

**Office
Annual Report
March 6, 2017**

It may not typically be thought of as a “department.” And it does not have a specific cost center in the operating budget. But “The Office” (for lack of a better term) performs key activities for residents and supports many of the Township’s functions.

The Office Annual Report is organized in five sections:

- Front Counter
- Finance
- Personnel
- Communications
- Information Technology (IT) – separate report from Michigan Network Consultants

Additionally, the Office assists elections, grant writing and administration, compiling Board of Trustees meeting packets, and other clerical support roles.

Front Counter

Overview

The front counter and phones are handled by two full-time Finance & Clerical Support employees. These two have also been independently named to serve as Deputy Clerk and Deputy Treasurer to serve certain roles in the absence of those respectively elected officials, but this report is intended to focus on department operations rather than the duties of elected officials.

Additionally, the Clerk, Assessor, Administrative Services Coordinator, or other employees may at times cover the front counter and phones when additional coverage is needed during extra busy times or for absences such as lunch, vacation, or training.

For many residents, the front counter is the “face” of the Township, so attention to customer service is paramount. A variety of questions and transactions are handled at the counter and by phone. For example, but certainly not limited to:

- Sewer payments
- Tax payments
- Election questions and absentee ballots
- Parks & Recreation registrations
- Picnic shelter and building reservations
- Burn permit applications and activations
- Questions about Board of Trustees (BOT) and other meeting packets
- Cemetery lot sales, burial arrangements, and questions about grave locations

Notary public
Resident faxing and photocopying
Answering resident questions, often acting as the “Yellow Pages” for other agencies

The amount and variety of tasks can vary, and there are busy seasons (eg: taxes, year-end, elections, sewer bills) which employees adjust schedules to accommodate. For example, when Lori is extra busy with taxes, Brenda takes “first on counter, first on phones.” Or when Brenda has extra duties for election training, Lori takes the “first” position. Aside from busy seasons, the two work extremely well together: communicating and backing each other up.

It is important for them to be up to date about Township activities in order to answer resident questions or refer people to the right contact. They often utilize the Township’s website, Facebook, and Friday Report as references.

One notable change over the last few years has been to provide direct phone numbers for the Building Department, Parks & Recreations, and Ordinance Compliance. This has greatly reduced the volume of calls received on the general Township line.

Current Challenges

- **Focused Time** – As seen by the amount and variety of questions received in person at the front counter and by phone, it can be difficult to have enough time to attend to other duties (such as accounts payable or accounts receivable) without interruption. It requires attention to detail to not lose one’s place.
- **Cemetery** – The cemetery book is difficult and time consuming to look up lot ownership and burial records. Some newer burials have been entered into the Pontem Cemetery Software, but most records have not been digitized.
- **Cross Training** – Some but not all office duties (this goes beyond just the front counter) have “how-to” lists and checklists, and there has been little cross training. Day to day this does not pose much problem or challenge, but it is a vulnerability if someone were to be out for an extended period. Any cross training of financial duties needs to be attentive to maintain an appropriate segregation of duties.

Short Term Goals

- **New Residents** – For the past couple of years, we have sent new residents information to register for e-bill or ACH to pay their sewer bill. This has resulted in a number of people signing up for this service – adding customer convenience, saving money on mailings, reducing staff time, and reducing delinquent payments.

Later this year we will take this a big step further: developing this correspondence into a New Resident Packet. Contact information on Clinton County Road Commission and Drain Commission offices (for example) can put residents in touch with other agencies. General information about burn permits, facility rentals, and elections can answer common questions. Links to the Township website, Documents on Demand, and Active Net can assist residents with online services. A calendar can advertise upcoming activities through the Farmers Market, Library Center, Parks & Recreation, and Senior Center.

This would both enhance the customer service we provide our residents and also reduce the questions we receive.

- **Digital Services** – Last month, the Township approved a budget amendment to purchase a software program (Active Net) to allow residents to register for Parks & Recreation and other programs online. Besides improving service and convenience for recreation participants, this was intended to ease some of the time burden on staff and reduce pressure for additional staff hours. Purchase of Active Net is planned by this spring.

