

SHERMAN TOWNSHIP

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General Fund: Capital Renovation and Replacement Plan 2018-2028

Revision 1.0

Drafted: January 5, 2018

Adopted:

Effective:

Revised:

SECTION 1 - OVERVIEW

The 2018-2028 Capital Renovation and Replacement Plan for Sherman Township's General Fund will serve as a tool to assist the Township in long-range planning for long-term facility renovations and equipment replacement. The Michigan Planning Enabling Act of 2008 requires Townships to develop, and annually update, a long-term capital renovation and replacement plan. This plan accounts for predictable depreciation of facilities and durable goods, identifies major public infrastructure renovations needed for the safety and compliance of the Township activities, and schedules renovations of facilities and replacement of durable equipment. It also identifies intended sources of funding to make those renovations and replacements. It provides a plan that anticipates expenditures for maintaining and/or replacing the Township facilities and major equipment. The Capital Renovation and Replacement Plan for the water supply and sanitary sewer systems in the community of Gay are developed and maintained separately from the Township plan.

Capital Renovation and Replacement Plan implementation significant expenditures, such as the construction of a replacement facility, substantial renovation or repair of an existing facility, or purchase of major equipment. Renovation/replacements in this plan are non-recurring, in the short-term, large-scale, relatively speaking, both in physical size and in cost, and have a long-term usefulness (10 years or more). Examples of Capital Renovation and Replacement Plan includes, but is not limited to:

- Remodeling or renovation of a facility
- Major repairs to a facility such as roof, furnace, doors, windows, siding, etc.
- Replacing office furniture, carpet, lighting, and restroom fixtures
- Replacing computers, printers, copiers, and election equipment
- Repairs or replacement to park infrastructure including restroom, pavilion, fencing, and water hydrant
- Replacing tractor for mowing and snow removal

Examples of renovations that would not usually be included in this category are:

- Recurring maintenance of existing facilities
- Minor repairs of existing buildings and equipment
- Minor improvements to existing buildings
- Minor repairs in Township park
- Purchases of equipment within annual budget

What are the benefits of preparing a Capital Renovation and Replacement Plan?

The Capital Renovation and Replacement Plan is more than just a State-mandated requirement; it is an essential planning tool and budgetary policy for maintaining Township property and equipment. The plan informs taxpayers of Sherman Township how the Township plans to prioritize, schedule, and coordinate facility renovation and equipment replacement over the next ten years. The benefits of creating and annually updating the Capital Renovation and Replacement Plan include:

- Prudent use of taxpayer funding for long-term planning
- Establishing a financial plan to address future expenditures
- Focusing the Township expenditures on the needs of the community
- Prioritizing renovation/replacements across the needs of the community
- Improving Township's eligibility for State and Federal grants
- Transparency in identification of high-priority renovation/replacements
- Coordination/cost-sharing for specific renovation/replacements

The Capital Renovation and Replacement Plan is an essential link between planning and budgeting. Once approved by the Township Board, the funding for plan implementation will become a line item in Township's annual budget, addressing the annual depreciation costs associated with the Township's buildings and equipment. As the Capital Renovation and Replacement Plan is updated annually, a continuous relationship will be maintained between the plan and the Township's annual budget. Annual updates of the Capital Renovation and Replacement Plan address and adjust priorities of identified renovation/replacements and associated anticipated expenditures for necessary modification of funding prior to preparation of the Township's General Fund budget.

SECTION 2 - EXISTING FACILITIES

The following is a summary of Sherman Township's facilities and their current condition; location of facilities is noted on the Figure 1.

