

WAYS AND MEANS COMMITTEE MEETING

FRIDAY, JUNE 10, 2022

9:00 A.M.

MINUTES

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

ALSO PRESENT: Commissioners Jeremy Whittum and Barbara Rogers; Treasurer Bob Robinson, Tim Vandermark, Riley Spayde, Kathy Webber, Chad Powers, Kathy Brooks, Rachel Kuntzch, John Fuentes and Connie Sobie.

The June 10, 2022 regular meeting of the Ways and Means Committee was called to order at 9:00 a.m. by Chairman Mulder.

The Pledge of Allegiance was given by all.

Commissioner Lautzenheiser moved to approve the agenda as presented. Commissioner Droscha seconded. Motion carried unanimously.

Commissioner Mott moved to approve the minutes of the May 13, 2022 Ways and Means Committee meeting. Commissioner Lautzenheiser seconded. Motion carried unanimously.

Mr. Riley Spayde, 1037 Gretchen Lane, Grand Ledge, MI representing the Friends of the Eaton County Parks was present to express support for an Eaton County Parks Millage being placed on the ballot for the public to be afforded the opportunity to make the decision.

Ms. Kathy Webber, 6510 Dexter Ann Arbor Rd, Dexter, MI, President of the Friends of the Eaton County Parks was present to express support for an Eaton County Parks Millage discussed a poll of residents in the County regarding the parks indicating it was a favorable outcome with approximately 2/3 of those in support. Ms. Webber cited reasons for the favorable reviews and also asked for the ballot question to be placed before the voters to decide.

A resolution to adopt the 2022 summer property tax levy and certification of the County allocated tax levy was presented (attached). Commissioner Augustine moved to recommend the authorization of the resolution adopt 2022 summer property tax levy and notice of certification of the County allocated tax levy to the Board of Commissioners, as presented. Commissioner Lautzenheiser seconded. Motion carried unanimously.

Equalization Director, Tim Vandermark, was present to review the DDA Captured Value and Headlee Rollback Form L-4028 (attached) and provided a detailed explanation of the information provided. Discussion held. Commissioner Lautzenheiser moved to recommend approval of 2022 Tax Limitation Valuations Form L-4028 to the Board of Commissioners, as presented. Commissioner Brehler seconded. Motion carried unanimously.

Proposed resolutions to approve applications for Farmland and Open Space Developmental Rights agreements for Scott A. Spitzley for 40 years totaling approximately 166 acres in Roxand Township and an agreement for Douglas J. Westondorp/Westvale View Dairy LLC for 90 years totaling approximately 134.8 acres in Kalamo Township (attached). Commissioner Lautzenheiser moved to recommend approval of the presented resolutions to approve

applications for Farmland and Open Space Developmental Rights agreements, as presented. Commissioner Droscha seconded. Motion carried unanimously.

Treasurer Bob Robinson was present to request approval of a resolution opposing Michigan House Bill 4730. And explained this is legislation to require Register of Deeds and Treasurer's Offices across the State of Michigan to provide for-profit corporations copies of official records maintained by those offices at a significant discount or at no charge. A resolution approved by Cass County was presented (attached). The Treasurer explained the impact the bills would have on these offices and estimated his office would need an additional .5 FTE to fulfill these requests for data. That data could be requested in any manner. Discussion held. Commissioner Augustine moved to recommend approval of a resolution opposing HB 4730 to the Board of Commissioners. Commissioner Pearl-Wright seconded. Motion carried unanimously.

Treasurer Robinson also presented the quarterly investment report and provided an update of the financial activities including the Foreclosure Fund (attached).

A resolution to authorize a Delinquent Tax Fund transfer to the General Fund per the advice of the County Treasurer was presented. Commissioner Brehler moved to recommend approval of the resolution to the Board of Commissioners, as presented. Commissioner Droscha seconded. Motion carried unanimously.

The positions update was presented and reviewed (attached).

The vacant Radio Manager position in Central Dispatch, which is being requested to be replaced with a Public Safety Telecommunicator position in the 2022/2023 budget, was discussed. It is recommended that the current position allocation be amended to reflect this change to allow Central Dispatch to begin the recruitment process for a telecommunicator. Commissioner Augustine moved to amend the position allocation list to remove the Radio Manager position and add a Public Safety Telecommunicator position. Commissioner Pearl-Wright seconded. Motion carried unanimously.

Commissioner Augustine moved to amend the current positions opening to add the Public Safety Telecommunicator and to refill the other vacancies as presented. Commissioner Lautzenheiser seconded. Motion carried unanimously.

