



# BOARD OF COMMISSIONERS WORK SESSION

## AGENDA

June 8, 2020, 3:00 PM

Zoom Virtual Meeting Room

Meeting ID: 399-700-0062 / Password: LCBOC

<https://zoom.us/j/3997000062?pwd=SUdLYVFFcmozWnFxbm0vcHRjWkVIZz09>

1. CALL MEETING TO ORDER
2. ROLL CALL
3. CALL TO THE PUBLIC
4. APPROVAL OF AGENDA
5. PRESENTATION & DISCUSSION
6. CALL TO THE PUBLIC
7. ADJOURNMENT



# **Livingston County, Michigan 2021 Annual Budget**

## **Board of Commissioners' Workshop**

# BUDGET ROLES

# Budget Roles



## BOARD OF COMMISSIONERS

- Empowered to appropriate County funds
- Co-Employer relationship with Elected Officers. BOC determine the economic issues, Elected Officers determine non-economic issues
- Educate/Inform the public on the County budget process
  - Advertise upcoming public hearings
  - Provide a copy of the proposed budget available for public inspection
  - Hold public hearings prior to adoption of the budget
  - The County is required to adopt a balanced budget by January 1<sup>st</sup> of each year

# Budget Roles continued



## COUNTY ADMINISTRATOR

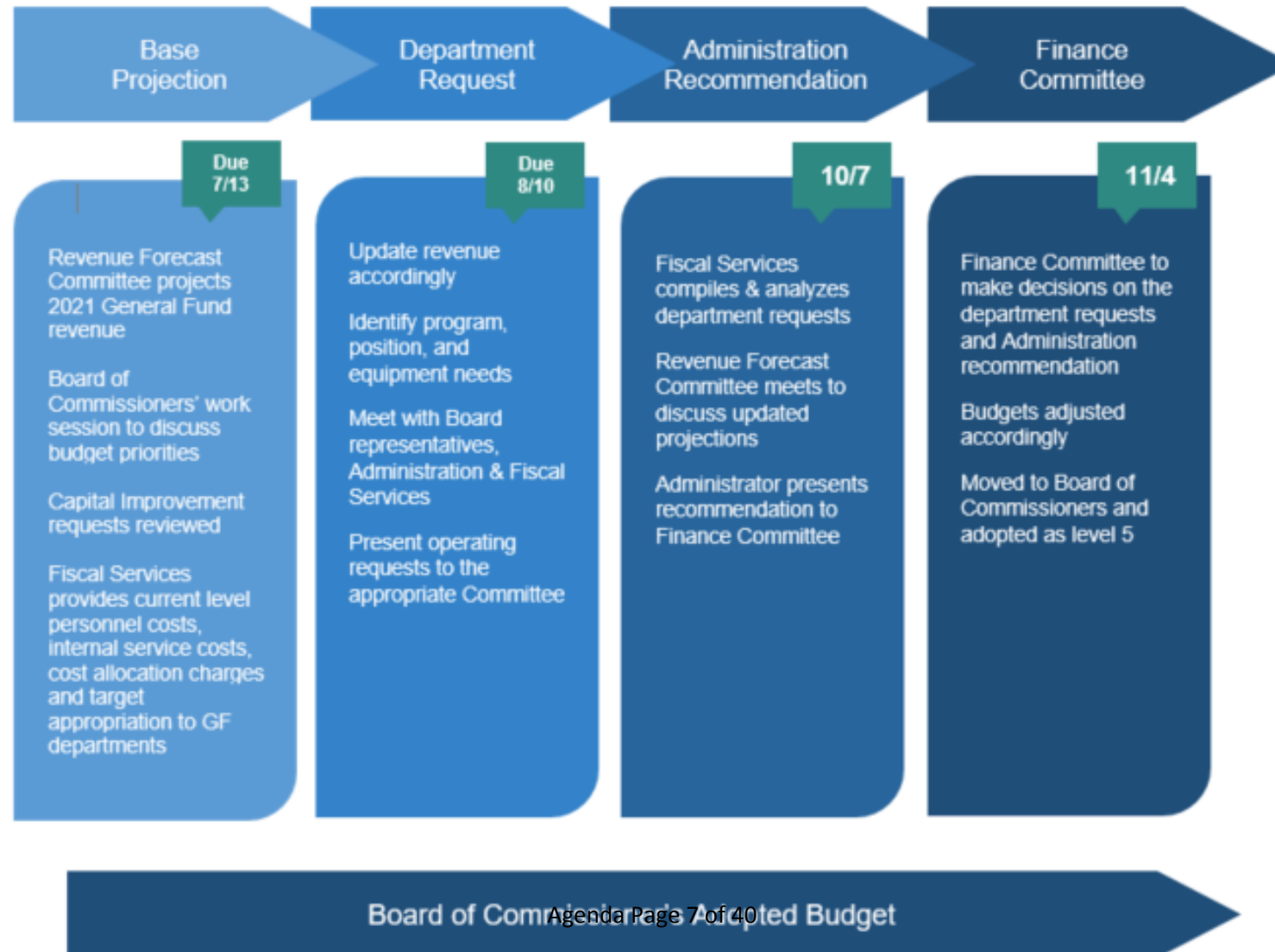
- Directs the budget development and process
- Assists the Board in defining administrative policy and alternatives
- Build and maintain cooperative relationships with Elected Officers and various department heads to ensure they understand the scope of resources available and the need to work together
- Present a recommended balanced budget to the Board of Commissioners

