

CLERK  
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## **BUDGET STUDY SESSION AGENDA**

THE MANISTEE COUNTY BOARD OF COMMISSIONERS WILL HOLD A BUDGET STUDY SESSION ON MONDAY, AUGUST 3, 2015 AT 1:00 P.M. IN THE BOARD OF COMMISSIONERS MEETING ROOM LOCATED IN THE MANISTEE COUNTY COURTHOUSE AND GOVERNMENT CENTER, 415 THIRD STREET, MANISTEE, MICHIGAN.

CALL TO ORDER BY THE CHAIRPERSON

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PUBLIC COMMENT

DISCUSSION AND REVIEW OF A FY 2015/16 RECOMMENDED BUDGET AS PREPARED BY COUNTY ADMINISTRATION. THESE RECOMMENDATIONS ARE PROVIDED PURSUANT TO DIRECTION BY THE COUNTY BOARD IN A BUDGET STUDY SESSION WHICH WAS HELD ON JULY 14, 2015.

SCHEDULE A BUDGET STUDY SESSION TO MEET WITH THOSE DEPARTMENT SUPERVISORS, ELECTED OFFICIALS, AND JUDGES WHO REQUEST TO FURTHER DISCUSS BUDGET ISSUES.

MISCELLANEOUS BOARD MEMBER COMMENT

ADJOURNMENT

**2015/16 BUDGET STUDY SESSION #2 REPORT**  
**Monday, August 3, 2015**

TOTAL GENERAL FUND REQUESTED REVENUES (Pages 1 - 32)	=	\$10,687,489
TOTAL GENERAL FUND REQUESTED EXPENSES (Pages 33 - 98) =		\$11,677,377
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Surplus/(Deficit)	=	<u>(\$989,888)</u>
TOTAL RECOMMENDED REVENUES on 7/14/15 (Pages 1 - 32)=		\$10,518,053
TOTAL RECOMMENDED EXPENSES (Pages 33 - 98) =		\$10,518,053
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Surplus/(Deficit)	=	<u>\$0.00</u>

(Reported at July 14, 2015 Study Session)

TOTAL GENERAL FUND ADJUSTED/RECOMMENDED REVENUES AND EXPENSES AS A RESULT OF BUDGET STUDY SESSION HELD ON JULY 14, 2015:

	<u>REVENUE</u>	<u>EXPENSE</u>
Normal budgeted revenue =	\$10,650,226	
Budgeted expenses = (See line #101 253 699.020 "Transfer In-Other Funds" on Page 13 of General Fund budget.)		\$10,783,868
1.) Assigned fund balance to cover legal fees (\$8,000 of \$133,092 available)	\$8,000	
2.) Assigned fund balance to cover <u>net</u> election expense (\$37,107 of \$130,993 available) =	\$37,107	
3.) Assigned fund balance to cover partial technology expenses (\$42,051 (50%) of \$84,102 available) = (Note: Technology budgeted expense is \$366,926 (2014/15 = \$220,500). Technology revenue is \$161,988 (2014/15 = \$142,128)	\$42,051	
4.) Unassigned fund balance used to balance budgeted expenses (\$46,484 of \$1,168,300 available)	<u>\$46,484</u>	
TOTAL FY 2015/16 RECOMMENDED GENERAL FUND BUDGET =	<u>\$10,783,868</u>	<u>\$10,783,868</u>
 (Note: Total assigned and unassigned fund balance budgeted in FY 2015/16 budget is \$133,642, compared to \$129,822 in FY 2014/15 budget.)		

The following adjustments/recommendations were made to the General Fund Revenue and Expense budget listed above. Most of the adjustments came from Board direction at the Budget Study Session held on July 14, 2015:

	<u>REVENUE</u>	<u>EXPENSE</u>
Total General Fund Revenue and expense total presented to the Board on July 14, 2015 = (Note: No use of fund balance)	\$10,518,053	\$10,518,053
<b>Recommended Adjustments:</b>		
1.) Increase Jail Revenue line item #101 351 628.005 "Inmate Lodging – Out of County" from -0- to \$102,200 = (Page 29)	+\$102,200	
2.) Increase the Jail Expense budget #351 as follows: (Pages 84-85)		
A.) Increase the overtime line from \$49,000 to \$55,000 and add two (2) Corrections Technician positions (1 hired 10/1/15; 1 hired 4/1/16). No additional Sergeant position. =		+\$82,677
3.) Increase the Sheriff Expense budget #301 as follows: (Pages 72-74)		
A.) Increase the overtime line item to \$70,000 and add in associated fringe benefit expense (Was budgeted at \$35,000; requested \$84,500) =		+\$41,878
B.) Increase expense line item #101 301 730.001 "Vehicle Purchases" from \$6,080 to \$41,319 to allow for the replacement of 1 additional patrol vehicle in addition to the replacement of an insured vehicle previously involved in an accident =		+\$35,239
4.) Increase Sheriff revenue line item #101 301 642.000 "Sale of Supplies" (vehicles) from \$3,500 to \$4,000 (Page 21) =	+\$500	
5.) Increase the General Services Expense budget #103 as follows (Page 34):		
A.) Increase line #101 103 969.002 "Wage Contingency" from -0- to \$33,776 (Page 34). (This is the <u>net</u> expense to provide 1% wage increase to all Court employees, non-union, non-Court employees, and all Elected Officials in the General Fund) =		+\$33,776
B.) Increase line #101 103 860.000 "Employee Education Reimbursement from -0- to \$1,000 =		+\$1,000
C.) Increase line #101 103 999.024 "Transfer Out – Recycling Fund" from \$15,000 to \$20,000 (Grant Match)		+\$5,000

	<u>REVENUE</u>	<u>EXPENSE</u>
6.) Increase the "Information/Technology" expense budget #228 to include various adjustments, from \$328,075 to \$366,926 (Page 53) = (SEE APPENDIX A)		+\$38,851
7.) Increase the "Information/Technology" revenue budget #228 to include various reimbursements from \$143,424 to \$161,988 (Page 11) = (SEE APPENDIX A)	+\$18,564	
8.) Decrease the Circuit Court revenue budget line item #101 131 686.002 "Misc. Reimbursement - Benzie" from \$748 to -0- (Page 2-3) = (-\$748) (40% of AS 400 Printer. Now in IT budget.)	(-\$748)	
9.) Increase the Appropriations expense budget #957 as follows (Page 98):		
A.) Increase line #101 957 969.006 "Centra Wellness" from \$156,297 to \$157,891 =		+\$1,594
B.) Increase line #101 957 969.046 "2-1-1" from \$3,000 to \$3,500 =		+\$500
C.) No change to line #101 957 969.002 "District Health" = (revised information from District Health)		-0-
10.) Increase the Elections expense budget #262 from \$33,507 to \$58,807 (Page 60) = (Reflects actual expense)		+\$25,300
11.) Increase the County Treasurers revenue budget #253 as follows (Page 12-13):		
A.) Increase line item #101 253 431.000 "PILT" from \$108,000 to \$116,357 = (Per phone call with NACO)	+\$8,357	
B.) Increase line item #101 253 575.000 "Court Funding Reimbursement" from \$93,000 to \$96,300 = (Per phone call with State)	\$3,300	
C.) Increase line item #101 253 699.020 "Transfer In-Other Funds" from \$0 to \$133,642 = (Explanation above: \$87,158 assigned fund balance and \$46,484 unassigned fund balance)	+\$133,642	
<b>Total Adjusted General Fund Tentative/Recommended Budget =</b>	<b><u>\$10,783,868</u></b>	<b><u>\$10,783,868</u></b>

Notable items included in the adjusted General Fund budget:

- 1.) All high priority technology purchases are included in the budget including a new AS 400 server for the Circuit Court and a new computer system for the Friend of the Court with some reimbursement through Benzie County and the Friend of the Court Fund. 50% of the Technology assigned fund balance is also being budgeted to assist in covering these extra expenses in FY 2015/16.