For several years, the Township has also subscribed to, but underutilized, Pontem Cemetery Software for cemetery record keeping. With the Clerk's concurrence, staff intends a more deliberate effort for data entry of old records into the Pontem system to make it functional.

Long Term Goals

- **Cross Training** – Some but not all office duties (this goes beyond just the front counter) have “how-to” lists and checklists. Instructions should be written down and cross training implemented so we are better prepared to handle any extended absences or turnover in staff.

Finance

Overview

- **Transactions** – All of the front counter work described above has to fit in between the daily financial duties.

Accounts payable processes invoices as approved by Department Heads and prepares checks for signature by the Clerk and Treasurer. Accounts receivable collects payments by mail, drop box, and in person and includes property taxes, utility bills, and other department receipts. Bank reconciliation has been handled by Abraham & Gaffney accountants.

The Township uses BS&A Software for the majority of financial processes, including property taxes, utility billing, financial reporting, general ledger, and payroll. In recent years, invoices have been scanned into the BS&A system to aid in tracking and reference of

approved payments. Staff has also take to scanning documents or adding comments to utility billing and other modules to assist in account history.

- **Budget Process** – The Township’s fiscal year is January – December. Formal development of the next budget cycle typically starts around July. Department Heads discuss budget proposals with their Committees. The Superintendent compiles and adjusts the requests with a recommended budget to the BOT in early September. The BOT holds a public hearing and adopts the budget by the end of the year. Budget amendments are typically considered at the end of the first, second, and third quarters and monthly during the fourth quarter.
- **Multi-Year Budget** – This year we adopted a multi-year budget in order to plan ahead and make sure long-term needs are recognized and avoid surprises. It was meant to focus on major changes from year to year. Only the current year (2017) was actually adopted; future year budget projections are target estimates, subject to change and update.
- **Insurance** – The Township’s insurance with Michigan Township Participating Plan (ParPlan) is in the second year of a three year term for liability and property coverage. It will be put to bid for 2018; premiums are anticipated to be five percent plus or minus of current.

Current Challenges

- **Procedures** – Partly due to changes in staff and elected positions and varying attention to details, there are several procedures which have become inconsistent. For example: There are still areas of the Chart of Accounts which need to be communicated when there are changes. Escrow accounts for developments need to be cleared up. The new Treasurer is reviewing and consolidating some banking.
- **Multi-Year Budget** – The multi-year presentation did cause some confusion, particularly around potential staffing increases. For example, both the Senior Center and Library requested to increase hours in 2017 and additional in 2018. The adopted budget did not include the 2017 requests, but the 2018 projections kept the 2017 increase and appear doubly large because of the additional 2018 increase. Projects in future years were not particularly detailed or explained in the budget notes. And even with a multi-year format, the budget is still divorced from the capital improvement plan (CIP).

Short Term Goals

- **Treasurer’s Meeting** – The Treasurer, Deputy Treasurer, Supervisor, and Superintendent intend to meet monthly to make sure financial operations and statutory duties are attended. After the tax season when time is less busy, financial duties will be reviewed and possibly reassigned, with attention to procedures and accounting service. Any reassignment of financial duties needs to maintain an appropriate segregation of duties.

- **Independent Financial Audit** – After being with the Layton & Richardson firm for six years the Township felt that we should rotate firms in order to benefit from a new perspective. We hired Condon, Hecht, Bisher, & Wade (CHBW) for a three year term. The forthcoming audit report will be the third year. The Township will need to decide whether to continue with CHBW or hire a new auditor.
- **Sewer Rate Study** – In January 2016, the Township hired Tom Traciak of H.J. Umbaugh & Associates to perform a rate study to determine the appropriateness of the rates to cover current and anticipated operating and capital expenses. An additional service included in the study is for Umbaugh to review the REU table to determine if any of the calculations by classification/use appear in need of updating. This work has been on hold while sorting through the Lift Station 203 project. Significant rate increases are anticipated to be necessary.
- **Multi-Year Budget** – Well before the next budget cycle, the multi-year budget will be debriefed during a Department Heads staff meeting. The process and presentation will be refined as we go into the next budget cycle.

