A RESOLUTION AFFIRMING THE SECOND YEAR OF THE 2012/2013 BIENNIAL COUNTY BUDGET

WASHTENAW COUNTY BOARD OF COMMISSIONERS

December 5, 2012

WHEREAS, in 1993, the County implemented a biennial budget in an effort to improve the efficiency of the entire budget process; and

WHEREAS, the County Administrator was directed to prepare a biennial budget for 2012/13 with the 2012 budget for approval and adoption, and the 2013 budget based on information available at the time; and

WHEREAS, on September 21, 2011, the County Administrator presented the budget for 2012 and 2013; and

WHEREAS, the Board of Commissioners directed that the 2013 budget be amended in 2012 to reflect necessary revisions as economic conditions warranted and that the County Administrator bring the necessary changes to the 2013 budget back to the Board prior to the beginning of fiscal year 2013 for final adoption; and

WHEREAS, the proposed budget for fiscal year 2013 is on file with the County Clerk/Register; and

WHEREAS, revenues have been estimated by source for each fund and are sufficient to defray expenditures and meet all liabilities for the 2013 fiscal year; and

WHEREAS, the 2013 reaffirmation budget includes a net increase in revenues of $5,774,423 from the originally adopted 2013 budget and the proposed adjustments bring revenues and expenditures into conformity at a General Fund expenditure level of $102,840,491; and

WHEREAS, the budget assumes a -2% taxable value reduction from the 2012 tax base; and

WHEREAS, other revenues were adjusted to reflect current economic trends including an increase in State Revenue Sharing/County Incentive Program, State Convention Facility/Liquor Tax funding, offset by a reduction of State Court Equity Fund Fees; and

WHEREAS, programmatic changes since the adoption of the biennial budget in 2011 have occurred including an increase for the implementation of Washtenaw County Sheriff Office Consolidated Dispatch services with the City of Ann Arbor offset by a reduction in Sheriff Services contract revenue for no coffee shop or snack bar venue within the lobby at the Corrections Center, increase for local revenue for information technology service agreements and a decrease in federal revenue for the Emergency Management Performance Grant; and

WHEREAS, technical adjustments for shifts in accounting have been incorporated into the budget for the employee parking, moving from the General Fund to the Facilities Management – Operations and Maintenance Fund; and

WHEREAS, salary projections have been updated for all county employees on a departmental basis using the final revised labor contracts as well as revised fringe benefit rates based on updated actuary reports for the Washtenaw County Employees Retirement System, estimated rates based on past history for Voluntary Employee's Retirement Association and Municipal Employees' Retirement System of Michigan as well as trend analysis; and

WHEREAS, budgets have been updated to align with the 2011 Cost Allocation Plan where applicable; and

WHEREAS, appropriations to non general fund programs have been adjusted in accordance with revised salary projections and the Cost Allocation Plan; and

WHEREAS, minor adjustments are proposed within various parts of the organization to align with current spending trends and needs including part-time temporary budget for the Public Defender Office, fleet services charges, software and hardware maintenance for Infrastructure Management Office and establishing a reserve for inmate medical costs; and
WHEREAS, modifications to Outside Agency allocations include shifting SEMCOG, SEMCOG-Water Quality, and Huron River Water Council dues and membership fees to the Water Resources Commissioner operating budget; and

WHEREAS, the 2013 reaffirmation budget includes the planned use of fund balance in the amount of $3,287,806 of which approximately $2.0 million is estimated to be carried over from 2012; and

WHEREAS, the proposed budget for fiscal year 2013 is based on an operating millage rate of 4.5493 mills and the Administrator will adjust the 2013 budget should the millage be otherwise; and

WHEREAS, the public hearing on the proposed amended 2013 Budget was held on Wednesday, December 5, 2012, in compliance with Section 2 of P.A. 1963, 2nd Ex. Session (M.C.L.A. 131.412), Section 24e of Act 206; and

WHEREAS, this matter has been reviewed by the County Administrator's office, Human Resources, the Finance Office and the Ways & Means Committee

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby approves the 2013 Operating Budget as the official budget and the position changes for the County of Washtenaw for the fiscal year beginning January 1, 2013.

BE IT FURTHER RESOLVED that the Board of Commissioners approves the attached policies and shall govern the implementation of the second year of the biennial 2012-2013 Budget.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby rescinds any policy that is in conflict with this document.

BE IT FURTHER RESOLVED that the Board of Commissioners directs that the Budget be adopted by fund and agency within each fund as follows:

