



Administrator's Message

GREETINGS EVERYONE. It was all about Halloween this past weekend with haunted houses, scary movies, costume parties and little kiddies trick or treating. I hope you all found something creepy and crawly to do to celebrate the ghoulish holiday.

The holidays are often a reminder that the year is coming to an end, but there are a few other reminders as well, like awaiting the elections results, anticipating the final few meetings of the Board and end-of-year procedures. This "gear up to wind down" is a process I'm looking forward to as I close out my first 6 months on the job and look forward to the next year. I hope you find this month's newsletter informative and rich with content.

My First 6 Months on the Job

I think it's important to assess how I've done in my first 6 months on the job. In my opinion, these initial months have been the most difficult. I've attempted to build a new leadership team, motivate the organization, encourage the birth of new ideas and learn a new routine for a new job. I'm taking some time to truly evaluate what we've accomplished and what we could have done differently. I plan to share this report at the November 18th Working Session, and I hope you will attend the meeting or watch it online.



News from the _____
Administrator

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POLICE SERVICES



The county currently has police services contracts with twelve local jurisdictions and three schools. Contracting entities pay \$144,802 per deputy, but of course how much the contracting entities should pay has been the

ongoing debate for years. These contracts expire at the end of 2011 creating an opportunity for the county to reevaluate the contracts.

In preparation for discussions on the 2012 contracts, a review of the cost methodology was necessary for two reasons:

1. To understand the total cost of providing police services; and
2. To establish scenarios for modifying the current price to better reflect the total cost.

Like other local jurisdictions, the county is struggling with the same economic reality and must determine an appropriate price to cover a greater percentage of our costs so that the county doesn't have an increased burden.

The financial sub-committee of the Police Services Steering Committee has completed the cost methodology review and has identified the cost of providing one deputy - or police service unit - to a contracting township, village or school. Sheriff Clayton, in conjunction with Administration, will share that review and a final recommendation with the Board of Commissioners at the November 4th Working Session. The Board will be asked to establish the contracting cost for 2012 through a resolution at the November 17th Ways and Means meeting and final approval at the December 1st Board meeting.

We've come a long way and this is only possible through the leadership of Sheriff Clayton. He has worked diligently with the PSSC committee to come to a consensus on a methodology and let me just say, getting most of these local officials to agree was no easy task. This is a real breakthrough and I'm looking forward to seeing the presentation at tonight's Working Session. If you're unable to make tonight's meeting I encourage you to watch the [live webcast](#). You can also watch the [webcast in the archives](#).

JUVENILE COURT MOVE TO DOWNTOWN



The Juvenile Division of the Washtenaw County Trial Court will move from the Platt Road site to the downtown Ann Arbor courthouse next year. The Platt Road site is 40 years old and is now largely vacant and deteriorating. Fixtures, partitions, plumbing and electrical equipment in all

restrooms would require major renovation to meet current standards. The original heating and air distribution system is due for immediate replacement and upgrades. It would cost millions of dollars to properly repair the Platt Road site, which is why we have decided to move to the Ann Arbor Courthouse instead.

As you may know, the City of Ann Arbor's new police/courts building at the corner of Huron and Fifth Street is nearing completion and the 15th District Court will soon vacate the space they have been renting at the County Courthouse. This turnover at the County Courthouse presented an opportunity for the Trial Court at a time when we needed to do something about the aging Platt Road site. We plan to renovate the Courthouse so that all the Trial Court services can be housed in the same facility. This renovation will not only provide a more efficient use of facility space for all entities, but it will also provide an opportunity for a much broader reorganization of clerk services. Without a doubt we will see efficiencies, but we will also need to manage some real challenges. The question asked over and over is, can we provide services to both adults and juveniles under the same roof? Safety and sight and sound issues have been primary concerns for those working on this initiative.

Planning for this move and reorganization has been underway for over a year. The project includes staff from all divisions of the Trial Court, AFSCME representatives, Facilities, HR, Administration and the Board of Commissioners. This process is not easy, but it is possible because of the capable leadership of Chief Judge Donald Shelton and Trial Court Administrator Dan Dwyer.

We will incur some upfront costs for the renovation, but the structural savings of \$300,000 through increased efficiency and the overall customer service enhancements make the initial investment well worth it. This initiative is exactly the type of *out of the box thinking* we need to change local government for the better.

PLANNING ADVISORY TEAM UPDATE



We have been examining our current budget as well as developing the process for the upcoming 2012/2013 budget. By the end of this calendar year I hope to have a process established for the upcoming budget that will allow the Board of Commissioners, the organization and the community to engage.

Early on in the budget process we forecasted a \$16M shortfall for the 2012/2013 budget. That number has grown to \$20M and may continue growing. Property taxes continue to decline, state revenues are unstable, federal recovery funding will be winding down all while demand for the service that our citizens require (particularly those in most need) is increasing.