Personnel

Overview and Current Challenges

The Township has 27 full-time employees, 16 part-time positions, and 20 on-call firefighters (numbers can fluctuate). Most of the Police Department is represented by one of two collective bargaining agreements. Other Township employees are at-will. Additionally, the Township relies on a number of volunteers for both day-to-day operations and special projects. The Township contracts for some services, including building inspection, information technology, accounting, attorney, and engineering.

- **Organization** – The Superintendent has the duties and responsibilities of the personnel director of all Township employees. Although ultimate decisions are by the Superintendent, many operational matters are shared with committees and the BOT. For example, committees representatives participate in hiring interviews and committees help develop department budget requests. At times, this decentralization can lead to conflicting directions and employees responding to many bosses.

Traditional human resources functions have been allocated (more by circumstance than by design) across three different employees. The Superintendent handles employee performance and contract negotiations. The Clerk handles payroll and taxes. The Administrative Services Coordinator handles workers compensation claims and employee questions about benefits. This would benefit by some HR specific training and an up to date Township personnel policy.

Several of the Township’s departments are “departments of one.” For example, the Parks & Recreation Director is a single, part-time employee assisted by numerous volunteers. The Ordinance Compliance Officer is one employee, who is contractually shared with DeWitt Township. The Planning Department is a full-time Director with part-time Intern. Such “departments of one” can lead to feelings of overwork, particularly for part-time employees. The lack of bench also means we are limited when there is an extended absence or employee turnover. But it has also promoted collaboration across departments. For example, the Superintendent, Building Department, and neighboring communities have assisted when we’ve had vacancies in the Planning Director position.

- **Personnel Policy** – The Township’s personnel policy is out of date, not having had a comprehensive review in about a decade. It contains various provisions inconsistent with current law and best practices. It also appears to contain sample language cobbled together from various sources resulting in a document lacking cohesion and consistency in itself. There have been several changes which might appear in stand-alone policies, meeting minutes, or memos. Additionally, some aspects of the policy have changed as a matter of practice without formal approval. Updating the policy has been on the Superintendent’s to-do list, but having dedicated time to accomplishing it has been lost in busy demands of day to day operations.
- **Compensation** – In 2012, effective January 2013, the Township conducted a compensation study to compare wages of our employees with other townships and the market in general. The study resulted in wage increases for a number of employees, a couple of them quite sizable, to bring them in line with the market.

The compensation study anticipated establishing wage ranges for all positions with the Township; this did not occur. The Township’s practice has more typically been to give raises equally to all employees; although, a couple of new employees have been given raises upon earning certain training benchmarks. This approach rewards seniority and may have contributed to many of the positions being below market rate prior to the 2012 study. Additionally, several years of comparatively larger wages in the police unions is now resulting in “crowding” of wages at the top of the Police Department hierarchy.

In 2016 the Township conducted a similar review for elected officials. The Superintendent position has not been reviewed.

Potential changes in the Fair Labor Standards Act (FLSA) may have some impact on one or two positions. A separate FLSA question has recently been discussed regarding the new Fire and Public Works position. We have received conflicting advice from the Township attorney and the Michigan Townships Association (MTA) regarding overtime calculation for this position; at this time, it has not yet been resolved.

- **Benefits** – The Township provides benefits to full-time employees. Major benefits include retirement pension, health insurance, and a health reimbursement account (HRA). For most employees, the retirement is a defined benefit plan (the Fire Chief is instead in a defined contribution plan) with the Township’s contribution capped at 10%. The health insurance is a high deductible plan, with the Township paying the entire premium for the employee and immediate family. The high deductible plan is balanced with the HRA out of pocket expenses until the deductible is met. Additionally, the Township offers eligible employees who have health insurance through a spouse or parent a benefit equal to half of the premium as an incentive to opt out of the Township’s insurance.

Other benefits are dental coverage, vision insurance, life insurance, and short-term and long-term disability insurance. Additionally, deferred compensation and health care savings programs may provide tax advantages for some eligible employees; these programs are at the employee’s option without additional participation by the Township.