2013 Budget
Washtenaw County

		2011 Actuals	2012 Revised	2013 Original	2013 Reaffirmed	2013 Variance
Fund 1010 Source				General Fund Revenues		
400	Taxes and Penalties	63,038,787	62,184,094	58,571,716	60,941,052	2,369,336
450	Licenses & Permits	254,479	294,196	195,012	195,012	-
540	Federal / State / Local Revenue	5,703,091	6,245,867	5,835,517	8,787,606	2,952,089
600	Fees & Services	19,282,536	20,700,176	20,160,884	20,747,598	586,714
650	Fines & Forfeitures	956,065	1,012,100	1,012,100	1,012,100	-
660	Interest Revenue	124,461	100,000	100,000	100,000	-
670	Other Revenue & Reimbursement	3,969,717	1,985,814	5,975,312	5,177,001	(798,311)
695	Transfers In	7,879,448	8,673,289	5,215,527	5,880,122	664,595
	Total General Fund Revenues	**101,208,584**	**101,195,536**	**97,066,068**	**102,840,491**	**5,774,423**
Fund 1010 Agency				General Fund Expenditures		
100	Board of Commissioners	477,736	505,664	489,165	492,623	3,458
130	Trial Court	8,364,744	8,220,184	8,158,844	8,342,953	184,109
135	Trial Court - Clerk Services	1,421,192	1,495,942	1,570,570	1,385,355	(185,215)
140	District Court	5,541,003	5,829,029	5,773,340	5,801,919	28,579
150	Probation	183,918	179,677	179,677	174,469	(5,208)
200	County Administration	724,382	601,614	544,611	590,577	45,966
210	Finance	2,259,706	2,927,506	3,038,161	2,956,046	(82,115)
220	Information Technology	5,964,214	6,124,721	6,411,410	6,558,551	147,141
230	Public Defender	2,629,416	2,669,955	2,604,382	2,703,583	99,201
260	Human Resources	1,581,438	1,724,838	1,634,438	1,155,601	(478,837)
270	Corporation Counsel	392,989	432,916	468,042	479,571	11,529
310	Equalization	1,463,600	1,445,616	1,493,000	1,405,312	(87,688)
320	Building Authority	4,814	7,085	7,085	6,900	(185)
400	Clerk / ROD	2,348,464	2,436,448	2,463,623	2,337,848	(125,775)
420	Treasurer	1,301,255	1,421,599	1,467,694	1,533,958	66,264
430	Prosecuting Attorney	5,488,481	5,517,864	5,769,207	5,521,847	(247,360)
440	Water Resources	2,633,638	2,892,576	2,828,758	2,902,793	74,035
500	Sheriff	43,247,574	47,960,319	47,479,090	49,753,336	2,274,246
560	Sheriff - Emergency Services	468,702	448,651	452,614	458,189	5,575
580	Water Resources - Public Works	226,091	167,183	109,354	160,170	50,816
690	Veteran Services	326,365	338,009	359,708	360,836	1,128
695	MSU Extension	622,288	382,261	384,125	376,014	(8,111)
980	Central Charges	3,256,050	3,218,404	567,611	3,315,713	2,748,102
980	Cost Allocation Adjustment	(11,354,418)	(14,959,506)	(15,082,042)	(14,000,376)	1,081,666

2013 Budget
Washtenaw County

		2011 Actuals	2012 Revised	2013 Original	2013 Reaffirmed	2013 Variance
Fund 1010 Agency		General Fund Expenditures				
980	Appropriations and Transfers					
	Capital Projects	-	100,000	100,000	100,000	-
	Cigarette Tax - Health	15,699	-	-	-	-
	WCHO	1,163,512	1,128,080	1,128,080	1,128,080	-
	CSTS	215,910	-	-	-	-
	JPORT	188,193	-	-	-	-
	ETCS	275,051	-	-	-	-
	Public Health	735,494	481,794	2,993,523	2,993,523	-
	Medical Examiner	548,052	548,052	548,052	548,052	-
	Child Care	3,807,552	4,538,149	4,752,363	4,726,026	(26,337)
	Community Corrections	215,983	240,983	240,983	240,983	-
	Friend of the Court	1,609,920	1,595,614	1,655,558	1,674,759	19,201
	Head Start	528,000	528,048	-	-	-
	Pros. Atty. - Coop. Reim.	174,493	168,906	172,938	180,074	7,136
	Substance Abuse	966,132	1,246,468	1,127,165	1,300,267	173,102
	Environmental Health	432,710	-	-	-	-
	Indigent Health Care	600,000	-	600,000	600,000	-
	Transfers	3,948,008	1,015,000	-	-	-
	Transfers for DSH	2,023,392	3,196,553	-	-	-
	LEPC Appropriation	12,000	12,000	12,000	12,000	-
	Economic Development & Energy	299,063	-	-	-	-
	PORT	225,947	-	-	-	-
	Housing Appropriation	10,000	-	-	-	-
	Community & Economic Development	73,357	697,471	697,471	697,471	-
	Storm Water General Permit	111,285	-	-	-	-
	Capital Equipment	200,000	100,000	100,000	100,000	-
	1/8 Mill Allocation	1,346,486	1,346,486	1,346,486	1,346,486	-
	Technology & Telecommunications	1,774,232	1,350,977	1,506,583	1,506,583	-
	LAWNET	30,000	-	-	-	-
	Worksite Wellness	33,132	-	-	-	-
	Jail Expansion - Bond Payment	800,000	800,000	800,000	800,000	-
	Barrier Busters	50,000	100,000	100,000	100,000	-
	Law Library	12,400	12,400	12,400	12,400	-
	Total General Fund Expenditures	**101,999,643**	**101,195,536**	**97,066,068**	**102,840,491**	**5,774,423**
	Net Revenues (Expenditures)	**(791,060)**	**-**	**0**	**0**	
	Planned Contribution to (Use of) Fund Balance	**-**	**2,018,815**	**(3,805,093)**	**(3,287,806)**	
	Beginning Fund Balance	**15,317,157**	**14,526,097**	**16,544,912**	**16,544,912**	
	Ending Fund Balance	**14,526,097**	**16,544,912**	**12,739,819**	**13,257,106**	

