BOARD OF COMMISSIONERS

1 S. Main St., 9th Floor
Mount Clemens, Michigan 48043
586-469-5125 FAX 586-469-5993
macombcountymi.gov/boardofcommissioners

BUDGET COMMITTEE

TUESDAY, JANUARY 8, 2008

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Adoption of Agenda
4. Approval of Minutes Dated 11-09 and 11-13-07 **(previously distributed)**
5. Public Participation
6. Review the Departmental Expenditure Reductions and Revenue Enhancements as Outlined in the Attached Memorandum from Mr. David Diegel Dated January 2, 2008 **(mailed)**
7. New Business
8. Public Participation
9. Adjournment

MACOMB COUNTY BOARD OF COMMISSIONERS

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Leonard Haggerty
District 21
Sergeant-At-Arms

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RESOLUTION NO. _____ **FULL BOARD MEETING DATE:**_____

AGENDA ITEM:_____

MACOMB COUNTY, MICHIGAN

RESOLUTION TO Review the departmental expenditure reductions and revenue enhancements as outlined in the attached memorandum from Mr. David Diegel dated January 2, 2008

INTRODUCED BY: Commissioner Don Brown, Chair, Budget Committee

COMMITTEE/MEETING DATE
Budget 01-08-08

FINANCE DEPARTMENT

10 N. Main St., 12th Floor
Mount Clemens, Michigan 48043
586-469-5250 FAX 586-469-5847

January 2, 2008

David M. Diegel
Finance Director

John H. Foster
Assistant Finance Director

Robert Grzanka, C.P.A.
Internal Audit Manager

Stephen L. Smigiel, C.P.A.
Accounting Manager

Commissioner Don Brown, Chair
and Members of the Budget Committee
9th Floor-Administrative Building
Mount Clemens, Michigan 48043

Dear Commissioner:

My office previously projected that the County would incur a deficit on the order of $12 million in 2008 if we continued operating at 2007 levels.

The Budget Committee at its meeting of December 11, 2007, adopted revenue and expenditure changes that netted $2,357,850 and authorized the transfer of $3 million from the Revenue Sharing Reserve Surplus account.

Subsequent to that meeting you convened a meeting of the Committee Chairs and they agreed to work with their respective operating departments to seek further expenditure reductions or revenue enhancements. As a result of that effort an additional $1,451,263 in potential savings has been identified (Exhibit I), assuming adoption by the Budget Committee, leaving the projected 2008 deficit at $5.2 million as follows:

Original Projected Deficit:	$12,037,399
December 11, 2007 Budget Committee Action:	
--Budget Adjustments	(2,357,850)
--Revenue Sharing Transfer	(3,000,000)
January 8, 2008 Budgetary Savings:	
--(Assuming Full Adoption)	(1,451,263)
Balance:	$ 5,228,286

If the Budget Committee adopts Exhibit I in its entirety, the projected deficit will be reduced to $5,228,286 before taking effect of any wage and benefit concessions negotiated by the County.

You will recall that the 2008 projected deficit did not include any wage or benefit increases above 2007 levels. Any negotiated wage and benefit reductions below 2007 levels will further reduce the projected deficit.

Sincerely yours,

David M. Diegel
Finance Director

DMD:ts

Enclosures

MACOMB COUNTY BOARD OF COMMISSIONERS

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EXHIBIT I

COMMITTEE	DEPARTMENTAL RESPONSIBILITY	REVENUE	EXPENSES	TOTAL	ACTION TAKEN/REQUIRED
BUDGET	EQUALIZATION	$ -	$ -		REDUCE PERSONNEL
COMMUNITY SERVICES	COMMUNITY SERVICES AGENCY	$ 31,642	$ -		INCREASE REVENUE SOURCE
	VETERANS SERVICES	$ -	$ 20,000		GRAVE MARKER REDUCTION TO $100
	LIBRARY	$ -	$ 108,718		REDUCE 2 POS IN JANUARY
	MSU EXTENSION SERVICES	$ -	$ 55,263		REDUCE OPERATING
FINANCE	FINANCE DEPARTMENT	$ -	$ -		REDUCE PERSONNEL
	PURCHASING	$ -	$ 6,220		REDUCE PERSONNEL
	RISK MANAGEMENT	$ -	$ 8,500		JANUARY FINANCE COMM
	TREASURER	N/A	N/A		JANUARY FINANCE COMM
HEALTH SERVICES	DEPT OF HUMAN SERVICES (FIA)	$ -	$ -		SERVICE REDUCTION
	HEALTH DEPARTMENT	$ -	$ 60,000		SERVICE REDUCTION
	COMMUNITY MENTAL HEALTH	$ -	$ 100,000		REDUCE OPERATING
	SUBSTANCE ABUSE	$ -	$ -		SERVICE REDUCTION
	MARTHA T BERRY	$ -	$ -		SERVICE REDUCTION
JPS	CIRCUIT COURT	$ -	$ -		UNK
	DISTRICT COURT I	$ -	$ -		
	DISTRICT COURT II	$ -	$ -		
	PROBATE COURT	$ -	$ -		REDUCE OPERATING
	FAMILY COURT-JUVENILE	$ -	$ 35,000		REDUCE OPERATING
	FRIEND OF THE COURT	$ -	$ 191,870		REDUCE OPERATING
	REIMBURSEMENT	$ -	$ -		REDUCE PERSONNEL
	PROBATION-CIRCUIT	$ -	$ 5,000		REDUCE OPERATING
	PROBATION-DISTRICT	$ 10,000	$ -		REV ENCHANCEMENT
	PROSECUTING ATTORNEY	$ -	$ -		REDUCE PERSONNEL
	SHERIFF DEPARTMENT	$ -	$ -		ALREADY REDUCED $500,000
	ORDINACE CHARGES	$ -	$ -		**NEED MEETING W/SHERIFF**
	COMMUNITY CORRECTIONS	$ -	$ 11,300		REDUCE OPERATING
	BUILDING SAFETY (BLUE COATS)	$ -	$ 30,000		CLOSE 1ST FLOOR ADMIN BUILDING
	LAW LIBRARY	$ -	$ 5,850		REDUCE OPERATING
	JUVENILE JUSTICE CENTER	$ -	$ 100,000		**IF LAUNDRY OUTSOUCED**
	EMERGENCY MANAGEMENT	$ -	$ 3,000		REDUCE OPERATING
	TECHNICAL SERVICES	$ -	$ 6,000		REDUCE OPERATING
	CHILD CARE	$ -	$ -		REDUCE SERVICE
LASC	COUNTY CLERK/REGISTER OF DEEDS	$ 100,000	$ -		12.5 TO .18 CENTS BULK SALES ROD
	INFORMATIONAL TECHNOLOGY	$ -	$ -		
	TELECOMMUNICATIONS/REPAIRS CHARGES	$ -	$ 86,000		**REDUCE CELL PHONE COSTS PER IT DIR IFAPPROVED**
	CORPORATION COUNSEL	$ -	$ -		
	BOARD OF COMMISSIONERS	$ -	$ -		

EXHIBIT I

COMMITTEE	DEPARTMENTAL RESPONSIBILITY	REVENUE	EXPENSES	TOTAL	ACTION TAKEN/REQUIRED
OPERATIONAL SERVICES	PUBLIC WORKS ROAD	$ -	$ 111,192		PER NANCY RYAN MEMO DATE NOV, 2007
	FACILITIES AND OPERATIONS	$ -	$ 76,942		ELIM 1 CUSTODIAN POS & REDUCE PAPER TOWEL COSTS
	F & O SECURITY (GRAY COATS)	$ -	$ -		REDUCE PERSONNEL
	PARKS & RECREATION	$ -	$ -		ALREADY READY REDUCED $100,000
PERSONNEL	HUMAN RESOURCES	$ -	$ 53,766		FREEZE A/C FOR ENTIRE 2008
	OMBUDSPERSON	$ -	$ -		FUNDING NOT IN BUDGET
PED	PLANNING	$ 75,000	$ -		FROM BLOCK GRANT TO PAY FOR PROG MANAGER
SENIOR CITIZENS	SENIOR CITIZENS SERVICES	$ 110,000	$ -		INCR RATES FOR ADULT DAY CARE PER DIRECTOR
	SENIOR LEGAL SERVICES	$ -	`		
	AREA AGENCY ON AGING	$ -	$ -		
NON-DEPARTMENTAL	IT CAP IMP FUND	$ -	$ 50,000		REDUCE COMP EQUIPMENT REPL
TOTAL		$ 326,642	$ 1,124,621	$ 1,451,263	

BUDGET COMMITTEE:

EQUALIZATION DEPARTMENT:

EQUALIZATION DEPARTMENT

10 N. Main St., 3rd Floor
Mount Clemens, Michigan 48043
586-469-5260 Fax 586-469-5423
macombcountymi.gov/equalization

Steven M. Mellen
Director

Terry Moceri
Manager/Auditor
Personal Property Division

David L. Feller
Manager
Comm/Ind Division

Sandy Birkenshaw
Manager
Res/Ag/Dev Division

December 28, 2007

RECEIVED
JAN 02 2008
MACOMB COUNTY
FINANCE

To: Mr. David Diegel
Finance Director

From: Steven M. Mellen
Equalization Director

Subject: Budget Cuts for 2008

Pursuant to a request from Mr. John Foster on December 21, 2007, I have reviewed the Equalization Department budget and after careful consideration have decided that any further cuts would have to be in budgeted personnel. If this is what must be done, as in all other county departments, then the budget for one (1) Appraiser I position would be the only area that, currently in our department, is expendable.

