

Let me start by stating Fabius Township is in excellent financial condition and we are not asking for a millage and there are no plans to do so in the future. Fiscally responsible governance is a statutory duty and a top priority for this township board of trustees. Periodic review of contracts we are involved in is one of the activities we must engage in if we are to successfully execute our fiduciary obligations. Our current contract with the Three Rivers Public Library dates back almost ten years. The larger than normal inflation rate we have witnessed and endured for the last four years in our personal finances at home is very real for us and for our residents. It has the exact same affect on our township budget. When our expenses outpace our income we are obligated to make necessary adjustments. If we wait until budget issues reach a crisis level, we have not done our job properly.

As I mentioned before, the current contract is approaching the ten year mark. During that time our Township revenue has seen an increase of 18%. The cost of the library service contract has increased 56% during that same period. Contrary to common belief, the township budget does not operate from property tax monies. Property tax money collected by the treasurer is turned over to the state, the county and to local schools. The townships single largest revenue source is royalty payments from Waste Management Services. (the landfill) Unfortunately we saw a dramatic revenue decline from WMS between 2022 and 2023 of \$100,534.00. This decline was unprecedented as well as unexpected. To be sure, rising costs and declining revenue has our attention but this issue demands solid solutions.

Fabius Township does not levy a property tax millage for any purpose. We do not have a millage for fire protection, ambulance services, police protection, marine patrol, landfill passes, recycling, library services or road maintenance. We may be the only township in the area that does not tax its residents for services provided. All services provided come directly from our general fund. We are currently in the process of negotiating a new contract with the TRPL. It is my hope that a reasonable library board and a reasonable township board can reach an agreement that sees our important and longstanding partnership continue.

When a township budget gets strained, there are only two options for a remedy. We can increase revenue with a township millage or we can

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spend less money. Spending less money should always be our first best option.

Daniel K Wilkins

Fabius Township Supervisor