

MEETING MINUTES

LIVINGSTON COUNTY

APRIL 10 , 2014 - 8:00 AM

ADMINISTRATION BUILDING - BOARD CHAMBERS
304 E. Grand River Avenue, Howell, MI 48843

JAIL IMPROVEMENT COMMITTEE

JUDGE BRENNAN

COMM. DOMAS

CC ADMIN. EVANS

COMM. LAWRENCE

ATTY. BUTTREY

COMM. PARKER

OTHERS:
MIKE MURPHY
JEFF LEVEQUE

CAROL GRIFFITH
CINDY CATANACH

BELINDA M. PETERS
CAROL SUE JONCKHEERE

1. **CALL TO ORDER:** Meeting called to order by: **COMM. DON PARKER AT 8:04 A.M.**
2. **APPROVAL OF MINUTES: MINUTES OF MEETING DATED APRIL 3, 2014:**

MOTION TO APPROVE THE MINUTES, DATED APRIL 3, 2014.

MOVED BY: BUTTREY / SECONDED BY: LAWRENCE

ALL IN FAVOR - MOTION PASSED

3. **APPROVAL OF AGENDA:**

MOTION TO APPROVE THE AGENDA, AS PRESENTED.

MOVED BY: LAWRENCE / SECONDED BY: DOMAS

ALL IN FAVOR - MOTION PASSED

4. **CALL TO THE PUBLIC:** None.
5. **FINANCING OPTIONS: JAIL EXPANSION ANNUAL OPERATING PROJECTED COST INCREASES OF \$2.3 MILLION – BELINDA PETERS**
 - The concept is fairly simple:
 - Increase revenues or Decrease expenditures
 - Increase Revenues
 - **General operating millage** is at capacity; property taxes can only be increased by a vote of the electorate.
 - Potential property tax revenue increases will result from new construction and CPI on existing. Projected increase in 2014 is \$475,000.

- Threats to property tax revenue are loss of personal property taxes (dependent upon vote in August). LC lost \$29.0 million in 2014 personal property for commercial <\$40.0 million, this will not be reimbursed.
- Headlee Rollback – General operating is authorized at 5 mills rolled back to 3.3897 (loss of 1.6103 mills). Tyrone & Unadilla have a Headlee rollback in 2014.
- Proposal A – Looks at individual properties.

- **US Marshals Agreement (IGA)**

- **State Share Revenue at 100%**

- **Charges for Services**

- **Reallocate General Fund Appropriation to Capital Improvement Fund**

➤ Decrease Expenditures - In the past several years, since the beginning of the great recession; the BoC have been extremely proactive reducing annual general fund operating expenditures, nearly \$8.0 million.

- Livingston County Departments are very lean.
- Review County structure from 2014 Budget
 - Not every expenditure within the statutory departments/offices is mandated. Go through an exercise during 2015 budget process to determine discretionary programs/costs and prioritize.
 - Review discretionary appropriations - \$1.269 million.
- Expenditure challenges:
 - Approximately 25-30% of employees are on second tier pay schedule or at beginning of scale. We will experience increased personnel costs as they move up the scale.
 - Outstanding labor contract negotiations.
 - Escalating requirements to fund liabilities for pension and healthcare costs.
 - Inflation
 - Increased demand for services; increased expenditure requests from department to meet demand.
 - Annual SAD debt retirement payments for one township

➤ 2014 – 2015 Transition Cost to full operational year:

➤ Annual Debt Retirement Payments:

- Delinquent Tax Revolving Fund

PROJECTED COSTS FOR ADDITIONAL STAFF

➤ Undersheriff Murphy went over the costs associated with additional staff needed for the addition.

POTENTIAL FUNDING SOURCES

- US Marshals Bed Rental – Looking at starting with 20 beds, moving to 40 beds in 2016.
- State Share Revenue

MEMBER JOHN EVANS LEFT MEETING AT 8:45 A.M.

- Reduction of Expenses.

SUMMARY OF BONDING OPTIONS

- Annual disclosures required with any bonding, no matter the duration.
- Undersheriff Murphy stated he felt comfortable with the expansion being sufficient for their needs for the next 15 to 20 Years

6. OTHER BUSINESS:

- **NEXT MEETING: TUESDAY – APRIL 15TH – 8:00 A.M.**
- Looking at taking project recommendation to the May 14th Finance Meeting and the May 19th Board of Commissioners' meeting.

MEMBER KATE LAWRENCE LEFT MEETING AT 9:13 A.M.

- Belinda Peters stressed that the Board needs to be committed to making cuts if the proposed revenues do not materialize.

7. ADJOURNMENT:

**MOTION TO ADJOURN AT 9:30 AM.
MOVED BY: DOMAS / SECONDED BY: BUTTREY
ALL IN FAVOR - MOTION PASSED**

Respectfully Submitted

CAROL SUE JONCKHEERE
RECORDING SECRETARY