Please keep in mind that I reorganized the department and in three years we have cut out over 14% of personnel and with this cut our staffing levels will have been reduced by almost 19%.

While this Appraiser I position is necessary, the workload assigned to this position will be spread among the remaining staff.

Please let me know if this is the recourse to be taken.

SMM/jq

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COMMUNITY SERVICES COMMITTEE:

COMMUNITY SERVICES AGENCY:	PAGE 1
VETERANS SERVICES:	PAGE 2
LIBRARY	PAGE 3
MSU EXTENSION SERVICES	PAGE 4

COMMUNITY SERVICES AGENCY

MCCSA

Est. 1964

21885 Dunham Road, Suite 10
Clinton Township, Michigan 48036
586-469-6999 FAX 586-469-5530
macombcountymi.gov/mccsa

Frank T. Taylor
Director

December 20, 2007

TO: Kathy Tocco, County Commissioner
Community Services Committee Chair

FR: Frank T. Taylor, Director
Macomb County Community Services Agency

RE: 2008 Budget Reduction Recommendation

The following is offered in response to the Macomb County Board of Commissioner's request to reduce our Agency's 2008 budget. While we are unclear as to the extent of the reduction, we have reviewed our budget and are prepared to make an immediate reduction in the amount of $31,642. This amount reflects a 2.5% reduction to our proposed 2008 County allocation in the amount of $1,265,651.

Rev +31,642

We will be able to absorb the County revenue reduction as a result of obtaining additional state resources. This past month, we received notification that we would receive a Michigan Public Services Commission grant from the Department of Human Services and a Michigan Public Services Commission grant from the Michigan Community Action Agency Association. While the majority of these funds must be spent on customer services, a portion of the funds can be utilized to support staff costs. Consequently, due to these grant acquisitions, the loss of County revenue will not create an adverse impact to our Agency's operating costs and our ability to serve Macomb County's low-income families.

We will continue to seek additional resources while monitoring our current budget closely to ensure that our funds are spent judiciously. If you require additional information regarding our proposal, please contact me.

1

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Programs and services are sponsored by the Macomb County Board of Commissioners and State and Federal grants. MCCSA complies with the Civil Rights Act of 1964, the Michigan Handicappers Civil Rights Act, and the American with Disabilities Act of 1990. To inquire about reasonable accommodations for persons with disabilities please contact MCCSA. Phone or TDD: (586) 469-6999.

VETERANS SERVICES DEPARTMENT

21885 Dunham Road, Suite 3
Clinton Township, Michigan 48036
586-469-5315 FAX 586-469-5316
macombcountymi.gov/veterans

Dianne M. Russo
Acting Director

Veterans Services Commission

Michael G. Kinney
Chairman

Nikola Lapajenko
Vice Chairman

George Helm
Secretary

Pat Daniels
Member at Large

Marco Cuenca
Member at Large

DATE: December 20, 2007

TO: David Diegel, Finance Director

FROM: Dianne M. Russo, Acting Director, Veterans Services DMR

SUBJECT: 2008 Budget Reductions

This is in reference to your request on December 20, 2007, for suggestions and/or considerations to further reduce the 2008 budget for Veterans Services.

Going into 2008 our office will have a minimum of $100,000 reduction in our budget based on the information provided below.

- A full time temporary clerk/typist, being paid approximately $5,000 less in wages (with no benefits) than a full time permanent clerk/typist receiving semi-annual increments.
- The promotion of counselor II to an acting director, temporarily vacating that position for a minimum of 20 weeks, generates a savings of approximately $20,000 in wages plus benefits.
- An early 2008 retirement of our second clerk/typist, whose position will be vacant for a minimum of 20 weeks (with the new hiring freeze), saving approximately $15,000.00 in wages plus benefits.
- With the retirement of the director, currently replaced with an acting director, saves approximately $15,000 in wages.
- Going into budget year 2008, this already is a minimum savings of $75,000.00 in the wages and benefit budget.
- In addition, the reduction in the reimbursement installation fee on government markers to a flat rate of $100 per marker generates approximately $20,000 savings in the marker reimbursement budget.

Approved by BOC Dec 2007

Therefore, I request that the Budget Committee understand why I have no further suggestions or recommendations for reductions in this office.

Cc: Commissioner Kathy Tocco

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MACOMB COUNTY LIBRARY

16480 Hall Road
Clinton Township, Michigan 48038-1132
586-286-6660 Fax 586-412-5958
www.macombcountylibrary.org

Darlene LaBelle
Director

Sandra Casamer
Assistant Director

Macomb County Library Board

Edward V. Farley
Chair

Dorothy Upshaw
Vice Chair

Jon Switalski
Secretary

Nicholyn Brandenburg
Marge Swiatkowski

MEMO

TO: Dave Diegel, Director
Finance Dept.

FROM: Darlene LaBelle, Director
Macomb County Library

SUBJECT: 2008 Budget Cuts

DATE: December 21, 2007

I have reviewed the Library budget in light of the anticipated budget deficit, and I recommend the following cuts to the Library:

already vacant FO

1. 1 full-time Division Head position in the Information Technology Division, which has been vacant since Sept. 1, 2006. The savings will be $73,465.15.

new Vacancies 2008

2. 1 full-time Computer Maintenance Clerk position in the Information Technology Division, which will become vacant on Jan. 4, 2008. The savings will be $56,943.37.

3. 1 full-time Typist Clerk I/II position in the Acquisitions Division, which will become vacant on Jan. 3, 2008. The savings will be $51,775.99.

The total amount cut is $182,185.00, which is 6.8% of the Library's budget.

In addition, we will continue to reduce expenses as much as possible.

Happy holidays!

D.L.

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MICHIGAN STATE UNIVERSITY EXTENSION

Date: December 20, 2007

To: Commissioner Don Brown
Chair, Budget Committee

From: Marilyn E. Rudzinski, Director

Subject: Potential Budget Reductions

Object Code	Description	From $	To $	Savings	Revenue	Total Savings
72624	Supplies	6,725	5,975	750		
72702	Books	895	400	495		
72901	Postage	12,791	8,500	4,291		
82201	Memberships	460	300	160		
86202	Travel Expense	900	500	400		
90700	Public Information	2,750	0	2,750		
93101	Equip Maint Agreements	2,700	800	1,900		
80132	Interns	9,000	4,500	4,500		
		36,221	20,975	15,246		15,246
	Staff Reduction					
70200	Account Clerk I/II - 50%	31,075	15537	15537		
71510	Fringe - 30%	9,323	1243	8080		
71520	Medical Fringe	14,400	0	14400		
		54,798	16,780	38,017		38,017

The department has a vacant Account Clerk I/II position. This position is essential to the department because it serves the Family programs as well as the general office receptionist position. To attain budget reduction I would underfill this position to part time. Underfilling this position would reduce costs to the county yet leave a position that could be expanded by expected grant dollars.

	New Revenue	0			2,000	

The department will attempt to raise revenues through fees attached to selected programs and/or services

				TOTAL SAVINGS TO COUNTY		55,263

Lynda Transfer McCullen

OK

MACOMB COUNTY

MSU Extension
21885 Dunham, Suite 12
Clinton Township, MI
48036
(586) 469-5180
Fax: (586) 469-6948

Marilyn E. Rudzinski
County Extension Director

Michigan State University Extension programs and materials are open to all without regard to race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, marital status, or family status. Michigan State University, U.S. Department of Agriculture, and Macomb County Board of Commissioners cooperating. MSU is an affirmative action equal opportunity institution.

cc: Commissioner Kathy Tocco
David Diegel, Director

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FINANCE COMMITTEE:

FINANCE DEPARTMENT:	PAGE 1
PURCHASING DEPARTMENT:	PAGE 2
RISK MANAGEMENT:	PAGE 14
TREASURER: (PENDING JANUARY FINANCE COMMITTEE)	N/A

FINANCE DEPARTMENT

10 N. Main St., 12th Floor
Mount Clemens, Michigan 48043
586-469-5250 FAX 586-469-5847

December 12, 2007

07 DEC 14 PM 2:05

David M. Diegel
Finance Director

John H. Foster
Assistant Finance Director

Robert Grzanka, C.P.A.
Internal Audit Manager

Stephen L. Smigiel, C.P.A.
Accounting Manager

Commissioner Betty Slinde, Chairperson
& Members of the Finance Committee
Administration Building-9th Floor
Mount Clemens, Michigan 48043

Dear Commissioner:

As I indicated at today's Finance Committee meeting, the only meaningful cut the Finance Department could make to its 2008 Budget would be a reduction in personnel due to the fact that we have only $50,000 in operating expenses budgeted.