- 2.) Sheriff and Jail overtime budgets have been increased and the Jail budget includes hiring the equivalent of 1.5 Corrections Technician positions in FY 2015/16. This expense is covered with revenue budgeted from the Virtual Jails Program.
- 3.) Funds are budgeted in the Wage Contingency line item to cover 1% net wage increase (\$33,776) for all non-union employees, Court employees and Elected Officials. This increase would be equivalent to the increase agreed upon and budgeted for Courthouse and Library union employees. (Note: A 1.5% increase would cost an additional \$19,119; and 2% increase would cost an additional \$34,355.)
- 4.) A 9% employee health insurance premium co-pay has been budgeted which is the same as the current year and prior year. (Note: If an 11% premium co-pay was implemented, the net savings to the General Fund would be approximately \$20,240.)
- 5.) One additional patrol vehicle purchase has been budgeted in the Sheriff budget.
- 6.) An additional \$5,000 has been budgeted as a transfer to the Recycling Fund as local grant match.
- 7.) The Elections budget reflects actual expected expenses using some assigned fund balance to cover expenses.
- 8.) Appropriations to District Health, Centra Wellness, and 2-1-1 reflect actual requests.
- 9.) Although there are no General Fund dollars being used to increase the hours of the P.T. Deputy Clerk in the County Clerk's office, this position will increase in hours from 20-23 hours per week with funds from the CPL fund #267. Original request was to increase to 29 hours per week which would require an additional General Fund expense.
- 10.) \$1,000 was budgeted for Education Reimbursement. (\$5,000 was requested).
- 11.) The General Fund is balanced with fund balance being budgeted at \$133,642 as compared to \$129,822 in the current fiscal year. Of the amount budgeted, only \$46,484 is unassigned fund balance. This was somewhat unavoidable since the total General Fund revenues expected are significantly less than the previous year due to a number of factors. County Administration feels that the future will bring higher tax growth, with less need for supplementing the budget with fund balance.

**Notable items not included in the adjusted General Fund budget:**

- 1.) No contingency funds were budgeted.
- 2.) No funds being transferred to the Capital Improvement fund. (Estimate of \$100,000 available in 2015/16.)
- 3.) Transfer to the Child Care fund slightly reduced from current year (\$50,000 to \$40,000)
- 4.) No funding for increasing hours for the P.T. Maintenance Custodian. (Requested \$23,822)
- 5.) Funds to contract for County Board meetings being televised on the Public Access Channel were not included in the budget. (Requested \$5,400)

- 6.) Funds requested to being Microfilming Probate Court records were not included in the budget (Total project = \$231,385)
- 7.) Funds for Human Resources program in the County Controller's office was not included in the budget. (Approx. \$7,000 requested.)

Prepared by:  
Thomas D. Kaminski  
County Controller/Administrator  
July 29, 2015

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APPENDIX A-1

7/22/15

DEPT #228 INFORMATION/TECHNOLOGY REVENUE BUDGET DETAIL

	REQUESTED	RECOMMEND.	APPROVED
#676.000 TWP/CITY/SCHOOL REIMB =	\$121,055	\$121,055	\$121,055
1. Per contract with Municipalities			
#686.002 MISCELLANEOUS REIMB – BENZIE	\$7,657	\$7,657	\$16,633
1. JIS reimb. = <u>\$7,657</u>			
2. FOC New computer system = <u>\$3,000</u>			
3. AS 400 Server Payment (1 <sup>st</sup> of 3 Annual payments + 40% of printer Purchase = \$13,440 + \$1,500 x 40% = <u>\$5,976</u>			
#699.020 TRANSER IN – OTHER FUNDS:	\$14,712	\$14,712	\$24,300
1. From FOC Fund #215 = <u>\$9,000</u> (For purchase of new computer system)			
2. From Drunk Driving Caseflow fund to cover JMS Contract in District Court (Matches Expense) = <u>\$15,300</u>			
TOTAL REVENUE BUDGET =	<u>\$143,424</u>	<u>\$143,424</u>	<u>\$161,988</u>

## APPENDIX A-2

7/22/15

### DEPT #228 INFORMATION/TECHNOLOGY EXPENSE BUDGET DETAIL

	REQUESTED	RECOMMEND.	APPROVED
#727.002 MISCELLANEOUS SUPPLIES:	\$1,000	\$500	\$500
#730.000 EQUIPMENT:	\$15,000	\$15,000	\$46,940
1. Desktop Computer Replacements = <u>\$15,000</u> (Priority List #14)			
2. FOC Computer System/Software, and Licenses (8 FTE's x \$1,500 = <u>\$12,000</u> ) (\$3,000 to be reimb. by Benzie Co. Other \$9,000 to be reimb. by FOC Fund #215)			
3. Cir. Court – AS 400 Server and printer = \$13,440 + \$1,500 = <u>\$14,940</u> . (\$5,976 to be reimb. by Benzie County) (OR \$1,120 per month x 12 mo. for 2 years = \$13,440)			
4. County Treasurer – New printer for Printing tax bills and assessment change Notices = <u>\$5,000</u>			
#731.000 TAX SEASON COMPUTER SUPPLIES:	\$9,000	\$9,000	\$9,000
#735.000 SOFTWARE PURCHASES:	\$153,024	\$101,500	\$101,500
1. New VSPHERE Cluster Hardware = <u>\$30,000</u> (Priority List #19)			
2. New ISCSI SAN (Courthouse) = <u>\$38,000</u> (Priority List #20)			
3. New ISCSI SAN (Sheriff) = <u>\$27,000</u> (Priority List #21)			
4. Upgrade VSPHERE HOST = <u>\$6,500</u> (Priority List #22)			
#800.000 CONTRACTED SERVICES	\$75,000	\$62,000	\$67,000
1. Gordon McLellan and Gracon, etc. = <u>\$62,000</u>			
2. County Clerk microfilm/backscan = <u>\$5,000</u>			

