

**MINUTES OF THE  
BUDGET COMMITTEE**

**WEDNESDAY, MAY 3, 2006**

At a meeting of the **Budget Committee**, held Wednesday, May 3, 2006, in the Board Room, on the 9<sup>th</sup> Floor of the Administration Building, Mt. Clemens, the following members were present:

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

Absent and excused were Gibson and Hill.

**Also Present:**

David Diegel, Director, Finance Department  
John Foster, Assistant Director, Finance Department  
Ted Cwiek, Director, Human Resources Department  
Doug Fouty, Program Director, Personnel Services, Human Resources Department  
Rhonda Deriemaecker, Director of Board Services  
Phil Frame, Director, Office of Public Affairs  
Stephen Cassin, Executive Director, Planning and Economic Development Dept.  
Frank Taylor, Director, Macomb County Community Services Agency  
Lynn Arnott-Bryks, Director, Facilities and Operations Department  
Steve Gold, Deputy Health Officer, Health Department  
Angela Willis, Director, Senior Citizen Services Department  
Jim Lynch, Reporter, The Detroit News  
Chad Selweski, Reporter, The Macomb Daily

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

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**AGENDA**

Commissioner Vosburg thought part of the purpose of today's meeting was to find funding for the Economic Development Attraction Specialists that the Board approved. Mr. Diegel said he would put that on the May 16<sup>th</sup> agenda as an item.

### **MOTION**

A motion was made by Haggerty, supported by Sauger, to adopt the agenda, as amended (to include item #8). **The Motion Carried.**

### **MINUTES**

#### **MOTION**

A motion was made by Haggerty, supported by Duzyj, to approve the March 21, 2006 minutes of this committee, as written. **The Motion Carried.**

### **PUBLIC PARTICIPATION**

Shelley Salamango, 126 Gallup, Mount Clemens

Ms. Salamango is Vice Chair for the nurses at the Macomb County Health Department. She spoke about the importance of the 39 nurses that help service all of the Commissioners constituents.

### **FINANCE DIRECTOR'S OVERVIEW ON 2006 COUNTY FINANCIAL FORECAST**

Mr. Diegel overviewed his three page letter dated April 26, 2006, that had attached to it Exhibit I (Results of Budget Initiatives – 2006 Budget (savings)); Schedule I-A (Finance Director's Recommendation on 3% Cut/Revenue Enhancement – 2006 General Fund Budget); Macomb County 2006 Discretionary Reduction Plan - Impact on General County Projected Budget Deficit; Schedule III (Action of the Budget Committee Regarding 2006 Discretionary Services Review); Macomb County 2006 Summer Youth Program – Impact on General County Contingency; Exhibit II (Gains/Losses); Exhibit III (Schedule of Employer Contributions to Pension Fund); Exhibit IV (Schedule of Employer Contributions to Retiree Health Care Fund).

To date, the Board has taken action to reduce the 2006 Budget by \$4.3 million as a part of its 3% reduction plan, as well as \$418,000 in discretionary program cuts. The major issues facing the County budget continue to be pension funding requirements and health care costs. He anticipates a \$9 million deficit for the 2006 fiscal year.

A lengthy discussion ensued with Mr. Diegel about information that was provided in committee packets (mentioned above); items remaining on the discretionary services schedule; the possibility of looking into a cafeteria plan for health insurance; the possibility of looking into a two-tiered system for new hires; concerns about pension funding requirements and health care costs for employees and retirees; the impact of the Living Wage Ordinance and contracts that will be expiring; the forecast on next year's taxable value; the current value of the Delinquent Tax Revolving Fund; the subsidy for Martha T.

Berry, the current year appropriation budgeted at \$8.3 million, and what the benefits would be to go into a partnership; the possibility of selling the 4-acre Freedom Hill County Park; concerns about the Register of Deeds fees losses; concerns about the County's expansion in purchasing of buildings and current building projects; if the Board did vote to increase property taxes, what it would generate and cost the average homeowner; what a one percent increase in interest income would generate. Mr. Diegel was asked to bring back information on Commissioners specific inquiries.

Commissioner Lund noticed in Exhibit 1 under targeted cuts that \$427,500 was targeted for the Economic Development proposal and that should not be listed as a cut. Mr. Diegel agreed.

### **MOTION**

A motion was made by Vosburg, supported by McCarthy, to receive and file the update on the 2006 County financial forecast. **The Motion Carried.**

### **CONTINUATION OF DISCRETIONARY SERVICES REVIEW:**

#### **A) FACILITIES AND OPERATIONS DEPARTMENT**

Ms. Arnott-Bryks recalled that her department exceeded the 3% departmental reduction. They have salvaged equipment, which will be utilized at the Hall Road Warehouse. They have also looked at where they could approach vendors and are trying to further reduce costs. She spoke about other areas that they are trying to further reduce costs, as well.

