

Agenda
Tuscola County Board of Commissioners
Committee of the Whole – Monday, October 10, 2016 – 8:00 A.M.
HH Purdy Building - 125 W. Lincoln, Caro, MI

Finance
Committee Leaders-Commissioners Kirkpatrick and Bierlein

Primary Finance

1. Sheriff Department Cost Reduction Proposal (See A)
2. EMS Director Telephone Request
3. Improvement of Wireless Meeting Capabilities (See B)
4. 2017 County Budget Development – Information to be Distributed at Meeting
5. EDC Financial Information (See C)
6. Circuit Court Administrator - 2017 Security Requests
7. Medical Examiner 2015 Annual Report
8. HDC Request for Letter of Support – Homebuyer Purchase Rehab. Program (See D)
9. Recycling Clean Sweep Grant
10. Child Care Fund - State Payment Update

On-Going Finance

1. Jail Planning Committee – Cancelled
2. Road Commission Legacy Cost
3. Dispute Concerning Wind Turbine Assessing/Taxation
4. 4-H and Courts
5. Financial Impact 17 Year Olds as Juvenile Change
6. CGI Video Production
7. Potential Health Department Bonding for Retirement System Costs
8. Audit Comment Regarding Bank Accounts
9. Personal Property Tax Reductions and Non-County Reimbursement

Personnel
Committee Leader-Commissioner Trisch

Primary Personnel

1. Clerk Temporary Staffing Request
2. Request to fill Position in Equalization Department (See E)
3. Refilling Part-Time Recycling Position

On-Going Personnel

1. Labor Negotiations Update
2. New Health Officer Employment Contract

Building and Grounds
Committee Leader-Young

Primary Building and Grounds

On-Going Building and Grounds

1. Vanderbilt Park Grant Application
2. Jail Plumbing/Electrical/Window Update
3. Juvenile Program to Paint Window Wells of Courthouse

Other Business as Necessary

Public Comment Period

Cost Reduction Proposal

Sheriff Department Reorganization

Proposal in Brief

This reorganization proposal reduces general fund costs by approximately \$68,000 annually beginning in 2017 by changing from three to two positions in the sheriff department (**See attached spreadsheet**). The undersheriff would perform emergency service functions at about 50% time with 50% time dedicated to traditional undersheriff functions. The sheriff would assist with certain undersheriff functions. Emergency services would be reduced from a 100% function to about a 50% function. The net effect of this change is a reduction from three full time positions to two full-time positions.

On-going Need to Gradually Reduce County Costs

One of the county objectives driving this proposal is to reduce costs when opportunity arises while preserving as many services as possible. This objective results from the need to adjust to future declines in wind turbine revenue.

The county financial position has modestly improved since the 2008 to 2013 major recession. This has occurred primarily because of wind turbine development and the corresponding new revenue generated. However, it is critical to understand that the amount of revenue received from turbines declines annually with time which has major financial implications. With the current taxation method, in approximately 10 to 12 years the amount of revenue received declines to about 30% to 40% of its original amount.

The county needs to find methods to prevent from building a level of dependency on wind turbine revenue that cannot be sustained long term. Another unpredictable variable is the outcome of a major dispute with the wind companies involving the multiplier schedule and federal cash grants that will determine how much revenue is actually received.

Analysis of Combining Sheriff-Undersheriff and Undersheriff-Emergency Service Positions

Assuming Glen Skrent becomes sheriff in 2017, he would consider combining the undersheriff and emergency services positions while also assisting with certain undersheriff functions as sheriff. The attached table shows that for 2017 the cost for the three positions of sheriff, undersheriff and emergency service is approximately \$242,000 compared to a cost of \$174,000 for the two positions of sheriff-undersheriff and undersheriff-emergency services. Reducing from three to two managerial positions results in substantial savings of approximately \$68,000 annually.

