



Minutes of **SPECIAL WORKSHOP MEETING**
Held **September 17, 2015**

Township of Springfield

Laura Moreau, Clerk

Call to Order: Supervisor Walls called the September 17, 2015 Special Workshop Meeting of the Springfield Township Board to order at 6:00 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
David Hopper	Township Trustee
Dennis Vallad	Township Trustee

Board Members Not Present

Judy Hensler	Township Trustee
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New Business:

1. Logo Redesign Discussion

Clerk Moreau stated that if the Board agrees with the revised logo design the committee can provide the final version at the October meeting for approval. They will also provide some other versions including one color designs.

Board members liked the revised logo.

2. 2016 medical plan and renewal date

Supervisor Walls stated that he received information on transitioning back to a January 1, 2016 renewal. We also received an additional plan option and he handed out a chart displaying all options. He explained this chart included the BCN Platinum 10 plan. This plan is actually better coverage with lower premium and he verified this with the agent. Renewal January 1, 2016 is based on a different quarter so the premium to renew January 1, 2016 is cheaper than the premium to renew December 1, 2015. The December billing will be based on the December rates if they switch to January 1, 2016. We also have a price for enhanced Comprehensive Drug List but Blue Cross will not release the enhanced list until the middle of October. The Board has to decide by the end of September and they cannot change that decision until renewal time next year.



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Trustee Vallad asked if there had been any feedback from the employees relative to the current plan.

Supervisor Walls answered that he hasn't received any feedback but others have.

Treasurer Dubre stated that a lot of the issues have to do with Health Care Reform in general. The priority is to get the Township back on a calendar year cycle. She stated that regardless, the co-pay and OOP reset on January 1st.

Clerk Moreau stated she is in favor of switching to the January renewal date.

Supervisor Walls concurred.

Clerk Moreau stated that they used to have the BCN Platinum 10 and they made the decision to downgrade to the Platinum 20 when costs were going up. They can now go back to where they were for less and get their January renewal date. She asked if they could make the decision to go to the comprehensive drug list at a later date.

Supervisor Walls replied no.

Trustee Vallad asked if Blue Cross is going to be making changes to the Custom Drug List.

Supervisor Walls answered that we do not have that information.

Supervisor Walls suggested that they go with the Platinum 10 with Custom Select Drug list. This is as close as we are going to get with less copay expenses as compared to other options.

Trustee Cooper and Trustee Hopper concurred.

Supervisor Walls moved that Springfield Township switch to the Platinum 10 BCN plan with an effective date of January 1, 2016. Trustee Vallad supported the motion. Vote on the motion. Yes: Cooper, Dubre, Hensler, Hopper, Moreau, Vallad and Walls; No: None; Absent: None. The motion carried by a 7 to 0 vote.

3. 2016-2018 Budgets



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Fire Fund

Supervisor Walls stated that the Fund Balance Summary that the Board members received Saturday had a mistake for the better. He stated that his hope is that we will reach agreement on all budgets that we will publish for hearing dates. His personal priorities are reflected in the Fire fund and they were adjusted by comments that he heard at the August workshop. The first and most important priority is personnel and personnel expenses. This is where they can show improved response and improved service to the residents. The second priority is vehicle and equipment maintenance and replacement. The third priority is facilities and by facilities, he is referring to Station 1. Station 1 is not critical at this time in his opinion and we do not have enough information to determine when Station 3 should be planned. He suggested that the Board set a meeting before the end of the year to discuss priorities, goals and schedules for the Fire Department.

He did make budget changes that reflected the discussion in August. It seemed clear that the transfer of \$250,000 to Fire out of the General Fund should be done in 2015 and this is reflected in the Fund Balance Summary rather than the budget itself. He covered the other items in the memo. He forgot to put in State Shared Revenue in 2017 and 2018 and he added that in. In Equipment Purchase Under \$10,000 there should have been an amount of \$15,000 instead of \$55,000. Fund Reserves and Capital Outlay have changed. The 2016 budget includes funds for extrication, replacement of Engine #3 and estimate of demolition of the Mason Temple, survey, preliminary drawings for the new fire station and other miscellaneous items. He thought if the decision is made to go forward with Station 1, they will utilize in addition to the \$110,000 that is already there, funds from the assigned building reserves.