A discussion ensued with Ms. Arnott-Bryks about cutting down on substantial overtime costs; the possibility of contracting out snow removal; the duties of the groundskeepers; current staffing levels; some of the expenses shown on page 9 that was provided in committee packets.

Chairman Crouchman stepped down from the Chair at 10:35 a.m.

Vice Chairman Revoir took the Chair.

Ms. Arnott-Bryks provided a brief update on some of the current building projects.

### **MOTION**

A motion was made by Haggerty, supported by Rengert, to receive and file the information provided by the Finance Department regarding the 2006 Facilities and Operations Budget. **The Motion Carried.**

Chairman Crouchman took the Chair at 10:46 a.m.

**B) FACILITIES AND OPERATIONS DEPARTMENT – SECURITY (GREY COATS)**

Ms. Arnott-Bryks recalled they have eliminated a guard and exceeded the 3% departmental reduction. She spoke about the job responsibilities of these security guards.

A brief discussion ensued with Mr. Diegel about some of the expenses shown on page 13 that was provided in committee packets.

A discussion ensued with Mr. Cwiek about the possibility of initiating a cafeteria plan for health insurance.

**MOTION**

A motion was made by Duzyj, supported by McCarthy, to receive and file the information provided by the Finance Department regarding the 2006 Facilities and Operations-Security (Grey Coats) Budget. **The Motion Carried.**

**C) HEALTH DEPARTMENT:**

Mr. Gold recalled that in April their 3% departmental reduction was approved.

**1) Computerization Project**

Mr. Gold overviewed the Computerization Project budget and what it is used to pay for.

A discussion ensued with Mr. Gold about some of the expenses shown on page 16 that was provided in committee packets.

**2) Cardiovascular Disease Risk Reduction Program**

Mr. Gold provided an overview of the Cardiovascular Disease Risk Reduction Program and the benefits of the Health Department delivering these types of programs.

A discussion ensued with Mr. Gold about blood pressure screenings and how many individuals are screened per year; ways to promote lowering blood pressure and cholesterol; the various organizations that offer blood pressure and cholesterol screenings.

**3) Child Health Fair**

Mr. Gold recalled the Children's Health Fair is a one-day annual program traditionally put on in conjunction with Macomb Community College, which is usually held on the Saturday preceding Halloween. Every year between 1,000 and 2,000 children attend with their parents, depending on the weather mostly and they come from every part of Macomb County. He explained what the \$7,000 budget is used for.

Commissioner Brandenburg recalled this event is held in the South end of the County. She suggested alternating it to the North end.

4) **Senior Services**

Mr. Gold said that Senior Services is better known to the community as the Flu Program. Between 20,000 and 27,000 Macomb County residents, the majority of them senior citizens, receive their flu shots from this Flu Program and another 1,000 receive pneumonia shots. They are the largest single provider of influenza vaccine to senior citizens in Macomb County. He explained who they receive revenues from to support this program.

A brief discussion ensued with Mr. Gold about this year's Flu Program as to the location of the three different sites and the fee that will be charged.

5) **Community Health Outreach**

Mr. Gold recalled the Community Health Outreach Program was formerly known as Minority Health. It operates out of two offices; one in Mount Clemens and one in Clinton Township. They provide outreach services to about 1,000 high-risk persons across their lifespan, providing in particular uninsured and underinsured individuals with health care referrals. The major focus of this program is trying to resolve health care disparities. He overviewed the budget for this program.

A brief discussion ensued with Mr. Gold about it being necessary to have two different centers. Inquiry was made about the mobile unit that Mount Clemens General (MCG) has as to how many days a week they operate. Mr. Gold recalled that they are doing things collaboratively with MCG.

After the presentations, the following action was taken:

**MOTION**

A motion was made by Rengert, supported by White, to receive and file agenda item #7C in its entirety. **The Motion Carried.**

D) **MACOMB COUNTY COMMUNITY SERVICES AGENCY (MCCSA):**

Several handouts were distributed prior to Mr. Taylor giving his presentation. The additional material consisted of a pie chart, MCCSA budget information, and a description of MCCSA services.

Mr. Taylor made a general statement about his department. MCCSA receives grants and contracts from federal, state, and local resources. The County portion of their annual budget is approximately 8%. In all cases, they utilize grant funds first and County funds last.

**1) Administration**

Mr. Taylor gave a brief overview of the MCCSA administration budget, the County allocation, and what it is used to pay for.

A brief discussion ensued with Mr. Taylor about who does their grant writing. Mr. Taylor stated that most is done in-house.

**2) Transportation**

Mr. Taylor provided an overview of the MCCSA Transportation budget, the County allocation, and what it is used to pay for. He spoke about the responsibilities of the transportation group.