We are still getting over the shock of the \$30M cut during the last process and many departments have already faced significant cuts. Sadly, we are at a point where we need to make some tougher decisions. We need to decide what work we will continue doing and what services we can no longer provide. We simply cannot be everything to everyone; rather we must develop a targeted approach that will allow us to do fewer things really well.

About 80% of our expenditures are personnel. In building budget projections, we've assumed that temporary negotiated changes to compensation and benefits changes for most employees will revert back to the previous trend. Many labor contracts expire in 2011, which adds complexity to developing the budget while negotiating contracts. With that in mind, I have proactively engaged our labor negotiations team led by Human Resources Director Diane Heidt. This alignment will allow the Negotiations Team to be better informed. I have also given updates at the Labor Management Team so that they, too, have a deeper understanding about the crisis we are facing.

Since my last newsletter the Planning Advisory Team has met twice. The first meeting was primarily focused on educating the team on collective bargaining, an overview of our current benefits, the impact of the Health Care Reform and an update on the progress of the Fringe Benefit Workgroup. The second meeting centered on identifying the budget solution categories and brainstorming possible solutions.

The Budget Solution Categories Are:

Revenue Generation

- **Pursuit of increased revenues that can be used to offset county general fund allocations**

Organizational Changes & Baseline Reductions

- **Cost savings through reorganizations / consolidations, program eliminations, appropriation reductions, department reviews, infrastructure allocations and indirect cost methodology**

Outside Agencies

- **Reductions in community agency allocations through contract negotiations (where applicable) and alignment of allocations with community target areas**

Employee Compensation & Benefits

- **Modifications and cost saving efforts to contain or reduce salaries and benefit levels, including long-term liabilities and legacy costs**

Of course, the budget is the single most important priority for us and I will continue to keep you informed on the fiscal situation. Thank you for your patience as it takes time to communicate the scope and impact of the challenges we face.

WE MADE AN IMPACT



A few weeks ago we finished our 2010 United Way campaign to raise money for our community. The response was overwhelming! We posted the results of the end of the campaign and since then donations have

continued to come in. The amount raised as of today from this year's campaign is an amazing \$70,114 from 221 contributors. That's \$10,114 above this year's goal. It's also more than \$18,000 above what we raised last year. Thank you to all who donated their time, money, and energy to provide **results that matter** in our community through the United Way!

We also hosted two blood drives for the American Red Cross in October; the last drives we hosted were back in 2008. We exceeded our goal at both locations, collecting 26 good pints of blood at the Towner Drive and 35 good pints of blood at the Ann Arbor Drive! **Our next round of blood drives are scheduled for Wednesday, December 22nd** at 200 North Main in the Lower Level Conference and Towner Room 1120. Watch eCentral for updates.

I've received a few inquires as to why we ask the organization to support these types of events. For me, it's as much about the community as it is about people in this organization. I believe people feel great about helping others and saving lives, so fundraising campaigns and blood drives boost employee morale. Community outreach inspires a sense of community within our organization and instills pride in each person who gives. As your County Administrator, I'm filled with pride when I see the number of contributors to the United Way and when employees wear the "*Be Nice To Me I Gave Blood Today*" stickers on their shirts.

This organization is filled with employees who believe in public service and in giving back to the community. Conducting a workplace fundraising campaign and hosting blood drives are simply an extension of the work we already do. Thank you for participating and thank you for giving.

FURLOUGH DAYS



Through the cooperation and commitment of union and non-union employees alike during 2009 agreements were reached regarding banked leave and/or furlough days for 2010 and 2011. These agreements

assisted Administration in bringing forward a balanced budget for 2010 & 2011.

As part of the agreement, eight (8) days shall be taken throughout the year, of which four (4) are designated for County and Court-wide closure. The days that have been designated for 2011 are:

- **Friday, May 27, 2011**
- **Friday, July 1, 2011**
- **Friday, September 2, 2011**
- **Friday, December 23, 2011**

The designated days selected were done so to ensure the least amount of disruption to customer service to the citizens of Washtenaw County. There are known exceptions that have been identified, particularly in programs that can not completely shut down services. The remaining four days shall be scheduled time off taken throughout 2011.

Again, thank you for your continued goal of excellence in providing service delivery to the citizens of Washtenaw County. The agreements reached, and leadership shown, allows us to continue to provide service to all citizens of the County in the areas of public safety and justice, human services, environment and land use, civic infrastructure, as well as support services, many of which are our most venerable citizens and in need of such services.

Many thanks to all of you and the commitment you have shown for the citizens of Washtenaw County.

