

BOARD LEADERSHIP MEETING
February 8, 2018
Minutes

Members Present: Banas (arrived at 6:11 p.m.), Celentino, Crenshaw, Grebner, Hope, Koenig, Sebolt, Tennis, Maiville, and Naeyaert

Members Absent: Schafer, Anthony, and Nolan

Others Present: Dennis Louney, Stacy Byers, Tim Dolehanty, Jared Cypher, Michael Townsend, Teri Morton, Becky Bennett, Travis Parsons, Liz Noel, and others.

The meeting was called to order by Chairperson Koenig at 6:00 p.m. in the Personnel Conference Room “D & E” of the Human Services Building, 5303 S. Cedar Street, Lansing, Michigan.

Approval of the April 20, 2017 Minutes

MOVED BY COMM. HOPE, SUPPORTED BY COMM. CELENTINO, TO APPROVE THE MINUTES OF THE AUGUST 17, 2017 BOARD LEADERSHIP MEETING.

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioners Anthony, Schafer, Nolan, and Banas

Additions to the Agenda

None.

Limited Public Comment

None.

1. Millages
 - a. Proposed Justice Complex Millage

Tim Dolehanty, Controller, introduced the topic and stated there was a memo included in the packet regarding the millages.

Teri Morton, Deputy Controller, provided background information on the Justice Complex Millage.

Chairperson Koenig stated the ballot proposal deadline for the August 7, 2018 Election was May 15, 2018. She asked if any pre-release or re-entry programs had been discussed.

Ms. Morton stated those programs had been discussed during the Law and Court Committee's discussion regarding programming.

Chairperson Koenig stated those programs were important pieces of the process. She further stated that the Board of Commissioners still needed to flesh out details and how much the proposals would cost.

Ms. Morton stated she had spoken with Paul Stauder, Public Financial Management, Inc. Managing Director, who had told her that the debt service would be about \$4.66 million per year over 20 years based on current estimates, and the millage would be 0.7 mills if \$500,000 was allocated for programming each year. She further stated if the cost of programming was \$1 million per year, the millage would be closer to 0.77 mills.

Discussion.

Commissioner Grebner asked if the problem was the County could not bond for 20 years with a tax levy, but the County could bond for programming for 20 years.

Ms. Morton stated the County could not bond for programming for 30 years, but it could bond for 20 years.

Discussion.

Commissioner Grebner stated he thought the ballot language should not be driven by programming, as ballot language was written for the purpose of being approved, not for communicating the views of the Board of Commissioners.

Chairperson Koenig stated the Washtenaw County ballot proposal was interesting.

Commissioner Grebner stated Washtenaw County's ballot proposal was a mess of language, but it was approved by about 67%. He further stated he thought in a college town, a ballot proposal like this would pass.

Commissioner Sebolt stated he suggested starting off the ballot language with programming, because most voters would just read the first few lines of the ballot proposal and constituents appreciated programming.

Commissioner Crenshaw stated he thought if the ballot proposal for the Justice Complex did not pass in the August 7, 2018 Election, it could possibly go on the November 8, 2018 Election ballot. He asked if that was possible with the proposed timeline.

Ms. Morton stated the Board of Commissioners would have to call a special board meeting to approve ballot language for the November Election after August 7th, 2018, if they needed to. She

further stated she was not sure of the mechanics of approving language, because the timeline was very close.

Chairperson Koenig stated she thought the Board of Commissioners could draft something in the meantime, and then they would know going forward.

Commissioner Grebner stated he thought after August 7, 2018, the Board of Commissioners would know a lot of something.

Commissioner Banas arrived at 6:11 p.m.

Commissioner Hope stated she knew the draft ballot language was still in draft form, but something that was missing from the language was building a new Sheriff's Office, which was an important piece of it.

Discussion.

1. Millages
 - b. Farmland and Open Space Preservation Millage

Commissioner Maiville asked with the Justice Complex up this year, and the Farmland and Open Space Preservation Millage up for renewal, when the Board of Commissioners would want to put it on the ballot.

Chairperson Koenig stated she thought the Farmland and Open Space Preservation Program needed some review in the form of a presentation to determine what the County had gotten out of it and what the future of it was, and what the millage had been originally intended for. She further stated it had been an interesting time to pass the millage, because construction had taken a dive right after the Farmland and Open Space Preservation Millage had passed, and she would like to have a presentation put on the County Services Committee agenda, but she also wanted to see where Commissioners were coming from.

