

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Call to Order: Supervisor Walls called the August 25, 2020 Special Budget Hearing Meeting of the Springfield Township Board to order at 6:00 p.m. via phone/video conference.

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 Absent

Judy Hensler	Township Trustee
--------------	------------------

Others present:

Greg Need	Township Attorney
Dave Feichtner	Fire Chief
Sarah Richmond	Parks & Recreation Director

2021 Budgets

Parks and Recreation Fund

Parks and Recreation Director Sarah Richmond reviewed highlights of the 2021 Parks and Recreation Budget. She stated that she kept numbers conservative, but set up the budget with the hopes that by the summer of 2021, Springfield Township would be able to host events again. In Revenue, for Appropriation of Prior Year Funds, the Park Commission is anticipating the use of \$5,050 of 2020 funds to pay for several projects and new and replaced equipment. In the Civic Center Allocation line under Revenue, the Park Commission is asking the Township Board to continue to cover the \$6,200 for the Park's share if the Civic Center expense. There is a corresponding expense in the Facility and Operating Supplies cost center. Other expenditures, Supply and Equipment under \$10,000 cost center, have items that have been budgeted in 2020, such as the



replacement of the Brush Hog and ball field equipment, have been moved to 2021. Supplies & Equipment includes small equipment replacement, safety equipment, replacement of tables and chairs in the Hart Center and a new bladder tank for the well of the Shiawassee Basin Preserve. A 12% increase in Health Insurance costs for both Administration and Maintenance personnel cost center, and no wage increases were budgeted for any staff. Wage increases for 2020 were used as line items for the 2021 budget. Tax Tribunal refund cost center has a \$500 budget per Treasurer Dubre.

General Fund

Supervisor Walls commented about the lack of time to prepare the budget for recent events. For many years, budgets were developed with a conservative approach and this year's budget was created with influence of the uncertainty of what is to come.

State Shared Revenue, as of yesterday, it is not worse than what was projected. Building taxable values are projected to increase 1.5% in 2021. Township Revenue sources are not all in the Township's control because we rely on Revenue Sharing from sales tax.

The General Fund highlights are as follows:

Tax Revenue, State Shared Revenue/State Grants and Sales Tax are projected to be better than the amended 2020 numbers, but 18% less than 2019. Other Units of Government / Grants represent grants obtained by Natural Resources Manager, Mike Losey and corresponding expenses will be present in Contract Services cost center.

Treasurer Dubre commented that she would like to reduce interest and Dividends from \$20,000 to \$10,000 based on the yield of .10, as funds are now accumulating interest at a significantly lower interest rate. Treasurer Dubre also asked that the Civic Center Interest and Dividends be cut from \$2,000 to \$1,000.

Supervisor Walls noted that it appears as though Trustees are taking a hit in salary, but the 2020 budget must have anticipated several special meetings. The salary for 2021 is based on the same wages and projected meetings as 2020. Supervisor Walls stated that none of the budgets have salary increase projections in them. He advised the Board that with the uncertainty of the future, it is not wise to anticipate any salary increases. The Board will always have the opportunity to make adjustments if things improve.

The only difference in Supervisor cost center is an increase to allow for training.

Elections numbers were assumed under normal circumstances. The proposed 2022 budget is the 2020 amended budget numbers.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020

SPRINGFIELD
CHARTER TOWNSHIP



Laura Moreau, Clerk

Supervisor Walls noted that the Assessor Cost Center is altered for Oakland County Equalization for contract services prorated in November of 2019. 2021 is based on the contract and the last parcel count numbers at the end of June. 2022 is also taken from their contract.

Treasurer Dubre asked about the Assessing line item, Computer and Software. This line has not had any money budgeted for it and should be under computer licenses and support. She also asked what was being paid for in the Mobile Communications line item, as there is no purpose for a phone.

Supervisor Walls indicated he will look into it and asked if Computer license and support should be covered under General Services.

Treasurer Dubre replied that should be moved to computer license and support within the same cost center for budget purposes. Supervisor Walls agreed.