Trustee Vallad stated that the Chief had supplied an outline of equipment replacement and the extrication equipment is on there. He asked if the budget reflect the other requests.

Supervisor Walls answered yes. He used the used replacement cost for both Engine 3 and Engine 1.

Treasurer Dubre asked Chief Feichtner about the equipment costs. She had extrication tools in 2016, radios in 2017 and she asked what is the purchase year for the SCVA and how long that equipment is expected to last.



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Chief Feichtner answered the purchase year is 2022 and they should last about 10 years.

Treasurer Dubre asked how long the turnout gear was expect to last.

Chief Feichtner answered 10 years as long as they do an advanced cleaning and inspection every three years. They use a vendor in Livonia who does the repair and maintenance for the turnout gear and they confirmed that on average, it costs about \$25 each for coat and pants for cleaning. Every three years they would have to spend about \$1500 to \$1800 to have the inspection done. He confirmed that the new purchase year would then be 2026.

Treasurer Dubre asked about the TIC and the longevity of that equipment.

Chief Feichtner answered that they currently have two at \$10,000 each so the new purchase year would be 2021.

Treasurer Dubre asked about the air compressor.

Chief Feichtner answered that they could probably get 15 more years out of that equipment.

Treasurer Dubre asked if there was any benefit to stagger the purchase of the turnout gear.

Chief Feichtner answered no; the reason to buy it all at once is for standardization, everyone has the same. This also helps with maintenance.

Treasurer Dubre stated that when they see the fund balance on Collin's list, it is based on the actual cash account on August 31. When he did the September assignments, Collin's version of fund balance as compared to hers is different because she took into account where they actually were on August 31 with the budget. It will show up as a difference moving forward. She explained the differences between hers and Collin's fund balance sheets.

Supervisor Walls stated that Chief Feichtner received an amendment to the grant so that they can use the grant for people that they put on board beginning in August.

Chief Feichtner confirmed that the grant will now pay for physicals and background checks for proposed employees beginning in August.



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Supervisor Walls stated the 2016 budget includes money for an ISO Consultant and this might be available in 2015.

Clerk Moreau stated that she is in favor of adopting the budget as presented. She is in favor of another meeting so the Board can discuss what we want to accomplish with the Fire Department. She agrees that the response and the personnel is the priority.

Trustee Vallad agreed with Clerk Moreau. He stated that he agrees that there needs to be a renewal next year but he agrees on getting together to map out the future. The budget at this point is a good compromise but they need to look at future budget.

General Fund

Supervisor Walls continued with the General Fund. He stated at the August meeting they discussed the 401K plan at the discussion ended with the plan to get in touch with the HR Consultant regarding possible cafeteria plans. He received the input from the Consultant today. He reviewed the recommendations that were provided by the HR Consultant.

Supervisor Walls stated that the HR Consultant's opinion is that we have a very good plan for employees. He stated that the HR Consultant recommended that the Township hold a benefit fair or meeting with all benefits representatives there and he agrees. The consultant suggested that we should discuss whether or not to include in the 2016 the funds for the potential increase of the 401K to 5% for all eligible employees. Supervisor Walls stated that the amount would be approximately \$6,000.00. This recommended option would require changes in the 401K plan and he estimates it to take three or four months.

Trustee Cooper stated that if they go to the 5%, they should do the vesting schedule at the same time.

Trustee Vallad stated that the vesting will not affect the budget.

Clerk Moreau stated that if Supervisor Walls was going to start to prepare plan documents, he needs to know the Board's preferences.

Supervisor Walls stated he asked the 401K consultant about vesting. One of the concerns with a vesting schedule is that it is difficult to administer.

Clerk Moreau stated that it only becomes an issue if an employee leaves.