The Registered Nurse position that has been vacant since 2019 with no success in recruiting was discussed. It is recommended that the full-time position from the 2022/23 budget be removed because it has continued to result in funding a vacant position. The Sheriff agrees with the recommendation to remove the Registered Nurse position from the proposed FY 22/23 budget based on current jail population, with the understanding that it would need to be re-considered at the time the jail population increases. It was reported there has been a registered nurse working on an intermittent basis to provide nursing services and the Sheriff would request the funds to continue those services, this would be discussed further during the budget development.

It was reported that the 2021 Retiree Health Actuarial Valuation has been completed and the funds increased 2.9% to a funded level of 36.1%. This was in part due to the supplemental contribution the Board made to the Retiree Health fund in 2021. The remaining actuarially determined unfunded liability is \$33.9 million.

It was reported that in January, the Committee had provided the Controller with temporary authorities to attempt to address retention and recruiting issues. These included the authorization of overtime pay within exempt classifications due to staffing levels and workload, additional flexibility to adjust the salary of an incumbent employee if a new hire was placed at a higher step on the scale in order to recruit the new employee and also allowed a limited authority of advanced accrual of vacation time for a new hire instead of the current policy in which it takes a full year to accrue the leave time. It is recommended to continue this temporary authority to be used as needed, which was set to expire at the end of June. Commissioner Augustine moved to extend the authority

through December 31, 2022. Commissioner Pearl-Wright seconded. Discussion held. Motion carried unanimously.

There was also discussion to provide departments the authorization to develop flexible work schedules for employees that fit within the regular forty hour work week and the current hours of County operations. This may include changing an employee's work schedule from five, eight hour days to four, ten hour days or to provide a hybrid remote work schedule and possibly alleviate one day of travel. Given offices staffing levels or operations this is not something that may be applied unilaterally, but would allow some flexibility. Discussion held regarding a pilot program or amending the personnel policy to include these options.

Commissioner Augustine moved for the Controller to prepare an amendment to the personnel policy to include provisions for alternative work schedules as discussed for review by the Board of Commissioners at their next meeting. Commissioner Brehler seconded. Discussion held. Motion carried unanimously.

There was discussion regarding the increased cost of fuel and how it may impact the Sheriff's Office budget. The Controller's office, under the authority in the Budget Resolution, will make budget transfers within departmental budgets as needed and would request consideration for additional appropriations if the current departmental budget requires an increase. This had been discussed with the Sheriff.

The April Health Insurance Expenditure report was presented (attached). The report indicates an unfavorable variance of (\$466,320) compared to the budget projection for both the County and Health Department. The County's portion is an unfavorable variance of (\$423,186). The County's active employees' unfavorable variance is (\$253,854) and the retirees' unfavorable variance is (\$169,327).

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, 2022 is \$411,572. Mr. Fuentes indicated there has been difficulty identifying out of home placements for youth within the State and increased costs may be incurred as out of state placements become necessary. It was reported that the lack of available placements is a statewide issue for Courts/Counties.

Mr. Fuentes provided an update to the status of the current Public Improvement projects. Mr. Fuentes announced Chad Powers was hired as the new Facilities Director. Members of the hiring committee provided information on Mr. Powers' background with work throughout the County facilities and in project development from previous employment.

An update of the American Rescue Plan requests and allocations was presented reviewed (attached). There was discussion regarding the individual requests and regarding the application of the funds being distributed equitably between categories of requests.

A request from Resolution Services Center of Central Michigan (RSCCM) to provide funding through the American Rescue Plan for Community Dispute Resolution Services in the amount of \$40,000 (attached). The request indicates this would provide funding for half of the actual costs to continue serving the 56-A District Court. Currently, there are no County funds allocated to these services. Kathy Brooks, Deputy Trial Court Administrator was present to discuss this request on behalf of the Trial Court. The judges did express concern about RSCCM not discussing the request with the Court or requesting a meeting to discuss funding needs. Ms. Brooks indicated the request received by the Board of Commissioners included program statistics. The Court requested to discuss these statistics with the Center and receive additional information. There was discussion regarding other funding received by the Center. Ms. Brooks indicated the data presented in the request appears to include data for all counties being served. Board Chairman Whittum discussed the request made directly to him and indicated he discussed the request with both Judge O'Neill and Judge Cunningham. Chairman Whittum detailed his discussion with the RSCCM and their various funding sources and efforts to apply for grant funding and the intent of this ARPA funding to be used for

mediation efforts to get the claims to the judges for their review and approval. It was report that the Court is seeking to meet with RSCCM to receive clarification regarding the request and determine whether there would be a need for ongoing funding from the County in the future.

A request from the Eaton Area Senior Center for \$188,976 for their loss in revenue during the pandemic was presented (attached). Commissioner Lautzenheiser discussed their request in detail. The Senior Center was unable to hold fundraising activities. Discussion held.

There was discussion regarding the use of the ARP funds and the continued appropriation for services agencies. No action was taken.

