

# WAYS AND MEANS COMMITTEE MEETING

FRIDAY, MAY 14, 2021

9:00 A.M.

MINUTES

---

**MEMBERS PRESENT:** Commissioners Blake Mulder, Terrance Augustine, Joe Brehler, Brian Droscha, Brian Lautzenheiser, Jim Mott and Jeanne Pearl-Wright.

**ALSO PRESENT:** Commissioners Jeremy Whittum, Mark Mudry and Barbara Rogers; Tim Vandermark, Gouri Sashital, Adam Morris, John Fuentes and Connie Sobie.

The Ways and Means Committee met in virtual session on May 14, 2021 in accordance with PA 228 of 2020. The members announced the location from which they are attending remotely as follows:

Commissioner Augustine, in the Eaton County Courthouse, MI  
Commissioner Pearl-Wright, Traverse City, MI  
Commissioner Droscha, their residence in District 9, Eaton Township, Eaton County, MI  
Commissioner Brehler, their residence in the City of Lansing, Eaton County, MI  
Commissioner Mott, their residence in Walton Township, Olivet, Eaton County, MI  
Commissioner Lautzenheiser, in the Eaton County Courthouse, MI  
Commissioner Mulder, in the Eaton County Courthouse, MI

Chairman Mulder called the meeting to order at 9:00 am.

The Pledge of Allegiance was given by all.

Commissioner Lautzenheiser moved to approve the agenda. Commissioner Augustine seconded. Motion carried by unanimous roll call vote.

Commissioner Lautzenheiser moved to approve the minutes of the April 16, 2021 Ways and Means Committee meeting. Commissioner Pearl-Wright seconded. Motion carried by unanimous roll call vote.

There was no Limited Public Comment.

Tim Vandermark presented the 2021 Taxable Valuation Report L-4046 showing taxable values by class and the Headlee Rollback Report L-4028. Total taxable value increased 2.94% over 2020. The County did not experience a reduction through a rollback, however several individual jurisdictions did experience a reduction. Discussion held. Commissioner Augustine moved to recommend approval of the values as set forth in the 2021 Taxable Valuation Report L-4046 to the Board of Commissioners as presented. Commissioner Pearl-Wright seconded. Motion carried by unanimous roll call vote.

An update of the position vacancies was presented and discussed (attached). Commissioner Brehler moved to refill the position vacancies as presented. Commissioner Pearl-Wright seconded. Motion carried by unanimous roll call vote.

The March Health Insurance Expenditure report was presented (attached). The report indicates an unfavorable variance of (\$184,858) compared to the budget projection for both the County and Health Department. The County's portion is an unfavorable variance of (\$214,694). The County's active employees' unfavorable variance is (\$87,940) and the retirees' unfavorable variance is (\$53,348). It was reported the County is required to bid its Health Insurance this year. The bid process has been initiated and the results will be presented at the August regular meeting. Discussion held.

A resolution to appoint Andrea Cherwinski as the HIPAA Privacy Officer was presented (attached). Commissioner Augustine moved to recommend approval for the resolution to appoint the Privacy Officer to the Board of Commissioners, as presented. Commissioner Lautzenheiser seconded. Motion carried by unanimous roll call vote.

An update of the Child Care Fund was presented and discussed (attached). Based on the updated projection of revenues and expenditures the estimated fund balance at September 30, 2021 is \$551,443. Discussion held.

Mr. Fuentes provided an update to the Public Improvement project expense (attached). A recommendation to accept the low bid of TomCo for the parking lot paving projects and Eric Rogers for the concrete sidewalks was presented. The consensus of the Committee was to move forward with the recommendation as presented.

A proposal to extend the Rehmann auditing services for a period of three years was presented (attached). Discussion held regarding assignment of new auditing staff within Rehmann. Commissioner Brehler moved to approve the extension of auditing services contract with Rehmann as presented and discussed. Commissioner Augustine seconded. Motion carried by unanimous roll call vote.

It was reported that the County was contacted by Johnson Controls regarding a performance savings contract. The County entered into a similar agreement previously which was completed in 2014. The County will participate in a no-cost evaluation to determine if opportunities for performance improvements exist to utilize savings to fund improvements to the County HVAC systems. Discussion held.

Commissioner Lautzenheiser moved to recommend approval of the payment of the claims against the County in the amount of \$461,034.85 and immediate claims in the amount of \$7,935,242.11 to the Board of Commissioners, as presented. Commissioner Droscha seconded. Motion carried by unanimous roll call vote.

The budget amendments were presented and discussed (attached). Commissioner Augustine moved to recommend approval of the 2020/21 budget amendments. Commissioner Brehler seconded. Motion carried by unanimous roll call vote.

A sample resolution from Berrien County to the State of Michigan requesting a restoration of the County Revenue Sharing Fund and to provide a one-time payment of the cumulative shortfall was presented and discussed (attached). The estimated cumulative shortfall to Eaton County was \$967,474. Commissioner Pearl-Wright moved to recommend a resolution to the Board of Commissioner to restore the revenue sharing shortfall from the State of Michigan. Commissioner Mott seconded. Motion carried by unanimous roll call vote.

The 2021/2022 departmental budgets were presented. Current estimated revenues are \$40,032,067 and expenditure estimates are \$43,070,699, which indicates a difference of \$3,038,632. Mr. Fuentes discussed the interim final rules of the ARPA funds with respect to the calculation of lost revenues. The preliminary

calculation of revenue loss is approximately \$1.8 million, which has been included in the current budget estimation under federal revenue for purposes of discussion. There will be additional consideration of expenditure reductions to balance the budget. The Controller's Office will continue to work with the elected officials and department heads on budget reductions. There was discussion regarding the ARPA funds and ongoing requests for use of the funds as well as the restricted and prohibited uses.

Mr. Fuentes highlighted the personnel expenditure costs and provided a summary of new position requests. The new positions requests are not factored into the current budget estimates. Mr. Fuentes recommends that he communicate with the elected officials and department heads regarding not including new positions in the budget at this point. Mr. Fuentes will update the Committee with any concerns by those offices and with any requests for further consideration of positions.

The Controller's Office will continue to evaluate the budget estimates and work with department heads and elected officials and to develop a plan for the use of the ARPA calculated revenue loss within the budget structure.

There was no Limited Public Comment.


Mr. Fuentes recommended closed session to discuss upcoming labor contract negotiations. Commissioner Augustine moved to enter into closed session at 10:12 a.m. pursuant to Section 15.268 Sec 8. (a) of the Open Meetings Act, to discuss negotiation related to upcoming labor contract negotiations. Commissioner Lautzenheiser seconded. Motion carried by unanimous roll call vote.

The Committee resumed the open meeting at 11:12 a.m.

No action needed.

Chairperson Mulder adjourned the meeting at 11:13 a.m.

The next regular meeting of the Way and Means Committee will be held Friday, June 11, 2021, at 9:00 a.m.

  
Chairman Blake Mulder