The services we provide are essential to the efficient operation of the County. We are currently operating with four vacant positions and as previously indicated, we are pledging to operate through 2008 without filling any of those vacant positions thus saving the County $386,000 per year. The $386,000 noted above will not however help in reducing the 2008 projected deficit of $12 million given that the positions were also vacant in 2007.

It would be extremely difficult to operate the Finance function with a further reduction in staff, but if directed to do so, we would of course make the necessary reduction.

Sincerely yours,

David M. Diegel
Finance Director

DMD:ts

cc: Don Brown
John Foster

1

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FINANCE DEPARTMENT
Purchasing Division

10 N. Main St., 13th Floor
Mount Clemens, Michigan 48043
586-469-5255 FAX 586-469-6612
macombcountymi.gov/purchasing

CC: JHF

David M. Diegel
Finance Director

Polly A. Helzer
Purchasing Manager

Tim Corcoran
Asst. Purchasing Manager

Date: December 17, 2007

To: David M. Diegel, Finance Director

From: Polly A. Helzer, Purchasing Manager

Subject: Recap of Presentation to the Finance Committee December 12, 2007

The Purchasing Department recap:

Hard dollar savings	**$100,584.66***
Natural gas savings	**$185,793.82****
Revenue generated	**$138,345.13**
Soft dollar savings	$125,000.00
	$380,409.74
	$ 26,550.00
	$105,280.00
Total soft dollar savings	**$637,239.74**

This department has always worked very diligently in saving the County monies. I'm very proud of the employees that work in this department.

Also see Attachment 2, our ten-page document as presented to the Finance Department.

If you have any questions, please contact me at 469-5293.

PAH/ds

* See Attachment 1.
**This figure is a projection, assuming that consumption was the same.

2

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PURCHASING DEPARTMENT
ATTACHMENT 1

HARD DOLLAR REDUCTIONS TO 2008 BUDGET

PRINTING & REPRODUCTION	90101	$	700.00
ADVERTISING	90301	$	4,500.00
MEMBERSHIP DUES	82201	$	720.00
BOOKS	72701	$	300.00
26 WEEKS OF Microfilm Position		$	26,369.46
Savings from Non-Contigous Agregates		$	24,000.00
Savings from Changes to Stocked Pens		$	8,274.78 ?
Savings from Ozone Generation System		$	12,417.96
Savings from Changes in Paper Towels		$	23,302.46

$6,220

TOTAL	$ 100,584.66

Attachment 2

Macomb County Purchasing Department

POLLY A. HELZER

2007 - 2008

BUDGET SAVINGS & PROJECTIONS

1)

TOTAL BUDGET SAVINGS
HARD & SOFT DOLLARS

DESCRIPTION OF BUDGET SAVINGS	AMOUNT
SWITCHING TO REMANUFACTURED TONER CARTRIDGES	$ 44,888.32
UTILIZATION OF INTERNAL DESIGN, AND THE RE-USE OF FURNITURE THAT HAS BEEN LEFT OVER FROM OTHER DEPARTMENTAL MOVES.	$ 105,280.00
INTERNAL PRINTING PROJECTS vs. OUTSIDE SOURCES	$ 380,409.74
INTERNAL PRINTING OF FILE LABELS BY THE PRINT SHOP	$ 26,550.00
TOTAL BUDGET SAVINGS	**$ 557,128.06**
RECENT CHANGES	
*SAVINGS THAT WILL BE REALIZED DURING THE 2008 BUDGET YEAR, BY SWITCHING THE PAPER TOWELS THAT HAD BEEN PREVIOUSLY USED.	$ 23,302.46

2)

PROPOSED REDUCTION

LINE ITEM DESCRIPTION	AMENDED 2007	PROPOSED 2008	PROPOSED ($) REDUCTION
FURNITURE & EQUIPMENT-- CAPITAL	$ 200,000.00	$ 100,000.00	$ 100,000.00
PRINTING & REPRODUCTION (90101)	$ 1,200.00	$ 500.00	$ 700.00
ADVERTISING (90301)	$ 4,500.00	$ -	$ 4,500.00
MEMBERSHIP DUES (82201)	$ 720.00	$ -	$ 720.00
BOOKS (72707)	$ 300.00	$ -	$ 300.00
*SALARY / WAGES / BENEFITS, MICROFILM**	$ 26,369.46	$ -	$ 26,369.46
		TOTAL REDUCTIONS	$132,589.46

**Microfilm Operator/Clerk Position currently vacant, from Employee Transfer. Will be left vacant for 26 weeks.*

26 weeks Salary/Wages	@ $568.81/wk	= $14789.06
26 weeks Benefits	@ $187.71/wk	= $ 4,880.46
26 weeks / Health Care	@ $257.69/wk	= $ 6,699.94
		$26,369.46

3.)

PROJECTS WHICH HAVE BEEN COMPLETED BY PURCHASING DEPARTMENT WITHOUT THE NEED OF DESIGN & NEW FURNITURE

Department	Number of Employee's	Location	Completed	Projected Cost To Outfit with New Furniture
Reimbursement Dept.	13	Move to 5th Floor	Jul-07	$ 30,000.00
HR Director's Office	1	4th Floor	Sept. -07	$ 8,000.00
Purchasing Department Hall Road Warehouse		Hall Rd. Warehouse	Jan.-08	$ 15,000.00
Purchasing Department Hall Road Warehouse		Hall Rd. Warehouse	Jan. - 08	$ 2,280.00
Federal Prosecutor's	13	Move to 9th Floor	Dec.-07	$ 30,000.00
Utilizing Furniture, which will be left over, after the Move of Public Works				
Prosecutor's From Admin	12	Move to 9th Floor	Jan.-08	$ 20,000.00
			TOTAL SAVINGS	**$ 105,280.00**

4)

REVENUE GENERATED BY MACOMB COUNTY PURCHASING

PROCEEDS FROM MAY AUCTION	$	112,500.00
REBATE FROM OFFICE SUPPLY CONTRACT	$	942.57
COMMISSION FROM VENDING MACHINES	$	6,735.56
SALE OF OUTDATED MOTOROLA RADIOS	$	18,167.00
TOTAL REVENUE	$	138,345.13

NATURAL GAS LOCK-IN COMPARISON

MONTH	GAS CONSUMPTION	2006 LOCK-IN RATE	MONTHLY BILL	2007 LOCK-IN RATE	PROJECTED MONTHLY BILL
JANUARY	138,048	$ 1.06	$ 146,330.88	$ 0.825	$ 113,889.60
FEBRUARY	125,986	$ 1.06	$ 133,545.16	$ 0.825	$ 103,938.45
MARCH	105,770	$ 1.06	$ 112,116.20	$ 0.825	$ 87,260.25
APRIL	63,781	$ 1.06	$ 67,607.86	$ 0.825	$ 52,619.33
MAY	34,927	$ 1.06	$ 37,022.62	$ 0.825	$ 28,814.78
JUNE	23,222	$ 1.06	$ 24,615.32	$ 0.825	$ 19,158.15
JULY	19,330	$ 1.06	$ 20,489.80	$ 0.825	$ 15,947.25
AUGUST	20,908	$ 1.06	$ 22,162.48	$ 0.825	$ 17,249.10
SEPTEMBER	20,938	$ 1.06	$ 22,194.28	$ 0.825	$ 17,273.85
OCTOBER	37,205	$ 1.06	$ 39,437.30	$ 0.825	$ 30,694.13
NOVEMBER	76,593	$ 1.06	$ 81,188.58	$ 0.825	$ 63,189.23
DECEMBER	123,904	$ 1.06	$ 131,338.24	$ 0.825	$ 102,220.80
			$ 838,048.72		$ 652,254.90

*** POTENTIAL SAVINGS $185,793.82**

**These figures are projections, assuming that consumption was the same.*

Macomb County will have added (2) new Buildings to the List. (Medical Examiner, and Public Works which could offset the possible savings

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6.)

HARD COST SAVINGS FROM Non-Contiguous Aggregates

Purchasing is also exploring the implementation of Non-Contiguous Aggregates, with Exelon Energy to produce a saving of approximately $24,000.00 Annually

HARD COST SAVING FROM THE PURCHASE OF OZONE GENERATION SYSTEM FOR THE LAUNDRY AT THE JAIL

WE ARE WORKING WITH F & O EXPLORING THE SAVINGS THAT CAN BE REALIZED WITH THE PURCHASE OF AN OZONE GENERATION SYSTEM FOR THE JAIL

THE VENDOR WOULD METER THE CURRENT EQUIPMENT, FREE OF CHARGE, AND INSTALL THE SYSTEM, FOR A FREE 30 DAY TRIAL.