Part-time employees with certain qualifications and exceptions might be eligible for life, short-term disability, or long-term disability insurance. Otherwise, part-time employees are not eligible for benefits.

Short Term Goals

- **Contracts** – Several employee contracts will expire in the coming year and will need negotiation or renewal. The Superintendent’s current three-year contract expires in April 2017. The Police Chief’s current four-year contract expires in December 2017. The Fire Chief’s current one-year contract expires in December 2017.
- **Personnel Policy** – The policy needs to be updated. The Superintendent believes strongly that employee input should be solicited and considered as part of the update process.
- **Training** – As part of the personnel policy, certain standard employee training needs to be consistently implemented in the Township. This past fall Department Heads (with extra help from the Fire Department) updated the “what to do in an emergency” procedures; we now need to have a practice tornado drill. A couple of years ago, we sent Public Works employees to attend safety training at the Southern Clinton County Municipal Utilities Authority (SCCMUA). This was not the most appropriate safety training for our employees, so a better system needs to be implemented. Last year the Fire Department utilized Target Solutions online training and management, which may be suitable for meeting training needs in other departments.

Long Term Goals and Long Term Challenges

- **Cross Training** – As noted earlier when discussing front counter positions, some but not all positions have “how-to” lists and checklists. And there has been little cross training. Instructions should be written down and cross training implemented so we are better prepared to handle any extended absences or turnover in staff. This should include elected officials, as we’ve seen the last couple months with people getting up to speed in new positions.
- **Retirement Pensions** – The Township’s contribution on the defined benefit retirement plans is capped at 10%. So when there are actuarial or other adjustments to the total required contribution, it is all falling on employees. A decade ago, the employee contribution was 6.74%, and it is now 14.21%. This trend will hinder employee retention and recruitment. Additionally there are trends in the market away from defined benefit toward defined contribution plans.
- **Hiring** – There is a tight labor market for some specialized positions, and projections are even tighter in coming years. Some of this can be explained by demographics such as retiring baby boomers and fewer younger workers entering certain fields, but an explanation doesn’t make the reality any easier to cope. Our neighbors have recently had difficulty in hiring licensed sewer operators at SCCMUA and a licensed building inspector in DeWitt.

Communications

Overview and Current Challenges

Around 2013, the Township had created a Communications Committee / Workgroup with several Trustees and employees. It discussed several policies and procedures about the Township website, social media, newsletter, and other ways to get the word out. With staffing changes in 2013-2014, it ceased to meet. The 2016-2020 Strategic Plan identified the need to “develop a communication plan which includes gathering public opinions.”

The Township utilizes a number of formats to communicate with residents and other audiences.

These include:

- **Newsletter** – Newsletters are mailed to nearly all residents via the Every Door Direct postal program. In recent years we published 3-4 times per year, 12 to 16 pages, full color. The 2017 budget is for 2 issues, 8 pages, black and white inside. The Township has tried maintaining an email list to send digital versions of the newsletter. This has proven pretty ineffective because of limited registration, outdated email addresses, and they still get a mailed newsletter through Every Door Direct.
- **Inserts** – Sewer billings (4 times/year) and tax billings (2 times/year) have room for a 1-2 page insert without incurring additional postage. Inserts have been used sporadically in the past, but are now seen as a way to supplement information after reduction in the mailed

newsletter. This allows the township to communicate with residents more frequently at very little additional cost; however, these mailings will be limited to residents on the sewer system and property owners. Although the Township’s prior effort for an email newsletter has been limited, it may be much more effective as a supplement to the inserts. Running it through Documents on Demand or Mail Chimp might also be more effective than basic email. Apartment offices and homeowners / neighborhood associations could also be targeted with a digital version which they might distribute to their residents.