Supervisor Walls noted that the Clerk budget, like the Supervisor budget, showed increase in conferences and dues and mobile communication. The Treasurer budget showed no changes for 2021 and a slight increase for 2022.

Building and Grounds Facilities Manager /Property Manager position is currently in the interview process. The 2021 budget used only the Township General Fund portion (not the library portion) number in the salary range for the new position. Also included is the salary for a new full-time maintenance position and a part time maintenance position (roughly 24 hours/week).

Treasurer Dubre was not in favor of a Facilities Manager making a decision about hiring another full time position. She understood that adding another part-time and utilizing contract services was eliminating the need for that position. She is not comfortable with adding another full-time position in the economic position of the Township, and not comfortable leaving it in the budget as such.

Supervisor Walls replied that it was not his intent to let a facilities manager make the decision on his own.

Clerk Moreau understood Treasurer Dubre's point, but noted that there will be more known about the positions and needs by the time salaries are set in December. She prefers to wait to see how the hiring process and contract services "shake out" before making decisions.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Trustee Vallad, Trustee Cooper, and Trustee Hopper agreed with Clerk Moreau's recommendation to leave the full time position in the Budget for now with more conversations to come.

Treasurer Dubre added that she is against leaving it in the budget because this conversation will be forgotten and assumed that the intent is to have another full-time person coming. \$20,000 was added to Contract Services and the proposed 2021 Budget currently is \$1,500,000 in the hole.

Trustee Cooper suggested that it can always be added back in but it is more difficult to remove from the budget at a later date.

Clerk Moreau asked if Treasurer Dubre is requesting to remove the budget line item entirely or increase the line for maintenance part-time.

Treasurer Dubre replied that the Maintenance part-time line has already been increased from \$46,000 to \$60,000 which accounts for the additional part-time. A Contract Service line has been added in the cost center to look at contracting some of the property manager's current tasks. Treasurer Dubre stated it is her opinion that the line item should be removed entirely.

Clerk Moreau was not in favor of removing the full time position entirely from the budget without having the conversation about job descriptions and salaries for three part-time employees. She understands Treasurer Dubre's point, but would like more information before eliminating the line item.

Trustee Cooper noted that a \$30,000 part-time position is being added.

Treasurer Dubre expressed the opposite position, stating that she would like to have more information before adding an expense line item, given the deficit.

Supervisor Walls commented that the decision should be made by someone other than himself. He suggested that taking the dollar amount out but leaving the position in will remind people that there was a discussion at one point. In December or early 2021 when/if things are clearer; a final decision could be made accordingly.

Clerk Moreau added that details for contracted services, such as snow removal, have not yet been worked out, and contingent plans being added and removed from the budget causes her concern. She agreed with Supervisor Walls' suggestion of leaving the line item in and removing the amount and noting that the line item should be reassessed.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Trustee Cooper agreed and added that there is funding being left in for contracted services that can be moved around based on the discussion outcome.

Treasure Dubre found that acceptable and noted that stepping back and looking at the whole picture should result in a reduction of costs.

Clerk Moreau summarized the decision to leave maintenance full-time under Building and Grounds but remove the amount for review at a later time.

Cemetery was the next cost center and Supervisor Walls reported that the \$25,000 was in the 2020 budget to repair the Davisburg Cemetery drive, but it did not get completed.

Supervisor Walls next commented on General Services first line \$165,500 was budgeted last year and assumed an increase which was not received. The estimated \$145,000 represents a 12% increase in current amounts, and a younger workforce will also reduce costs.

Supervisor Walls continued with Phones, Equipment and Support mentioning that the Phone is just for land lines that are required for certain systems.

There is a line item for Spring Clean-up but currently there is no service available for this event. It is under investigation.

Civic Center Operations, Consultants, Contract Service increase includes a renewal of existing contracts and is an estimate for additional contract services with Facilities staffing changes. More cost estimates should be available before the September Regular Board Meeting.