## APPENDIX A-3

	REQUESTED	RECOMMEND.	APPROVED
<b>#831.000 MISC. MAINTENANCE CONTRACTS:</b>	<b>\$62,600</b>	<b>\$62,600</b>	<b>\$61,590</b>
(Priority List #1-8 and #13)			
1. Dell Appassure Support = <u>\$1,200</u>			
2. Microsoft EA = <u>\$36,190</u>			
3. Firewall = <u>\$2,800</u>			
4. Antivirus = <u>\$5,000</u>			
5. Merit Networks = <u>\$7,800</u>			
6. Malware Protection = <u>\$5,000</u>			
7. Teamviewer Enterprise = <u>\$3,600</u>			
<b>#831.001 SOFTWARE CONTRACTS – COURTS:</b>	<b>\$49,100</b>	<b>\$49,100</b>	<b>\$48,641</b>
1. Polycm contract for District, Circuit, Probate, Jail = <u>\$4,900</u>			
2. JIS contract – Circuit Court = \$15,523 x 1.04 = <u>\$16,144</u>			
3. JIS contract – Probate/Juv Court = \$9,804 x 1.04 = <u>\$10,196</u>			
4. JMS contract – District Court = \$14,712 x 1.04 = <u>\$15,300</u> (Reimb. by drunk driving caseflow fund)			
5. DMC Tech – IBM hardware contract – Circuit Court = \$2,020 x 1.04 = <u>\$2,101</u> (Reimb. 40% by Benzie Co.)			
<b>#831.002 MAINTENANCE CONTRACT – ACCOUNTING</b>	<b>\$11,100</b>	<b>\$11,100</b>	<b>\$11,080</b>
1. BS & A Payroll Systems \$2,743 x 1.03 = <u>\$2,825</u>			
2. BS & A – Accounts Payable System \$1,930 x 1.03 = <u>\$1,988</u>			
3. BS & A – Cash Receipt System \$1,930 x 1.03 = <u>\$1,988</u>			
4. BS & A General Ledger System \$2,413 x 1.03 = <u>\$2,485</u>			
5. BS & A Time Sheet Systems \$1,742 x 1.03 = <u>\$1,794</u>			

## APPENDIX A-4

	REQUESTED	RECOMMEND.	APPROVED
<b>#831.003 MAINTENANCE CONTRACTS – CLERK:</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$8,400</b>
1. Deketo Maintenance – Vital Records = <u>\$3,000</u> (Only \$5,000 for 1 & 2 in 2015)			
2. Deketo Maintenance – Imaging = <u>\$3,000</u>			
3. MI Court Connect – Cherrylan = <u>\$2,400</u>			
<b>#831.004 MAINTENANCE CONTRACTS – TREASURER/EQUALIZATION:</b>	<b>\$11,025</b>	<b>\$11,025</b>	<b>\$11,025</b>
1. Automated Business Equip. (Folder/ Sealer) = \$1,000 x 1.03 = <u>\$1,030</u>			
2. BS & A – Animal License (\$864 x 1.03 = <u>\$890</u> )			
3. BS & A – Assessing (\$3,221 x 1.03 = <u>\$3,318</u> )			
4. BS & A Delinquent Tax (\$3,861 x 1.03 = <u>\$3,978</u> )			
5. BS & A P.R.E. Audit (\$610 x 1.03 = <u>\$628</u> )			
6. BS & A – Tax (\$2,147 x 1.03 = <u>\$2,211</u> )			
<b>#850.000 TELEPHONE:</b>	<b><u>\$1,250</u></b>	<b><u>\$1,250</u></b>	<b><u>\$1,250</u></b>
<b>TOTAL EXPENSE BUDGET =</b>	<b><u>\$393,099</u></b>	<b><u>\$328,075</u></b>	<b><u>\$366,926</u></b>
<b>NOT INCLUDED:</b>			
1. Admin = HR Program & Purchasing Program = <u>\$14,000</u> (less cont.)			
2. Probate Court Imaging = <u>\$231,385</u>			