

**MINUTES OF THE
BUDGET COMMITTEE**

TUESDAY, APRIL 11, 2006

At a meeting of the **Budget Committee**, held Tuesday, April 11, 2006, in the Board Room, on the 9th Floor of the Administration Building, Mt. Clemens, the following members were present:

Crouchman-Chairman, Brdak, Brown, DeSaele, Doherty, Duzyj, Flynn, Gielegem, Haggerty, Kennard, Lund, McCarthy, Mijac, Rengert, Revoir, Rocca, Sauger, Slinde, Switalski, Szczepanski, Vosburg and White.

Absent and excused were Brandenburg, DiMaria, Gibson and Hill.

Also Present:

David Diegel, Director, Finance Department
John Foster, Assistant Director, Finance Department
Steve Smigiel, Finance Department
George Brumbaugh, Director, Corporation Counsel
John Anderson, Director, Risk Management and Safety Department
Ted Cwiek, Director, Human Resources Department
Eric Herppich, Division Director, Labor Relations, Human Resources Dept.
Captain Rick Kalm, Sheriff's Department
Captain John Roberts, Sheriff's Department
Sergeant Donald Haugh, Sheriff's Department
Rhonda Deriemaecker, Director of Board Services
Phil Frame, Director, Office of Public Affairs
Carmella Sabaugh, County Clerk/Register of Deeds
Todd Schmitz, Chief Deputy Clerk
Darlene LaBelle, Director, County Library
Stephen Cassin, Executive Director, Planning and Economic Development Dept.
Steve Mellen, Director, Equalization Department
Keith Beasley, Court Administrator
Patricia McKay, General Counsel to the Circuit Court
Cynthia Zerkowski, Director, Information Technology Department
Gene Schabath, Public Works Department
Gerald Alsip, Administrator, Juvenile Division of the Circuit Court
Steve Gold, Deputy Health Officer, Health Department
Steve Neavling, Reporter, The Detroit Free Press
Jim Lynch, Reporter, The Detroit News

There being a quorum of the committee present, Chairman Crouchman called the meeting to order at 9:05 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

Chairman Crouchman informed Commissioners that for item #5b, a **substitute resolution** provided by Ms. Sabaugh was placed at their desks.

MOTION

A motion was made by Slinde, supported by Revoir, to adopt the agenda, as amended (to include item #6A). **The Motion Carried.**

RECOMMENDATIONS FROM LEGISLATIVE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING OF 04-03-06

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY LUND, SUPPORTED BY DeSAELE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE FOLLOWING:

- (a) HIRING OF TWO SUMMER INTERNS TO WORK FOR INFORMATION TECHNOLOGY DURING THE SUMMER OF 2006 AT A COST NOT TO EXCEED \$6,375. FUNDING IS AVAILABLE IN THE CONTINGENCY ACCOUNT;
- (b) HIRING OF THREE SUMMER INTERNS TO WORK FOR THE COUNTY CLERK AND THREE SUMMER INTERNS TO WORK FOR THE REGISTER OF DEEDS AT A COST NOT TO EXCEED \$13,608. FUNDING IS AVAILABLE IN THE CONTINGENCY ACCOUNT; AND
- (c) ELIMINATION OF ONE FULL-TIME ANALYST/PROGRAMMER POSITION VACANCY AND TRANSFER THE ASSOCIATED BUDGET DOLLARS TO CONTRACTED SERVICES IN THE INFORMATION TECHNOLOGY BUDGET. THE SUM TO BE TRANSFERRED IS \$94,530 (SALARY AND BENEFITS) AND THE NET IMPACT TO THE INFORMATION TECHNOLOGY BUDGET IS ZERO DOLLARS.

Commissioner Doherty asked to separate items (a), (b), and (c).

Chairman Crouchman called for a vote on item (a) and **THE MOTION CARRIED WITH DOHERTY VOTING “NO.”**

Chairman Crouchman called for a vote on item (b) and **THE MOTION CARRIED WITH DOHERTY AND DUZYJ VOTING “NO.”**

Chairman Crouchman called for a vote on item (c) and **THE MOTION CARRIED.**

**RECOMMENDATION FROM PLANNING AND ECONOMIC DEVELOPMENT
COMMITTEE MEETING OF 04-04-06**

Mr. Diegel recalled that this recommendation is for three Economic Development Attraction Specialists; noting it would be a \$427,500 increase in the County budget. He thought Commissioners ought to look at other discretionary programs to fund this request, rather than adding this to the budget.