Supervisor Walls highlighted three differences in the Consultants Cost Center. There is a full public-input master plan estimated at \$30,000 and the consulting engineer and planner fee of \$10,000 each to have office hours should the new supervisor need that assistance.

Treasurer Dubre asked if the \$20,000 amount budgeted in 2020 for the Master Plan will not be spent.

Supervisor Walls replied that it will not be spent in 2020.

Supervisor Walls continued with the Public Works cost center mentioning that there are funds available in reserves for road matching should the need arise.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Pathway Easements will be signed and hopefully ready at the October meeting for a proposal for the Engineer for preparing the necessary plans for bid for construction to start in early 2021.

There was a double-dipping error in Street Lighting in 2020 that has been addressed for the 2021 budget.

Treasurer Dubre asked if this could be looked at as a possible Budget amendment to the 2020 budget.

Supervisor Walls agreed and mentioned that the Dixie Highway Improvement might be dropped as well.

Treasurer Dubre added that there is an impact on current year fund balance and year end fund balance. Items removed and reallocated in June provided her a good tool for fund balancing. Treasurer Dubre asked about the \$49,500 for 2021 Mill Pond plans, knowing that plans for 2020 were postponed.

Clerk Moreau stated that she is still awaiting the 50% preliminary engineering plans. She assumed that the \$49,500 budget was continued through 2021 and 2022 as a place holder, but reminded that the Board has established a \$150,000 transfer for three years.

Treasurer Dubre discussed the transfers and future plans that affect the budget. She proposed making Road Matching \$0 and address it during discussion regarding current fund balances allocated for specific purposes and earmarking something within the road money but not as a budget item so that, if necessary, funds be transferred from the Road Fund for a specific project.

Supervisor Walls agreed, as did the rest of the Board, to make Road Matching \$0.

Supervisor Walls returned the meeting focus to the Mill Pond.

Clerk Moreau was not in favor of making the dam project budget \$0, but keeping a placeholder amount as project plans are not clear.

Treasurer Dubre agreed to the placeholder but preferred reducing a transfer amount.

Supervisor Walls asked if the current obligation was already funded.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Clerk Moreau replied that it was funded and the grant that was applied for is preliminarily approved. This will reduce the cost to the Township. Clerk Moreau did not want the \$49,500 placeholder removed from the budget.

Supervisor Walls wanted an amount in the Mill Pond Dam budget to be clear that the current funding is not necessarily the completion.

Treasurer Dubre agreed with the \$49,500 with the understanding that if there are no expenses during a budget year, the following year gets bumped up or it needs to be zeroed and funds get transferred to meet the obligation of the \$150,000 per year. She wanted to ensure that she moved exactly what was needed.

The Board agreed to place a \$50,000 place holder and Clerk Moreau added that the \$150,000 obligation for three years could have grant contributions.

Supervisor Walls addressed the Stewardship Center, Contractual Services and noted there is an expenditure that goes along with the previously mentioned revenue from Grant money. Everything else is the same as 2020.

In Capital Outlay; Building and Grounds, the \$450,000 represents a verbal estimate for parking lot and drive at \$350,000 including striping and construction manager fees, as well as possible pathway estimate. The remaining \$100,000 is for garage and site work.

The General Services and Civic Center expenses are there in case something comes up. It is likely that General Services and Capital Outlay might be amended to \$0 for 2020.

Treasurer Dubre discussed the \$450,000 Building and Grounds Capital Outlay. She noted that at the end of 2020, \$226,500 is available for Building and Equipment in the General Fund. She also noted that transferring the balance for the Civic Center Capital fund to cover the parking lot, with the question of whether or not the library would contribute to the project.

Supervisor Walls asked for an estimate of what would be left in the Civic Center Cap.

Treasurer Dubre replied \$560,500 and suggested that the Building and Equipment sub-fund be closed as it is redundant as the projects have changed.

Supervisor Walls advised that the Civic Center Cap still has \$250,000-\$300,000 in it.

Treasurer Dubre replied that this is the intent.



Supervisor Walls asked how Treasurer Dubre intended to proceed for 2021.