ADVANTAGES OF OZONE GENERATION

- ELIMINATION OF THE NEED TO WASH IN HOT WATER.
- REDUCTION IN THE COST OF NATURAL GAS FOR HOT WATER
- REDUCTION IN THE NUMBER OF LOADS NECESSARY, DUE TO HAVING TO SPLIT LOADS BETWEEN HOT & COLD
- THE OZONE GENERATION SYTSTEM WILL KILL 99.999% OF ALL BACTERIA, WITH THE USE OF COLD WATER, WHICH HOT WATER WASHING WILL NOT.
  INCLUDING: M.R.S.A.
  HEPATITIS
  E. COLI

PURCHASE OF THIS SYSTEM WILL PRODUCE A MONTHLY CASH FLOW INCREASE OF $1,034.83 PER MONTH WHILE CONSIDERING ONLY THE SAVINGS FROM THE COST OF HOT & COLD WATER.

LETTERS TO CURRENT VENDORS HOLDING CONTRACTS FOR GOODS & SERVICES

PURCHASING HAS SENT LETTERS TO OUR EXISTING VENDORS LOOKING FOR RECOMMENDATIONS FOR COST SAVINGS

RECOMMENDATIONS HAVE BEEN RECEIVED, AND ARE IN THE PROCESS OF BEING EVALUATED FOR VALIDITY.

ALL RECOMMENDATIONS ARE BEING LOOKED AT, NO MATTER
HOW SMALL OR LARGE.

ONE EXAMPLE IS TO: REDUCE THE NUMBER OF DIFFERENT TYPES OF PENS BEING STOCKED AT CENTRAL RECEIVING AND GO BACK TO STICK PENS ONLY.

THIS WOULD RESULT IN AN ANNUAL SAVINGS OF $ 8,274.78

RISK MANAGEMENT & SAFETY

1 S. Main St., 8th Floor
Mount Clemens, Michigan 48043
586-469-6349 FAX 586-469-7902

John P. Anderson, Esq.
Director

MEMORANDUM

TO: David Diegel, Director
Finance

FROM: John P. Anderson, Director
Risk Management & Safety

DATE: December 18, 2007

SUBJECT: Budgetary Savings

I was requested to provide you with any budgetary savings prior to my departments' budget presentation on January 14, 2008. Attached you will find my recommendations for my departments' 2008 Budget. This recommended operating budget is over 40% lower than 2004 ($35,968.64) and represents over a 30% reduction in the 2008 proposed budget ($28,550).

I have restructured several line items, adding a line item for AED/CPR Support and Conference/Seminar Expenses. It is important I attend the Michigan Self-Insured Association Conference in May 2008, National PRIMA in June, and Michigan PRIMA in July. I am required to be current on Michigan Self-Insurance law which is updated at MSIA, as the State of Michigan designate for Macomb County. I achieved great success by meeting with our General Liability & Property Insurance carrier at National PRIMA, and want to continue with the excellent renewal results (see attached). Macomb County received twice the insurance coverage at no increase in costs this past year. Michigan PRIMA gives me keen insight as to what other public entities are doing with employee benefits during budgetary challenges.

Requires Board Approval

The only area of my department that is discretionary is Wellness (see attached memo dated June 28, 2007).

In closing, my department represents only 1/1100th of the County budget, but has provided huge cost savings and exemplary services for the past two years. In

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2006, we assisted the County and its employees with over $1,087,763.00 in real dollar savings (see attached). Examples in 2007 include a re-negotiated contract with BCBS (see attached) a projected savings of ($1,460,000), receiving for the first time a 100% hospital discount, BCBS Pharmacy Initiatives ($256,600) and successful HMO negotiations ($171,148), or a total of $1,887,748 additional cost savings to Macomb County - close to $3,000,000 savings in two years.

Finally, I will be proposing another initiative in the near future involving our prescription drugs which could potentially save the County another $1,000,000.

cc: Betty Slinde, Finance Chair
Don Brown, Budget Chair

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Risk Management
2008 Recommended Budget

Object	Fund	2008 Projected Budget	2008 Recommended Budget
72621	Supplies Medical	$ 7,000.00	$ 6,600.00
72624	Supplies Office	$ 1,460.00	$ 600.00
72699	Supplies Other	$ 500.00	$ -
72702	Books	$ 800.00	$ 350.00
72901	Postage & Delivery	$ 600.00	$ 200.00
82201	Membership Dues	$ 1,500.00	$ 850.00
84201	Wellness Program	$ 11,500.00	$ 3,000.00
	AED / CPR Support		$ 2,000.00
	Conference/Seminar Expenses		$ 2,500.00
86201	Travel - Local Mileage	$ 2,200.00	$ 2,700.00
86202	Travel Expense	$ -	$ -
90101	Printing & Reproduction	$ 1,900.00	$ 400.00
93099	Repairs & Maint Equip Other	$ 150.00	$ -
93101	Equip Maint Agreements	$ 500.00	$ 500.00
94002	Leased Office Equipment	$ 40.00	$ -
95901	Employee Training	$ -	$ -
99901	Miscellaneous	$ 100.00	$ 50.00
		$ 28,250.00	$ 19,750.00

This budget reflects a net savings of $8,500.00

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RISK MANAGEMENT & SAFETY

1 S. Main St., 8th Floor
Mount Clemens, Michigan 48043
586-469-6349 FAX 586-469-7902

John P. Anderson, Esq.
Director

MEMORANDUM

TO: Dave Stiteler,
Finance

FROM: John P. Anderson, Esq.
Director, Risk Management & Safety JA

DATE: June 28, 2007

SUBJECT: **Exhibit No. F-1**

This memo is to list the Macomb County Mandated / Discretionary Services for the Risk Management & Safety Department.

1) Mandated Service: Administer the Required Employer responsibility under MIOSHA.
Enabling Legislation: "Michigan Occupations Safety and Health Act – Act 154 of the P.A. of 1974 as amended."
MIOSHA – Listed Designates:
John P. Anderson, Esq. – Director
Lori Hodorek – Safety Specialist

2) Mandated Service: Administers the County's Michigan No-Fault Self-Insured Program
Enabling Legislation:
   a) Chapter 31 of 1956 PA218, as amended; MCL500, 3101 et seq.
   b) 1949 PA 300, as amended; MCL257.1 et seq.
   c) 2000 ACR 257.531 to R257.540

State of MI Listed Designate:
John P. Anderson, Esq. -Director

3) Mandated Service: Administer the Workers' Compensation Excess Liability Insurance Program.
Enabling Legislation: Michigan Workers' Disability Compensation Act of 1969 and Administrative Rule 408.43k
State of MI Listed Designee:
John P. Anderson, Esq. – Director

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4) Mandated Service: Account Representative for the Medicare Part-D Retiree Drug Subsidy Program
Enabling Legislation: The Medicare Prescription Drug Improvement and Modernization Act of 2003; 20 CFR Part 418
Federal Designate:
John P. Anderson, Esq. – Director

I am unaware of any funding source other than Macomb County for the above mandated services.

JA/ml

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RISK MANAGEMENT & SAFETY

1 S. Main St., 8th Floor
Mount Clemens, Michigan 48043
586-469-6349 FAX 586-469-7902

John P. Anderson, Esq.
Director

MEMORANDUM

TO: Bette Slinde, Chair
Finance Committee

FROM: John P. Anderson, Esq.
Director, Risk Management & Safety

DATE: November 2, 2007

SUBJECT: **Blue Cross Blue Shield – Administrative Services Contract Amendment**

In my continuing effort to find monetary savings for Macomb County, I have successfully re-negotiated our (3) year Administrative Services Contract with Blue Cross/Blue Shield of Michigan for the remaining contractual years of 2008 and 2009.

Effective January 1, 2008, Macomb County will receive for the first time 100% of the hospital discount BC/BS achieves. This will in effect reduce the total fee per contract per month from a current rate of $91.95 to $70.00 for years 2008 and 2009. Based on annualized 2007 numbers, the $70 per contract per month fee saves Macomb County in excess of $730,000 per year. ($91.95 – $70.00 = $21.95 x 2800 contracts x 12)

The total minimum savings to Macomb County, as estimated by BC/BS of Michigan will be $1,460,000 for the (2) remaining years of our contract (2008 & 2009).

JA/ml

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Mount Clemens, Michigan 48043
586-469-6349 FAX 586-469-7902

John P. Anderson, Esq.
Director

MEMORANDUM

TO: Commissioner Slinde, Chair
Finance Committee

FROM: John P. Anderson, Esq.
Director, Risk Management & Safety

DATE: September 17, 2007

SUBJECT: **Pharmacy Initiatives 2007**

Blue Cross & Blue Shield of Michigan has proposed (9) Pharmacy Initiatives for 2007. Macomb County has the option to opt-in on all (6) or opt-out on all (6) of these initiatives. The three remaining – Exclude Off Label coverage, High Utilization Management/Polypharmacy and Aggressive MAC Pricing will be implemented across Michigan without the opt-in/out option. The estimated savings for all (9) initiatives would be $256,600. The (6) non-mandatory initiatives would reflect an $188,100 savings to the county.

It is the recommendation of the Directors of Finance, Human Resources, and Risk Management that Macomb County should opt-in to these (6) initiatives which would become effective immediately. These initiatives save the County considerable money with little or no impact on our employees.

Blue Cross & Blue Shield will have experts on this initiative to answer any questions you may have during the Finance Committee meeting of September 26, 2007. An informational packet was given to all Commissioners in their mailbox.