Commissioner Lund offered a **substitute motion**; it was supported by Commissioner DeSaele. The motion reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY LUND, SUPPORTED BY DeSAELE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TO HIRE TWO ECONOMIC DEVELOPMENT ATTRACTION SPECIALISTS FOR THE DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT. THESE TWO POSITIONS WILL BE PAID FOR BY ELIMINATING THE FOLLOWING: 1) ELIMINATE OMBUDSMAN POSITION AT A SAVINGS OF \$120,000; 2) ELIMINATE PLANNING COMMISSION AT A SAVINGS OF \$10,000; 3) REDUCE COUNTY LIBRARY HOURS BY TWO HOURS PER DAY (MONDAY THROUGH SATURDAY) AT A SAVINGS OF \$132,518; 4) ELIMINATE SUNDAY HOURS AT COUNTY LIBRARY AT A SAVINGS OF \$33,540; 5) REDUCE LOCAL TRAVEL BY THE BOARD OF COMMISSIONERS AT A SAVINGS OF \$9,500. FURTHER, THE THIRD ECONOMIC DEVELOPMENT ATTRACTION SPECIALIST WOULD BE APPROVED CONTINGENT UPON APPROVAL OF THE SOLID WASTE PLAN USING FUNDS RECEIVED FROM THAT.

Discussion ensued with Mr. Cassin about the possibility of having Ms. Maria Zardis operate in this capacity of helping on a part-time basis, in addition to her current duties. Commissioner Revoir asked the Chair of the PED Committee to have Ms. Zardis come before that committee for a report. He noted that she was hired under the direction of securing grants for the County.

A discussion ensued with Ms. LaBelle about the effects of reducing hours and eliminating Sunday hours at the County Library.

Chairman Crouchman informed Commissioners that the government class from South Lake High School was in attendance.

Commissioner Szczepanski made inquiry if he could ask to separate the items listed in the substitute motion, so they could be voted on separately. Mr. Brumbaugh said each item could be taken as a separate item.

MOTION

A motion was made by Sauger, supported by Flynn, to **postpone** this agenda item in order to do more research.

A lengthy discussion ensued with Mr. Cassin about the need to have these positions. It was noted that Macomb County is competing with surrounding counties who have six or eight economic development specialists. Currently, one individual is handling this area for Macomb County.

After further discussion, **Commissioner Sauger withdrew his motion to postpone; Commissioner Flynn withdrew her support.**

Chairman Crouchman informed Commissioners that they were back to the **substitute motion.**

Discussion ensued about the need to have some type of permanent funding in place for these positions.

Commissioner Szczepanski asked to separate the five parts of the substitute motion. Chairman Crouchman ruled that he would not separate them.

A ROLL CALL VOTE WAS TAKEN ON THE **SUBSTITUTE MOTION** AS FOLLOWS:

VOTING YES WERE BROWN, DeSAELE, LUND, RENGERT, REVOIR, ROCCA, SZCZEPANSKI AND VOSBURG. THERE WERE 8 "YES" VOTES.

VOTING NO WERE BRDAK, CROUCHMAN, DOHERTY, DUZYJ, FLYNN, GIELEGHEM, HAGGERTY, KENNARD, McCARTHY, MIJAC, SAUGER, SLINDE, SWITALSKI AND WHITE. THERE WERE 14 "NO" VOTES.

THE MOTION WAS DEFEATED.

Commissioner Brdak offered the **main motion in committee packets** for the hiring of three positions, **with the following amendment:** "Contingent upon finding a funding source." It was supported by Commissioner Szczepanski.

