



## WASHTENAW COUNTY BOARD OF COMMISSIONERS

### WAYS & MEANS COMMITTEE

April 4, 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; Catherine McClary, Treasurer, Peter Ballios, Roberta Allen, Peter Collinson, Finance; Patricia McGee, Head Start; Diane Heidt, Monica Boote, Barbara Finch, Human Resources; Dale Vanderford, Ken Schrader, Information Technology; Jennifer Watson, Budget; Scott Miller, Drain; Patricia Denig, Planning and Environment; Kerry Sheldon, Administration; Jason Brooks, Clerk's Office; various citizens; and members of the press.

#### **Roll Call**

##### **Citizen Participation**

Tom Partridge stated that it is an honor to speak to the Board. He added that as a lifelong activist, he calls on the Board to end discrimination in all forms. Partridge stated that discrimination has been harmful throughout history. He added that Washtenaw County citizens without health care need to benefit from decisions. Partridge reported that he advocates universal health care. He stated that health care organizations in the County favor the socioeconomic status of individuals.

Scott Miller stated that he is a resident of Pittsfield Township. He stated that he is the Vice Chair of the MPPP. He stated that MPPP is the defined contribution plan of the County, and that the report is based on the standing of the plan from late February. Miller discussed a report that he distributed to the Board (On file in County Clerk's Office). He stated that this report was not done on behalf of MPPP.

##### **Commissioner Follow-Up to Citizens' Participation**

None

##### **New Business:**

Comm. Irwin presented the resolution proclaiming April, 2007 as the Month of the Young Child in Washtenaw County to Patricia McGee, Head Start and Sharee Green, Child Care Network. McGee thanked the Board for all they do for children in the County.

The GFOA Certification of Achievement was presented. Carla Sledge (GFOA) gave a short presentation at Ways and Means. She stated that this is the 16th consecutive year the County has won the award. Comm. Irwin stated that this is a testament to employees and the Finance Department.

Peter Ballios and Peter Collinson gave a presentation on Highlights from the Comprehensive Annual Financial Report (CAFR), year ended December 31, 2006. (On file in County Clerk's Office.)

Mark Kettner also participated in the presentation. He stated that having the report done in the first quarter for 10 straight years is a great achievement. He discussed auditing statement #112, which mandates more in depth internal control reporting. He also discussed the audit presentation.

Comm. Ouimet asked if the team has materials in order according to expectations. He asked if a pre-closing meeting takes place. Kettner stated that the team has materials in order, but that no single meeting takes place.

Comm. Ouimet asked how changes in accounting are communicated to the accounting team. Kettner stated that when GASB 43 and 45 were issued, a two way dialogue took place. Comm. Ouimet asked for Kettner's take on where the regulations are heading. Kettner responded that the Board is questioning whether the GASB has fulfilled its financial obligation. He stated that the question is have they gone far enough, or do they need to go further.

Comm. Ouimet asked about protecting and expanding capital reserves through the accounting system. Kettner stated that he sees a range of treatments. Comm. Ouimet discussed support for bonds with the eventual dip in revenue. Comm. Ouimet commended the auditing team and the County team on how quickly and accurately this task is accomplished.

Comm. Bergman thanked everyone involved in the award.

Comm. Lovejoy Roe asked about internal controls, and whether that is a typical service. Kettner stated that it would be extra. He stated that this is done to determine nature, timing, and extent of controls. Kettner stated that this step is typically not done. He stated that this procedure is done to determine the nature, timing, and extent of procedures to be done. Kettner added that there is not a requirement of local government to have an audit of local controls conducted.

Magistrate Pope discussed the legal resource center. He is the President of the EMU legal resource center. He stated that the Washtenaw County Legal Resource Center was created when many in the field realized that there was a pressing need for the provision of paralegal services in the County. He stated that this program allows provision of services to residents, and allows students clinical experience in the paralegal program. Pope stated that the 5,000<sup>th</sup> patron has just been served by the program. Pope added that EMU has been a full partner, and provided support. He added that Washtenaw County has also been very generous throughout this program. Pope stated that staff and services are provided now at the 14-B District Court for citizens at the Eastern end of the County. He stated that the four areas of service provided to clientele include: family, landlord/tenant, probate, and small claims. He stated that he appreciates the support of County government.

Comm. Gunn thanked the group for all the good that they do. She asked for the phone number of the program. A pamphlet was provided to the Commissioners (On file in County Clerk's Office.)