Budget amendments were presented and discussed (attached). Discussion held. Commissioner Brehler moved to recommend approval of the 2021/22 budget amendments to the Board of Commissioners, as presented. Commissioner Droscha seconded. Motion carried unanimously.

A resolution to approve a waiver for Protecting Local Government Retirement and Benefits Act Application (PA 202 Waiver) was presented for review. An explanation of the requirement of the waiver being related the Eaton County Health and Rehabilitation Services reporting their OBEB liability within their financial statements was provided. Commissioner Brehler moved to recommend approval of the resolution to approve the waiver application for Protecting Local Government Retirement Benefits Act, as presented. Commissioner Lautzenheiser seconded. Motion carried unanimously.

Commissioner Pearl-Wright moved to recommend approval of the payment of the claims against the County in the amount of \$412,981.91 and immediate claims in the amount of \$22,463,780.00 to the Board of Commissioners, as presented. Commissioner Droscha seconded. Discussion held. Motion carried unanimously.

Chairman Mulder recessed the meeting at 10:27 a.m. for a short break.

Chairman Mulder reconvened the meeting at 10:44 a.m.

The 2022/2023 updated revenue and expenditure projections were presented and reviewed (attached). The presented budget proposes use of 50% of the remaining unallocated lost revenue through the American Rescue Plan in each of the next two budget years which is approximately \$3.6 million shown in the transfers-in revenue line-item. The updated expenditure projection from last month were presented and the significant changes were discussed. The current planned transition of two positions from the Jail Millage to the General Fund be decelerated to one position because there is sufficient fund balance within the millage fund to accommodate that change. Another change was an increase of \$300,000 in the capital outlay fund, per the recommendation of the Public Safety Committee to include funding for the acquisition of a mobile command unit. Based on the changes to the proposed budget, there is a projected budgetary surplus of approximately \$600,000 in fiscal year 2022/2023 and a surplus in 2023/2024 of approximately \$880,000. The projection for 2024/2025, absent of the ARP funds, is approximately \$2.4 million.

There was discussion regarding the reduction of expenditures and seeking increases to revenue, such as an increase in the operating millage in the future, after the lost revenue funding is exhausted. There was discussion related to the transition of positions from the Jail Millage to the General Fund through its expiration in 2026.

The position requests and reclassification requests were discussed. There are no new positions recommended in the budget with the exception of the Central Dispatch position change approved at this meeting and a request by the Sheriff's Office. The Sheriff's request for the two transport officers remains unresolved, while consideration of the impact on the current collective bargaining agreement is assessed. There was also a grant proposal to create

a cadet program within the Sheriff's Office, which was not approved and the Sheriff's Office would like consideration for the program to be included within the budget proposal. Discussion held.

The consultant recommendations for the position reclassifications were presented and discussed (attached). Commissioner Augustine moved to approve the recommended position reclassifications as presented. Commissioner Lautzenheiser seconded. Discussion held. Motion carried unanimously.

The current list of capital and supply project requests were presented with proposed reductions. Changes will be discussed with Departments.

Mr. Fuentes recommended canceling the budget workshop meeting scheduled for June 17, 2022.

It was reported that the budget includes a cost of living adjustment of two percent for the non-represented employees. Based on the increase in the cost of living, estimates to determine how consideration of increasing amounts would impact the budget, will be provided at the next regular meeting for further discussion.

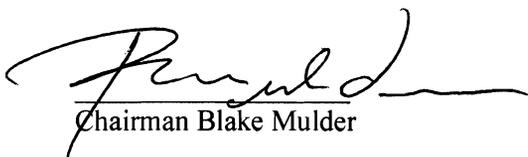
The Committee discussed the recommendation of the Public Works and Planning Committee to consider placing a Parks Millage question on the November 8, 2022 General Election ballot. Correspondence from the Friends of the Eaton County Parks requesting support for a Parks Millage was presented (attached). Commissioner Augustine discussed calculations for a millage of either .35 or .5 mills and development of a plan for use of the millage revenues. Discussion held.

Commissioner Droscha moved to direct the Controller to develop language for the Committee's review and consideration at its July 15, 2022 regular meeting, to place a parks millage question at a rate of 0.5 of a mill on the November 8, 2022 General Election ballot. Commissioner Augustine seconded. Chairman Mulder opposed. Motion carried.

Rachel Kuntzsh, Friends of the Eaton County Parks, was present to discuss support for an Eaton County Parks Millage and requested the Board of Commissioners move quickly to allow the Friends of the Eaton County Parks to promote the benefits of a ballot question to voters.

Chairperson Mulder adjourned the meeting at 11:46 a.m.

The next regular meeting of the Way and Means Committee will be held on July 15, 2022, at 9:00 a.m. in the Board of Commissioners Room at the County Courthouse located at 1045 Independence Blvd., Charlotte, MI 48813.



Chairman Blake Mulder