



Webster Township Special Board Meeting and Public Hearing FY 2011 Budget February 23, 2010

The Webster Township Special Board Meeting and FY 2011 Budget Public Hearing was called to order at 7:00pm, by Supervisor John Kingsley on February 23, 2010 at the township hall, 5665 Webster Church Road Dexter, MI 48130.

Members present: Supervisor: John Kingsley, Clerk: Mary Dee Heller, Treasurer: Carol Whitney, Trustees: John Westman, Gary Koch, Charles Estleman, and Richard Kleinschmidt. Recording Secretary Cynthia Zuccaro and approximately twenty citizens.

Meeting opened with the Pledge of Allegiance to the flag.

Supervisor Remarks

Tonight's special meeting has been announced with the purpose of discussing the 2011 budget and millage rates to support that budget, it includes a Public Hearing. The way I would like to proceed would be that I will point out, to the board, the changes I have suggested for the budget since the last time they saw it. We will then have a board discussion followed by the Public Hearing. The Public Hearing will be the time for public comment.

Kingsley's suggestions of changes to the budget:

1. 10% pay reduction for employees while reducing their hours 20%. Full time to be redefined as minimum of 32 hours/week. This includes closing the office one day per work week.
2. Reduce township group health insurance cost by covering the entire premium for the employees only and cover 85% of the premium for family members.
3. Consider a stipend to staff members in lieu of taking the health insurance. (50% of the single member premium was suggested for the stipend)
4. Reduce deputy compensation from a salary to a \$15.00/hr rate to a maximum of a \$1000.00/yr.
5. Change office hours to 8:00am – 4:00pm Monday through Thursday. (closed Fridays)
*Reducing cost of heat and AC, which are set back at night and days closed.
6. Reduction in road improvements to two single coats of Kaiser brine, limestone and berm removal on Zeeb Rd. north of N. Territorial and berm removal on S. Hamburg Rd. from Barker to the County line.
7. Eliminate the use of the Planning Consultant as currently used for the Planning Commission.
8. Note: The Treasurer and Supervisor salaries are increased to the rate recommended by the township Compensation Commission. This is required by State Attorney General Mike Cox's new opinion.
9. Structural changes to the General Fund:
 - a) Public Relations reduced to \$600.00
 - b) New line item, Senior Citizen Services - \$4500.00
 - c) New line item, Transportation Services (WAVE)
10. Reduction in the Public Safety millage rate to 1.5 mils for the 2011 fiscal year.

Board Discussion

Charlene currently works 35hrs/week, options to adjust her reduction in hours was discussed.

A suggestion of raising the deputy pay to \$20.00/hr with a maximum of \$1500/yr was considered.

Recycling budget of \$15,000 was of concern. Western Washtenaw currently operates and pays for the township recycling. The decision to fund this service or not will be made this summer depending on the past years' usage.

WAVE transportation has been operating in the township for over a year and a half, with the use of a grant. (BOT were given material from Western Washtenaw Area Value Express) The transportation item in the budget was put there for the board's consideration, not a commitment.

The township will not levy all the millage it can for public safety. The township needs to see the Fire Department and Sheriff contracts first to determine the budget numbers.

A Parks and Recreation Landscape line item included in the budget is there in order to facilitate grants or matching funds where you need a Parks Master Plan in place. These funds would need to be authorized by the BOT.

Concern about the number of current employees and the lack of work for them was debated.

Public Hearing

* See attached

Public Hearing: FY 2011 Budget & Millage Levying

At 7:22pm Supervisor John Kingsley opened the Public Hearing.

Kingsley:

The budget is predicated on a reduction of the operating millage at the maximum levy of 0.7790. The PDR millage is levied at 0.4931. The Fire & Safety millage is operating on 1.5 but is authorized by the voters to be levied up to 1.9726.

It has been discussed that we may not need the entire levy the first year.

If anyone would like to make public comment, please come forward and use the mic.

Please give us your name and address and comment on whatever you would like.

Toni Spears, 7412 Black Forest:

I see that building maintenance and repair has gone down from \$35,000 last year to \$3500 for this new budget, why is that?

Senior Center Services was at zero last year and now it is at \$4500?

Kingsley:

I can answer both of your questions. The \$35,000 last year was in anticipation of quit a bit of work to the roof of the building, the valleys are pretty well worn and we thought we were going to tear out a lot of shingles to fix it. We came up with an alternative method of repair, much cheaper.

The Senior Center Services, if you look at last year's budget, the line item above it was Public Relations which have been reduced, last year we took the senior services funds out of the public relations funding. I just made a new line item for that.