2013 Budget
Washtenaw County

Fund#	Agency #	Fund Name	2011 Actuals	2012 Revised	2013 Original	2013 Reaffirmed	Variance
		SPECIAL REVENUE FUNDS					
1090	310	AERIAL PHOTO	20,157	39,000	39,000	39,000	-
1212	460	ECON DEVELOPMENT & AGRICULTURE MILLAGE	610,516	703,913	688,913	819,714	130,801
1293	470	COMMUNITY & ECONOMIC DEVELOPMENT	20,175,160	16,500,572	16,500,572	16,180,572	(320,000)
1490	500	SHERIFF TRAINING FUNDS	28,315	73,000	73,000	73,000	-
1572	500	INMATE ENTERPRISE FUND	422,780	270,972	270,972	270,972	-
1620	430	PROSECUTING ATTORNEY - CR	462,163	496,783	508,642	529,629	20,987
1670	200	HOUSING FUNDS	224,252	152,933	-	-	-
1710	580	SOLID WASTE	415,659	406,289	412,178	428,406	16,228
1750	615	BUILDING INSPECTION	549,821	586,981	638,650	755,740	117,090
1800	690	VETERANS TRUST	10,946	3,000	9,500	9,500	-
1811	690	VETERANS RELIEF	409,751	344,486	337,596	390,340	52,744
1850	440	STORMWATER GENERAL PERMIT	85,674	-	-	-	-
1900	560	EMERGENCY MANAGEMENT	2,436,018	2,253,190	2,255,791	2,256,420	629
1990	210	EECS SPECIAL VOTED MILLAGE	2,943,156	3,145,125	-	-	-
2060	190	LAW LIBRARY	12,739	20,900	20,900	20,900	-
2080	600	PARKS AND RECREATION	11,299,075	16,689,262	14,290,533	14,345,783	55,250
2090	600	NATURAL AREAS	2,781,883	3,829,606	3,844,291	3,846,740	2,449
2150	160	FRIEND OF THE COURT	5,421,982	5,248,919	5,417,969	5,453,345	35,376
2290	220	ACCOMMODATION ORDINANCE TAX	3,679,420	3,233,525	-	3,271,659	3,271,659
2510	676	HEAD START	4,643,919	4,854,094	-	4,551,357	4,551,357
2804	500	COMMUNITY CORRECTIONS	895,414	1,014,732	1,014,731	1,037,788	23,057
2822	680	WASHTENAW AREA TEENS FOR TOMORROW	33,711	20,000	10,000	10,000	-
2830	140	PUBLIC IMPROVEMENT FUND	121,628	140,000	140,000	140,000	-
2850	210	REVENUE SHARING RESERVE FUND	6,649,114	6,815,342	4,035,473	4,022,175	(13,298)
2930	673	CSTS	25,235,252	26,838,557	28,672,428	26,838,557	(1,833,871)
2950	674	INDIGENT HEALTH CARE	600,000	600,000	600,000	600,000	-
2960	674	PUBLIC HEALTH	10,004,679	10,931,695	11,150,653	11,067,329	(83,324)
2972	670	HARRIER BEQUEST	-	165,000	165,000	165,190	190
2980	679	DHS	568,594	54,109	854,109	854,109	-
2990	180	CHILD CARE	8,233,632	9,687,003	9,531,441	9,565,650	34,209
		DEBT SERVICE FUNDS					
3000	580	PUBLIC WORKS - DEBT SERVICE	3,948,666	2,901,068	2,834,117	2,834,117	-
3700	320	BUILDING AUTHORITY - DEBT SERV.	10,678,165	10,994,003	11,160,709	11,160,709	-
		CAPITAL/CONSTRUCTION FUNDS					
4010	240	1/8TH MILL BUILDING MAINTENANCE & REPAIR	1,785,666	1,346,486	1,346,486	1,346,486	-
4020	240	CAPITAL PROJECTS	1,163,996	100,000	100,000	100,000	-
4040	400	REGISTER OF DEEDS AUTOMATION FUND	210,619	300,000	300,000	300,000	-
4050	220	CAPITAL EQUIPMENT	1,342,439	1,777,977	1,733,583	1,683,583	(50,000)
4060	200	CAPITAL RESERVES	6,293,887	7,313,072	6,792,547	6,792,547	-
4500	580	WWRA RECYCLING PROJECT	325,555	357,000	357,000	357,000	-
		ENTERPRISE FUNDS					
5150	420	DELINQUENT TAX FUND	5,774,940	2,202,587	2,202,587	2,202,587	-
5500	420	PA 123	199,230	270,766	279,828	381,844	102,016
5600	420	PA 105	18,835	46,680	47,894	14,915	(32,979)
		WCHO Support (Leased Positions)	5,993,327	7,404,116	7,404,116	8,105,419	701,303
		WHP Support (Leased Positions)	573,173	689,093	689,093	687,277	(1,816)
		INTERNAL SERVICE FUNDS					
6310	240	FACILITIES OPERATIONS & MAINTENANCE	6,806,789	6,503,591	6,555,089	7,234,524	679,435
6320	242	FLEET SERVICES	2,674,749	2,617,038	2,675,492	2,675,492	-
6340	240	WAREHOUSE REVOLVING	258,153	300,000	300,000	300,000	-
6360	240	COPIER FUND	336,554	370,189	370,189	377,631	7,442
6440	200	RISK MANAGEMENT	2,422,550	2,132,218	2,134,677	2,517,875	383,198
6600	210	FRINGE BENEFIT REVOLVING	30,342,038	33,693,110	37,736,281	32,301,108	(5,435,173)
6900	210	CENTREX	762,483	700,000	700,000	700,000	-

