuition and Training line. She asked if this was for the actual cost of the classes.

Chief Feichtner answered yes.

Clerk Moreau asked if Chief Feichtner determined that anyone who is teaching a class would be paid out of shift pay.

Chief Feichtner stated that they applied for funding for the classes so that outside teachers are paid directly from the State.

Supervisor Walls asked if all costs for classes including books go through Tuition and Training. All salary and wage compensation for time will go through the Training Salary.

Chief Feichtner concurred. He gave an example of Captain Strickland taking college classes to finish his degree and they will pay for the course, but not for his time to take the course.

Supervisor Walls asked about students that want to go to Fire Academy.

Chief Feichtner stated that the Department will cover the cost of the course. His recommendation is to provide a merit stipend for finishing Fire 1 and 2 but they are not paying for the candidate's time.

Clerk Moreau asked if the Department is still using the Training Reimbursement Agreement.

Answer was yes.

Chief Feichtner stated that he was speaking about using the stipend to send a fire fighter through officer training, EMT training or Fire Fighter 1 and 2. Their time far exceeds the cost of the program.

Clerk Moreau asked Chief Feichtner if he believes the stipend is necessary for recruiting.

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Chief Feichtner stated that it helps with recruiting but it also a way to say thank you for all of the time that they sacrificed. He stated that this is just discussion, it is not being done this way now.

Supervisor Walls stated that there are many efforts that started out as volunteer that are taking personnel away from their primary duties. These need to be analyzed.

Clerk Moreau agrees with the non-incident pay. The Township does invest in a firefighter by paying for the training and we want to keep this talent in the Township. But to also give a bonus for completing the training she would need to review.

Supervisor Walls summarized some of the expenses including computer equipment and recommendations by the ISO consultant.

Supervisor Walls stated that in Capital Outlay, he included all of the items in his memo including new Station 1, Station 3, new tanker truck and replacement of Engine 1. He explained the TurboDrive for each truck allows for pumping water from lakes to use for fire suppression. He stated that they will eventually need an engine per station and a pumper per station.

Chief Feichtner explained that they are looking to purchase three TurboDrives to go on the primary trucks. They are \$3000 per item.

Trustee Vallad asked about the new 3500-gallon tanker.

Chief Feichtner stated that now they have a 2100 gallon and a 2500-gallon tanker.

Lt. Hart stated that the goal is to have 4,000 gallons of water on wheels at each station.

Chief Feichtner replied that they will talk about this next week at the Fire Priorities meeting where they would review the ISO recommendations.

Treasurer Dubre asked how much of the Capital Outlay for Fire is going to be left over.

Supervisor Walls replied that the truck they just ordered is for this year.

Trustee Vallad asked if they ended Cost Recovery.

Supervisor Walls answered no. It stopped for several reasons. Conversations have been had with a company who will handle the billing and collection for the Township at a nominal rate and he hopes by the first of the year they will have that in place.

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h. General Fund

Supervisor Walls stated that all of the funds were calculated using \$600,000,000 taxable value and the millage rates that they established. Wage increases were determined to be 3%. Consumers price index is 1.7%. He asked about the charge for web host services for the codified ordinance.

Clerk Moreau explained that this charge is for Municode to host the Code of Ordinances on their website. It is not an IT expense; it is the additional amount to allow for the Code of Ordinances to be web accessible.

Supervisor Walls stated that the other big revenue change is grant money for invasive species totaling \$193,500.

Treasurer Dubre stated that she would like to add Cable Support Services in Other Local Revenues.

Supervisor Walls concurred.

Supervisor Walls explained in Expenses, the Clerk, Supervisor and Treasurer salaries were figured at 4% increase. He stated that over time, it would be appropriate to work those positions back to a relationship with employees' salaries that existed prior to 2008. He stated that the IT administrator should be charged to General Services and all of the charges would move with it.

Treasurer Dubre suggested that under the Website IT cost center, eliminate the IT and just retain the Website portion. She suggested creating a new cost center called IT Services and this is where the IT Administrator's salary and all costs associated with that would be. She also suggested adding Email Services, Computer Licenses and Support and Email Licenses and Support in the IT Services cost center. She stated that then they would know what was being spent on these items. She typed up the changes so that if everyone agreed, it would be easy to implement.