JA/ml

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RISK MANAGEMENT & SAFETY

1 S. Main St., 8th Floor
Mount Clemens, Michigan 48043
586-469-6349 FAX 586-469-7902

John P. Anderson, Esq.
Director

MEMORANDUM

TO: Betty Slinde, Chair
Finance Committee

FROM: John P. Anderson, Esq.
Director, Risk Management & Safety

DATE: December 3, 2007

SUBJECT: **HMO Renewals for Plan Year 1/1/08 through 12/31/08**

Our current HMO contracts are expiring on 12/31/07. Based on current marketplace trends, HMO coverage renewals are generally increasing 9% to 12%. With this information in mind, I found both HMO renewals to be favorable. After some very aggressive negotiations conducted by Risk Management and Mercer Health and Benefits, Macomb County achieved the following results:

- BCN HMO Renewal was negotiated down from an original 8% increase to a 6.2% increase.
- HAP HMO Renewal was negotiated down from an original 10% increase to a 7.4% increase.

The total savings negotiated for both HMO products from the original proposed increase is $171,148.

Attached is an Executive Summary supplied by Mercer for the HMO Renewals.

JA/ml

Enclosure

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MACOMB COUNTY BOARD OF COMMISSIONERS

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HEALTH SERVICES COMMITTEE:

DEPARTMENT OF HUMAN SERVICES (FIA):	PAGE 1
HEALTH DEPARTMENT (REVIEW PENDING):	PAGE 2
COMMUNITY MENTAL HEALTH:	PAGE 4
MARTHA T. BERRY:	PAGE 5

JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
MACOMB COUNTY – CENTRAL ADMINISTRATION

ISMAEL AHMED
DIRECTOR

December 18, 2007

Commissioner Philis DeSaele
Chair, Health Services Committee
Macomb County Board of Commissioners
One South Main, Ninth Floor
Mount Clemens, MI 48043

Dear Commissioner DeSaele:

This is in response to the request for recommendations regarding further reductions to the 2008 county funded Department of Human Services budget.

The 2008 Department of Human Services budget reflects a $200,000.00 reduction from the 2007 budget. The net budget for 2007 was $1,579,133.00. The net 2008 budget is $1,379,133.00.

As I explained at the recent Health Services Committee Meeting, virtually all of the budget funds the county Resident County Hospitalization Program.

After review I have determined any further reduction would result in reduced service to Macomb County residents.

Sincerely,

Angelo Nicholas

Angelo Nicholas
Director

Cc: D. Diegel, Finance Director

HEALTH DEPARTMENT
Mount Clemens Health Center

43525 Elizabeth Road
Mount Clemens, Michigan 48043
586-469-5235 FAX 586-469-5885
macombcountymi.gov/publichealth

Thomas J. Kalkofen
Director/Health Officer

Kevin P. Lokar, M.D.
Medical Director

December 14, 2007

TO: COMMISSIONER PHILIS DESAELE
CHAIR, HEALTH SERVICES COMMITTEE

FROM: THOMAS J. KALKOFEN, M.P.H.
DIRECTOR/HEALTH OFFICER

SUBJECT: 2008 BUDGET

The following is offered in response to Macomb County Board of Commissioner's request to further reduce the Macomb County Health Department budget. We are unclear as to the type and amount of reductions expected, but we have attempted to reduce the 2008 recommended County appropriation to this Department by approximately 2.5% which equals approximately $350,000. We have targeted this level because it is our understanding that an approximate 2.5% decrease in General Fund Appropriations is required to eliminate the anticipated deficit.

We have included a brief description of the impact of the reductions, more detailed information can be provided if necessary.

Salaries and Fringes Reduce	$215,000	Hold open 2008 calendar year, Environmentalist II and Public Health Nurse II positions; eliminate Lab Assistant position; use temp with no fringes at Animal Shelter. <u>These positions are **not** currently included in the county's personnel savings (10 or 20 week projections).</u>
Reduce Overtime	$10,000	Eliminate evening clinic hours; no road kill response by Animal Shelter after hours and amend current practice during work hours; reduce Medical Examiner program hours on weekends; eliminate support to Water Quality Board; eliminate administrative support to Environmental Problems: Lake/River Fund.

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educe Internal Service S Data Center	$75,000	Replace equipment rather than service.
educe Equipment	$50,000	Delay purchase.
tal	$350,000	

addition, it is important to note that local match money required by Federal and State ater Quality Improvement Grants (WRDA, etc.) is no longer available in the Health epartment budget. Separate actions by the Macomb County Board of Commissioners ll be required. Additionally, we do not believe that we will be able to collect $298,026 fees that the Macomb County Board of Commissioners added to our 2008 budget. ur projection of 60% collection leaves us approximately $120,000 short on the venue side of our budget. We will, therefore, monitor our budget closely to avoid rther program reductions.

additional information is required, please contact my office at (586) 469-5512.

c

COMMUNITY MENTAL HEALTH

22550 Hall Road
Clinton Township, MI 48036
586-469-5275 FAX 586-469-7674

Donald I. Habkirk, Jr.
Executive Director

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A CARF Accredited Organization

MEMBER

MEMORANDUM

DATE: December 17, 2007

TO: Commissioner Philis DeSaele
Board of Commissioners

FROM: Donald Habkirk, Director
Community Mental Health

RE: 2008 County Budget

Per your request, we have reviewed our 2008 County Budget Submission in order to identify possible areas within the budget which may be reduced.

Please note that all the services that we provide are mandatory, either required by the Mental Health code or through our contract with the Department of Community Health. We are thus not able to reduce our service array. However, we can commit to reducing the County Appropriation by $100,000 in an effort to assist the County in reducing the projected deficit.

This will be accomplished by managing the utilization of services provided through our contract agencies. At this time, we cannot identify which specific services will be affected, however, it will ultimately result in a reduction in Mental Health services to consumers.

Feel free to contact me if you have any questions regarding this correspondence.

Cc: D. Diegel
R. Slaine
A. Tack
R. O'Brien

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MARTHA T. BERRY

In preparing our budget for 2008 we took a number of things into concern to create a very tight budget by making cuts ourselves to expenses prior to submitting the budget. In light of all of the budget cuts we put into place with our budget, we cannot incur any more. Some of the areas we cut are:

Salaries (full time and part-time) – we cut the salary budget to allow for positions to remain open during the year to account for turnover. Total salaries dollars cut amounted to **$841,319.**

Salaries (overtime) – we reduced the amount of overtime allowed for the departments, the cut amounted to **$74,547.**

Fringe Benefits – we did not budget fringe benefits for 19 employees, assuming the natural turnover would account for this. Amount of cut was attributed to Health Insurance ($11,500 per employee), Dental ($880), and Life Insurance ($75); for a total of **$236,645.**

	Actual	**with out indirect expense & increase in depreciation**
Total operating costs for 2006	$6,498,125	
Estimated operating costs for 2007	$7,647,652	
Budgeted operating costs for 2008	$9,340,885	$7,567,640
Difference from 2006 to 2007	$1,149,527	
Difference from 2007 to 2008	$1,693,233	**($80,012) decrease**

A significant factor in operating costs increasing from 2006 to 2007 were the write off's for accounts receivable. In 2006 an excess was written off thereby showing revenue in the amount of ($553,941). For 2007 we are projecting a write off of around $200,000; this amounts to a change of **$753,941**.

The significant factors in operating costs increasing from 2007 to 2008 are the following items,
We budgeted for full depreciation in the amount of $1,021,150; prior years we only budgeted and received a portion. For 2007 the amount budgeted for was $200,000; this increases the operating expenses by **$821,150.**
We also budgeted for indirect expenses, which is our share of all overhead costs related to the county such as finance, IT, legal, etc. For 2008 we added to our budget an amount of **$952,095.**
In comparing similar situations with our projection from 2007 to our budget for 2008 for operating expenses, we actual made a cut amounting to **($80,012).**

In summary, the total amount we cut from our budget prior to submitting it is actually $1,232,523. This amounts to a 5.04% cut.