2013 Washtenaw County
POSITION MODIFICATIONS

POSITION CONTROL NO.	POSITION TITLE	NOTE	EMPLOYEE GROUP	GRADE	CREATE	ELIMINATE	PLACE ON HOLD VACANT
BUILDING INSPECTION							
1878-0015	Customer Service Specialist		12	18	1.0		
COMMUNITY & ECONOMIC DEVELOPMENT							
1268-0001	Receptionist-Payables Assistant		12	12	1.0		
EQUALIZATION							
2719-0058	Management Analyst I/II		32	27/29			1.0
3184-0001	Equalization Manager		32	31			1.0
FACILITIES MANAGEMENT							
2719-0093	Management Analyst I/II		32	27	1.0		
SHERIFF							
2104-0002	Administrative Assistance		25	21		1.0	
6402-0002	HR Manager - Sheriff		25	64	1.0		
2720-0017	Management Assistant	a	32	27		1.0	
2836-0001	EMS Office Coordinator	a	32	28	1.0		
WATER RESOURCES							
3144-0002	Sr. Environmental Manager	a	32	31		1.0	
3291-0001	Sr. Environmental Manager	a	32	32	1.0		
3345-0001	Deputy WR Commissioner	a	32	33		1.0	
3453-0001	Deputy WR Commissioner	a	32	34	1.0		
7915-0001	Environmental Supervisor	a	10	79		1.0	
8105-0001	Environmental Supervisor	a	10	81	1.0		

Notes:

a - Reclassification

I. GENERAL BUDGET POLICIES OF THE COUNTY BOARD OF COMMISSIONERS

A. The Board of Commissioners, pursuant to State Law, shall annually adopt an appropriations and revenue budget for the General Fund of the County and for those other funds and agencies of the County where State Law authorizes the Board of Commissioners to establish budgets.

B. Budgets shall be prepared consistent with State Law regarding appropriations, and revenue estimates. Adoption will be by total appropriation to each agency, with latitude for category transfers as further directed and permitted by Budget Resolution and other actions of the Board.

C. Budget appropriations and revenues shall be established with accurate estimates to provide adequately for the operations of departments and capital and debt service funding.

D. Amendments to Budget appropriations and revenues shall be recommended to the Administrator for approval by the Board of Commissioners except where specific policies and the Budget Resolution permit adjustments with the approval of the County Administrator.

E. The Budget shall be prepared and presented to the Board of Commissioners by the County Administrator in summary and detail format and with sufficient narrative to permit thorough analysis. It shall be prepared as established by a budget calendar, so that the Board of Commissioners can review and adopt in accordance with State statutes.

F. The County Administrator shall establish calendars, forms and review processes to assure that departments and agencies thoroughly participate in the budget process.

G. The Board of Commissioners, in Ways & Means Committee, shall review the Budget as proposed by the County Administrator and hold a Public Hearing on the Budget prior to adoption in accordance with State Law.

H. Appropriations will be considered the maximum authorization to incur obligations and not a mandate to spend. The County Administrator shall exercise control in order to ensure that expenditures are related to program objectives and shall notify the Board of Commissioners when, in his/her judgment, expenditures not necessary to accomplish these objectives are incurred by any elected or administrative officer. The County Administrator is authorized to withhold payment for any request which does not appear to correspond with the intent of this policy, and shall so advise the Board of Commissioners.

I. No obligation shall be incurred against, and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds will be available to meet the obligation.

J. In accordance with approved Personnel Policies, the Board of Commissioners intends that reasonable attempts shall be made to find alternative positions through vacant County positions in instances where County employees are scheduled for layoff due to funding shortfalls. The hiring freeze strategy may be used to provide additional alternative positions for possible reassignment.

K. Annually, the Administrator shall prepare and update long-term projections of at least two budget cycles for revenues and expenditures to enable the Board of Commissioners to review trends in future financing.

L. It is the intent of the Board of Commissioners to adopt and maintain a balanced budget for all operations of the County falling within the responsibility of the Board.

M. Indirect costs shall be charged through a central cost allocation plan so that all operating departments accurately reflect costs of centrally provided services.

N. A capital improvements budget shall be adopted with the operating budget, and the County shall also prepare and maintain a 20 year capital improvement plan.

O. The County investment policy shall be followed in accordance with State law and administered by the County Treasurer.

P. The County shall appropriate sufficient funds to meet Debt Service obligations as required by State Law and bonding representations, and shall assure that bonding limitations imposed by State Law are not exceeded.