EMPLOYEE EVALUATIONS



It's that time once again to complete performance evaluations for 2010. The performance evaluation is a critical employee development tool and we are committed to an evaluation process that supports continuous organizational and individual improvement. As part of the process, we recommend that managers meet with their employees on a quarterly basis. These quarterly meetings should be used to discuss the employee's work plan and their performance to ensure there are no surprises at their annual evaluation.

This year employees will utilize a new system to complete their evaluations. We were required to switch from Performance Impact to the Taleo system because the Performance Impact software was being discontinued and it would no longer be supported. Human Resources Classification and Compensation Manager Barbara Finch has been working on this software change for over a year. The [Taleo employee website](#) was finally launched in April of this year and the [Managers website](#) was launched in late August.

This year along with Non-Union and AFSCME 2733 employees the Supervisors Union 3052 will utilize the new online evaluation system to complete their self-assessment.

As you are completing performance evaluations please remember that evaluations provide an excellent opportunity for you and your supervisor to recognize and agree on your individual training, development plans, shared visions and future goals.

Please take the time to assess your work performance over the past year, reflect on your accomplishments and the contributions you have made to your department and the citizens of Washtenaw County.

Non-Union evaluations are due to Human Resources by Monday, December 6, 2010. Union evaluations are due by November 30, 2010.

FIVE FUNDERS WORKING TOGETHER



Currently, the [Office of Community Development](#) (OCD) works on behalf of Washtenaw County, the City of Ann Arbor, and the Washtenaw Urban County to manage human service funding to local nonprofit agencies. In addition to OCD, United Way and the Ann Arbor Area Community Foundation (AAACF) invest funds in local nonprofits, and rely on nonprofits to meet the needs of residents throughout our community.

Two years ago, Washtenaw County, the City of Ann Arbor and the Urban County coordinated their efforts by combining their funding processes into one streamlined process for nonprofit funding. The contributions from these public entities total \$2.7 million. Agencies seeking funding now fill out one application; have one review process, one monitoring visit, and one reporting process. Combining these efforts led to an elimination of duplication, saving about 500 staff hours that were re-deployed to work with human service providers to create and measure the impact.

Earlier this year, we began meeting with the United Way and the AACF to explore the possibility of having these two private organizations join our streamlined funding process. The United Way would add \$2.3M and the AACF \$300,000 to the funding pool bringing the total to \$5.2M. The enhanced funding model will support and improve the existing system and reinforce the same priority areas funders have historically funded, such as Housing/Homelessness, Aging, School-Aged Youth, Children, Health and Hunger.

I'm delighted to see the vision of Coordinated Funding become a reality. Both the United Way and the AACF boards have approved the process. The Board of Commissioners gave their approval at the October 17th Ways and Means meeting and will have a final vote at the November 3rd Board meeting.

Monetary savings, process improvements, further elimination of redundancies are just a few benefits of coordinated funding. Another important benefit is that funders are setting the stage for nonprofit collaboration and meaningful change. We are demonstrating that while collaboration is difficult, it is also possible. OCD Director Mary Jo Callan and her staff have proven that through leadership and dedication anything is possible. Way to go!

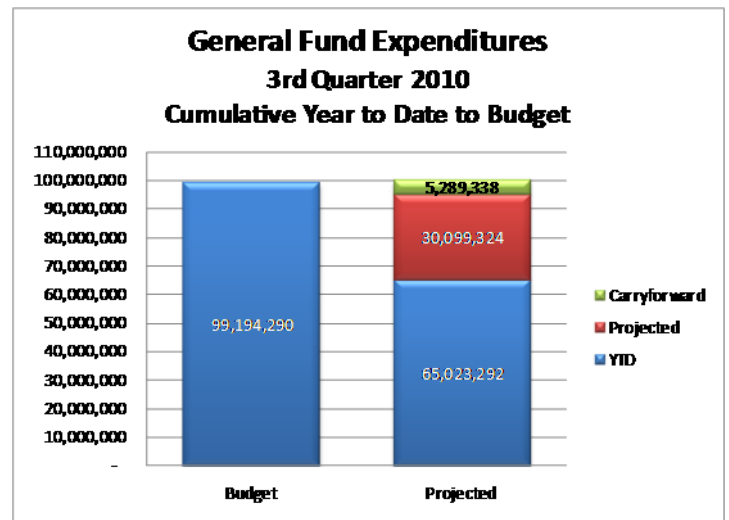
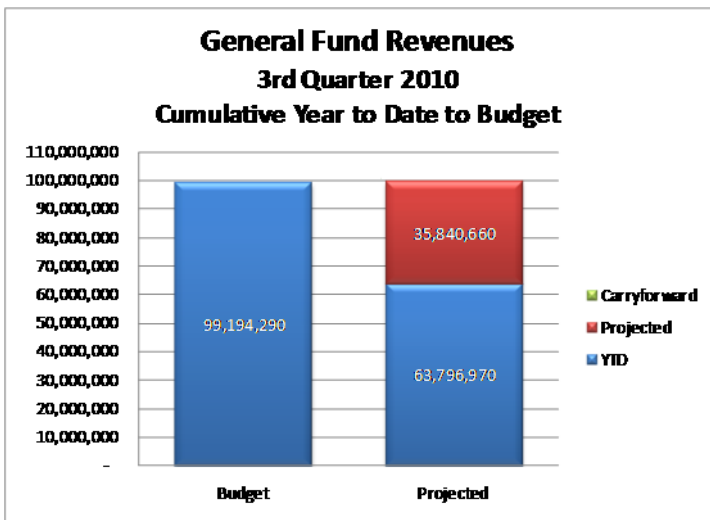
3RD QUARTER UPDATE



