

Administrator's Message

Verna Mc Daniel

REETINGS EVERYONE. I hope you're enjoying your summer. Our schedules have been filled with a variety of events and by the looks of it yours have too. I've been working closely with our new Deputy Administrator Bill Reynolds and I'm delighted to see him getting acclimated so quickly. Bill has been handling all operational issues as of mid July which is helping free up my schedule so that I can focus on more of the key initiatives and issues throughout the organization. I hope you find the following articles informational. As always, feel free to contact me directly at 222-3401 or by email with any feedback, comments, or suggestions.

Remembering Lori Wasson

Last month longtime County employee Lori Wasson lost her battle with cancer. Lori had been with Washtenaw County for over 24 years spending her most recent years with the children at Head Start. I've had many opportunities to work with Lori over the years and she was a beautiful woman, a woman that will be missed by many. Her story was told best in her obituary, which can be <u>viewed online</u>. Take a moment to read about her life. She will always be remembered by those whose lives she touched.



Inside This Issue

Planning Advisory Team
Moves in the Annex
AATA Transit Master Plan

United Way Stuff the Bus Parkview Apartments

2nd Quarter Budget Update

The Need for Collaboration Fringe Benefit Work Group

Introducing the Planning Advisory Team

The financial status of this organization impacts each of us and, as you know, our financial stability has been challenged in recent years and will continue to be for the next several years. We know we have a structural

deficit of at least \$16M and anticipate that number to grow as we update our budget projections. Longterm fiscal stability is more than just a Guiding Principle for this organization; it is a promise to each citizen in this community and to each county employee. So, understandably, there is a



lot of work to do and I know I cannot do it alone. I have assembled a small Planning Advisory Team which includes Commissioner Conan Smith, Bill Reynolds, Diane Heidt, Greg Dill, Dan Dwyer, Patrick Barrie, Kelly

Belknap, Jennifer Watson and Joanna Bidlack. This group will help identify the process and solutions for dealing with this budget deficit and promoting long-term fiscal stability. More specifically, this team will

focus on three goals 1) create a planning process for the 2012/2013 budget, 2) provide feedback and support for implementation of the key initiatives and 3) create a calendar of major events for the entire county. This group will begin meeting in August. I plan to engage staff at all

levels of the organization in the 2011 Planning Process for the 2012/2013 budget. Look to future newsletters and eCentral for updates on the team's progress.

Moves in the Annex



We're moving some departments around in the Annex building. Information Technology will be moving from the

Garden Level of the Annex Building up to the second floor. This move will enable Information Technology to work more closely with Facilities Management as they have several projects which require joint support and resources.

Economic Development and Energy will be moving to the Garden Level of the Annex Building along with employees from Community Development. This move will also allow the two departments to work more closely together.

Moves are expected to be complete by the end of August.

AATA Transit Master Plan

Recently I met with Michael Ford from the Ann Arbor Transportation Authority (The Ride) to discuss the transportation needs of the community. Michael and his team have begun the development of the Transit Master Plan, which will take place June through February 2011. This process will include at least 40 public meetings and 24 additional meetings with community organizations representing key interests groups in the county. I have agreed to join the Transit Master Plan Leadership Group to help shape the vision, goals, and objectives for Washtenaw County not iust for transportation, but for the entire County. transportation is a critical part of our future and will contribute to the revitalization of our economy, so I hope you take an opportunity to share your thoughts and suggestions. To help provide up-todate information about the Transit Master Plan, The Ride has created a separate website for the initiative - MovingYouForward.org - where you will be able to learn about upcoming meetings, take a survey or learn about different modes of public transit.

Washtenaw County STUFF THE BUS

August 16-20th, 2010



The Washtenaw County United Way workplace campaign will begin in September and it kicks off with the **Stuff the Bus event in August**.

Take a drive to Staples and drop off your stuffed backpack or place it in your department's drop box.

STUFF THE BUS SCHEDULE

August 16th—August 20th 8:30 am—4 pm



Carpenter Road in Ypsilanti

Watch Bill Reynolds' YouTube! Video

Parkview Apartments Development



As one of the Co-Chairs for the Eastern Leaders Group (ELG), I am pleased to provide some great news for the revitalization of eastern Washtenaw County. The long overdue development of the Parkview Apartments located on Huron Drive in the City of Ypsilanti is underway! Once a fully occupied 144 unit apartment complex providing affordable housing to county residents, today only 30 units are occupied and the property has been boarded up and deteriorating for some time now. After a long legal battle and HUD foreclosure proceeding, the property is being transferred to the Ypsilanti Housing Commission for redevelopment. Some important redevelopment milestones include the transfer of property to the Housing Commission, relocation of current tenants and providing housing vouchers while the property is being redeveloped, inspecting the units and developing a detailed redevelopment plan and budget.

The Housing Commission is working with their consultants to redevelop the property in two phases to provide mixed-income rental housing. Some areas will undergo substantial rehabilitation while others will be demolished and rebuilt. Construction is expected to commence in the first quarter of 2011. The Housing Authority was successful in obtaining \$40,000 per unit for redevelopment and this funding is predicated on other tenant programs being in place such as participating in a Self-Sufficiency Program.

The ELG's mission is to meet immediate and long term economic and quality of life needs for Eastern County. Washtenaw The news of redevelopment shows signs that our partners are committed to this mission. The biggest benefit to me is that stock of affordable housing will be increased and the housing development will have an environment that is conducive to heightening resident's quality of living. The property will be returned to the City's tax roll along with payment of back taxes, there will be construction created redeveloping the site in redevelopment will greatly improve the visual environment one sees when entering the area. I will keep you posted on the progress of this project.