Q. County Managers shall regularly monitor expenditures and revenues to ensure that their organization stays within limits approved in the budget.

R. The Board of Commissioners shall have sole authority over the appropriation of County funds except as specifically regulated by Federal and State laws.

S. The County shall maintain financial records on a modified accrual basis approved for governmental operations.

T. The Board of Commissioners directs that full disclosure be provided in annual financial statements and bond representations.

U. A General Fund contingency account designated as the Unearmarked Reserve shall be maintained in the annual County budget for emergency appropriations. The annual Unearmarked Reserve shall be appropriated at $100,000 and shall require Board of Commissioner action for expenditure of these funds.

V. All County Departments requesting supplemental appropriations from the Unearmarked Reserve shall submit a resolution informing the County Administrator of the need for the supplemental appropriation. The County Administrator shall review the resolution and may recommend to the Board approval of the supplemental appropriation outlining reasons for the recommendation.

W. The Board shall require an actuarial or certified study be done annually to determine the necessary level of fund balance needed in self-insurance funds to provide financial resources that can be used to meet contingency requirements.

X. Capital assets shall be accounted for in accordance with generally accepted accounting principles and shall include:

- All acquisitions of machinery, equipment, furniture, vehicles, and other similar items having a useful life of more than one year and a unit cost of $5,000 or more (as recommended by the Government Financial Officers Association).
- All acquisitions of and improvements to real property (land and buildings).
- All acquisitions or construction of infrastructure assets (roads, bridges, drainage systems, water and sewer systems, etc.) where the County will maintain title of the assets, as required by GASB #34.

II. SPECIFIC POLICIES AND DIRECTIVES OF THE COUNTY BOARD OF COMMISSIONERS REGARDING THE BUDGET

A. Budget Transfers

1. Departments are authorized to make expenditures and adjustments, according to established procedures, as identified within categories and less than $10,000 without additional review or approval by the Board of Commissioners or the County Administrator, unless specifically restricted. If the transfer is greater than $10,000 or is between categories, Administrator approval is needed.

2. The Board of Commissioners authorizes the County Administrator to sign contracts, providing such contracts have been authorized as part of the budget process or by other County Policy and Procedure. The Board of Commissioners shall exclude from the claims process those payments made on contracts approved by the Board of Commissioners and signed by the Chair of the Board of Commissioners, or the County Administrator, or the Purchasing Manager, in accordance with the Procurement Policy.

   Notwithstanding the above, for any proposed contract for goods, services, new construction or renovation that exceeds one hundred thousand ($100,000) dollars, the County Administrator shall give the individual members of the Board of Commissioners seven (7) business days notice in writing of the proposed contract. If no objections are presented to Administration during this seven (7) business day period, the County Administrator may sign the contract. If any Commissioner objects to the contract, it shall be formally presented to the Board of Commissioners at the next Ways & Means Committee meeting for approval.

   Furthermore, for any proposed contract for professional services that exceeds twenty-five thousand ($25,000) dollars, the County Administrator shall give the individual members of the Board of Commissioners seven (7) business days notice in writing of the proposed contract. If no objections are presented to Administration during this seven (7) business day period, the County Administrator may sign the contract. If any Commissioner objects to the contract, it shall be formally presented to the Board of Commissioners at the next Ways & Means Committee meeting for approval.

3. The Washtenaw County Board of Commissioners authorizes the County Administrator to approve hiring of all budgeted temporary employees and temporary assistance from employment agencies in those departments experiencing difficulties due to staff on unpaid leave or vacant positions, and to approve transfers within Personnel line-items as necessary for hiring of said temporary employees.

4. The County Administrator shall be authorized to approve and execute adjustments in budgets in an amount not to exceed 10% or up to $100,000, whichever is less, with the exception of Unearmarked Reserve and the Board of Commissioners budget.

5. The County Administrator shall be authorized to approve and execute adjustments in grant applications and awards in an amount not to exceed 10% of the total grant program or up to $100,000 with the exception of Unearmarked Reserve. Any increase in County appropriation shall require the approval of the Board.

   The addition of permanent positions in any grant must be approved by the Board. Changes in the distribution of costs for and fund designation of the corresponding position titles between grants may be approved by the County Administrator, after approval by the granting agency. The County Administrator is authorized to extend duly approved grants provided there is no change in the financial provisions or other terms to a maximum of 12 months.

6. Department activity shall be monitored at the category level rather than the line item level. Budget transfers will be required only at the category level.

7. The Budget Office computes salaries and fringes for all County departments, applying an attrition factor based upon each department's actual experience over the past five years. The Sheriff's Office is budgeted at 100% attrition with the understanding that salary savings will cover overtime expenditures as result of back filling for vacant positions.

B. Positions Authorized and Personnel Matters

1. The Board of Commissioners approves and adopts for 2013 the approved County position modifications in accordance with the schedule in the Budget Resolution, which amends the 2012 schedule.

2. The County Administrator is authorized to review Hold Vacant positions for necessity of operation. Vacancies occurring during the 2013 fiscal year will be reviewed in accordance with the administrative review procedures.

3. The Board of Commissioners instructs the Human Resources Department and the Finance Department to ensure that no person will be paid as a permanent employee for any County department or agency unless there is an approved position as shown in the budget as adopted, subject to amendments which may be made after the budget adoption by the Board of Commissioners.