**3) General Community Program**

Mr. Taylor explained where revenues for the General Community Program comes from, the County allocation, and what it is used to pay for. Last year, their centers provided services to low-income families in excess of 8,600 individuals. He explained the types of services they provide.

He said that his department finds the means within their structure to cut back, to make choices, to be more efficient, and they have proven that. In the past three years, they have cut in excess of \$568,000 as a result of being more efficient. Staff has been asked to accept more responsibilities and that has worked out well for the program and for their agency.

A brief discussion ensued with Mr. Taylor about the possible overlap or duplication of services and thoughts of trying to centrally maintain that with other departments.

**4) Federal Commodity Distribution**

Mr. Taylor did not have any comments on this particular program, but would take questions.

A brief discussion ensued with Mr. Taylor and Ms. Madeline Olszak, Fiscal Manager, MCCSA, about the vehicle that is used to transport the pantry food, along with the commodities food and how many trips are made each month.

**5) Home Injury Control/Chore AAA**

Mr. Taylor provided an overview of the Home Injury Control/Chore AAA Program budget, the County allocation, and what it is used to pay for.

A discussion ensued with Mr. Taylor and Ms. Olszak about what portion of the Home Injury Control/Chore AAA Program is provided by federal dollars.

Commissioner DeSaele presented Mr. Taylor with a cart filled with an assortment of canned foods for the food pantry.

Commissioner Vosburg presented Mr. Taylor with donation checks totaling \$216.

**6) Senior Citizens Nutrition**

Mr. Taylor provided an overview of the Senior Citizens Nutrition Program budget, the County allocation, and what it is used to pay for. Last year, they provided 143,428 meals at 24 congregate sites.

**7) Para Transit Program**

Mr. Taylor indicated that CDL classes are available to any organization; a fee is charged to cover the cost and offset the cost of operating the program. This year they have conducted seven classes. Funds are used to support clerical salaries and fringes that are associated with planning this activity. This training is to maintain a CDL.

Inquiry was made if Road Commission employees or other County departments make use of this program. Further inquiry was made if the fee being charged has been compared to outside agencies. Mr. Taylor said he would look into these issues.

**8) Home Delivered Meals**

Mr. Taylor explained that this program focuses on helping seniors in their homes and making sure they have nutritional food, at least once per day. He overviewed the Home Delivered Meals Program budget, the County allocation, and what it is used to pay for. This past year, they provided 366,733 meals. They have significantly depleted the wait list and are providing meals far and above their contract goal. They are providing second meals a day to those with high nutritional risk. They are looking at piloting two sites to provide breakfast.

He briefly addressed his memorandum he supplied to Mr. Diegel in January. He is proposing a saving of about \$68,000 by merging two positions. This recommendation will be coming before the Community Services Committee.

Inquiry was made about the difference between nutrition travel and local travel for Meals on Wheels. Ms. Olszak said she would look into this issue.

After the presentations, the following action was taken:

**MOTION**

A motion was made by Rengert, supported by Sauger, to receive and file agenda item #7D

in its entirety. **The Motion Carried.**

**E) SENIOR CITIZEN SERVICES DEPARTMENT:**

Ms. Willis recalled that her department made more than the 3% departmental reduction. She has implemented some of those changes.

Chairman Crouchman inquired if Commissioners had any questions on any categories. There was no response.

**MOTION**

A motion was made by Sauger, supported by McCarthy, to receive and file agenda item #7E in its entirety. **The Motion Carried.**

**ADOPTION OF RESOLUTION**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY DUZYJ, SUPPORTED BY WHITE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT A RESOLUTION HONORING FIRE CHIEF JOHN MURPHY ON HIS RETIREMENT FROM CLINTON TOWNSHIP FIRE DEPARTMENT (**OFFERED BY REVOIR; INCLUDE GIBSON, GIELEGHEM, HILL AND WHITE**). **THE MOTION CARRIED.**

**NEW BUSINESS**

Commissioner Doherty recalled a comment made earlier, that Mr. Habkirk has hurried up and approved contracts before the June 30<sup>th</sup> deadline for the Living Wage. That is quite simply not true.

Commissioner Vosburg informed Commissioners that the \$216 collected from all Commissioners and other people will purchase 1,542 pounds of food at .14 cents a pound.

Commissioner Vosburg urged Commissioners to attend next week's Planning and Economic Development Committee meeting, because there will be presentations made on a marketing plan. The plan is to just receive and file the presentations of what the marketing plan would entail. If and when something does come to the Full Board, Commissioners will be aware of the concept of it.

**ADJOURNMENT**

**MOTION**

A motion was made by Duzyj, supported by McCarthy, to adjourn the meeting at 12:20 p.m. **The Motion Carried.**

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**Denise M. Jacks  
Committee Reporter**