WASHTENAW COUNTY BOARD OF COMMISSIONERS

WAYS & MEANS COMMITTEE

March 21, 2007

Chair Bergman called the meeting to order at 6:30 p.m. in the Board Room, Administration Building, 220 North Main Street, Ann Arbor, Michigan.

MEMBERS PRESENT: Comms. Bergman, Gunn, Irwin, Peterson, Ping Mills, Ouimet, Lovejoy Roe, Schwartz, Sizemore and Smith

MEMBERS ABSENT: Comm. Grewal

OTHERS PRESENT: County Administrator Robert Guenzel, Deputy County Administrators David Behen and Verna McDaniel, Corporation Counsel Curt Hedger; Peter Ballios, Finance; Diane Heidt, Human Resources; Dale Vanderford, James McFarlane, Ken Schrader, Andy Brush, Information Technology; Jennifer Watson, Budget; Patricia Denig, Planning and Environment; Judy Foy, Consultant; Kerry Sheldon, Administration; Jason Brooks, Clerk's Office; various citizens; and members of the press.

Roll Call

Citizen Participation
None

Commissioner Follow-Up to Citizens' Participation
None

New Business:

Land Use and Environment Community of Interest:

Employment Training & Community Services (ETCS):

2007 Annual Emergency Food Assistance Grant
Comm. Irwin seconded by Comm. Gunn moved to recommend that the Board of Commissioners approve the Resolution ratifying the Administrator's signature on the application to the Michigan Department of Education, in the amount of $13,136, for the period of October 1, 2006 to September 30, 2007; authorizing the Administrator to sign the Notice of Grant Award, amending the budget; and authorizing the Administrator to sign delegate contracts.

Roll call vote: YEAS: 9. NAYS: 0 ABSENT: 2 (Comms. Grewal and Ping Mills). Motion carried.

Children's Well-Being Community of Interest:

Children's Services:

Pfizer Grant for Washtenaw Area Teens for Tomorrow
Comm. Irwin seconded by Comm. Gunn moved to recommend that the Board of Commissioners approve the Resolution ratifying the submission of the electronic grant application to Pfizer Global Research & Development Foundation, in the amount of $20,000, for the period of June 1, 2007 to December 31, 2007; authorizing the Administrator to sign the Notice of Grant Award, amending the budget; and authorizing the Administrator to sign delegate contracts.

Roll call vote: YEAS: 9. NAYS: 0 ABSENT: 2 (Comms. Grewal and Ping Mills). Motion carried.

Health Community of Interest:

Community Support & Treatment Services:

2006-07 Budget Amendment
Comm. Irwin seconded by Comm. Gunn moved to recommend that the Board of Commissioners approve the Resolution approving a budget amendment in the amount of $168,216 for CSTS, creating a 1.0 FTE Specialized Program Supervisor position: Grade 80, Group 10, salary range: $59,997-$80,196, creating a 1.0 FTE Mental Health Nurse position: Grade 23, Group 11, salary range: $40,743-$53,056, creating a 1.0 FTE Mental Health Professional position: Grade 21, Group 11, salary range: $37,861-$49,206, creating a 1.0 FTE Client Services Manager position: Grade 19, Group 11, salary range $35,279-$43,948; authorizing the Administrator to amend the 2006-07 CSTS-WCHO contract (no additional general fund support is needed)

Roll call vote: YEAS: 9. NAYS: 0 ABSENT: 2 (Comms. Grewal and Ping Mills). Motion carried.

Report of the Administrator:

2008/09 Planning Process – Presentation: Financial State of the County
Jennifer Watson gave a presentation on the 2008/09 Planning Process. (On file in County Clerk's Office.)

Guenzel stated that the BOC has worked hard on this issue. He added that the County has had substantial cuts in Human Services and Support Services. He stated that one of his goals is to continue to provide the services already provided. Guenzel reported that labor negotiations will be important going forward. He communicated that a second tremendous commitment has been undertaken in the general fund and in non-general fund deparrtments. He gave a third avenue which he stated is outside agencies. Guenzel added that this refers to the need for more intergovernmental cooperation. He stated that needs for non-profits will increase, and that a balance needs to be struck. He stated that County government is a service agency. He communicated that these things do not diminish the commitment to mandated services.

Comm. Gunn stated that she is concerned with the statement that state revenues will be flat, and feels that the County will be lucky to avoid further declines. She stated that the County depends on this revenue, and it looks like things are collapsing. Watson stated that the general fund projections take a flat line for now, but further projections can be made in the future if needed.