The cost estimates and potential savings in the attached spreadsheet are based on the following:

1. 2% wage increase beginning January 1, 2017
2. New undersheriff-emergency services is paid same wage as the current undersheriff plus general increase awarded for 2017
3. Sheriff-undersheriff is provided a \$2,000 wage increase for assisting with certain undersheriff functions plus general increase awarded for 2017
4. Emergency service function is reduced to about 50% time – other counties have reduced emergency services from FT to PT and combined emergency service positions
5. County will continue to receive about 38% reimbursement for emergency service costs

Potential Board of Commissioner Action

If Glen Skrent is elected sheriff in 2017 and Steve Anderson is appointed undersheriff then the following sheriff department reorganization be implemented which will reduce general fund costs by approximately \$68,000 annually:

- Effective January 1, 2017 the undersheriff and emergency service positions be combined and this combined position be paid at the undersheriff rate of pay plus any general wage increases provided for 2017. Also, the job description for this combined position will be prepared. (Billing for federal reimbursement of all allowed emergency services expenses will be continued).
- For performing certain undersheriff functions the sheriff base wage be increased by \$2,000 plus general increases awarded for 2017.
- If this reorganization ever reverts back to the three positions of sheriff, undersheriff and full-time emergency services director then the sheriff \$2,000 increase will be discontinued and the emergency service director will revert back to the pay rate of the emergency services director.

NO REORGANIZATION				
Category	Sheriff	Undersheriff	Emergency Services	TOTAL
Wage	\$72,576	\$64,562	\$54,828	\$191,966
Shift Premium	\$0	\$0	\$20	\$20
Disability	\$0	\$614	\$521	\$1,135
Sick Payout	\$0	\$0	\$700	\$700
Overtime	\$0	\$0	\$5,000	\$5,000
Work Comp	\$0	\$0	\$0	\$0
Health and Dental	\$16,100	\$16,100	\$16,100	\$48,300
FICA	\$5,552	\$4,939	\$4,632	\$15,123
Life Ins	\$56	\$56	\$44	\$156
Retirement	\$0	\$6,970	\$6,970	\$13,940
Revenue Reimb @ 38%	\$0	\$0	(\$33,750)	(\$33,750)
NET TOTAL COST	\$94,284	\$93,241	\$55,065	\$242,590

REORGANIZATION COMBINE SHERIFF/UNDERSHERIFF - UNDERSHERIFF/EMERGENCY SERVICES

Category	Combined Sheriff and Undersheriff	Combined Undersheriff and Emergency Services	Emergency Services	TOTAL
Wage	\$74,576	\$64,562	\$0	\$139,138
Shift Premium	\$0	\$0	\$0	\$0
Disability	\$0	\$614	\$0	\$614
Sick Payout	\$0	\$0	\$0	\$0
Overtime	\$0	\$2,500	\$0	\$2,500
Work Comp	\$0	\$0	\$0	\$0
Health and Dental	\$16,100	\$16,100	\$0	\$32,200
FICA	\$5,705	\$4,939	\$0	\$10,644
Life Ins	\$56	\$56	\$0	\$112
Retirement	\$0	\$6,970	\$0	\$6,970
Revenue Reimb @ 38%	\$0	(\$17,716)	\$0	(\$17,716)
NET TOTAL COST	\$96,437	\$78,025	\$0	\$174,462
OVERALL COST REDUCTION WITH REORGANIZATION				\$68,128



mhoagland@tuscolacounty.org

From: Eean Lee <eean.lee@tuscolacounty.org>
Sent: Thursday, October 6, 2016 2:39 PM
To: Mike Hoagland
Subject: pricing for commissioner remote project

ASUS flip Chromebooks - qty 6 @ \$250 = \$1,500

Individual Chromebooks will provide remote wireless meeting capabilities for each Commissioner and also provide a webcam to the meeting showing individual faces, as requested. This will require 2 - 1 hr professional development sessions for all participants. (1 initial training and then another review session at a later date) These Chromebooks have a life expectancy of 2 years and will need be replaced in the event of damage or manufacturer's end of life support. They will work fluently with Tuscola County's Google Suite products.

We can use the existing audio solution or upgrade it to a professional system (gooseneck mics at each seat, wireless mic for podium and audience, sound compression and filtration, acoustic foam, wiring, etc) for an additional \$4,000.00.

I'd like to stress, no matter what equipment we use, the far end internet connection is the limiting factor. I **can not** guarantee quality of a network I do not service

If you have any questions or would like an itemized list of costs. please feel free to contact me.

Thank you.

Eean Lee



Tuscola County Economic Development Corporation Financial Review

Yesterday when we were working on the budget the Finance Commissioners requested that I prepared an overview of EDC financial standing. I used 2012 to 2015 EDC Financial Statements (prepared by the auditing firm of Anderson, Tuckey, Bernhardt and Doran). Attached is a spreadsheet I prepared to put the financial statements into a format for analysis. We have not conducted a close review of the EDC financial position since they are not part of the county financial system or audit. Because the EDC has requested a significant General Fund appropriation increase from \$50,000 in 2016 to \$80,000 for 2017 an initial financial review has now been conducted.

EDC total revenue over the last four years has ranged from \$86,000 to \$148,000. This very small revenue base results in a restricted operation. Revenue observations are as follows:

- County contributions have been increasing and is by far the largest contributor except in years when there is payment from an outside source for a special project
- Other local unit of government contributions have been decreasing
- Business/industry contribution is a small contributor and the amount has varied between \$8,000 and \$13,000
- The other category was a major factor in 2014 and 2015 with the EDC administrative costs which was paid by the state for EDC work involved with for the construction of the Dairy Farmers of America plant in Cass City – this type of revenue is only available when certain special projects are done

The EDC is a financially limited operation with expenditures over the last four years ranging between \$74,000 and \$139,000.

- For 2015, wages were the larger expenditure category which pays the salary of the Director and part-time office support staff person
- Staff receive no fringe benefits such a health insurance or retirement
- Beginning in 2014 a part-time contractual person was hired and in 2015 \$30,520 was expended for this individual
- For 2015, \$6,277 was paid for travel and expenses
- Also in 2015, \$7,999 was spend for professional services (need to determine the purpose of this expense)
- There have been capital expenditures in certain years

In three out of four years revenues exceeded expenditures. Fund balance remains strong at about \$128,000 at the end of 2015. With such a small and unpredictable revenue sources the importance of maintaining a strong fund balance increases. Until stable and increased funding is achieved the ability to broaden and strengthen EDC functions will remain a problem. Without a strong and adequately funded EDC there will continue to be restrictions. The question is how this can be accomplished. As Senator Green said at a recent Board of Commissioners meeting without an EDC who would a person interested in establishing or expanding a business or industry call for assistance.

Tuscola County EDC GENERAL FUND
Revenues, Expenditures and Unassigned Fund Balance

Year	Beginning Unassigned Fund Balance	Revenues and Transfers In	Expenditures and Transfers Out	Ending Unassigned Fund Balance		Cash on Hand at Year end
2012	\$105,617	\$86,264	\$74,320	\$117,561		\$113,644
2013	\$117,561	\$93,962	\$108,826	\$102,697		\$104,149
2014	\$102,967	\$107,391	\$91,587	\$118,771		\$120,837
2015	\$118,502	\$148,863	\$139,041	\$128,324		\$130,742

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Tuscola County EDC GENERAL FUND

Revenue by Category

Revenue Category	2012	2013	2014	2015
County Contribution	\$29,727	\$39,202	\$50,754	\$55,000
Local Government Contribution	\$36,875	\$32,273	\$25,171	\$21,077
General Contributions	\$13,000	\$12,650	\$10,550	\$8,560
Other	\$6,662	\$4,836	\$20,916	\$64,226
Transfer In	\$0	\$5,000	\$0	\$0
TOTAL	\$86,264	\$93,961	\$107,391	\$148,863