The motion reads as follows:

COMMITTEE RECOMMENDATION - MOTION

A MOTION WAS MADE BY BRDAK, SUPPORTED BY SZCZEPANSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE HIRING THREE ECONOMIC DEVELOPMENT ATTRACTION SPECIALISTS FOR THE DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT WITH A SUPPORTING BUDGET. TOTAL ANNUAL BUDGET FOR THE THREE POSITIONS IS \$427,500. CONTINGENT UPON FINDING A FUNDING SOURCE.

Discussion ensued with Mr. Cwiek that if this motion passes, but if there is no budgeted amount to support the positions, they cannot fill them. The Board is not creating vacancies, until the Board determines the funding for them.

Commissioner Brdak clarified the intent of his motion. When the Board finds a funding source that is revenue neutral to the budget for these positions that the Board will go forward. The Board needs to come up with a cut in the County's budget equivalent to \$427,500 that is needed to fund these positions.

Chairman Crouchman informed Commissioners that he intended to have another Budget Committee meeting before the end of the month.

Commissioner Doherty believed that the Board needs to prioritize rightsizing the County's budget first and then hire the Economic Development Attraction Specialists.

A **friendly amendment** by Commissioner Slinde was accepted as follows: "To add the positions as the Board finds cuts, instead of waiting to get the entire amount of \$427,500."

The motion now reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY BRDAK, SUPPORTED BY SZCZEPANSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE HIRING THREE ECONOMIC DEVELOPMENT ATTRACTION SPECIALISTS FOR THE DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT WITH A SUPPORTING BUDGET. TOTAL ANNUAL BUDGET FOR THE THREE POSITIONS IS \$427,500. FURTHER, TO ADD THE POSITIONS AS THE BOARD FINDS CUTS, INSTEAD OF WAITING TO GET THE ENTIRE AMOUNT OF \$427,500.

Commissioner Revoir reminded Commissioners when cuts are made in the future, the Board needs to determine if it is a cut in the County budget or reallocate the money towards these positions.

Commissioner Brown felt this motion was watered down and embarrassing. He felt something could be done today.

Chairman Crouchman called for a vote on the **main motion, as amended**, and **THE MOTION CARRIED WITH BROWN AND DOHERTY VOTING "NO."**

RECOMMENDATION FROM HEALTH SERVICES COMMITTEE MEETING OF 04-06-06

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY DOHERTY, SUPPORTED BY McCARTHY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CONTINUE AGREEMENT IN THE AMOUNT OF \$40,000 WITH TURNING POINT, INC. FOR THE SEXUAL ASSAULT NURSE EXAMINER (SANE) PROGRAM. **THE MOTION CARRIED.**

APPROVE 2006 EQUALIZATION REPORT AS SUBMITTED BY THE EQUALIZATION DEPARTMENT

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY DUZYJ, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE 2006 EQUALIZATION REPORT AS SUBMITTED BY THE EQUALIZATION DEPARTMENT. **THE MOTION CARRIED.**

REVIEW COUNTY LIBRARY (postponed from Budget Committee Meeting of 03-21-06)

Contained within committee packets was an extensive Library report that was prepared by Ms. Darlene LaBelle, Director, Macomb County Library, outlining potential savings if the County Library's hours were reduced. The report also addressed specific questions that several Commissioners had asked at the February 15, 2006 Budget Committee meeting.

MOTION

A motion was made by Brown, supported by McCarthy, to receive and file the information provided by the Finance Department regarding the Macomb County Library Department.

A **substitute motion** was made by Commissioner Szczepanski; it was supported by Commissioner Doherty. The motion reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY SZCZEPANSKI, SUPPORTED BY DOHERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CLOSE THE COUNTY LIBRARY DURING THE FOLLOWING HOLIDAYS: MARTIN LUTHER KING, JR. DAY, PRESIDENTS DAY, COLUMBUS DAY, GENERAL ELECTION DAY (OBSERVED IN EVEN NUMBERED YEARS), VETERANS DAY, AND THE DAY AFTER THANKSGIVING.

A **friendly amendment** by Commissioner Doherty was accepted as follows: "To adopt all four of the Library Director's recommendations for a total savings of \$44,623.37 annually; found on pages 9 and 10 of Ms. LaBelle's memorandum dated March 10, 2006."

A **friendly amendment** by Commissioner Szczepanski was accepted as follows: "That the \$44,623.37 is to be applied towards hiring of Economic Development Attraction Specialists for the Planning and Economic Development Department."

Chairman Crouchman called for a vote on the **substitute motion, as amended**, and **THE MOTION CARRIED.**

The motion now reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY SZCZEPANSKI, SUPPORTED BY DOHERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT ALL FOUR OF THE LIBRARY DIRECTOR'S RECOMMENDATIONS FOR A TOTAL SAVINGS OF \$44,623.37 ANNUALLY; FOUND ON PAGES 9 AND 10 OF MS. LABELLE'S MEMORANDUM DATED MARCH 10, 2006. FURTHER, THAT THE \$44,623.37 IS TO BE APPLIED TOWARDS HIRING OF ECONOMIC DEVELOPMENT ATTRACTION SPECIALISTS FOR THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT. **THE MOTION CARRIED.**

RECEIVE AND FILE REPORT ON SHERIFF OVERTIME

MOTION

A motion was made by Haggerty, supported by Sauger, to receive and file the report on Sheriff Department overtime. **The Motion Carried.**

REVIEW OFFICE OF THE OMBUDSPERSON

This item was postponed from the February 15, 2006 Budget Committee meeting for review in April. Commissioners wanted additional time to explore whether the Ombudsperson position should be eliminated, retained or reduced to part-time.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY SWITALSKI, SUPPORTED BY DOHERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ESTABLISH AN AD HOC COMMITTEE FOR THE PURPOSE OF REVIEWING THE OMBUDSPERSON POSITION. AREAS TO EXPLORE WOULD INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING: 1) ALTERNATIVES TO THE OMBUDSPERSON; 2) FORMAT FOR REPORTING TO THE BOARD OF COMMISSIONERS; 3) SHOULD THE OMBUDSPERSON OR AN ALTERNATIVE DEAL WITH PUBLIC CONCERNS WITH COUNTY GOVERNMENT AS WELL AS EMPLOYEE CONCERNS? FURTHER, THE AD HOC COMMITTEE WILL COMPLETE ITS WORK AND REPORT RECOMMENDATIONS TO THE PERSONNEL COMMITTEE NO LATER THAN THE SEPTEMBER 2006 MEETING.

Commissioner Szczepanski offered a substitute motion, to delete the Ombudsperson position from the County budget. It was supported by Commissioner Revoir. Chairman Crouchman ruled that he would not accept the substitute motion.

Chairman Crouchman called for a vote on the motion to establish an Ad Hoc Committee and **THE MOTION CARRIED WITH BROWN, LUND, RENGERT, ROCCA, SZCZEPANSKI AND VOSBURG VOTING "NO."**

IMPLEMENT 3% REDUCTION – HEALTH DEPARTMENT

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY DUZYJ, SUPPORTED BY RENGERT, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS IMPLEMENT THE 3% REDUCTION IN THE 2006 HEALTH DEPARTMENT BUDGET AS PRESENTED BY THE DIRECTOR/HEALTH OFFICER. THESE RECOMMENDATIONS ARE OUTLINED IN HIS MEMOS DATED JANUARY 6, 2006 AND MARCH 28, 2006. **THE MOTION CARRIED.**

AUTHORIZE TWO SUMMER HELP EMPLOYEES IN REIMBURSEMENT DIVISION OF THE FINANCE DEPARTMENT

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY SZCZEPANSKI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TWO SUMMER HELP EMPLOYEES FOR THE REIMBURSEMENT DIVISION OF THE FINANCE DEPARTMENT AT A COST OF \$4,500. FUNDING IS AVAILABLE IN THE CONTINGENCY ACCOUNT. **THE MOTION CARRIED WITH BROWN AND DOHERTY VOTING “NO.”**

RECEIVE AND FILE INFORMATION ON COUNTY SUPPLEMENTAL RETIREMENT PAYMENTS

MOTION

A motion was made by Haggerty, supported by Revoir, to receive and file the information regarding the County Supplemental Retirement Payment Program.

Commissioners were provided with a two-page letter from Mr. Diegel dated April 3, 2006, that had attached to it: 1) Supplemental Retirement Payment Summary Schedule; 2) Macomb County Employees Retirement System Policy Resolution - Supplemental Retirement Payment Policy; 3) Letter from Mr. Diegel dated November 17, 2005 regarding Supplemental Bonus Payment (Ages); 4) Retiree Supplemental Reserve Summary; 5) Schedule of Employer Contributions to Pension Fund 1990-2010.

After a lengthy discussion, the following action was taken:

COMMITTEE RECOMMENDATION - MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY RENGERT, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS SUSPEND PAYMENT OF THE SUPPLEMENTAL RETIREMENT PAYMENTS FOR YEARS 2006 AND 2007.

After further discussion, the following amendment was made:

AMENDMENT

A MOTION WAS MADE BY DOHERTY, SUPPORTED BY KENNARD, TO SUSPEND PAYMENT OF SUPPLEMENTAL RETIREMENT PAYMENTS UNTIL A FORMULA CAN BE BROUGHT TO THE BOARD AS RECOMMENDED BY THE FINANCE DEPARTMENT.

Commissioner Flynn felt that this issue should go back to the Retirement Commission and let them make a recommendation.

A ROLL CALL VOTE WAS TAKEN ON THE **AMENDMENT** AS FOLLOWS:

VOTING YES WERE BRDAK, BROWN, CROUCHMAN, DeSAELE, DOHERTY, DUZYJ, GIELEGHEM, HAGGERTY, KENNARD, LUND, MIJAC, RENGERT, REVOIR, ROCCA, SLINDE, SWITALSKI, SZCZEPANSKI, VOSBURG AND WHITE. THERE WERE 19 "YES" VOTES.

VOTING NO WAS FLYNN. THERE WAS ONE "NO" VOTE.

COMMISSIONER McCARTHY ABSTAINED.

THE MOTION CARRIED.

The motion now reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY DOHERTY, SUPPORTED BY KENNARD, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS SUSPEND PAYMENT OF SUPPLEMENTAL RETIREMENT PAYMENTS UNTIL A FORMULA CAN BE BROUGHT TO THE BOARD AS RECOMMENDED BY THE FINANCE DEPARTMENT. **THE MOTION CARRIED.**

TRANSFER OF POSITIONS BETWEEN THE JUVENILE COURT AND THE JUVENILE JUSTICE CENTER BUDGETS

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY SLINDE, SUPPORTED BY MIJAC, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE TRANSFER OF ONE ACCOUNT CLERK III POSITION IN THE JUVENILE COURT TO THE CHILD CARE FUND JUVENILE JUSTICE CENTER AND TRANSFER ONE TYPIST CLERK III POSITION FROM THE CHILD CARE FUND JUVENILE JUSTICE CENTER TO THE JUVENILE COURT AS OUTLINED IN THE MARCH 9, 2006 MEMORANDUM FROM THE DIRECTOR OF THE JJC AND THE JUVENILE COURT ADMINISTRATOR. THIS ACTION WILL PROPERLY PLACE THESE POSITIONS IN THE CORRECT DEPARTMENT AND WOULD HAVE NO BUDGETARY EFFECT ON THE COUNTY BUDGET. **THE MOTION CARRIED.**

ADOPT 2005-2009 5-YEAR CAPITAL IMPROVEMENT PROGRAM

Mr. Diegel overviewed his two-page letter dated April 4, 2006, that had attached to it the 2005-2009 5-Year – Macomb County Capital Improvement Program and Schedules I, II, and III.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY MIJAC, SUPPORTED BY HAGGERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT THE 2005-2009 5-YEAR CAPITAL IMPROVEMENT PROGRAM. **THE MOTION CARRIED.**

2006 CONTINGENCY ACCOUNT UPDATE

MOTION

A motion was made by Duzyj, supported by Revoir, to receive and file the 2006 Contingency Account Update. **The Motion Carried.**

ADJOURNMENT

MOTION

A motion was made by Duzyj, supported by Switalski, to adjourn the meeting at 11:25 a.m. **The Motion Carried.**

Denise M. Jacks
Committee Reporter