Commissioner Crenshaw stated there was nothing in the packet that talked about the Farmland and Open Space Preservation Millage, and there was not enough information to have a discussion.

Stacy Byers, Farmland and Open Space Preservation Board Coordinator, provided background on the Farmland and Open Space Millage that had been passed in August 2008. She stated the 0.14 mills generated just under \$1 million per year.

Ms. Byers stated the program preserved 5400 acres of farmland and open space, and after this year the average would be about 7,000 acres to date. She further stated the Farmland and Open Space Board had been able to secure additional funds through federal match amounting to about \$1.5 million and donations from land owners for about \$1 million, so they had been able to leverage funds well for the County.

Ms. Byers stated the program seemed to be well received, and it had been an interesting time to pass the millage, because easement values they had expected had dropped off with the economic downturn and the values were just now coming back to pre-2008 levels. She further stated that 2018 had been the largest increase of applications, with 35 new applications and 50 applications on the waitlist.

Ms. Byers stated the program established selection criteria, which was passed by the Farmland and Open Space Preservation Board and Board of Commissioners each year. She further stated that criteria determined which properties were accepted into the program each year and applications were re-scored each year.

Commissioner Banas asked if Ms. Byers could give the Board of Commissioners a sense of how much land had been preserved geographically. She further stated she had an idea that rural land had been protected around urban and suburban areas, and she asked how the County had been doing in terms of filling in the zone, because she knew it was not a contiguous area.

Ms. Byers stated the Farmland and Open Space Preservation Board tried hard to give points to landowners in the greenbelt, which was the five miles surrounding the urban population center. She further stated there was about 1500 acres of contiguous preserved area in South Lansing and preserved land south of Jackson National Life in Okemos. She further stated the program was getting there, and now landowner interest was getting there now that the program had been in existence for ten years.

Ms. Byers stated the Farmland and Open Space Preservation Program had also gained land in Leslie Township and Onondaga, and open space in Williamstown Township. She further stated open space was good, because there was a lot of agricultural space interest, but open space was harder because there was not a specific group to access.

Chairperson Koenig asked what it cost to do the program every year.

Discussion.

Ms. Byers stated it cost about \$600,000-\$700,000 for easement charges each year, about \$100,000-\$200,000 for doing due diligence for acquiring the land, and then a small portion of administrative costs.

Commissioner Maiville asked if the Board of Commissioners wanted to put the millage renewal on the August 2018 or November 2018 Election ballot. He further asked if the Justice Complex was on the August 2018 Election ballot, where this millage renewal fit in.

Chairperson Koenig stated she thought that the Justice Complex should be on the August 2018 Election ballot by itself, because the bottom line was she did not want to clog up having too many ballot proposals close together.

Commissioner Grebner stated the Farmland and Open Space Preservation Millage renewal would pass if it was put on the ballot, but the Board of Commissioners might as well put it on in November.

Dennis Louney, Commissioner Designate for District 10, asked how many State ballot proposals would be on the ballot in the November 2018 Election.

Commissioner Grebner stated there would be about three to five State ballot proposals would be on the November 2018 Election ballot, but no one would remember what the Farmland and Open Space Preservation Millage was or that it was on the ballot.

Commissioner Naeyaert asked if there were any health care millages upcoming in 2018.

Discussion.

Chairperson Koenig stated she was looking for a consensus from Commissioners if they would like to go forward with the Farmland and Open Space Preservation Millage.

Commissioner Maiville stated he knew Ms. Byers would like to do a full presentation to the Board of Commissioners, and could start with the County Services Committee and go from there.

Discussion.

Commissioner Naeyaert asked if Chairperson Koenig was thinking that people did not want to renew the millage.

Chairperson Koenig stated it had been previously conveyed to her that this millage could be used as a trading chip that could be bargained with if the Board of Commissioners needed to add another millage to the ballot.

Commissioner Sebolt stated he was really interested in moving forward with this millage, because he thought it benefitted urban and rural areas.

Commissioner Celentino stated he would like to see the presentation at the County Services Committee, as he wondered if it still needed to be 0.14 mills. He further stated the millage had only passed by 185 votes in 2008, so it had been close.