Comm. Irwin thanked the WCLRC for their work. He asked how the business is broken up in terms of volume. Pope stated that Family, Landlord/Tenant, Probate, and Small Claims are the order of inquiries. Pope stated that it is a benefit to be able to work out judgments before going to court. He added that the ability to direct people to the program is a benefit to Clerks.

Comm. Sizemore asked if Pope had been to a West Willow neighborhood watch program. Pope responded that he had not but could provide materials and attend a future meeting.

Comm. Bergman thanked all involved in the program. She added that an important need is served for all of the clients that seek help.

Comm. Peterson stated that two finer individuals could not be found to serve on this cause. He stated that this is an example of units of government working together, and that he would like to see more of this. Comm. Peterson added that engaging the student population is positive. Pope stated that he agreed that this is a great partnership in the County.

Comm. Smith commented on the creation of a 1.0 FTE position in the Treasurer's Office (see agenda). He stated that he was surprised that only one FTE was needed. Comm. Smith stated that revenue was decreasing over the next several years. He added that maintaining participation in tax payments is key. He asked if McClary had any recommendations for the Board that would help the County get out of this scenario. McClary stated that there are 3 cycles of tax collections. She reported that the first is 2006 taxes that came over as delinquent. She stated that there is a 20% increase in delinquencies from last year. She stated that revenues from property taxes have remained steady at 6% per year. She stated that not all of the 2005 taxes have been collected yet. At this point they move into the foreclosure process. She added that intensive efforts need to be put in place at this point. She stated that taxes will eventually be collected. She stated that it is good public policy to keep people in their homes. McClary stated that 2004 properties are the ones due to be foreclosed on this year. McClary commented that there is a housing bureau that has recommended a position that will take calls and get them to the appropriate agency. She stated that her office can help people in this situation.

Comm. Smith asked for recommendations that have been seen in areas of the Country. McClary stated that the same model is being followed by Detroit and Pontiac, and that the communities are sharing ideas. McClary stated that Detroit has put together a fund that would pay some of the up front costs. Comm. Smith asked how many foreclosures are due to unscrupulous lenders. McClary stated that this data has not been gathered yet. She stated that this is not a huge number. McClary stated that it is difficult to deal with these lending agencies. She stated that Freddie Mann may be good lenders.

Comm. Smith expressed his appreciation for this type of work. McClary stated that it is not only her office. She added that many other departments help, and people work together in the County to try to solve this problem.

Comm. Bergman stated that education is also important. McClary stated that she has been running financial literacy workshops for years.

Comm. Ping Mills asked if the salary was changed on the Treasurer's Office position. McDaniel stated that they can provide the salary schedules.

Comm. Ouimet stated that the issue in foreclosures is impaired credit that goes to the secondary lender. He stated that this is one of the biggest changes in the marketplace. He added that next year is going to be challenging, and that McClary should be commended for work on the educational aspect of the issue. Comm. Ouimet pointed out the importance of front loading education for younger people.

Comm. Ping Mills mentioned an e-mail received on the Treasurer's Office position. McDaniel stated that it was a change in the group.

Comm. Smith asked if it is Guenzel's intent to include this position in the 2 year budget. Guenzel responded that he would.

Barb Finch presented the salary steps for clarification. McDaniel stated that this is an error in the agenda.

### **Children's Well-Being Community of Interest:**

#### **Head Start:**

##### **Annual 2007 Head Start Program**

Comm. Irwin seconded by Comm. Lovejoy Roe moved to recommend that the Board of Commissioners approve the resolution authorizing the Chair of the Board of Commissioners to sign the application to the Department of Health and Human Services for the Head Start program for the period of August 1, 2007 through July 31, 2008 in the amount of \$4,981,821; approving the Head Start budget; and authorizing the County Administrator to sign delegate contracts be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

### **Civic Infrastructure Community of Interest:**

#### **Treasurer:**

##### **Creating a 1.0 FTE Position**

Comm. Irwin seconded by Comm. Lovejoy Roe moved that the resolution authorizing the creation of one Property Tax Foreclosure Prevention Specialist I/II position, Group 32, Grade 19/21, salary range: \$35,278.69 - \$49,205.69, within the restricted fund under general Property Tax Act as amended by P.A. 123 of 1999 to be funded entirely by revenues generated by the foreclosure process, no General Fund dollars requested be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

### **Land Use & Environment Community of Interest:**

#### **Employment Training & Community Services (ETCS):**

##### **FY 2007 Annual Weatherization Assistance Program**

Comm. Irwin seconded by Comm. Lovejoy Roe moved to recommend that the Board of Commissioners approve the resolution ratifying the Administrator's signature on the application to the Michigan Department of Human Services for the period of April 1, 2007 through March 31, 2008 in the amount of \$270,962; authorizing the Administrator to sign the Notice of Grant Award; Amending the budget; and authorizing the Administrator to sign delegate contracts be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