Township Office

Address: 8872 Second Street
Year Built: approximately 1909
Last Major Renovation/Replacement: 2002
Condition: Good
Extent of Use: Moderate



Township Fire Station

Address: 8884 Second Street
Year Built: 1978
Last Major Renovation/Replacement: LED lights and painting
Serves: Sherman Township
Condition: Fair
Extent of Use: Moderate



Township Community Hall

Address: 8878 Second Street
Year Built: approximately 1906
Last Major Renovation/Replacement: 2014 window replacement
Condition: Good to Excellent
Extent of Use: Moderate



Gay Schoolyard Park

Address: 8870 Second Street
Year Built: 2013
Last Major Renovation/Replacement: none
Condition: Excellent
Extent of Use: Moderate

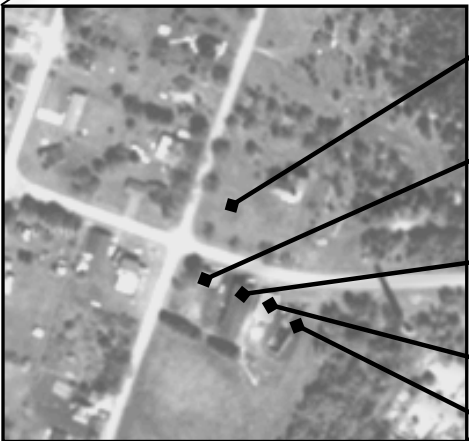


Storage building

Address: 8882 Second Street
Year Built: approximately 1907
Last Major Renovation: steel roof
Condition: Poor
Extent of Use: Light



FIGURE 1 -- SHERMAN TOWNSHIP FACILITY LOCATIONS



Gay Schoolyard Park

Township Office

Township Community Hall

Township Fire Station

Storage building

SECTION 3 – RENOVATION AND REPLACEMENT FUNDING

FUTURE FACILITY RENOVATION AND EQUIPMENT REPLACEMENT					
Number	Title	Category	Total Cost	Township Funds	*Auxiliary
CRRP-001	Township Tractor	Replacement	\$28,000	\$28,000	
CRRP-002	Fire Station expansion	Renovation	\$60,000	\$25,000	\$35,000
CRRP-003	Park fencing and gravel	Renovation	\$3,000	\$3,000	
CRRP-004	Community Hall furnace(s)	Replacement	\$4,000	\$2,000	\$2,000
CRRP-005	Computers and election equipment	Renovation	\$14,000	\$14,000	
CRRP-006	Office roof, carpet, and furnace	Renovation	\$28,000	\$28,000	
10-Year Plan Funding				\$100,000	\$37,000
Annual Budget Amount				\$10,000	\$3,700

NOTE: The Township will request this annual donation from the Gay Fire Department Auxiliary, a fund raising, not-for-profit organization. This amount is not guaranteed annually.

SECTION 4 - BOARD ADOPTION

Resolution: Approve implementation of the 2018-2028 Capital Renovation and Replacement Plan with the understanding that the Sherman Township Board of Trustees, by resolution, shall (1) establish an account for budgeting purposes entitled “Township CRRP Fund” with the understanding that all funds in the account are intended for the implementation of the Capital Renovation and Replacement Plan, but will remain unrestricted in their eventual distribution, (2) update/amend the plan annually prior to budget preparation, based on changing circumstances, needs, and priorities, (3) have the ability to modify, delay, or terminate any planned replacement or renovation, or other project added to an amended plan, based upon current or projected circumstances, and (4) have the authority to withdraw any and all funds within the “Township CRRP Fund” if money is required for higher priority expenditures, as determined by the Board of Trustees.

Motion made by _____, seconded by _____ to adopt the foregoing resolution.

Upon a roll call vote, the following voted:

Supervisor Middlemis-Brown	___ Aye ___ No
Treasurer Kastelic	___ Aye ___ No
Clerk Schmidt	___ Aye ___ No
Trustee Connell	___ Aye ___ No
Trustee Bennetts	___ Aye ___ No

The Supervisor declared the motion carried and the resolution duly adopted on XXXXXX 2018.

On XXXXXX 2018 the Sherman Township Board of Trustees approves this Budget Resolution:

 Robin Middlemis-Brown
 Township Supervisor
 Sherman Township Board

 Adeline Schmidt
 Township Clerk
 Sherman Township Board