Treasurer Dubre replied that there are planned expenditures and will be left in. She will add this to the Allocations memo for authorizing transfers for the December meeting of the following year that those transfers take place in 2021. Regarding the \$100,00 for pathways and emergency reserve, Treasurer Dubre asked if they would be a \$0 transfer for 2021. Treasurer Dubre also asked for confirmation that the \$285,000 for the pushed forward pathway project for this year was going to come out of the Unallocated General, so it was assumed that since a significant amount would be spent on pathway next year, that there would be no reason to transfer, holding the balance to \$262,500 going into 2021.

Supervisor Walls assumed the same.

Clerk Moreau asked for confirmation that Treasurer Dubre intended to close the Building and Equipment sub-fund after transferring.

Treasurer Dubre confirmed.

There were no other comments concerning the General Fund.

Police Fund

Supervisor Walls noted a typo in the Police Fund. He stated an assumed increase in property tax of 1.5% over 2020, with an additional 2% increase for 2021 and 2022. It's 2% over 2021.

Treasurer Dubre commented about the budget for 2021 and 2022 LCSA PPT reimbursement should be \$0. Money received this year was \$11,000.

Supervisor Walls asked if it had been zeroed out on the General Fund.

Treasurer Dubre replied that it was \$0 going in.

Supervisor Walls stated when the Township switched back to a Fill contract from a No-Fill contract and monitored overtime, we saved money. He prepared the budget assuming a 5% increase sometime in 2021 with a contract renewal. Not included, but assumed to be coming, is an option for a No-Fill agreement. He suggested not taking that option. Springfield Township is the only community that has a fill agreement, and overtime is still paid. Supervisor Walls believes that the Fill agreement is still less costly when there is an understanding with the Sergeant that if overtime is needed, an email will be sent to the



supervisor. When the Millage is agreed to, funds were included should a shortfall occur at the end of the contract.

Cemetery Fund

Supervisor Walls described the plan for Cemetery perpetual care fund.

Stewardship Funds

Stewardship Endowment Properties and the Natural Areas Preservation Endowment Fund are set aside to be used for acquisition and preservation of Natural Resource areas. In the past, these funds have been used to acquire River Run, Davis Lake Overlook and the Hartman Property. Interest from the fund can also be used. Funds have been moved to the operating fund to transfer for reimbursement to the General Fund to address damage caused by a beaver dam. A river crossing, river restoration, railroad permission for public use have caused a limited transfer of 2020 contributions to Stewardship Endowment. There are still questions about approval from the Springfield Site Action Committee (SSAC) for a contribution in 2021, so Supervisor Walls suggested making contributions \$0 until more information is known.

Treasurer Dubre agreed with dropping the contribution to \$0 and also asked that the interest on both funds to be dropped to \$500 each.

Clerk Moreau agreed with Treasurer Dubre's changes but also noted that SSAC will likely meet in September and additional information may be requested for discussion.

Lake Improvement Fund

Supervisor Walls turned the meeting focus to the Lake improvement Fund. He explained that the Township acts as the treasurer for individual Lake Improvement Boards.

Softwater Lake Improvement Fund

Softwater Lake Improvement Fund is also a Special Assessment district. In 2-3 Years, it will develop a Lake Board and become part of the Lake Improvement Fund.

Cable Fund

Supervisor Walls explained this fund has limited use.

Building Department Fund



The Building Fund revenues had been fairly steady up until the pandemic hit when it dropped to almost nothing. It has picked up but it is not where it was before the pandemic. Supervisor Walls projected that 2020 Revenue would be about \$52,000, and highlighted some projects that may be coming for 2021.

Debt Funds

Supervisor Walls explained that there are three debt funds and their budgets are what they are required to be to cover the debt payments.

Treasurer Dubre asked that Fund 390 interest and dividends be removed as it's a low bond and a low amount that gets paid out at the beginning of the year so there is not much interest generated.

Supervisor Walls explained that the pink form in the Board packet was for Fire and the majority of the Capital Improvement was for a fire truck.