4. The County Administrator is authorized to approve instep hiring of personnel up to midpoint of pay grade when experience and salary requirements of the candidate and market conditions warrant.

5. The County Administrator is authorized to amend job descriptions and job titles, as well as education and experience requirements.

6. The Board of Commissioners authorizes the County Administrator to administer fee revenue generating positions in accordance with the County policy.

7. The Board of Commissioners extends the provisions of the Plan for Administrative Review of all vacancies. The County Administrator may split full-time positions and combine part- time positions as needs may dictate.

8. The Board of Commissioners directs the County Administrator to review all positions placed on Hold Vacant status prior to January 1, 2012 and if appropriate, eliminate all those that are not deemed critical nor mandated by state and federal laws.

9. The Board of Commissioners instructs the Human Resources Department to ensure that any person who is a retired employee shall not be paid as an employee, contracted or otherwise, unless authorized by a specific Board of Commissioners project or the County Administrator. The Administrator shall report on a monthly basis any temporary rehires of retirees.

10. The Board of Commissioners directs that all position reclassifications be approved through the Budget Process except as merited by emergencies or significant changes.

11. The Board of Commissioners authorizes the County Administrator to reclassify vacant positions downward without Board approval when found necessary in the realignment of departmental operations.

12. The Board of Commissioners authorizes the County Administrator to move positions between funding sources if there is no net impact on the General Fund.

13. All positions authorized and personnel matters acted on by the County Administrator in Section II b shall be reported to the Board of Commissioners in a quarterly Staff Update Report by the Administrator.

14. The Board of Commissioners authorizes the County Administrator to red circle an employee's salaries above pay range. If assignment extends past six months the County Administrator will provide a report of employees on extended assignment to the Board of Commissioners.

15. The Board of Commissioners authorizes the elimination of the non-union pay for performance program, which had a 0 - 8% pay scale range. A new pay scale with 4% steps spread across the current established pay range for each grade will be developed to address current and future pay compression issues. This new pay scale will be used in lieu of the previous pay for performance.

    The Board of Commissioners authorizes the County Administrator to determine annually, effective January 1st of each year if step increases of the non-union pay scale are compounding, remain flat or suspension is needed based on budgetary matters.

C. Other Specific Policies

1. All departments, boards and commissions shall utilize the services of Finance/Purchasing Division in accordance with established procurement policy and procedures. The County shall accept no liability for any goods or services procured in violation of such policy or procedure. All Consultant services, service contracts, and other contractual services shall be accompanied by a valid purchase order from Purchasing.

2. The Board of Commissioners through resolution 06-0047 adopted a revised methodology for Police Services. The 2013 budget is established in accordance with this resolution based on an assumed # of 81 deputy contracts.

   The Board of Commissioners adopted the recommendation from the Police Services Steering Committee (PSSC) for the police services 2012-15 cost/price metrics as the agreed calculation for the total price of a police service unit (PSU). On December 1, 2010, the Board of Commissioners by resolution #10-0221 adopted the recommendation from the PSSC and adopted Scenario 3 as the agreed upon calculation for the total cost of a PSU. Scenario 3 defined the 2011 cost per deputy at $168,584 with an additional $7,524 per deputy in overhead costs with a 2011 established contract price of $150,594. On July 6, 2011, the Board of Commissioners by resolution #11-0112 adopted the price of a PSU for 2012 at $150,594 level with 2011 price, with yearly 1% increase for subsequent years through 2015. The 2013 price will be $152,100, 2014 price will be $153,621 and 2015 price will be $155,157. The Sheriff's Office, County Administration and the PSSC will further focus on the process and metrics related to the PSSC charge, the appropriate length of new contracts, adding or reducing PSUs and changes in contract costs. The Board of Commissioners authorizes the Administrator to implement budget or personnel modifications if the contract levels change throughout the contract period. The Administrator shall report any major modifications to the Chair of the Board of Commissioners.

   In addition, the Board authorizes the Administrator to contract with Ypsilanti Township for the use of Community Services Officers (CSO) and Community Work Program Supervisors as needed.

3. The Board of Commissioners by resolution #11-0094 authorized a one year contract with Experis to perform internal auditing services with the possibility of an extension. The Board of Commissioners directs that the County Administrator to monitor the work to be performed during 2012/13. The internal audit work would begin with a review of the entity-wide controls in place and to assess the "tone at the top", since this is often the foundation for all other components of internal control. This would then be followed by the performance of a risk assessment of County departments to identify the areas of highest risk so that these would be reviewed first. A multi-year internal audit schedule would be developed so departments would be reviewed on a rotating schedule over a multi-year time frame, as determined by the availability of monies and resources to fund this work. The Board of Commissioners directs all affected County staff to cooperate with the audit process and supply information and staff time as requested. All audit reports shall be submitted to the Board of Commissioners.

4. The Board of Commissioners authorizes the County Administrator to approve expenditures up to the Self Insured Retention (SIR) maintained through the County insurance policies for all claims and/or lawsuits against the County and/or County elected officials, officers and employees acting in their official capacity. These claims include**,** but are not limited to: employment-related lawsuits, damages to County vehicles, theft, libel, slander and any other uninsured liability not presently covered by an existing insurance policy. The County Administrator shall report expenditures to the Chair of the Board of Commissioners prior to settlements.