### **Planning & Environment:**

**School Chemistry Cleanout Project**

Comm. Irwin seconded by Comm. Lovejoy Roe moved to recommend that the Board of Commissioners approve the resolution ratifying the Administrator's signature on the application to the U.S. Environmental Protection Agency for the period of August 1, 2007 through July 31, 2008 in the amount of \$85,958; authorizing the Administrator to sign the Notice of Grant Award; Amending the budget; and authorizing the Administrator to sign delegate contracts be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

**Full Faith and Credit for Multi-Lakes Wastewater Treatment Plan Upgrade**

Comm. Irwin seconded by Comm. Lovejoy Roe moved to recommend that the Board of Commissioners approve the bond resolution approving creation of the Washtenaw County – Multi Lakes Wastewater Treatment Plan Improvements Phase III Project for the purpose of improving the sewer system serving the residents of the Townships of Lyndon, Dexter, and Putnam and the Multi Lakes Sewer and Water Authority be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

**Full Faith and Credit for the Northfield Township Bond Refunding**

Comm. Irwin seconded by Comm. Lovejoy Roe moved to recommend that the Board of Commissioners approve the bond resolution to authorize the issuance of not to exceed \$6,000,000 Washtenaw County – Northfield Township sanitary sewer system and wastewater treatment improvement refunding bonds, series 2007 be adopted.

Roll call vote: YEAS: 10. NAYS: 0 ABSENT: 1 (Comm. Grewal). Motion carried.

**Citizen Participation**

Tom Partridge stated that commended Comm. Smith for his concern about foreclosure in the County. He stated that he wondered how many people will be affected by foreclosure. He stated that people should not be having such limited views. Partridge added that he is a resident of the only remaining affordable housing development in Scio Township. He stated that his developments mortgage was purchased by an Ann Arbor firm.

**Commissioners Follow-up to Citizen Participation**

Comm. Lovejoy Roe requested that a member of staff follow up with Mr. Partridge on his foreclosure concerns. Bob Guenzel responded that this would be done.

**Report of the Administrator:**

Comm. Bergman stated that there would be an Executive Session that is expected to be lengthy.

Bob Guenzel introduced Joanna Bidlack, and stated that she would be starting work in the Administration Office on April 9<sup>th</sup>.

Comm. Peterson asked if Executive Session could be held until after the BOC meeting.

Comm. Gunn seconded by Comm. Smith moved to amend the agenda to allow for Citizen Participation and Commissioner Follow-up to Citizen Participation prior to entering Executive Session. Roll call vote: YEAS: 8. NAYS: 2 (Comms. Peterson and Lovejoy Roe) ABSENT: 1 (Comm. Grewal). Motion carried.

Comm. Lovejoy Roe stated that she felt Executive Session would be moved to the end of the Board meeting.

Comm. Bergman stated that there are four opportunities for Citizen Participation throughout the night. She stated that under this motion 10 minutes will be provided at the Ways and Means meeting before exiting to Executive Session.

Comm. Peterson stated that this is not an issue about speaking on Ways and Means. He stated that he has always been opposed to going into Executive Session. Comm. Peterson stated that every citizen deserves the respect of the Board.

Comm. Gunn stated that they are trying to do the best they can.

Comm. Lovejoy Roe stated that the staff is also waiting.

Comm. Irwin seconded by Comm. Sizemore moved to enter Executive Session on the topic of Labor negotiations and pending litigation. Roll call vote: YEAS: 8. NAYS: 1 (Comm. Lovejoy Roe) ABSENT: 2 (Comms. Grewal and Peterson). Motion carried.

Meeting adjourned to Executive Session at 8:20 p.m.

Ways and Means Committee meeting reconvened from Executive Session at 10:09 p.m.

**Report of the Chair of the Board**

Comm. Irwin stated that there would be no break between the Ways and Means Committee meeting and the Board of Commissioners meeting.

**Items for Current/Future Discussion**

None

**Pending**

None

**Adjournment**

Comm. Smith seconded by Comm. Peterson moved that the meeting be adjourned until April 18<sup>th</sup>, 2007 at 6:30 p.m. Motion carried.

The meeting adjourned at 10:10 p.m.

---

Barbara Levin Bergman, Chair

---

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

APPROVED: 4/18/07