There is an old standing joke around the county that the budget is a fairy tale (and the year end CAFR is an obituary). All budgets are based on assumptions using the best information available at the time of development. We have a history of solid budget development and fiscal management in the county, evident through our bond rating and ability to end each fiscal year with a general fund surplus. However, in these turbulent economic times and with the magnitude of adjustments made in the county's 2010/11 budget it was paramount that we saw how things played out in reality. We've been reporting quarterly budget updates to the Board of Commissioners and through these newsletters all year long. This week we released the 3rd quarter projections to the Board of Commissioners (see [webcast](#) and [presentation](#)).

If you compare the quarterly updates you will notice that most of the issues have remained consistent and the bottom line has not significantly changed. That is especially important between the 2nd and 3rd quarters as this is the middle of the fiscal year where so much activity takes place. The second quarter update demonstrated a projected surplus of \$4.3M which was shy of our planned carry-forward by \$986K. These projections have been updated to now estimate a projected surplus of \$4.5M or \$774K short of our planned carry-forward. The primary change from the 2nd and 3rd quarters is the ability to reduce general fund support for some of our non general fund programs due to growing current year surpluses in these areas. It is incredible that the year has gone by so fast and we are already preparing for year end. We remain hopeful that our budget projections are conservative and that the year end status will be even better than what is reported here.

	Budget	Projected	Variance
Total Revenues	99,194,290	99,637,630	443,340
Total Expenditures	99,194,290	95,122,616	4,071,674
Projected Surplus			4,515,014
Planned Carry-forward			(5,289,000)
Amount Needed for 2011			(773,986)



ELECTION RESULTS



Like many of you, I was glued to the television last night watching the election results slowly trickle in. Of course, it wasn't until this morning that I saw the final results online. The biggest surprise for me was to read that Republican

Dan Smith unseated incumbent Democrat **Ken Schwartz** in the race for the 2nd District seat on the Washtenaw County Board of Commissioners. I've had the pleasure of working with Ken since 2007. This is a tremendous loss for the organization and Ken will be missed. I am however looking forward to working with Dan. His experience as a Northfield Township Trustee will definitely be an asset to this Board.

As you may know, Commissioner Jeff Irwin will be Ann Arbor's next state representative, taking over the 53rd District House seat currently held by Rebekah Warren, who moves on to State Senate. Commissioner Mark Ouimet won his race against Christine Green for the 52nd State House Seat. Commissioner Jessica Ping is looking forward to spending more time with her family and her newborn daughter. I'm happy for Jeff, Mark and Jessica as they move onto the next chapter of their lives, and they too, will be missed.

Commissioner-elects Rob Turner, Dan Smith, Alicia Ping and Yousef Rabhi will have a steep learning curve, but I'm confident they will offer a fresh perspective, new ideas and positive energy. A new Board can and likely will change the direction of this organization which is exactly what we need to carve out a new reality for Washtenaw County.

My staff will begin working on transitioning the outgoing and incoming commissioners. At this point, we are planning a farewell gathering for our outgoing commissioners in December and an informal meet and greet for the incoming commissioners in January. Watch eCentral for updates. We will also begin working with each department to schedule Department Tours beginning after the first of the year. My hope is that all the tours will be conducted during the first quarter of 2011.

I've shared a few of the results below, but a complete list of the results can be found on the [Clerk Election site](#).

2011-2012

Washtenaw County Board of Commissioners

- District 1: Rob Turner
- District 2: Dan Smith
- District 3: Alicia Ping
- District 4: Wesley Prater
- District 5: Rolland Sizemore, Jr.
- District 6: Ronnie D. Peterson
- District 7: Kristin F. Judge
- District 8: Barbara Levin Bergman
- District 9: Leah Gunn
- District 10: Conan Smith
- District 11: Yousef Rabhi

Washtenaw County Parks and Recreation Natural Areas Preservation Program Renewal:

Passed

Police Services Millage:

- Augusta: fail
- Bridgewater: pass
- Ypsilanti Township: pass