- **Website** – The current website was developed in 2011 using Joomla! 1.5.23. Unfortunately regular upgrades were not conducted, and Joomla! is now on version 3.6.5. Security and code issues warrant an upgrade or re-design. An overhaul of the website has been on the department’s to-do list, but having dedicated time to accomplish it has been lost in busy demands of day to day operations.
- **Documents on Demand** – Documents on Demand is an automated email notification system. You (or anyone in the world for that matter) can sign up to receive an email notice for any committee, any agenda, any minutes, or any packets (mix and match for what best suits your needs) whenever they are posted on the Township website.
- **Social Media** – The Farmers Market, Police Department, and the Township itself use Facebook to advertise information and respond to resident questions. The Farmers Market has also used Instagram a little to advertise the market.
- **Friday Report** – In 2014 this was originally intended as an “internal” newsletter to keep BOT and employees briefed about operations. In 2015 it was extended to committee members. It could easily be extended to the public via website, social media, or email.
- **Friday Folders** – The Farmers Market, Library, and Parks & Recreation make frequent use of the Bath Elementary School to distribute information for age appropriate activities.
- **Library News Update** – The Library Center sends a somewhat monthly email about upcoming activities / events to all library card holders.
- **Marquee** – The Township has marquees in front of the Township Offices and the Bath Community Center (BCC). The Office marquee was repaired this past year, but it is already in need of additional repair. Although convenient for passing motorists, this is a difficult method of display. It has limited space for a message, is labor intensive, can be vandalized (happens at BCC frequently), and has multiple departments competing for limited space. Electronic message board style systems have been proposed in various discussions, but they have been assumed expensive so have not been seriously investigated.

- **Press Releases** – The Township sends press releases to the DeWitt Bath Review and the Town Courier regularly for activities at the Farmers Market, Library, Parks & Recreation, and Senior Center. Publishing press releases are at the discretion of the publisher. Fortunately, most are printed in the DeWitt Bath Review, but almost nothing is printed in the Towne Courier. Some material is also printed in the Meridian Weekly (Laingsburg) and Argus Press (Owosso).
- **FOIA** – Even if not communicating to a broad population, this is an important transparency function. As required by law, Bath Charter Township makes its public records available and provides guidelines for the disclosure of these records and associated fees, known as the Freedom of Information Act (FOIA). The Board of Trustees has designated the Clerk as the FOIA Coordinator. The Township Clerk has designated the Police and Fire Departments as FOIA Coordinators for Public Safety requests.

Recent legal amendments in Michigan to the FOIA took effect on July 1, 2015. The Board of Trustees amended the Township's FOIA Policy with specific written procedures and guidelines for implementing the FOIA. All records except those specifically cited by the FOIA are available to the public regardless of record format. The FOIA request is subject to fees based on the actual cost of locating, examining, copying, and sending the requested records.

Commonly requested Township records include Board and Committee meeting video recordings and emails

Short Term Goals

- **Communications Plan / Strategy** – It may not become an “official” strategy, but staff will review the various methods the Township currently communicates with residents and other relevant audiences. Two key inquiries of the effectiveness of communications will be “What is the message?” and “Who is the audience?”

Part of this review will be mapping on a calendar when communication occurs throughout the year (for example: sewer bill insert in mid March, newsletter in late April, sewer bill insert in mid June, etc). The review will also investigate using Documents on Demand or Mail Chimp to distribute digital versions of the insert and newsletter. It will also include coordinating the different departments using the school's Friday Folders.

Another part of Township communications which is often overlooked but should have attention is “How do we get feedback and input from our residents?”

- **Social Media Policy** – Staff have reviewed and revised some of the former Communication Committee work regarding Township use of social media and responsibility for content

control. A draft Social Media Policy will be presented to the Board of Trustees by this spring.

- **Website** – At this time staff's plan is to convert the website to a WordPress platform during 2017. The plan is to do the work in-house, but there has been some talk about hiring it out to get it done sooner and more professionally. Hiring it out has not been budgeted. In just the past week, there has also been an initial start to consolidating the separate Farmers Market webpage into the Township's webpage.
- **Inserts** – Starting with the March 2017 sewer bill, is going to consistent place inserts in sewer and tax mailings. Although these will not reach all residents, it is a cost effective means to reach many residents more frequently than not.