Comm. Ouimet stated that this situation leads us into difficult challenges. He stated that it would be interesting to look at trends as far as state revenue sharing. He added that it would be interesting to see where the commitment of the Board has been in past years.

Comm. Ouimet commented that one of his personal goals is to do a better job with return in investment to employees to take some of the burden off of the general fund. Comm. Ouimet added that some of the school districts are already in serious financial trouble. He stated that there is no difference between what the County and Townships are going through. He added that this will not be pleasant, and it will be important to start looking at priorities down the line.

Comm. Sizemore reported that Lincoln Schools has not agreed to participate in head start. He asked if this would effect the grant funding. Behen stated that there are 63 students in head start. He stated that Wayne County will absorb the 35 Wayne County students, but that options are being looked at. He added that he looks forward to bringing some kind of plan forward.

Comm. Irwin stated that the budget cannot be passed because it is out of balance. He stated that there was serious tightening up in County government in the mid 1990's. Comm. Irwin added that it may be helpful to review strategies that worked, and ones that did not. He stated that County Principle #7 (Provide leadership on intragovernmental, intergovernmental and intersectoral cooperation and collaboration aimed at improving services to County citizens) should be utilized as much as possible. He also stated that the money to supplement pensions has been going up substantially, and he asked about how much was put in the previous year. He asked for explanation of the details about the GASB 45 standards. Guenzel stated that the County funded retirees on a yearly basis. He added that the principles have been updated to use a per capita funding estimate. Guenzel stated that this is a reporting requirement, not a funding requirement, but that it will get worse as years go on. He stated that steps need to be taken to reduce this liability.

Comm. Irwin stated that he would hate to have the Board not to address these issues head on. He stated that the Engler policies of tax cuts was used and caused damage. He added that the County needs to be ready, because you can not depend on the state.

Comm. Lovejoy Roe asked if the appropriations count non-general fund departments and all of the mandated services. Watson stated that in the past the County gave appropriations, but recently revenues have gone down on the state and federal level. Comm. Lovejoy Roe asked about a breakdown of public safety and justice trend and about the cost vs. expenditure side for building services. Watson stated that this is a non-general fund expenditure currently.

Comm. Lovejoy Roe asked about other services and charges and what this is. Watson stated that the 06 is actuals partly due to boarding out and medical expenses in the jails. Comm. Lovejoy Roe asked for a break down of the trends in funding of public safety. Comm. Lovejoy Roe asked where the pension liability can be found. Watson stated that it is in professional services.

Comm. Ping Mills stated that joint services is a big topic that needs consideration. She added that health care costs are rising, and that employee education on the topic may be able to save both the County and employees money. She stated that she feels many employees may not understand their options in this area.

Comm. Schwartz thanked Watson and Behen for the presentation. He stated that the WCERS board is currnetly going through selecting new consultants, and that there needs to be a higher return on investments.

Comm. Ouimet stated that based on age, GASB 45 plays a large role. He stated that he commends Administration for taking the issue on now. He added that the question is how fast the investment issue can be turned around.

Comm. Sizemore asked how many automobiles are in the motor pool. He added that employees that live outside of the County should not take county vehicles home. He also asked for a breakdown of the costs of the Sheriff's Deputies that are currently on leave.

Comm. Lovejoy Roe stated that when faced with these deficits, she has noticed that traditionally the hit has been taken by the leadership of the organization first.

Comm. Smith asked if Guenzel could bring a breakdown in personnel cost vs. program investment, and whether that could bring longer range returns.

Comm. Bergman reiterated the concerns expressed by the Board following the presentation

Report of the Chair of the Board
Comm. Irwin stated that there would be a ten minute break between the Ways and Means Committee meeting and the Board of Commissioners meeting.

Items for Current/Future Discussion
None

Citizen Participation
Stumbo stated that she came because of the Exelon contract. She described the letter from DTE to the Board, and stated that people should pull together. She added that local businesses should be thought of first, and described the Ypsilanti Township purchasing policy. She added that the County should support the people that pay the taxes here. She added that a claim had to be reopened and that a plateau is possibly being reached. She added that the middle class is strapped as far as paying bills. She added that GASB 45 will show up as a liability if not addressed.

Commissioners Follow-up to Citizen Participation
None

Pending
None

Adjournment
Comm. Smith seconded by Comm. Peterson moved that the meeting be adjourned until April 4th, 2007 at 6:30 p.m. Motion carried.

The meeting adjourned at 7:45 p.m.

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Barbara Levin Bergman, Chair

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Lawrence Kestenbaum, Clerk/Register
By: Jason Brooks, Deputy Clerk

APPROVED: