

Livingston County
2015 State of the County Address
Expanding Collaboration, Envisioning Success, and Elevating the Community
Presented by: Chairwoman Carol S. Griffith

Opening

Good evening and welcome; Hard-Working Tax Payers, Constituents, Distinguished Guests, Honorable Judges, Elected Officials, Livingston County Department Heads, and the entire team. Thank you for joining us today.

Last year we reflected on how Livingston County is Grounded in Tradition and Growing for Generations. It goes without saying the continued success of Livingston County is directly tied to the Hard-Working Tax Payers, County Commissioners, Elected Officials, County employees, and community volunteers. I'd like to take a personal moment and thank you all for your commitment and consistently pushing for positive changes so that together we can say that Livingston County is truly **“Expanding Collaboration, Envisioning Success, and Elevating the Community.”** Tonight I want to share with you the accomplishments we experienced in 2014, outline the visions we have for 2015 and the future, and speak to the challenges we face.

Accomplishments of 2014

It's great to be a Michigander and many of us have been active participants of “re-inventing” this great State of Michigan. It's even better to be a resident of Livingston County! As we witness the signs of an improving economy we know the positive results of perseverance, expanding collaboration, and envisioning success.

2014 granted me the privilege of being the President of the Michigan Realtors; representing more than 23,000 professionals. I traveled the State and personally witnessed the signs of Michigan's economic improvement. As an active Broker in the community, I can speak authoritatively that Livingston County remains one of the most sought after communities. While the median price of real estate rose approximately 8% statewide, Livingston County's prices increased 13.4% over 2013. The median sale price was roughly \$175,000 in 2013. In contrast, the median sale price was \$219,000 for 2014 in Livingston County. Simply put, more people are smiling!

- Buyer demand for real state remained strong.
- The listing inventory in some price ranges was low, creating higher demand.
- Distressed properties, which include foreclosures and short sales, dramatically declined.
- We saw a continuation of improvement in new construction, equating to jobs.

On the whole, people look to Livingston County for perseverance. 2014 showed tremendous signs of recovery in comparison to previous years. Economic indicators give us a look into the renewal of Livingston County;

- Register of Deeds' year-end foreclosures were down 45% compared to 2013 and an incredible 80.5% from those recorded in 2010, our highest year of record.
- The number of parcels at tax sale has continued to decrease dramatically. We've seen a decrease of 59% from 2009, our highest year. Our goal is to get back to the 2008 level at zero parcels.
- For the second year in a row we've seen an increase in taxable value, which supports the average increase in the sale prices of our homes. The increase for 2014 was minimal at 1.95%; however, it continues to move in the proper direction. The increase is projected at 2.5% for 2015.
- The total number of building permits for 2014 surpasses 2006, our highest year in history, by 456 permits or 25%.
- We have maintained our financial integrity, as recognized by our Aaa bond rating. There are only four other counties in the State with this distinction. We are pleased to be in the elite class with Oakland, Kent, Ottawa, and Washtenaw counties.

With an active pulse on the community, I know families look for stability, safe communities, exceptional educational institutions, recreation, and remarkable medicine within driving distance. The County's low taxes, balanced budget, and engaged residents significantly influence the decision to call Livingston County home. It's great to be a resident of Livingston County!

Partnerships

2014 was a year of collaboration for Livingston County. We expanded our tradition of collaborating, consolidating, and cooperating to solidify existing relationships, build new relationships, and create opportunities for future relationships.

Great things will be accomplished when we work together and the collaboration between the Economic Development Council of Livingston County and Ann Arbor SPARK reflect this reality. This partnership has even received statewide recognition as a best practice for regional economic development. Several large business investments were announced for our region in 2014. Livingston County continues to experience an increased level of business activity which has increased the demand for skilled talent and has created roughly 247 new jobs with a potential of 1,601 additional jobs in the pipeline.

The EDC and SPARK have also expanded their Board to include multiple private business, public, and municipality partners. It is exciting to see how industry organizations are partnering with the EDC and SPARK. In 2012 SPARK had a total of 15 private partners for a combined investment of \$57,300. In contrast, this year SPARK has expanded to 30 private partners with a combined investment of \$87,500. This is a significant increase of 57% back to our community. I would like to thank Phil Santer of SPARK for these partnerships and congratulate him on the recent promotion to Vice President of Business Development. Looking ahead, the Economic Development Council of Livingston County and Ann Arbor SPARK are excited to build on the region's success and increase economic prosperity.

In September 2014 the Board of Commissioners appointed a Regional Prosperity Initiative Taskforce. The Taskforce works with stakeholders in a six-county Prosperity Region consisting of Jackson, Hillsdale, Lenawee, Livingston, Monroe, and Washtenaw counties to recommend ways to improve the region's workforce system to job seekers, businesses, and the community through greater collaboration and consolidation of services.

Livingston County has a number of non-profit partners to assist us in our service delivery. A few of the partners include the Area Agency on Aging 1-B, Livingston County Catholic Charities, Senior Nutrition better known as Meals on Wheels, Oakland Livingston Human Service Agency, the Department of Health and Human Services, and the Economic Development Center of Livingston County.

Livingston County employees continue to strongly support the annual United Way Campaign. Employees donated an impressive \$15,607 in the 2014 campaign. An outstanding accomplishment of the campaign was that 5 County departments had 100% employee contribution. The United Way Campaign is just one example of the passion and commitment to the community that employees of Livingston County share.

In March 2014 the Greater Brighton Area Chamber of Commerce presented Livingston County with a Livingston Regional Investment Award for the development of the Spencer J. Hardy Airport Terminal, John E. LaBelle Public Safety Complex, and Latson Road Interchange. All of these projects demonstrate accomplishments of collaboration, planning for the future, and elevating the community.

Commissioner Activities

One strong example of collaboration in Livingston County is our Board of Commissioners. The Livingston County Board of Commissioners is the governing body and the major approval center for County government. It is the legislative body with authority over most aspects of the County. In addition, Livingston County encompasses other agencies and boards, while part of the County are often independent from the Board of Commissioners. It is that reason we often think about County government as a “collection” and collaboration of governments.

Voters elect County commissioners from single member districts every two years. 2014 was an election year where all of the Commissioners were re-elected for another term of two years. A list of each district’s economic developments from 2014 is available on Livingston County’s website, so please visit our website to learn more about these significant accomplishments. I’d like to take a moment now and recognize each Livingston County Commissioner;

District 1 – Kate Lawrence

District 2 – William Green

District 3 – David Domas

District 4 – Ronald VanHouten

District 5 – Donald Parker

District 6 – Vice Chairman, Steve Williams

District 7 – Chairwoman, Carol Griffith

District 8 – Dennis Dolan

District 9 – Gary Childs

As noted in your program, the Commissioners have spent countless hours together, commonly 20-25 hours per week to prepare for committee meetings, work groups, and subcommittees to make the best informed decision for those we serve. 354 resolutions were passed in 2014. In addition, we have spent time with constituents and have been good listeners to those that needed to reach out to us. There is another side to the work we do as elected officials. I wish to express my gratitude to the Commissioners who have contributed to the community by staying engaged. Many participate for the greater good of our community. Some of those activities include;

Walk for Warmth

Community Connect

Veteran's Day

Day of Caring

Stewards of United Way and The Salvation Army

LACASA

Meals on Wheels

Senior Power Day, and

Love Inc.

Many Commissioners have also donated their time as guest speakers for Rotarian groups, educational seminars, student leadership days, and community awareness gatherings. In many cases we could say that these additional activities interfered with employment, daily routines, and family life. However, these activities exemplify

leadership, a strong commitment to public service, and passion for the County we love. All of these activities exemplify our Commissioner's dedication to Expanding Collaboration, Envisioning Success, and Elevating the Community. Thank you to this Board of Commissioners, Administration, Directors, Elected Officials, and the entire team for your continued conviction and dedication to make Livingston County a unique from of Government.

Strategic Plan – Vision of 2015

Planning for the future is an effective way of envisioning success. In 2013 the Livingston County Board of Commissioners started a five year strategic planning process and identified the mission statement and values of the Board along with seven specific priorities for implementation. Throughout 2014, hours of discussion and meaningful meetings contributed to the creation of action plans and measures of success for each of the seven goal orientated areas. The 2015 - 2020 Strategic Plan is a living document that will improve collaboration, partnerships, and the efficient and effective delivery of services to our residents. This plan was a collaborative effort which included many professionals, a wide range of community disciplines, and engaged County employees.

Your Livingston County government includes: 40 Departments and 623 employees. We have great respect for all of our employees. In conservation of time we would like you to visit our website for a full list of departmental accomplishments from 2014 and to view the 2015-2020 Strategic Plan in its entirety. I will highlight some of the collaborations, accomplishments, and visions from the Strategic Plan momentarily, but on behalf of the Board of Commissioners, I would like to thank the forward thinking and insightful Administration, Elected Officials, Directors, Employees, and Community Leaders for their continued dedication, loyalty, and support to this County and all of the residents of this County. To my knowledge no plan as detailed and comprehensive has ever reached execution as the 2015 – 20120 Strategic Plan.

Public Safety is the first priority of Livingston County's Strategic Plan. During last year's State of the County Address I spoke about the changing demographics of the inmate population and how the design and size of our jail was no longer meeting the current

needs of our community. We are seeing a different kind of criminal today. They are more violent, with longer criminal histories, and the female criminal population has exploded. Today we consistently have 50-60 females in our custody and pregnant female inmates are routine, we have had upwards of 5 at a time. We are also seeing that 95% of the inmate population have an admitted drug or alcohol addiction and over half of the inmate population reside outside of Livingston County.

I'm happy to report that the County broke ground for the jail expansion on August 21, 2014. This is a huge accomplishment that did not require an additional millage of tax payer's dollars. The expansion is on track for an August 2015 opening. In addition, in July 2014, Livingston County entered into an agreement with the United States Marshals to house and transport federally-charged inmates in the eastern district of Michigan. This partnership helps offset the cost of jail operations. This has been an effective agreement so far, and with the jail expansion project, this is anticipated to be a very successful partnership.

With the changing demographics of the inmate population come new challenges. The Livingston County community is reacting to these challenges in a collaborative and cohesive manner to affect positive change. Livingston County Specialty Courts and Specialty Programs help to reduce jail days.

On November 19th, 2014, the Livingston County Veterans' Treatment Court was introduced. 53rd District Judge, Honorable Carol Sue Reader, presides over the court. The Veterans' Court is a non-adversarial, post-sentencing, and problem solving treatment program that works toward returning military veterans to a productive and law abiding status in society. This Court makes available additional resources that traditional probation does not include. The Veterans' Court strives to create a supportive community amongst the veteran participants.

In addition to the jail expansion and Veteran's Court, there were significant public safety projects that were started in 2014 that represent how Livingston County is committed to collaborating, envisioning success, and elevating the community.

- 911 is creating a strategic plan. It will be rolled out at the February 23rd, 2015 Public Safety Infrastructure and Development Meeting.
- EMS works toward accreditation.
- The Health Department received state accreditation, and most impressively, met 100% of the indicators for the program, becoming one of only two health departments in the state to achieve 100% compliance.
- The Health Department also launched the three year process for national accreditation using the Mobilizing for Action through Planning Partnerships process. MAPP is an interactive process that can improve the efficiency, effectiveness, and ultimately, the performance of local public health systems. The MAPP team is an unprecedented new partnership begun and facilitated by the local health department and currently has 64 members representing almost every sector of Livingston County.

Looking to the future, Livingston County seeks to communicate public safety initiatives and events, collaborate with other agencies to provide a safe environment, and develop new and innovative services that elevate the community's safety and wellness.

Here in Livingston County we know the importance of collaboration when it comes to **Roads**. SEMCOG and the Livingston County Road Commission were invited to present a report on the County's road conditions. Local community leaders and State representatives attended.

May Ballot Proposal

On May 5th, 2015, Michigan voters have the opportunity to change the course of the state's transportation systems. As a point of clarification, County property tax dollars do not contribute to County roads. Some municipalities have levied special millages to maintain their roads. The construction and maintenance of roads continue to be a centerpiece of discussion. At issue, is a proposal to amend the State Constitution. SEMCOG and the local Road Commission summarize it best. Thank you to Bill Anderson from SEMCOG and Mike Craine from the Livingston County Road Commission, for the following analysis;

The proposed amendment makes three significant changes to the constitution:

- It allows the state sales tax to be increased to seven percent; a related bill actually raises the rate.
- It exempts gasoline and diesel fuel used to operate motor vehicles on the public roads and highways from the state sales tax.
- It no longer allows school aid to be used to fund university operations, but expands the use of school aid to fund public career and technical education programs, in addition to scholarships for those same programs and community colleges.

Numerous pieces of legislation will go into effect if the constitutional amendment is approved to implement the overall plan. A new tax on the wholesale price of gasoline will be levied; this tax, which in the first year will be 41.7 cents a gallon, will replace the current 19 cent per gallon gas tax and the six percent sales tax levied on gasoline, which would be 18 cents when gasoline sells for \$3 a gallon.

The big change created by the constitutional amendment and related legislation is that all of the tax revenue generated from the sale of gasoline and diesel fuels will fund transportation. Currently, the sales tax on gasoline is mainly dedicated to school aid and constitutional revenue sharing for cities, villages, and townships. The second major change is that over time the tax revenues will increase as gasoline prices increase. Long-term concerns still exist on how this plan will fund roads as fuel consumption decreases due to better fuel economy and electric vehicles.

The constitutional amendment is accompanied by numerous other pieces of legislation that only go into effect if the citizens approve the proposal. In order to generate the necessary funds, the legislature also approved changes to vehicle registration fees. Fees for commercial vehicles will be increased above current levels. Fees for private vehicles will not be increased; however, the current provisions that decrease registration fees as cars get older will be eliminated. Both provisions will generate around \$45 million per year.

The one percent sales tax increase will replace the revenue lost to school aid and constitutional revenue sharing from eliminating the sales taxes on gasoline. The tradeoff actually generates a modest increase in revenue for local governments.

The preliminary breakdown of new revenue under the proposal is as follows:

- \$1.3 billion for transportation
 - \$1.165 billion for the road formula
 - \$130 million for the Comprehensive Transportation Fund
- \$300 million for School Aid

The sales tax proposal has impacts for Livingston County. All taxes on fuel will be constitutionally protected and will go to transportation. The Livingston County Road Commission's revenues will increase by 75%, or \$9 million, over the first three years.

The Livingston County Board of Commissioners will be holding a Town Hall Meeting on Wednesday, March 18th at 6:30 p.m. in the Upper Level of the John E. LaBelle Public Safety Complex. On Thursday, February 19th, at 10:00 a.m. the Livingston County Road Commission will be holding an informational meeting at the Livingston Educational Service Agency. I strongly encourage all Livingston County residents to further educate themselves on the current status of our roads, what the sales tax issue proposes, and its potential impact. Please attend one of these two informational and educational meetings to make an informed decision on May 5th.

Technology proved invaluable in 2014 to streamline operation, reduce future costs, and strengthen partnerships. Our internal state-of-the-art Enterprise Resource Planning System celebrated its first anniversary. Various phases were added this year including, in-house payroll processing, Employee-Self Service, work orders, and inventory implementation.

Livingston County's Information Technology Department received the Center for Digital Government's 2014 Cybersecurity Leadership and Innovation Award for the development of a cyber-security application. The development of the application required collaboration with multiple counties, but one partnership that was strengthened

significantly was that of Oakland County's IT Department and Deputy County Executive and Chief Information Officer, Phil Bertolini.

As for the future of technology, Livingston County will support information dissemination, leverage technology to lower costs, and create reliable, fast, secure, and easy access to information.

The Livingston County **Courts** celebrated multiple accomplishments in 2014 and look to continue that success in 2015. Last year the courts initiated the Concurrent Jurisdiction Plan, an agreement between judges to handle cases in the Circuit, Probate, and District courts in a manner that seeks to resolve cases promptly and with the judicial attention needed to achieve fair and equitable results. Livingston County continues to be recognized for its success in achieving collaboration between the Courts, Prosecutor, Sheriff, Community Mental Health, agencies like the Department of Human Services, private organizations like LACASA, Livingston Family Center, Catholic Charities, Key Development, and private, legal, and mental health practitioners who work together to plan and support programs that help elevate the community.

Planning for the future, the courts will continue to collaborate amongst the independent entities that are involved in court services, provide exemplary customer service, and continue to lead the courts into the future.

The next priority from the Strategic Plan is **Economic Development**. There are three components of Economic Development. The first component is **Maintenance of Financial Integrity**. Livingston County will continue to protect and enhance long term fiscal stability, diversify sources of revenue, and minimize and evaluate legacy costs. Retiree Healthcare has reached 100% funding. This is a huge accomplishment and something that few counties have been able to obtain. Internally, the Enhanced Wellness Program has 100% employee participation and is another example of collaboration that will serve to reduce future healthcare expenditures.

The second component of Economic Development is **Workforce Planning** because during the next five years, approximately 25% of our workforce will be eligible to retire.

County employees are an aging population; we continue to experience substantial retirements across all departments and classifications. In 2014, six (6) employees retired ranging in years of service from 12 to 35 years; collectively, we lost 143 years of experience. We are implementing and researching succession planning policies and practices to insure consistency of service delivery. Some of the changes implemented in 2014 included:

- The creation of Deputy Director positions in **LETS, Building Inspection, 911 Central Dispatch, Public Health, and EMS**. This provides greater depth within the departments and creates mentoring and training opportunities prior to the departure of the current Directors.
- Overlap of Department Directors was provided for the **Veterans and Animal Control Departments** to provide hands-on training and mentoring.
- Our County Administrator has announced her upcoming retirement this summer.

In 2015 we will focus on creating succession planning polices and processes, for example;

- Identifying key positions and individuals for succession planning. This will include an analysis of planned retirements and potential turnover.
- Identifying exceptional individuals for targeted positions and leadership within the County.

This will provide a smooth transition of leadership responsibilities to future employees without compromising our service delivery.

As an exciting step to ensure the County's future success, Livingston County is developing an internal County-wide intern program, supporting career planning priorities, and will encourage the County-based community college system.

The final component of Economic Development is being a **Fair and Equitable Employer**. The County has reached collective bargaining agreements with Deputies, Sergeants, Lieutenants, Court Employees, and Paramedics. Livingston County had its first across the board pay increases since 2010. This is linked to the percentile increase in taxable value to ensure sustainability. A large accomplishment under this component

was an additional payment of \$2 million that was contributed to the Municipal Employees Retirement System for the reduction of unfunded liability of the County's pension plan.

Visionary Planning is important part of Livingston County. We continue to look toward the future to envision success and support department and County-wide planning initiatives that take future growth and opportunities into consideration. We will increase collaboration in visioning and planning processes, create and use benchmarking criteria, and celebrate our successes.

The creation of a Legislative Committee is great example of Livingston County's commitment to planning for the future. The mission of the Legislative Committee is to generate, address, and engage our local officials, Directors, and employees in current public policy and legislative issues while developing strategies as a means of engaging in meaningful dialogue by contributing and promoting the strength of a unified voice from Livingston County government to the Capital.

Communication delivery is important to our community. As an example, communication and technology played an important role in updates and website posting during the election of 2014. The County Clerk's Department provided accurate communication and customer friendly service that are essential to the success and demands of an election year. The Livingston County Historic Courthouse also celebrated its 125th Anniversary in June alongside the community. I'd like to thank Chris Folts and the entire Facility Services team for maintaining our Historic Courthouse and County investments. We are lucky to have such a great example of collaboration and the elevation of community support in the form of the Historic Courthouse. Looking forward, Livingston County will keep an open line of communication with the public and be transparent in our efforts to engage our employees and the public.

Message to Lansing

I applaud the Governor and his efforts to streamline state government, his goal to find ways to be more efficient and effective with federal government programs, and creating regional prosperity initiatives across the state. In his State of the State Address the

governor announced merging the Department of Community Health and the Department of Human Services into one department to focus on health and human service to enhance service delivery to those in need. I urge Governor Snyder to consider the following;

Include County representation on the task force to determine the types of changes necessary to streamline operations and enhance service delivery. County government is the service providing arm of the state. All too often, changes made without County input creates unintended consequences; such as unfunded or underfunded mandates.

The most recent example is an administrative rule that was effective January 2015. This is a new mandate that requires County health departments to provide parental education regarding the benefits of vaccination and the risks of disease prior to signing and certifying nonmedical immunization waivers. There are approximately 800 nonmedical immunization waivers in Livingston County, thereby dramatically increasing workload without additional funding. Michigan Public Health Code requires the state to provide 50% of funding for mandated services. Livingston County receives less than 35%, which equates to underfunding local public health services.

Please consider the cost implications of your decisions on the service providers, namely County government. We are your partners and we share common goals, such as;

- Minimizing administrative overhead costs, so additional dollars go into programs to service our residents;
- Improving programs to meet client needs;
- Creating programs that treat the root cause, not the symptoms; and
- Measuring the success of these programs so continuous improvements to service delivery are made.

Please do not shoehorn 83 counties into neat boundary lines, our demographics are unique and so are the services we deliver. Involve us in these decisions as collaboration and cooperation are the keys to our shared success.

Closing

In closing, our County remains a leader and role model. The Livingston County Board of Commissioners and Staff would like to personally thank Bill Rogers and Cindy Denby for their years of service representing Livingston County at our Capital. We are grateful for their engagement and steadfast attention to our important issues. We look forward to the continued support and engagement of Senator Joe Hune. We have the expectation that the same mutual respect and noble working relationship will continue from our newly elected: Representative Theis and Representative Vaupel. Please keep in mind that often we are challenged by policies between governmental entities and at times we may find ourselves adversaries, but never enemies.

Livingston County has truly been blessed with a legacy of exemplary leadership. It is bittersweet that I share with you the upcoming retirement of our County Administrator; Belinda Peters.

For a decade and a half, Belinda has provided vision, leadership, organizational skills, and drive that have guided our County through some of the most difficult economic times of our State and Nation. Such a leader exemplifies; initiative, energy, professional competence, and inspirational direction that will continue as a legacy in Livingston County. The Strategic Plan is just one example of her exceptional vision. Belinda has worked endlessly and has gained the respect of her colleagues, Board of Commissioners, and community advocates. Her commitment to prioritizing County resources in order to maximize the effective use of tax payer's funds proved invaluable. Belinda is a leader that is accustomed to difficult decisions, while never forgetting the common goal; what's best for Livingston County and the people we serve. She possesses an innate understanding of the complexity of government and has the extraordinary ability to communicate that complexity to those she works with on a daily basis.

Given the reality that we cannot change Belinda's mind to tolerate more Michigan winters, please stand and join me in appreciation to Belinda Peters for her many years of service and dedication to Livingston County. You will be missed.

Livingston County is truly a team which exemplifies the importance of expanding collaboration, envisioning success, and elevating the community. Thank you for your commitment; together we have contributed to the overall success of efficient and effective government in Livingston County.

In closing, I think Henry Ford said it best, "Coming together is a beginning, staying together is a process, and working together is success."

Good evening.