Increased Focus on Budget Management

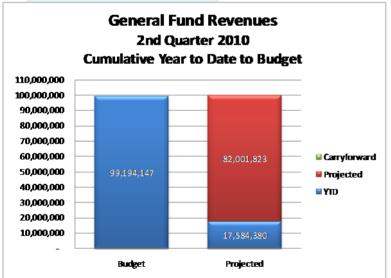
As part of the new leadership within County Administration, we've been discussing ways to strengthen our internal practices for budget management. organization has partnered with the Budget Office successfully in the past and continues to do so today. But times are different requiring a new approach. We have a projected budget shortfall of at least \$16M for 2012/13 which continues to compound into the future. The first step is that Administration will be focusing on accountability for all funding units within the county's budget. We will be discussing the status of all assigned budgets with each department head and elected official as we meet with them throughout the year. imperative that everyone knows what they are responsible for and is provided the necessary support to operating within their allocated resources. More specific changes will be discussed over the coming months.

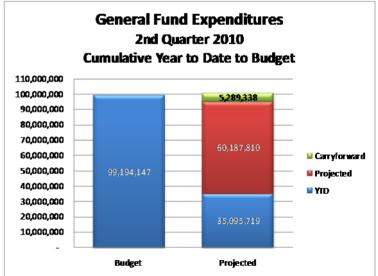
2nd Quarter Budget Update

I promised to provide you with regular updates on the county's financial status. We will be presenting the 2nd quarter budget update to the Board of Commissioners on August 4th. The good news is that our financial status has remained reasonably stable since the 1st quarter. We were then projecting a 2010 surplus of \$4,370,289, which was less than the originally planned carry forward to 2011 by \$918,711. Here are the updated amounts based on the 2nd quarter review:

	Budget	Projected	Variance
Total Revenues	99,194,147	99,586,203	392,056
Total Expenditures	99,194,147	95,283,529	3,910,618
Projected Surplus			4,302,674
Planned Carry-forward			(5,289,338)
Amount Needed for 2011			(986,664)

Many of the same issues continue as we move through the fiscal year. We've had both good news and continued downward pressures from the economy on our revenues. The surplus in property taxes has been offset by lower trends in interest earnings, collections within the District Court and changes in our Police Services contracts. We have revised some of these assumptions to be more realistic given that we now have six months of solid data. Our expenditures have remained relatively consistent since the 1st quarter, demonstrating the continued management and focus on our fiscal condition by the organization.





Working Towards Long-Term Fiscal Stability: An exercise to identify collaboration

The county will begin the development of our 2012/13 budget early next year; however, this is a lot of work that can be accomplished over the next few months. The <u>June Group 180 meeting</u> centered on one key concept related to our future—collaboration. This isn't a new concept for the organization. It has been a guiding principle for the past 15 years. It has become a requirement as we look to balancing our projected budget deficit and returning this organization to Long-Term Fiscal Stability. Government is and will continue to change. What I want is for each of you to help determine the best way for that change to occur, both internally to the organization and with community agencies and private organizations.

I asked one member of each county Priority Area to convene brainstorming sessions that would allow all members to discuss what is currently being done and develop creative options for future consideration. Then presentations are to be put together to bring back to the Group 180 at the end of September. I've heard from many of our department heads and elected officials so I know a lot of great work is happening. We are here to support you in any way needed, and are looking forward to seeing the final products of this exercise.

Fringe Benefit Workgroup

Washtenaw County has approximately 1363 positions within 17 unions, as well as non-union employees to consider. Just over 80% of the organization is unionized. Negotiations for the majority of the Unions will begin in 2011 as many contracts expire 12/31/11.

As we witnessed in the 2010/11 budget development, the current economy has placed significant fiscal constraints on Washtenaw County. The Board of Commissioners instructed County Administration to take a conservative approach in its revenue projections, resulting in a projected shortfall of nearly \$30 Million for the 2010/11 budget if spending continues at past levels. With the cost of personnel comprising over 60% of the General Fund budget, it is imperative that we therefore continue to evaluate employee compensation and benefit levels provided to county employees.

Therefore, as an option while preparing for the next budget cycle, I have requested that a subcommittee of the Labor Management Team be established to educate, review and analyze all fringe benefits provided within Washtenaw County. The **Fringe Benefit Workgroup** will begin with a comprehensive review of fringe benefits currently provided by Washtenaw County, and then review potential options for benefit modifications and associated costs. HR Director Diane Heidt will give a presentation on benefits at the Board's August 5th Working Session – the LIVE webcast can be <u>viewed online</u>.

New Priority Areas

Civic Infrastructure

County/Clerk Register, Equalization and Treasurer

Health and Human Services

Head Start, CSTS, Public Health, Veteran Affairs, WCHO and WHP

Public Safety and Justice

Children Services, District Courts, Friend of the Court, Prosecuting Attorney, Public Defender, Sheriff's Office, Trial Court

Land Use and Environment

Building Services, Environmental Health, Office of the Water Resources Commissioner, Parks & Recreation and Public Works

Community and Economic
Development Community
Development, Economic
Development, ETCS and MSU
Extension

Administration and Support

Services Administration, Corporation Counsel, Facilities, Finance/Budget, Human Resources, Information Technology

GFOA Distinguished Budget Award

The county received some great news this past week with the notification that the 2010/11 Budget Summary publication was awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. In order to this receive award, governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. This is the 20th year the county has received this award. It is a sign of the commitment of this to organization financial management and information sharing.