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Supervisor Walls stated if they leave, then you have to account for employee contributions and Township contributions. You still have employee controlled investments so every employee will be different. Now, there is one pot of money but if they go to vesting, there will now be two pots. One is still theirs but one is the employer's until the employee reaches a point that they are vested. We would need to determine how much of the interest is the employer's and how much is the employee's. These are the kinds of things that they talked about at an earlier date.

Clerk Moreau stated that she likes the vesting because it promotes longevity and is a good recruiting tool. There is some benefit and she appreciates the HR Consultant's work. She would like to explore how much work would be involved.

Trustee Cooper stated that the HR Consultant is recommending the three year cliff.

Supervisor Walls suggested that they do not really have a problem with employees staying.

Trustee Vallad asked what they would do with employees that are approaching retirement and have worked a long time for the Township.

Board members agreed that these employees are already vested.

Supervisor Walls stated that continuing with the General Fund; all Board members were provided with a copy of the pages that were changed. He summarized the changes that were made. He stated that some changes to the Stewardship Fund were made after direct contact from the Natural Resources Manager and he summarized those changes.

Supervisor Walls stated that the change that doesn't show up in the budget is in the fund balance summary. They talked about setting up a reserve fund for the Mill Pond Dam in 2015 at a previous meeting. The changes in the Budget summary are a 2015 transfer to Fire. In August he showed a reduction in the Civic Center cap of \$90,000 and it still shows Capital Outlay for Civic Center roof but it is now coming out of the regular budget rather than out of the reserve.

Board members discussed stabilization funds and recommended Emergency Reserve Fund.



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Treasurer Dubre confirmed that Fire Transfer out is included in the 2015 Budget. She added that the Mill Pond Dam is in the 2015 Budget for \$50,000.

Trustee Vallad stated that on page 4 of 10, the 2018 salary for one of the Assessing staff is incorrect.

Supervisor Walls stated that this will be corrected.

Police Fund

Supervisor Walls stated that there weren't any revisions in the Police Fund. He received a report this morning from Sgt. Baldes who indicated after a communication from Dr. Cunningham it doesn't look like there will be an increase in the Sheriff contract amount for next year. He doesn't know if it is just 2016 but he doesn't have anything in writing.

Trustee Hopper concurred with leaving the budget as it is.

Building Fund

Supervisor Walls explained there was a question asked in August regarding what was being done about the Building Official. He indicated that they have a backup plan if it is needed. One of the independent contractors is certified as a Building Official and if it is necessary, he will help in any way that he can. There were some changes in Building Fund after he looked at the August report. He indicated in the memo that he intended to eliminate all of the cost centers that they are not using and he noticed some accounts that weren't done. He will make sure that is done before the Public Hearing.

Supervisor Walls stated that in the past the audit fee has been coming out of General Fund and he added Audit in the Receipting Accounting line. He stated that the IT Administrator does do work for Code Enforcement from time to time and he suggested that they charge that to the Building Fund. He stated that currently part of the Dangerous Building expenses is being covered under activities of Code Enforcement and other charges are being absorbed by Clerk's Office and Supervisor's Office etc. Craig Strong told Supervisor Walls he is having a difficult time doing the building administration work in the Township and handling the dangerous buildings. The same person that they talked about potentially doing ordinance work for them could take on the administration of the dangerous buildings work. He stated



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that he has a meeting set up to see how this can be coordinated and they can more fully utilize the Building Department for related Building Department work.

Cable Fund

Supervisor Walls explained that there are no changes to the Cable Fund Budget. The end of 2015 Fund Balance Summary should be slightly higher than it was about \$575,000. He asked if there were any comments on miscellaneous funds that did not have any changes.

4. Set next budget workshop meeting, if needed – None Needed

Board members discussed having another meeting to discuss priorities for Fire Department.

Supervisor Walls stated that the next meeting would be on October 26, 2015 at 6:00 pm subject to Chief Feichtner being available.

Board members agreed.

5. Other items as unanimously agreed

None

Adjourned: At 7:34 pm

Collin W. Walls, Supervisor

Laura Moreau, Clerk