Spears:

The \$8500 for lawn maintenance, what does that include?

Kingsley:

It includes the fields and everything out back. I think last year our cost over a calendar year, not the fiscal year, were under just \$7000.

Spears:

I realize the fields back there are used a lot by soccer kids and what not, I just had a thought that you may want to consider reducing certain parts of the area you mow. I know the Metro Park had success doing this last year and it was a significant amount of reduction in their costs.

Estleman:

John is it possible for the rugby and soccer teams to contribute toward the lawn mowing expense?

Kingsley:

The rugby and soccer teams contributing? I suppose we could have them pay for rental, just like we do when people use the hall, that's something we could look at. The soccer club last year was going to do some major earthwork and we asked them to bring us some plans before bringing it to the board for consideration. That sort of died on the vine, we never got the plans; therefore, we never considered it. There are a couple of drainage problems out there but apparently not serious enough for them to work out a plan.

Bob Turelli, 8446 Cedar Hills:

The two main reductions I see are the \$50,000 reduction in road maintenance, that one I understand. The second is the \$90,000 reduction in the CIP fund; can you explain what that is?

Kingsley:

OK, you have in your packet there, further back, a CIP fund. What that is, is money set aside by this body over the past five years or so, in anticipation of a new fire hall and we have applied for a federal grant. Our application made it to the second round of consideration, but we have no idea where that is going at this time. The reason we are in the second round is because we have this CIP fund. You have to realize that we will have over \$800,000 in that fund at the end of this year.

This building was built with cash and we would like to use the same method for the new fire hall.

Turelli:

Why was the operating budget 1.144 mils last year and down in this budget?

Kingsley:

Proposition C was voted down, the operating budget was cut to 0.7790 mils.

Turelli:

Do you feel the Public Safety millage is sufficient?

Kingsley:

It should be, we think we can make it very comfortably. Thank you.

Ed Dorrington, 7866 Base Lake Road:

I'm very concerned about games and time not well spent in the office.

I know from personal experience that across the board pay cuts are not a good idea.

Across the board cuts leads to entitlement.

I would encourage you to look at the I.T. position. An I.T. position is a luxury for this size township. You could contract an outside company to do this work.

Healthcare, no one should get 100% of their healthcare premium covered. Both the employee and their dependants should contribute at least 10% - 20% of the premium. You can also change the deductible. People who pay something for their healthcare use it more judiciously.

I would not like to see any cuts for the Zoning or Planning Commission. These people work very hard, are committed, and put in long hours. I'm with the Base Lake Association working with the Planning Commission on the Base Lake Overlay District; I don't think that work could be accomplished without the professional planning services. Thank you.

Kingsley:

First the I.T. position, calling it an I.T. position is a misnomer. Bill does the I.T. work, but the majority of his job has to do with accounting, mapping, and P.C. services. As far as the health insurance, last year we raised co-pays. This year's budget is the next step in the process.

Rob Mitzel, 9881 Scully:

I appreciate all the work you have put into the budget.

I pay for my own recycling and would rather see the funds reserved for recycling spent on planning commission items, since there is more foundational work that needs to be done in this area.

Balancing the workload and the amount of resources available is very difficult, you must use resources wisely. I heard it said that you will be spending tens of thousands of dollars over the next several years to keep on staff in the possible event of someone retiring.

Spending more than you need now to keep on staff is not a wise decision. Also, across the board cuts have been shown not to work.

This is the first time I have heard about the suggested 4 day work week. I would recommend staggering staff in the office in order to keep your doors open 5 days a week to serve the public. It's hard enough to get to the hall between 8am - 4pm Monday - Friday for those of us who work.

Thank You.

Jim Kotsones, 8374 Granite Ct.:

The I.T. specialist position could be contracted out.

What is going to change in our tax rates?

The state employees are taking an across the board 5% cut.

I'm concerned about my taxes going up. I would hate to see my millage go up. Fannie Mae basing what to loan on the assessment of your house. I just don't want to see my taxes go up.

Looking through the budget here, I see consultants & software support \$7700, computer equipment and hardware, computer software and training. There is not enough information here for me, but I work at the university and the ratio of I.T. staff per unit is one staff per 500 units. I think this would be something to consider.

Everyone's expenses are going up, an increase in our expenses as homeowners everything is going up - the one thing I don't want to go up is my taxes. That's the one thing that is really bothering me, if the budget is a tax increase, I don't want to see it.