JUSTICE AND PUBLIC SAFETY COMMITTEE:

CHAIRMAN RENGERT OVERVIEW: PAGE 1
CIRCUIT COURT (PENDING):
42ND DISTICT COURT I – ROMEO (PENDING):
42ND DISTICT COURT II – NEW BALTIMORE (PENDING):
PROBATE COURT (PENDING):
FAMILY COURT – JUVENILE:
FRIEND OF THE COURT:
REIMBURSEMENT:
PROBATION-CIRCUIT COURT:
PROBATION-DISTRICT COURT: PAGE 2
PROSECUTING ATTORNEY:
SHERIFF DEPARTMENT (COMPLETED AT DECEMBER BOC):
SHERIFF DEPARMENT (ORDINANCE CHARGES LOCAL COMM): PAGE 3
BUILDING SAFETY (BLUE COATS):
LAW LIBRARY:
JUVENILE JUSTICE CENTER: PAGE 4
EMERGENCY MANAGEMENT:
TECHNICAL SERVICES:
CHILD CARE-COURT SERVICES:

JPS DEPARTMENT HEADS SCHEDULING THE REVIEW OF THEIR DEPARTMENT BUDGET

MONDAY, NOV. 26TH

	TIME	DEPARTMENT HEAD	DEPARTMENT NAME	LOCATION
Done	9 a.m. to Noon	Sheriff Hackel 500,000	Sheriff's Department	Sheriff's Office
need Backup	11a.m. to 1 p.m.	Judge O'Sullivan MENT. DIV 38,340 WILLS & ES. 42,400	→ Probate Court – Mental Div. → Wills & Estates	Probate Court
Turnover	1 p.m. to 1:30 p.m.	Eric Smith 250,000	Prosecuting Attorney	Board Conf. Room
	3 p.m. to 5 p.m.	Chuck Seidelman 105,000	→ Child Care Fund (JJC) outsource Laundry	Board Conf. Room

WEDNESDAY, NOV. 28TH

	TIME	DEPARTMENT HEAD	DEPARTMENT NAME	LOCATION
–	1 p.m. to 2 p.m.	Judge LeDuc 5,000	42-1 District Court	Board Conf. Room
OK –	2 p.m. to 4 p.m.	Russ McPeak 11,300	Community Corrections	Community Corrections

THURSDAY, NOV. 29TH

	TIME	DEPARTMENT HEAD	DEPARTMENT NAME	LOCATION
Need more info.	9 a.m. to Noon	Judge Antonio Viviano 73,180	Circuit Court	5th Floor
		Keith Beasley 5,850	Law Library	Ct. Adm. Office
		7,900	Circuit Court Probation (State)	Conf. Room
NEED MORE INFO IN THIS *		CHILD CARE FUND 292 — 2,047,728	Reimbursement - 100,000 (STAFF) Family Counseling - 30,000	
		Ken Bovenschen	Building Safety (Blue Coats) ~~N/A~~ 30,000 1st Plan	
		Gerald Alsip/Nicole DeJong	District Court Probation — 10,000	
		Lynn Davidson	Family Court - Juv. Division → 35,000	
		*	Friend of the Court 191,870 OR 398,088	
–	11 a.m. to Noon	Judge Cassidy 30,000	42-2 District Court	MCJ

FRIDAY, NOV. 30TH

TIME	DEPARTMENT HEAD	DEPARTMENT NAME	LOCATION
1 p.m. to 3 p.m.	Vicki Wolber	3,000 → Emergency Management and 6,000 Technical Services	Emer. Mgmt.

Updated 11-14-07

1

* MORE INFO NEEDED

12-10-07 1ST DRAFT KR

FOR YOUR INFORMATION
KEITH L. RENGERT
Macomb County Commissioner

To: Keith Beasley

From: Kenneth Bovenschen

Date: December 6, 2007

Re: 2008 Budget

Listed below are the revenue increases and budget cuts recommended for the District Court Probation Department that should not affect services.

1) The department will collect a minimum of $20,000.00 in fees for the intensive supervision program which started in late August 2007. On November 28, 2007 the program had already collected $7,180.00. The 2008 Budget reflects no revenue for this program.
2) The department will collect a minimum of $12,000.00 in drug testing fees ($6,000 more than the budgeted $6,000.00). This increase will occur due to the increase use of on-sight testing by the department. For the first six months of 2007 the probation department collected $410.00 in drug testing fees. However, by November 28, 2007 collections reached $5,289.00 in drug testing fees.
3) The probation department will reduce the amount expended on county supplied cell phone service (Object 92105) in 2008 from $5239.00 to $1,800.00 a savings of $3,529.00 from the 2008 Budget.
4) The probation department will eliminate the $250.00 set for Law Enforcement supplies (Object 72631) from the 2008 Budget.
5) The probation department will reduce the Printing and Reproduction budget (Object 90101) by $1,300.00 from $2,300.00 to $1,000.00.
6) The probation department will reduce the Office Supply budget (Object72624) by $1,800.00 from $6,800.00 to $5,000.00.
7) The department will eliminate the Data Processing Supplies (Object72607) of $200.00 for the 2008 Budget.
8) The department will eliminate the Record Copying (Object 90500) of $500.00 for the 2008 Budget.
9) The Department will reduce the budget for Postage and Delivery (Object72901) by $2,500.00 from $7,500.00 to 5,000.00.

The revenue increases of $26,000.00 for the new programs and the budget cuts of $10,079.00 will create a total change of $36,079.00 in the 2008 Budget. The cuts that are made should not significantly reduce the department's ability to supply service the courts which it serves or impair its ability to supervise over 2,400 probationers.

MARK A. HACKEL

OFFICE OF THE SHERIFF

Kent B. Lagerquist
UNDERSHERIFF

December 17, 2007

Need additional meeting w/ Sheriff
Comm. Brown
Dave D.

Mr. John Foster, Assistant Director
Macomb County Finance Department
10 North Main
Mt. Clemens, Michigan 48043

RECEIVED
DEC 1 8 2007
MACOMB COUNTY
FINANCE

Mr. John Foster,

The following information is a summary of concerns shared at the meeting between yourself and members of the Sheriff's staff on Monday, December 17, 2007 regarding the Board's plan to charge cities and townships for prisoners housed under their local ordinances.

- Cities and townships need to be notified by the County, possibly through Corporation Counsel, of the intent to charge them whatever cost is determined for housing prisoners under their local ordinances.
- District Courts need to be notified to indicate on the disposition forms which persons are housed on local ordinances.
- The Sheriff's Office will need to implement procedural changes to input the above mentioned court information into the Offendertrak System.
- I.T. will need to develop Offendertrak reports to show which persons are here on a local ordinance, out of which city or township, out of which court, for how many days (not just the sentenced time).
- County Reimbursement will need to develop and implement a billing plan.
- Legal opinions need to be requested from Corporation Counsel regarding amounts charged by the County and the Sheriff's Reimbursement Offices (i.e. concerns about double billing).

Concern was also raised regarding the amount to be charged per day and the possibility that the total amount for their stay, which could vary from one day to months, would be larger than the fine and costs charged by the court. This could lead jurisdictions to decide to stop charging persons under local ordinance and instead charging under State Law requiring the County Prosecutor's Office to use additional resources to prosecute the cases.

Please contact me if you have questions or concerns regarding this issue.

Sincerely,

John Roberts

Captain John Roberts

3

43565 Elizabeth Rd. • Mt. Clemens, Michigan 48043 • Phone (586) 469-5151 • Fax # (586) 307-9621
www.Macomb-Sheriff.com

JJC

December 6, 2007

Commissioner Keith Rengert
One N. Main St.
Mt. Clemens, MI 48043

Dear Keith:

Contracting the laundry needs for the JJC has the potential to save the County an unspecified amount but, realistically, in excess of $105,000. The final savings depends on the commercial cost of the laundry contract.

This estimate is determined as follows:

	Salary	Benefits	Sub-Total	Total
Laundress (2 positions)	33,282	23,418	56,700	$113,400

Laundry consumables (soap/bleach): $30,664.92 actual expenditures from 2007
Total current laundry cost for 2007: $144,064.92

Not included in the total cost is the additional expense of the vehicle used to transport the laundry between the Jail and the JJC. I lack the experience with contractual laundry services but can not imagine a service would charge more than our current soap expenditure.

For labor relations and fairness, I recommend that both workers be promoted as Youth Specialists, filling the next available opening -- if they meet the minimum requirements of the position. Our workers would have to receive FIA background checks, as well as pass the Impact Test used by the County to screen potential candidates for the Youth Specialists positions.

Sincerely,

Charles Seidelman
Director

CS/db

4

LEGISLATIVE AND ADMINISTRATIVE SERVICES COMMITTEE:

CLERK/REGISTER OF DEEDS: PAGE 1
INFORMATIONAL TECHNOLOGY/TELECOMMUNICATIONS: PAGE 3
CORPORATION COUNSEL
BOARD OF COMMISSIONERS

Clerk Register of Deeds

From: Todd Schmitz
To: Foster, John
Date: 12/28/2007 11:20:52 AM
Subject: Clerk / Register of Deeds budget info

John,

Here is a summary of what Carmella Sabaugh has done to help with the budget. All of this information was given in a Power Point presentation to the LAS Committee and the board has a copy of the presentation.

1. Increased the register of deeds bulk sales fees from 12.5 cents to 18.5 cents each. If the same number of bulk sales records are purchased in 2008 as in 2007, then this will result in an increase of $114,736.02 in ROD bulk sales revenue. The spreadsheet is attached showing month by month figures (with estimates for November and December of this year.)

2. We now charge for CCW license photos and have raised in 2007 $2,526.20 more than expected.

3. We have changed our online court file ordering system which will reduce the fees paid out by the clerk's office in 2008 by $4,500.

4. Our register of deeds Landaccess.com service generated $40,000 more in revenue in 2007 than in 2006.

We have four major computer systems:

Court - Maximus
Register of Deeds - ACS
Vital Records - ACS
Elections - CEA

All four have their own support and help desks. It is likely that what the clerk/register of deeds pays to the IT Department could be reduced. I understand that what the clerk pays to IT was included in the total budget from which we are to cut; if what we pay to IT had not been included in the total we are to cut from, then I would not have suggested this.