Discussion.

Becky Bennett, Board of Commissioners Office Director, stated the deadline for submitting language to the County Clerk was August 14, 2018, so she thought the Board of Commissioners might want to schedule a board meeting and then cancel it if they did not need it.

Discussion.

Chairperson Koenig stated they should schedule the Board of Commissioners meeting for August 13, 2018.

Ms. Morton stated there was a memo in the packet regarding the 9-1-1 Phone System replacement. She provided background on the phone system.

Commissioner Celentino stated he understood there was 0.85 mills currently allocated for the 9-1-1 phone system. He asked if 0.15 mills for a replacement phone system would be in addition to, or part of that.

Ms. Morton stated the 0.15 mills would be in addition to the 0.85 mills. She further stated at some point, the two could be rolled in together.

Commissioner Grebner stated another possibility aside from a millage would be a phone surcharge, but the question would be if it was levied, what fraction would be charged to untaxed entities all over the County, like MSU, the State of Michigan, and hospitals or nonprofits. He further stated he thought the County was already levying a lot of property tax, and it might be good to levy something else.

Commissioner Grebner stated \$2.60 sounded like lot per month, but the current 9-1-1 millage had intended to put away 20% of the funds for upgrades as they went along, but that had ceased to be sufficient so there was no longer any money available for upgrades. He further stated he thought the County ought to levy enough to take care of this, so there would always be money available for upgrades.

Commissioner Tennis stated he thought the County might want to do a combination of the phone surcharge and millage for the 9-1-1 phone system.

Commissioner Grebner stated he could not figure out how to put both a surcharge and millage on the ballot. He further stated he thought the County ought to go with one or another.

Discussion.

Commissioner Sebolt stated the State House of Representatives was awaiting action on Senate Bill 400, which would increase the amount counties could surcharge for 9-1-1 systems.

Discussion.

Commissioner Maiville stated he recalled there had been a discussion about piggybacking on the Michigan State Police (MSP) system.

Ms. Morton stated if the replacement was approved, the two players likely to bid would be Harris and Motorola, and Motorola was the MSP's system.

Discussion.

Ms. Morton asked if there was a consensus that a replacement of the 9-1-1 system was necessary, and the Board of Commissioners would decide whether a surcharge or millage was appropriate.

Discussion.

2. Budget Update

Mr. Dolehanty explained the handouts and presentation included in the Board Leadership packet regarding the County budget.

Mr. Louney asked if the County pursued a multiple employer welfare arrangement (MEWA), would be limited to only counties, or if municipalities would be included.

Mr. Dolehanty stated his idea would be to include any municipality in this part of the State that was interested. He further stated the City of Lansing was interested, but they were still exploring the system.

Discussion.

Chairperson Koenig asked if Mr. Dolehanty had looked further into the limitations, and why other communities were not doing it yet.

Mr. Dolehanty stated he did not know why other communities were not doing it yet, but possibly it was because out of the box. He further stated that when communities worked with a specific carrier for so long, it became a routine.

Mr. Dolehanty stated P.A. 106 required the County to bid out the carrier every few years, so the County did that. He further stated that if the block of employees was larger than just the block of Ingham County employees, the County might look more appealing and get bids from Blue Cross/Blue Shield or other larger carriers.

Mr. Louney stated he would be hesitant to move to that type of system unless it was shown that it was successful.

Mr. Dolehanty stated if the County was in a self-funded pool, they could make choices to cut out what they did not need from a plan. He further stated there were some risks if one group in the pool got really sick, but they could be able to eliminate the stop loss.

Mr. Dolehanty stated it had been done in Isabella County and they had saved a lot of money, but they would need to know what happened if the City of Lansing joined. He further stated his staff had gotten the numbers now, and they would start getting answers, possibly by this summer, as the target was to have it as an option for January 1, 2019.

Commissioner Naeyaert stated Jill Rhode, Financial Services Director, had been involved in the Child Care Fund and had been integral in the passage of legislation regarding the reimbursement of communities' child care funds. She further stated that the State Budget Director had asked the

State Chief Economist how long the State could continue at its current level before something collapsed, and he had said that 2020 would be the year that something imploded.