Tuscola County EDC GENERAL FUND				
Expenditures by Category				
Expenditures Category	2012	2013	2014	2015
Wages	\$55,564	\$68,274	\$57,269	\$64,501
Employee Benefits	\$415	\$440	\$0	\$822
Supplies	\$1,324	\$1,012	\$606	\$1,078
Travel and Conferences	\$1,365	\$1,853	\$3,584	\$6,277
Telephone	\$2,741	\$1,760	\$1,298	\$1,637
Professional Fees	\$1,514	\$5,831	\$3,400	\$7,999
Independent Contractor	\$0	\$0	\$14,757	\$30,520
Payroll Taxes	\$4,093	\$5,285	\$4,380	\$5,034
Promotion	\$1,240	\$2,311	\$375	\$446
Insurance - Liability and Other	\$2,354	\$2,354	\$2,258	\$2,271
Utilities and Rent	\$3,660	\$3,660	\$3,660	\$3,660
Miscellaneous	\$50	\$0	\$0	\$5,534
Capital Outlay	\$0	\$16,064	\$0	\$9,262
TOTAL	\$74,320	\$108,844	\$91,587	\$139,041

mhoagland@tuscolacounty.org

From: Brian Neuville <briann@hdc-caro.org>
Sent: Monday, October 3, 2016 10:43 AM
To: mhoagland@tuscolacounty.org
Subject: Letter of support
Attachments: Letter of Support,Tuscola County BOC, 11-1.doc

Mike,

HDC is applying for funding for a Homebuyer Purchase Rehab. Program through MSHDA. We are looking to assist one homeowner in each of the four counties of our service area (Huron, Lapeer, Sanilac, Tuscola) and are asking for a letter of support to go with our application which is due 11/11/16. The funding is similar in nature to the CDBG program with the list of allowable work but we are able to assist clients whom are just purchasing a home. Many times homes are in need of immediate repairs such as a new roof or heating system and the new homeowner doesn't have funding to complete the work. The total assistance can be up to \$40,000 and is secured with a lien which is repayable to MSHDA.

Mike, if you can have Tom sign the letter and scan a copy back to me that would be greatly appreciated. If you have any questions or require anything further, please contact me.

Thanks,

Brian

Brian Neuville, Deputy Director
Human Development Commission (HDC)
429 Montague Avenue
Caro, MI 48723
Phone: 989-672-1711 (Direct)
Fax: 989-673-2031



The mission of HDC is "Restoring Hope by Helping People and Changing Lives"

Visit us at www.hdc-caro.org or visit us on facebook at <https://www.facebook.com/pages/Human-Development-Commission-Community-Action-Agency/141105532612558>



mhoagland@tuscolacounty.org

From: Angie Daniels <angie.daniels@tuscolacounty.org>
Sent: Thursday, October 6, 2016 8:18 AM
To: Mike Hoagland
Cc: Walt Schlichting
Subject: New Hire

Good Morning Mike.

The Equalization Department would like to respectfully request the Board of Commissioners concur with the hiring of Melissa Jaster as a Property Appraiser I with a starting date of November 14, 2016. Authorization to fill this position was granted by the board August 1, 2016.

We would also like to ask the board to consider allowing us to hire for the second property appraiser position that will soon be vacated when I take over as director January 1, 2017. Our latest request for applicants turned up two qualified individuals and we now believe it would be most efficient to hire and train both positions simultaneously.

We have gone over our department's current budget figures with Erica. With the approval of this request, we are projected to still remain under budget for 2016 due to the cost savings generated by the vacancy that occurred earlier this year.

We appreciate the board's consideration of our request.

Sincerely,
Angie Daniels

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*Angie Daniels, MAAO (3)
Property Appraiser
Tuscola County Equalization
City of Caro Assessing Department
989.672.5282*

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