5. The Board of Commissioners authorizes the County Administrator to modify these policies where necessary to carry out the lump sum budget agreement between the Board and the County-funded Courts concerning budget and operational matters, as stated in the Memorandum of Understanding reaffirmed on February 16, 2011 in resolution 11-0039.

6. The Board of Commissioners shall appropriate $100,000 to cover litigation matters involving the County as Plaintiff**,** to be overseen by the County Administrator.

7. The Board of Commissioners directs that henceforth each County agency include Indirect Costs, as determined by the most recent Cost Allocation Plan, prepared by Maximus, Inc**.**, in applications for Federal and State grants; further that where Indirect Costs are not in approved grant budgets, each agency shall explain the reason for not including them in the Resolution approving the grant. The amount of Indirect Costs shall be shown in the grant budget as zero or greater.

8. The Board of Commissioners reaffirms its Capital Reserve Fund policy in accordance with Resolution 99-0100 and authorizes the following transfers of funds into the Capital Reserve Fund: As of the end of each year, all reserves in excess of $4,000,000 accumulated in the Delinquent Tax Revolving Funds/Reserve. All debt service will be paid out of the Capital Reserve Fund.

9. The Board of Commissioners continues the authority granted in 1988, that any permanent policies or resolutions included in the approved Washtenaw County Policies and Procedures Manual no longer need to be included in the Annual Budget Resolution.

10. The Board of Commissioners rescinds any prior action not in conformity with the above-stated general policies and specific policies.

11. The Board of Commissioners continues their support of a five year County-wide Technology Plan. The County Administrator will present an update on the progress of the Plan semiannually or as often as needed.

12. The Board shall plan future budgets to meet the goal of a Reserve for Subsequent Years representing at least 8.0% of General Fund expenditures, net of indirect costs.

13. The Board of Commissioners authorizes the County Administrator to continue the necessary contracts for outside litigation and requires that the Administrator reports contracts $25,000 and under to the Board of Commissioners quarterly.

14. All grant submissions to the Board of Commissioners shall clearly indicate the minimum required match. The summary shall separately specify any proposed match in excess of the minimum required.

15. The Board of Commissioners authorizes the County Administrator to execute contracts and release funds to the outside agencies in conformity with the appropriations and the County's contract policies and procedures. These contracts shall be prepared, monitored and evaluated by the identified County oversight departments. In addition, the Office of Community and Economic Development in alignment with resolution #11-009 will prepare, monitor and evaluate the human services and children's well being coordinated funding allocation.

16. The Parks and Recreation Commission's fund balance will be available to the Parks and Recreation Commission at any time upon resolution by the Parks and Recreation Commission authorizing such expenditures.

17. The Board of Commissioners approves departmental service fee increases in the 2013 Budget based on the Michigan, Detroit Area All Consumer Price Index (CPI) as previously authorized in resolution 03-0209.

18. The Board of Commissioners authorizes the County Administrator to approve fee adjustments for the GIS initiative as recommended by the GIS Steering Committee.

19. The Board of Commissioners authorizes the review of the methodology for determining the necessary staffing levels and authorized overtime expenditures for the Clerk/Register of Deeds Office as determined and agreed to by Support Services and the Clerk/Register of Deeds. This methodology provides the link between expenditures and volume of documents processed by the Register of Deeds staff. Due to the cyclical nature of the document flow, Support Services will review the need for budget adjustments based on changing document volume on at least a semi-annual basis.

20. The Board of Commissioners, upon approval of any Public Works bond resolution authorizing the issuance of bonds for an approved Public Works project, authorizes the establishment of budgets for the project related debt service and construction funds for the duration of the project, up to the amount authorized in the bond resolution.

21. The Board of Commissioners recognizes that reductions in state funding and economic trends will have an impact on the fiscal operations of Washtenaw County Government in 2013 and beyond. The Board directs the County Administrator to report back quarterly on the projected impact on the 2013 Budget and recommend appropriate action. The Board further directs the County Administrator to continue to assess the long-term implications of the current economic trends on the County's operations during 2013 and recommend appropriate action, if needed.

22. The Board of Commissioners directs the County Administrator to continue the hiring freeze process to allow for a review of any vacancies that arise during the 2013 fiscal years for a determination of the need to fill these positions for the continued success of the organization.

23. The Board of Commissioners directs the County Administrator to report to them quarterly on the status of the budget during the 2013 fiscal year.

24. The Board of Commissioners directs that all Ways & Means agenda items with policy or operational changes that assume a budget increase must also include a proposed funding source for consideration if such action is approved.

25. The Board of Commissioners continues the County policy established during 2011 that there will be no automatic General Fund appropriation increases granted for personnel cost increases for the 2013 County appropriations except where required. Where applicable General Fund appropriations will be decreased based on any savings gained from labor negotiations.

26. The Board of Commissioners, with agreement by the Courts, commits to cover budget overages in any Public Safety & Justice line items deemed to be statutory in nature including Jury Fees, Attorney Fees, Attorney Fees Appeals, Witness Fees and Extraditions. Any surpluses in these line items are to be returned to the General Fund and are not available for increased spending in other program areas. In addition, the Board requests that any policy, operational or fee schedule change be communicated with the budget staff prior to being implemented as a means to accurately project the budget impact of such change.