Kingsley:

A couple of comments here: 1. the operating millage will be going down 0.381 mills on your property. If this millage proposal discussion here tonight is going the way the budget is laid out your Public Safety millage will go down 0.4726. In terms of Fannie May and your assessment, there is no correlation between the two. Your assessment has nothing to do with Fannie May. The budget reflects two tax decreases.

As far as the I.T position, as I stated before that is a misnomer. The majority of our "I.T. Specialist's" tasks are accounting.

Kevin Vrsek 3830 W. Pillar Dr.:

The only thing I might add is I guess you should know best about your staff, if someone is not performing well then that should be apparent. The only other thing would be volunteers; do you have a way to accept volunteers, helping out with cutting the lawn and such?

Kingsley:

I answer to the last question, we haven't had too many people volunteer to cut the lawn. We don't receive too many donations as a township.

Martha Zeeb, 3390 E. Joy Rd.:

My mother said that when my dad was supervisor he would talk to Lodi Township a lot, they were about the same size in population. We were wondering what kind of an office set up they have as far as the number of employees and how often the office is open.

I have another question when looking over the budget, I know the millage rate has gone down last year from \$0.55 to \$0.50 and the PDR committee and the PC's millage budget has gone up, I was wondering are you expecting them to travel a lot more?

Kingsley:

Lodi Township is only open part-time and I believe they have two staff members.

In terms of the township here going to half days or three days a week, I'm not sure the community is ready for that yet; however it is something to be discussed.

The mileage has gone down. The way we've adopted the mileage numbers the last couple years is the rate per mile determined by the IRS, up or down. We've had some cost overruns and that is why I have put more money in the budget for millage.

Doris Moore, 8060 Mast Rd.:

I have questions. What are the current office hours?

Kingsley:

8am – 4pm Monday – Friday

Moore:

Is that an 8 hour day? No one takes lunches?

Kingsley:

Yes, right.

Moore:

Does everyone work 8 hours a day, five days a week now?

Kingsley:

No, Charlene works 35 hours per week and the rest of the staff work 40 hours/week.

Moore:

Is there enough work for all the employees in this office 5 days a week? This might answer the question as to why somebody is playing games on the computer, playing around, or reading books - is that the reason or is it because some of these employees are not loyal employees.

Kingsley:

Probably a combination of the above.

Moore:

Maybe that should be addressed? I worked in management 57 years.

I'm opposed to the money being set aside for recycling, I agree with Mr. Mitzel. I pay for my own recycling and I'm sure there are many people using the recycling that are not even living in the township. You could look at that.

Health insurance: Offering an employee a stipend in lieu of taking health insurance – there are different ways of looking at that. If you can't offer health insurance for your employees or spouse or families I don't see how you can even think of offering a stipend.

Also, having employees paying or perhaps dependents paying a certain portion of the health insurance, I don't see anything wrong with that. A majority of your work places now do have their employees paying a portion of their health insurance.

You have a Salary Commission? Are they paid?

Kingsley:

Yes, we have a compensation commission and they are not paid.

Moore:

Is that right. Are they appointed?

Kingsley:

Yes.

Moore:

I think the board does a wonderful job. Working in the township, I know for myself, it's a thankless job. Working on the elections you hear comments, a lot of citizens are concerned about the issues brought up tonight.

What is "public relations" in this budget?

Kingsley:

No governmental unit can donate money to anyone for anything at all. However, we are allowed to pay the Webster Township Historical Society for promoting Webster Township and they keep some of our older records. The \$600 that you see there - \$350 of it goes to the

Webster Township Historical Society and \$250 goes to the Dexter Area Historical Society.

Moore:

The transportation services?

Kingsley:

That's WAVE

Moore:

Oh that's WAVE. OK. Is that free to our citizens?

Kingsley:

No, I was unaware that they even came into our township, but they got a grant to service the entire Dexter School District and they've been servicing us for over a year. They have supposedly spent \$12,416.80 on us. They have revenue of \$1995.00, so they were upside down about \$10,400.00 and they're asking us to contribute for our citizen's transportation. This is the first time the board has seen this, because we were unaware they were doing this. In terms of their services, if you look on the back of the brochure it lists the three different services they offer.

Moore:

I see them in the area and they go passed my house quite often. I didn't know who was funding this or if the users were paying for it themselves.

I would also like to commend the boards, the zoning and planning boards. They put a lot of time and effort in and they work hard it's another thankless job. I don't think they are overpaid and you should continue to pay them: as well as your election workers and your board of appeals people. They go through a lot of work and explaining to the people why their taxes are what they are. On the whole, I think this township works very well and I'm sure with expertise that we have on this board they can balance this budget without much fuss. Thank You.