Clerk Moreau stated that the Consultants cost center on page nine includes all planning related expenses except one. The HR Consultant applies to all departments.

Treasurer Dubre suggested combining Payroll Contract Services, Bank Fees and HR Consultant in a new cost center called Payroll and HR Services.

Supervisor Walls stated that the more they can reduce the General Services cost center, the better.

Trustee Hopper suggested that they change Consultants to Consultants-Planning and Zoning.

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Trustee Vallad asked about the \$15,000 under planning charges.

Supervisor Walls stated that this would be used to finish projects that got started but did not get finished, for example, Master Plan Review and Dixie Overlay District.

Clerk Moreau explained that Clerical-Voter Registration position will go back to a flexible part time position. Payroll services will be outsourced to an outside provider and this position will be devoted to voter registration and election support only. This position would be scheduled an average of 18 hours per week.

Trustee Hensler asked about the Planning Coordinator position listed on page three. Is this position intended to be filled?

Supervisor Walls answered yes. On page 4, he started working on budgets before he got specific requests from departments so the deputy salaries listed for 2018 and 2019 are incorrect. The increase in Repairs and Maintenance is to purchase a snow plow for the truck they get from the Fire Department.

Clerk Moreau stated that Payroll Contract Services is shown much higher than anticipated. She suggested that \$7,000 was more than enough.

Trustee Vallad asked where salt and materials went because it is shown as \$0 for 2017.

Property Manager, Mike Forst replied that it is under Civic Center Operations.

Trustee Hopper asked how many more computer laptops and desktops need to be replaced. He asked if \$5,000 in 2017 and as a placeholder for 2018 and 2019 is enough.

Supervisor Walls stated that it was suggested that he put \$10,000 there in case they need to replace one. However, there are two computers that are currently not being serviced because of the age of the software. He can provide the replacement schedule for him.

Trustee Cooper asked why not replace the computers this year because the money is there.

Treasurer Dubre asked Mr. Forst if the roof is going to be done this year.

Mr. Forst replied that it is planned that way. Mr. Yovich is proposing doing the main entrance areas on a Saturday and Sunday.

Trustee Vallad clarified that the Capital Outlay in Civic Center was where they had the \$100,000 for the roof. He asked about the \$150,000 shown in 2017.

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Supervisor Walls replied that this was for asphalt and concrete.

Mr. Forst confirmed the compressor replacement scheduled for this week.

Supervisor Walls continued with Public Works. He stated that the service contractor will service the Mill Pond dam on October 7th and they are working to fix the control mechanism. He asked about the funding for pathways.

Treasurer Dubre responded that it should be under allocations.

Clerk Moreau suggested funding Pathways with the State Shared Revenue amounts that had been supporting the Fire Fund.

Treasurer Dubre confirmed that they are advancing \$50,000 to the Improvement Revolving Fund from the General Fund.

Board members discussed prospective projects.

Clerk Moreau suggested creating a fully accessible pathway connection between the parks and the Civic Center, for example Schultz Park to the Civic Center. She has started to look more closely at this project.

Treasurer Dubre asked about the Road Fund.

Supervisor Walls suggested leaving that alone.

Treasurer Dubre asked about Building and Equipment. She suggested that if they are not going to use these accounts, they should be eliminated. She agreed with putting money in Pathways.

Trustee Hensler agreed with putting money toward Pathways.

Board members agreed with putting \$50,000 in Pathway fund for 2017.

i. Discuss payroll contract services proposal

Clerk Moreau suggested that the Township contract with Dominion for payroll services in 2017. She would like to place it on the October agenda for approval.

Trustee Hensler stated that it makes sense.

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Clerk Moreau added that she did make contact with a local service provider that Trustee Cooper gave her. Based on the conversation, this company could not meet all of the Township needs.

Supervisor Walls agreed with Clerk Moreau's suggestion.

Clerk Moreau stated that this item would be on the October agenda.

Supervisor Walls reminded Board members of the next workshop date and time.

Adjourned: 8:16 p.m.

Collin W. Walls, Supervisor

Laura Moreau, Clerk