27. The Board of Commissioners approves new revenues and cost reductions with the projection that the Building Services program will have a surplus without the need for any support by the County for fiscal year 2013 with the understanding that any surplus at year end in excess of $51,000 will be transferred to the County to repay the past allocations as originally agreed. Additionally, efforts are to continue to work collaboratively with County employees to reduce program costs while maintaining our excellent quality of service and to collaborate with other County communities to more efficiently utilize resources. The County Administrator shall provide the Board quarterly updates on the fiscal and program status of Building Services to stay abreast of changing conditions and the estimated amount of County funding needed. Due to increased activity and corresponding revenue a 1.0 grade 18 Customer Service Specialist position is created in Building Services. Until such time as the full debt owed by the Building Services program is repaid to the County, an annual review of activities and revenue will be performed. If such review results in less than $35,000 being repaid to the County in a calendar year, the need for the position will be reviewed and the position may be eliminated or reduced from full time to an agreed upon reduction in hours.

28. The Board of Commissioners shall establish the budget with plans for increasing, over time, non General Fund balances to an amount of at least 8% of total budget net of General Fund appropriation and indirect costs for all County departments outside of the GF, taking into consideration the impact of such reserves on outside funding.

29. The Board of Commissioners directs the County Administrator to continue monitoring and lobbying the State of Michigan for full reinstatement of Revenue Sharing and retention of Liquor Tax funding. The budget is based on an assumption that the State will ~~not~~ reinstate Revenue Sharing/County Incentive Program not to exceed seventy-five percent of previous allocation amounts once our revenue sharing reserve is depleted. In addition, twenty percent of the allocation from the State requires compliance incentives for accountability and transparency, consolidations of services and employee compensation with defined eligibility requirements outlined for each area. The Board directs the Administrator to review the eligibility requirements regularly to ensure compliance with all of the incentive requirements.

30. A review of all County capital plans will be incorporated into the biennial budget review including the status and needed actions for the 20 year space plan as adopted on November 15, 2006 in resolution 06-0246. The space plan will be reviewed in alignment with the 2013

budget and program reductions, and a revised plan will be submitted for Board of Commissioner approval by year-end.

31. The Board of Commissioners temporarily rescinds the County policy establishing the 1/8th mill allocation for building maintenance and moves to a flat appropriation as adopted in the budget to realize identified capital savings for fiscal year 2013. The long-term sustainability of these modifications will be reviewed and a recommendation will be included in the 2014/15 budget.

32. The Board of Commissioners approves the 2013 budget and authorizes the carry-forward of the planned 2012 fiscal year surplus to be used to balance the 2013 fiscal year budget.

33. The Board of Commissioners authorizes the Haarer Bequest, as stipulated by the estate, to fund mental health programs. The 2013 budget includes the use of $165K per year of the Haarer Bequest, received in 2011, to fund the Community Support and Treatment Services Jail Services Program.

34. No contract for animal control services extending beyond 60 days shall be entered into without the approval of the Board of Commissioners.

35. Due to the history of increasing medical costs the Board of Commissioners authorizes the County Administrator to calculate a medical composite rate 3% to 5% above the medical agency of record's recommended composite rate for budget purposes to build a fund balance within the medical fund to a level to cover at least 60 days of operating expenditures.

36. Due to the change in the timing of the collection of property tax revenue, which is now seven months into operations of a fiscal year, there is the likelihood that the General Fund (1010) cash balance may be depleted to a negative balance prior to the collection of the July tax levy. In the event the General Fund (1010) does experience a negative cash balance funds held within the Capital Reserve Fund (4060), Capital Equipment Fund (4010), and the 1/8 Mill Capital Improvement Fund (4010) may be utilized to be borrowed from as these funds are supported by allocated general revenues. In the event these funds have insufficient cash balances to address the negative balance within the General Fund other funds within the pooled cash account may be borrowed from. All funds borrowed will be repaid immediately upon collection of the July property tax levy.

37. The Board of Commissioners authorizes any collective bargaining agreements entered into on or after September 15, 2011, comply with section 4 of PA 152 of 2011, referred to as the 80/20 rule, as approved per Resolution #11-0195. As such, for medical benefit plan coverage years beginning on or after January 1, 2012, a public employer shall pay not more than 80% of the total annual costs of all the medical benefit plans it offers or contributes to for its employees and elected public officials. Total annual costs include the premium or illustrative rate of the medical benefit plan and all employer payments for reimbursement of co-pays, deductibles, and payments into health savings accounts, flexible spending accounts, or similar accounts used for health care, but does not include beneficiary-paid copayments, coinsurance, deductibles, other out-of-pocket expenses, other service-related fees that are assessed to the coverage beneficiary, or beneficiary payments into health savings accounts, flexible spending accounts, or similar accounts used for health care. In addition, each elected public official who participates in a medical benefit plan offered by a public employer shall be required to pay 20% or more of the total annual costs of that plan. Furthermore, the public employer may allocate the employees share of total annual costs of the medical benefit plans among the employees of the public employer as it sees fit.