Please me know if you need any additional information.

CC: Cady, Kim; Oleksik, Betty

	# Images Sold (Actual)	Old Fee	Old Fee Revenue	Increased Fee	What revenue would have been	Revenue Increase
January	221193	0.125	$27,649.13	0.185	$40,920.71	$13,271.58
February	176016	0.125	$22,002.00	0.185	$32,562.96	$10,560.96
March	194610	0.125	$24,326.25	0.185	$36,002.85	$11,676.60
April	160668	0.125	$20,083.50	0.185	$29,723.58	$9,640.08
May	197100	0.125	$24,637.50	0.185	$36,463.50	$11,826.00
June	193419	0.125	$24,177.38	0.185	$35,782.52	$11,605.14
July	39458	0.125	$4,932.25	0.185	$7,299.73	$2,367.48
August	127174	0.125	$15,896.75	0.185	$23,527.19	$7,630.44
September	161713	0.125	$20,214.13	0.185	$29,916.91	$9,702.78
October	145458	0.125	$18,182.25	0.185	$26,909.73	$8,727.48
	Estimated # images					
November	150000	0.125	$18,750.00	0.185	$27,750.00	$8,727.48
December	150000	0.125	$18,750.00	0.185	$27,750.00	$9,000.00
Year Total			**$239,601.13**	**$354,609.67**		**$114,736.02**

2

INFORMATION TECHNOLOGY

10 N. Main St., 7th Floor
Mount Clemens, Michigan 48043
586-469-0524 FAX 586-469-6547
macombcountymi.gov

RECEIVED
07 DEC 19 PM 2:03
BOARD OF COMMISSIONERS

December 19, 2007

C. N. Zerkowski
Director

TO: Commissioner Peter Lund, Chair
Legislative and Administrative Services Committee
Macomb County Board of Commissioners

FROM: Cyntia N. Zerkowski, Director
Information Technology

SUBJECT: Budget Reductions

The following budget reductions are proposed for 2008 and beyond:

1. In the Telecommunications Fund (660), the cell phone budget can be reduced by $35,000.00 from $200,000.00 down to $165,000.00. This presumes no new cell phone or blackberry service purchases, which if adopted can reduce the equipment line of the Telecommunications Fund by $13,000.00. This would bring the total reduction to $48,000.00 for the Telecommunications Fund.

35000
13
48000

2. Where purchases of cell phone or blackberry services are desired, while meeting cost containment goals for 2008, those purchases must be accompanied by a sustainable funding source from the requesting department. If a sustainable funding source cannot be identified, then those requests may be presented to the board as requests for budget adjustments.

3. Moving forward towards 2009, consideration should be given to distributing the cost of cell phone/blackberry service directly into the departments' budgets that use these devices. Based on current inventory and the respective costs monitored for the first 6 months of 2008, the appropriate 2009 allocations can be developed. This would result in reallocating the Telecommunications budget of $165,000.00 into the various departments. Through significant efforts within IT, we have been able to reset the cellular phone budget to its 2004 level; however, individual departments need to be able to prioritize their needs in order to avoid the escalating budget we have seen in the last four years. It therefore is further recommended that IT, Finance, and Purchasing jointly develop guidelines for ensuring centralized contract management and centralized payment controls while allowing for distributed cost management for the 2009 fiscal year for cellular based services.

4. The County Library is connected to the County's network via a T-1 circuit for access to the financial system (IFAS) and for email. Since the Library is part of the library cooperative network, there is also the ability for Internet access outside of the County's network. By utilizing that Internet access and moving to a thin-client environment, approximately $7,000.00/year can be saved in T-1 lease costs. This would be similar to how Community Mental Health obtains access and has been in use for the past year. If this approach is adopted, savings would begin in May of 2008 when the T-1 circuit lease is up for renewal, and 2008 budget savings would be approximately $4,000.00. Beginning in 2009, the entire budget reduction of $7,000.00 would be realized.

19000

5. When the County phone system was replaced with the Voice over Internet Protocol (VOIP) in 2007, the County Library's switchover was postponed to 2008. The reason for postponement was based on the need to run 50 new phone line drops at the approximate bid cost of $15,000.00 and the unavailability of funds in 2007. At present an assessment is underway to

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determine if it will be more cost-effective to stay with Centrex service at the Library. While equipment to support VOIP at the Library has already been procured at the time the bid was awarded, the 50 phones and 1 network switch would be used as repair inventory stock; and the cost of an additional T-1 circuit would be avoided. If the VOIP system is not put into the Library, $15,000.00 may be cut from the Telecommunications budget in 2008.

6. Capital spending reductions can be made over the next few years by investing in thin client and storage area network technologies. This will result in long term capital reduction requirements and eventual reductions in maintenance and support costs. Additional benefits such as reduction in power consumption will also be realized as these technologies use less power and the desktop workstations would no longer be required powered on after hours.

The following schedule is proposed with source of funds identified:

FUND SOURCE:	PC REPLACEMENT	PH COMPUTERIZATION	IT CAPITAL
Current annual Allocations:	$ 300,000.00	$ 100,000.00	$ 300,000.00
2008			
Thin client	$ 150,000.00	$ 100,000.00	n/a
Storage ntwk	$ 100,000.00	n/a	$ 200,000.00
Misc requests			$ 100,000.00
2009			
Thin client	$ 200,000.00	$ 100,000.00	n/a
Misc requests		n/a	$ 200,000.00
2010			
Thin client	$ 200,000.00	n/a	n/a
Misc requests			$ 200,000.00
2011			
Thin client	$ 150,000.00	n/a	n/a
Misc requests			$ 200,000.00
4-year cost reductions:	$ 400,000.00	$ 200,000.00	$ 300,000.00

50000

IT Capital is included in the analysis, since the centralization of services allows expansion of services without requiring constant desktop procurement. Additionally, the item designated as storage area network on Schedule III of the Capital Improvement program ($434,000.00) could be removed. Purchasing of PCs as has been past practice would cease. High-powered, multimedia stations would be recommended on a case-by-case basis, and only after upgrades to existing equipment were exhausted.

Further, in 2008, the IT Maintenance budget would be reduced by $19,000.00.

As the details of these initiatives continue to be worked through, further reductions may be realized; however, based on work to date, these are best projections which can be committed to at this time. For instance, centralized copying/printing/faxing services will supplement thin client deployment to reduce printer maintenance and replacement costs.

SUMMARY

In summary, if all of 6 items above are adopted, total budget reductions for 2008 are $86,000.00 in operational costs and $50,000.00 in capital costs.

OPERATIONAL SERVICES COMMITTEE:

PUBLIC WORKS: PAGE 1
FACILITIES AND OPERATIONS: PAGE 3
FAC & OP – SECURITY (GRAY COATS):
PARKS & RECREATION (REDUCED AT DEC BOC MEETING):

From: William Misterovich
To: Don Brown
Date: 12/17/2007 3:05:16 PM
Subject: 2008 Budget

The total revenue enhancement/ cost reductions proposed by Public Works for the 2008 budget is $222,000.

William Misterovich
Chief Deputy Macomb County
Public Works Commissioner
115 S. Groesbeck
Mt. Clemens MI 48043
586-307-8210; Fax 586-469-5933
william.misterovich@macombcountymi.gov

See attached
$ 111,192

CC: Joan Flynn; John Foster

Inter-Office Memorandum

DATE: November 27, 2007

TO: William Misterovich, Chief Deputy Public Works Commissioner

FROM: Nancy Ryan, Finance Officer

RE: 2008 Budget

This memo is being written in response to our directive to identify areas in our budget that would result in additional revenue or a reduction in expenses for the Public Works Office. They are as follows:

Assistant Chief Engineer, Jim Pistilli, spends 37.5% of his time performing engineering oversight to the Chapaton Pump Station, and 37.5% of his time on work related to the Macomb County Wastewater Disposal District. These two independently funded entities could reimburse the general fund for wages and fringe benefits proportionately. The 2007 base salary for this position is $79,787 and estimating fringe benefit @ 40%, results in total wage and fringe of 111,702. Each entity would pay the general fund 37.5% - 41,888 for a total of 83,776.

Additionally, a Public Works Senior Secretary, Barb Saile, spends one day each work performing clerical work at the Chapaton Pump Station. 20% of her wage and fringe benefit could be paid to the general fund. This positioin base wage is $40,773 plus fringe equals 57,082 multiplied by 20% would result in 11,416.

95192
6
111192

These two items would increase revenue by $95,192 in the Personnel Services – line item 67719. The estimated cost to the Chapaton Pump Station would be 53,304 and the cost to Wastewater Disposal District would be 41,888.

The Drainage District's will reimburse the general fund for postage generated from all correspondence mailings directly related to each District. A postage reimbursement line item will need to be established in the Public Works revenue cost center 422. The anticipated revenue is anticipated to be 6,000.

It has been determined that the gasoline used by the Chapaton Pump Station vehicles is currently being charged to the Public Works General Fund Budget line 96104. The Pump Station should be covering this expense. Their gasoline expense for 2007 amounts to 10,000. This could be accomplished by establishing an operating expense in the pump station budget. Their total expenses are supported by a Special Assessment of the District serviced by the pump station.