The Orange sheet in the Board packet is for the Softwater sewer Special Assessment District, and Supervisor Walls explained the history behind the repayment of the bond by the residents.

Fire Fund

Supervisor Walls discussed the Chief's recommended 3% salary increase for full-time personnel, and the over 7% increase in shift, training, non-incident pay for hourly rates from \$13.90 to \$15. Supervisor Walls recommended waiting through at least the first quarter of 2021 or later to increase wages. The 2020 amended numbers reflect expenses that occurred as a COVID activity. Reimbursement requests have been submitted under the Federal Cares Act but there has not been any response as of yet.

Supervisor Walls mentioned the Apparatus Replacement Schedules and the Equipment Replacement Schedule and explained that there is an amount every year that should be set aside to purchase vehicles according to the scheduled plan.

Supervisor Walls explained that the status of the State Shared Revenue was the same as was mentioned during the General Fund discussion.

In the Miscellaneous Revenue, Fire Runs revenue is increasing. There will be revenue generated from Building Fund for fire inspections.

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



Chief Feichtner asked Treasurer Dubre to confirm that the LCSA needed to be changed from \$7,400 to zero.

Treasurer Dubre confirmed that it did.

Supervisor Walls explained that Station 2 Repairs and Maintenance had planned for a \$15,000 flooring improvement that did not occur in 2020 and will be moved to 2021. \$35,000 could be down to \$20,000 for 2020. Radio equipment may, in the next few budget years, be required to be upgraded due to a County-wide system change. It is currently not accounted for in the budget.

Chief Feichtner explained that some of the North Oakland County fire chiefs are aghast at the cost of the new systems that will be required but have not been officially approved by the County as of yet. The originally budgeted cost estimate of \$4,800 per radio actually came in at over \$8,000 per unit. A group discounted price cuts the cost per unit down to \$5,700 per unit. There may be a coordinated Regional Grant request submitted to help with this expense.

Supervisor Walls stated that the Fire Departments and their corresponding municipalities should join together to oppose the purchase of this new radio system until it is officially approved by the county with appropriate facts, figures and cost data. He also felt it was premature to apply for a grant, as the county does not know where and when this radio upgrade will occur.

Chief Feichtner will relay the current available radio information from the county to Supervisor Walls and meet with him to discuss a plan of action.

Chief Feichtner referenced the apparatus replacement plan. If the new Board decides to move forward with the purchase of a new fire truck in 2023, the order should be placed near the end of the third quarter of 2021, as the lead time to receive a new truck is 16-18 months.

Treasurer Dubre commented on the tax tribunal in the Fire Fund needs to be increased to \$1,500.

Supervisor Walls commented that the shift in the amended personnel budget in 2020 was the result of 24/7 coverage of station 1.

Chief Feichtner summarized that, should the Township be in a financial position to entertain pay increases in 2021, he recommended a 3% increase for the full-time staff and an increase assuming a 3% in run-pay from \$13.90/ hour to \$15/hour for shift pay,

Minutes of
BOARD OF TRUSTEES
SPECIAL BUDGET HEARING MEETING
August 25, 2020



training, fill-in for full-time, and non-incident pay. The increase would come to a total \$33,800 for the year. The employer social security would also increase. Chief Feichtner agreed to keep raises at \$0 for now, but asked that once things stabilize, they be evaluated per his plan.

Treasurer Dubre commented that the rate of inflation is currently at 1.45%, so a 3% is unreasonable. She then gave a history of the past few years of fire staff pay, commenting that the rate of pay increase has been significantly higher than the rate of inflation. She will not be in favor of any pay raises for Township staff.

Treasurer Dubre then questioned the apparatus replacement plan. She is uneasy with the amount that needs to be set aside to cover the upcoming purchases, all while covering the regular expenditures. She also noted that the numbers did not add up.

Chief Feichtner recommended meeting with Treasurer Dubre to talk numbers and modify the plan in time for budget approval.

Adjourned: 8:00 p.m.

Collin W. Walls, Supervisor

Laura Moreau, Clerk