Commissioner Naeyaert stated that 2020 was looking like a good year for the County, but they needed to be in tune with what was happening at the State level, because there could be a big effect for the County.

Discussion.

Commissioner Naeyaert stated somehow, the County needed to find a way to put some money aside in case something happened at the State level.

Mr. Dolehanty stated that the Government Finance Officers Association suggested having two months' worth of County expenses in the fund balance. He further stated that the County also had reserve funds that could only be accessed with a 2/3 vote by the Board of Commissioners, and he thought that 16.6% of the yearly expenses was a decent number and 5% of the County's yearly expenses was a nice floor not to go below.

Commissioner Grebner stated that there was a rain cloud disguised in the form of a sun coming from the State, as the State wanted to include indigent representation in their budget, and if it did then the County would find out that a whole bunch of programs needed more money to support that initiative. He further stated that people should be ready for that, and cumulatively that would be a lot of money.

Discussion.

3. State of County Event

Chairperson Koenig stated last year, the County had held the first-ever State of the County under Commissioner Anthony's leadership, and Commissioner Anthony had hoped to go forward with another one. She further stated she knew it was a challenging time to do it, because they were in the process of replacing multiple department heads and she did not know what the cost of doing the event was.

Ms. Bennett stated the County had paid about \$2,000 in food last year, and the cost of the staff was about \$3,000 to \$4,000.

Chairperson Koenig stated she would leave it up to the Board of Commissioners, because she was not dying for more things to do and she was pretty busy.

Commissioner Crenshaw asked if the main staff that would be working on the event would be the Controller's staff and the Board of Commissioners Office, not department heads.

Ms. Bennett stated the Board of Commissioners Office was also being hit with FOIAs because of the Larry Nassar court case and ESPN's reporting on it.

Commissioner Naeyaert stated while it had been a great event, she did not think it was necessary to do every year. She further stated she did not know if it was worth the cost and staff time, and possibly it could be done every five years or so instead.

Discussion.

Commissioner Hope stated her thought with the State of the County event would be to use it as an opportunity to showcase the jail and Sheriff's Office by holding it at the Sheriff's Office in the training room.

Commissioner Celentino stated when he thought of "State of" events, he thought of them happening at the beginning of the year he further stated he was concerned about the timing of the event, since they were already looking at the end of March for an event.

Discussion.

Commissioner Sebolt stated he did not think timing was a problem and he thought it was a nice event. He further stated he liked Commissioner Hope's suggestion of showcasing the jail, and they could also use it as an opportunity to thank the voters for passing the millage last year.

Commissioner Sebolt stated he thought it was a good exercise in transparency.

Discussion.

Chairperson Koenig polled the Commissioners, in which there were more Commissioners that voted against holding the State of the County than those in favor.

Commissioner Banas stated if the Board of Commissioners wanted to showcase the needs of the jail, it did not need to be tied to the State of the County. She further stated she thought they could find another opportunity to talk about it that was not such a stretch.

Commissioner Banas stated she thought the County should either have an annual event called the State of the County, or not. She further stated she thought if the Board of Commissioners wanted to discuss with the public the great needs of the Justice Complex, then they should do that, but she did not think the two things needed to be tied.

Commissioner Hope stated her thought was to hold the annual event that happened to be at the jail, since they would be talking about the jail extensively.

Discussion.

Announcements

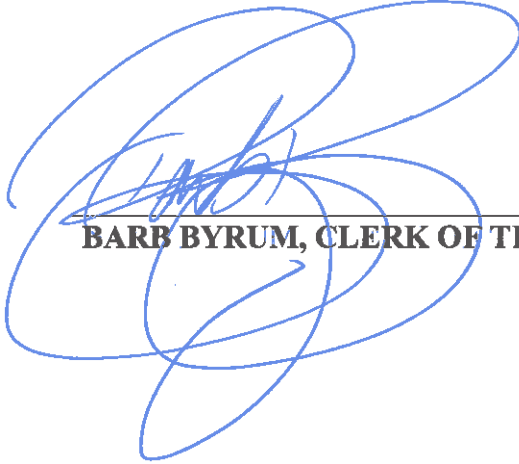
None.

Public Comment

None.

Adjournment

The meeting was adjourned at 7:12 p.m.



BARB BYRUM, CLERK OF THE BOARD