These suggestions result in increased revenue/reduced expense totalling. 111,192.

FACILITIES & OPERATIONS DEPARTMENT

10 N. Main St., 13th Floor
Mount Clemens, Michigan 48043
586-469-5244 FAX 586-469-7770

Lynn M. Arnott-Bryks
Director

Diane G. Connell
Operations Supervisor

Larry K. Oakes
Mechanical Systems Supervisor

TO: David Diegel
Finance Director

Subject: Cost Saving Ideas

DATE: December 17, 2007

It is my understanding that we are to forward cost saving measures to your attention. Please note the following items were mentioned at the Operational Services Committee Meeting of December 5, 2007.

1. **Ozone Laundry System**

pending

This system is to be utilized at the Jail, Martha T. Berry and the Juvenile Justice Center, which has a laundry operation.

The system is designed to save money in the area of natural gas due to the fact you are washing in cold water also, there is less chemical usage.

Currently, we are waiting for the Health Department to comment on the system as it pertains to handling of the "Superbugs – MERSA".

Please note, the ozone laundry system company has agreed to meter gas consumption before installation of system and also meter while using the ozone system. The company has agreed to install the system free of charge.

3

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2. **Transportation Gas**

done

In conjunction with Purchasing, we have locked in natural gas at .825 a therm, we were paying 1.06 a therm. Transportation gas currently applies to buildings with high natural gas consumption.

Savings depends on severity of winter. Also note, additional buildings will be added:

- Full utilization of Hall Road Warehouse
- Public Works
- 42nd District Court – Division II
- Full year of operating the Medical Examiner's Office
- JJC occupancy after renovation

In conjunction with the Purchasing Department we are in contact with Exelon regarding non-contiguous aggregates. This would allow us to add additional buildings to the transport gas contract.

Please note, locking into a set cost per therm is playing the commodities market.

reduce paper Towel expenses

3. **Paper Towels** (in conjunction with Purchasing)

Converting to a less expensive paper towel, we can save approximately $20,000 annually.

We will monitor quantities. We will not accomplish anything if they utilize more towels.

We are also looking at other commodities inventoried at Receiving for possibly cost savings.

Reduce 1 custodian position

4. **Reassessing Additional Square Footage Maintained**

Due to reallocating square footages maintained, we could eliminate two (2) positions – one (1)

Housekeeper and one (1) Custodian. These positions have been approved to hire upon completion of the new buildings to maintain. This would result in a potential savings of $107,000.00 (includes fringes).

5. **Modifying Shifts**

pending

I requested that Human Resources explore modifying shifts for Skilled Trades, Boiler/Refrigeration Operators and Custodial/Housekeeping staff to reduce overtime costs.

Eric Herppich is reviewing the contracts because it is most likely a negotiated item.

6. **Reduce Carpet Cleaning**

Currently most of the carpet is cleaned every 9 months. We are looking at extending to every 12 months.

Please note, some departments currently have carpet cleaning performed more frequently due to the activities in these areas. These areas will remain on an accelerated schedule.

7. **Window Cleaning**

Reduce window cleaning.

We are exploring the cost savings of reducing window cleaning in half.

8. **Energy Audits**

We have requested Purchasing to see if there are any energy audits available at no cost. It is my understanding the utility companies do not provide this service free of charge.

Obviously, most of the buildings have been renovated and have energy savings equipment, T-8 ballast's, etc. installed.

The building with the most potential is the County Building. Energy savings measures would have been addressed in the renovation.

As additional cost savings items are explored, we will forward these to your attention. Also, as dollar savings are defined we will also forward same.

Should you have any questions, please contact the undersigned.

Respectfully,

Lynn M. Arnott-Bryks, Director
Facilities & Operations Department

LMAB:jsd

PERSONNEL COMMITTEE:

HUMAN RESOURCES:

HUMAN RESOURCES DEPARTMENT

10 N. Main St., 4th Floor
Mount Clemens, Michigan 48043
586-469-5280 Fax 586-469-6974
macombcountymi.gov

Labor Relations:
Eric A. Herppich
469-7241

Personnel Services:
Douglas J. Fouty
469-6126

December 19, 2007

Commissioner Betty Slinde, Chairperson
& Members of the Finance Committee
1 S. Main Street
9th Floor – Administration Building
Mount Clemens, MI 48043

Dear Commissioner Slinde:

The Human Resources Department would be in a position for the 2008 Budget to continue a reduction in staff as a budget impact option.

The services of the Human Resources Department are essential to the efficient operation of the County. We are currently operating with several vacancies due to extended Leave of Absences, one (1) vacant Account Clerk II, as well as the vacant Human Resources Director position. The vacancy created by the departure of the Human Resources Director has resulted in me performing the responsibilities of the Human Resources Director as well as the Division Director, Labor Relations for the past twelve months, as well as having to re-allocate responsibilities to other staff in the Department. This situation has and will continue to result in a diminished ability for the Department to provide efficient and effective Human Resources services to this organization. However, the Department will obligate itself to continue to operate through 2008 without filling the vacant Account Clerk II position, thus saving the County an estimated $53,766 for 2008.

It would be difficult to operate the Human Resources function with further reductions in staff, but if directed to do so, we would make the necessary staff reductions.

Sincerely,

Eric A. Herppich, Acting Director
Human Resources

EAH/mb

cc: David Diegel, Finance Director

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Leon Drolet - District 26

PLANNING AND ECONOMIC DEVELPMENT COMMITTEE:

PLANNING DEPARTMENT:

From: Don Brown <doncbrown@hotmail.com>
To: Terri Scott <terri.scott@macombcountymi.gov>
Date: 12/20/2007 11:10:13 AM
Subject: FW: budget cuts from PED

Terri,

Here info from Kathy Vosburg on the Planning Department Budget for Dave.
Don Brown

From: kvosburg@sbcglobal.netTo: doncbrown@hotmail.comSubject: FW: budget cuts from PEDDate: Thu, 20 Dec 2007 10:54:00 -0500

From: Don Brown [mailto:doncbrown@hotmail.com] Sent: Friday, December 14, 2007 10:35 AMTo: Kathy VosburgSubject: RE: budget cuts from PED

Thanks Kathy.

Don Brown

> From: kvosburg@sbcglobal.net> To: Terri.Scott@macombcountymi.gov; david.diegel@macombcountymi.gov> CC: Stephen.Cassin@macombcountymi.gov; doncbrown@hotmail.com> Subject: budget cuts from PED> Date: Thu, 13 Dec 2007 14:51:27 -0500> > Dave,> The cuts for 2008 from the Planning and Economic Development Department> areas follows:> > --Eliminate the GIS Data Specialist--Pay range $50,654-63,318> --Not rehire the currently vacant BLOCK GRANT Senior Planner but use the> funds [$52-65,000 range] toward one of the Program Managers paid out of the> general fund.> > Kathy Vosburg> Chair of PED Committee> 47395 Sugarbush> Chesterfield MI 48047> Phone: (586) 949-3810> Fax: (586) 949-9403> > PRIVACY NOTICE: This message is intended only for the individual or entity> to which it is addressed. It may contain privileged, confidential> information, which is exempt from disclosure under applicable laws. If you> are not the intended recipient, please note that you are strictly prohibited> from disseminating or distributing this information (other than to the> intended recipient) or copying this information. If you have received this> communication in error, please notify me immediately by the e-mail address> or telephone number listed above. Thank you.> > IRS CIRCULAR 230 Disclosure: Under U.S. Treasury Department regulations, I> am required to inform you that, unless expressly indicated, any tax advice> contained in this email, or any attachment hereto, is not intended or> written, to be used, and may not be used to (a) avoid penalties imposed> under the Internal Revenue Code (or applicable state or local tax law> provisions) or (b) promote, market, or recommend to another party any> tax-related matters addressed herein.> >

PLANNING

From: "Kathy Vosburg" <kvosburg@sbcglobal.net>
To: "'Terri Scott'" <Terri.Scott@macombcountymi.gov>, <david.diegel@macombcountymi.gov>
Date: 12/13/2007 2:53:20 PM
Subject: budget cuts from PED

Dave,
The cuts for 2008 from the Planning and Economic Development Department areas follows:

$0 Filled --Eliminate the GIS Data Specialist--Pay range $50,654-63,318 June 27 Joe Gilberg
--Not rehire the currently vacant BLOCK GRANT Senior Planner but use the funds [$52-65,000 range] toward one of the Program Managers paid out of the general fund. Mar 8 - Pam Valentik

75000 Program filled 65854 Coop clerks

Kathy Vosburg
Chair of PED Committee
47395 Sugarbush
Chesterfield MI 48047
Phone: (586) 949-3810
Fax: (586) 949-9403

Assoc PLN Filled 12/10/07

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CAN Bill Block Grant for Prog Manager $75,000

CC: "'Stephen Cassin'" <Stephen.Cassin@macombcountymi.gov>, "Don & Audrey Brown" <doncbrown@hotmail.com>

JHF are those real cuts. ?

DD

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