Kingsley:

Other comments? (pause)

Seeing no other comments I will close the Public Hearing portion of this meeting.

The Special Budget Meeting reconvened at 8:02pm

Westman suggested they should look at staggering staff to cover 5 days in the office

Koch: we need to do something about the employee situation before we can even vote on the budget.

Heller noted that the township has an outstanding Planning Commission, Board of Review, and election workers, and would like to see no cuts for them, meetings or wages.

Kingsley stated that the current proposed budget keeps all those wages and meeting schedules as they currently are.

Kleinschmidt thought they should look at increasing the deputy wages and utilize their services more, especially if staff is reduced. He thinks the staff could be reduced by 2 employees.

Whitney was not ready to make a decision on the deputies if she doesn't know how many employees they are going to have.

Amount per hour and year total numbers were discussed for the deputies.

Kleinschmidt wanted to know if there was any budget for new microphones.

Koch was concerned about the \$15,000.00 for the recycling budget.

Kingsley explained that Western Washtenaw Recycling is currently funding the recycling service for one year, at the end of that year they will ask the township to contribute.

The board can make the decision then if it wants to continue with the service. Just because it is in the budget does not mean they have to spend it.

Heller stated that even if we eliminate one employee that the office could still run fine on four days a week, reducing energy cost. There is not enough work for five days. Kingsley told the board to keep in mind we are asking the employees to take a 10% pay cut. Also, keep in mind there is a proposal by Mike Bishop to make employees pay at least 15% of their healthcare and take a 5% cut each of the next three years.

Whitney enjoys the recycling service and her garbage service has not offered recycling.

Koch noted that most companies offer recycling service.

Kingsley, we have basically three issues here: 1. the overall budget 2. employees on task, and 3. taxation. The township is required by law to adopt a budget by April 1. If something isn't working after that the board makes a "budget amendment".

The three employees in the audience voiced their opinions.

More debate continued about having the hall open 4 days or 5 days, deputy salary, and eliminating or retaining staff at an across the board 10% pay cut and 20% hour reduction.

Motion Westman that we reduce the Information Specialist position incrementally to half time during the next 12 months. Motion dies for lack of a second.

Motion Kleinschmidt to eliminate the Information Specialist position. Second Westman.

Roll Call: Koch.....Yes
Kleinschmidt.....Yes
Estleman.....No
Kingsley.....No
Heller.....No
Whitney.....No
Westman.....Yes

Motion Fail

There was debate on who will supervise the staff and/or adopting rules for the staff to follow. There was no clear decision on whom or how to manage.

Motion Whitney to accept John Kingsley's budget, with the exception of Charlene working 30 hours/week instead of 35hours/week and taking a 7.5% pay cut, as of April 1, 2010.

Second Estleman. Roll Call: Westman.....No
Whitney.....Yes
Heller.....Yes
Kingsley.....Yes
Estleman.....Yes
Kleinschmidt.....No
Koch.....No

Motion Carried.

Kingsley distributed four pages from the Employee Handbook. Modifications were made to the Employee Manual based on the direction of the motion. Full time hours changed from 35- 30 hours. Business hours were changed from Monday - Friday to Monday - Thursday. Group Health Insurance was adjusted to accommodate the newly passed budget.

Motion Whitney to accept the changes to the Employee Manual to make fulltime employees 30 hours or greater per week. Second Estleman.

Koch and Westman did not like the language in the Employee Manual concerning the half hour unpaid lunch and the “work through lunch” paragraph.

Roll Call: Koch.....No
Kleinschmidt.....Yes
Estleman.....Yes
Kingsley.....Yes
Heller.....Yes
Whitney.....Yes
Westman.....No

Motion Carried.

Motion Kingsley to propose the board levy second Westman:

0.7790 mils Operating
1.5000 mils Public Safety
0.4931 mils PDR

Roll Call. All Ayes and Carried.

Call to Public

Rob Mitzel, 9881 Scully:

What law requires two 15 minute breaks per work day?

Since you approved a four day operation maybe you should look at open hours Tuesday – Friday so you don’t have to deal with the 4 or 5 holidays that fall on Monday.

Adjourn

Motion Kleinschmidt second Heller to adjourn the meeting. The meeting adjourned at 9:13pm. All ayes and carried.

Respectfully submitted,

Mary Dee Heller, Clerk
Webster Township