## FISCAL SERVICES

- Provide direction to the Departments on the budget process
- Coordinate budget information/documents including budget level reports and development of the budget book
- Provide financial impact and budgetary amendments for proposed resolutions

# BUDGET PROCESS

# Budget Process



Two year budget is prepared.  
More emphasis on second year.

# GENERAL OVERVIEW

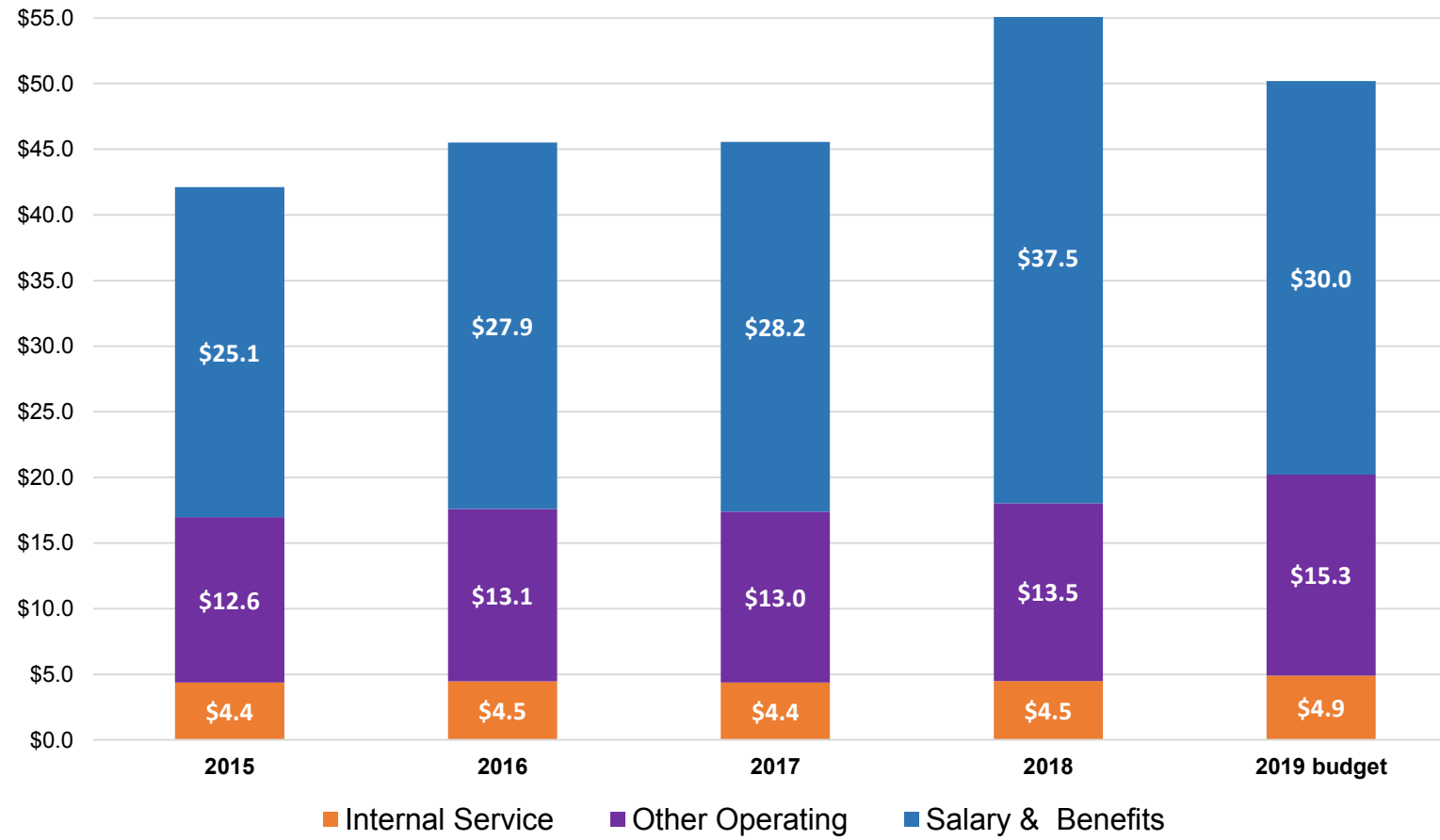
PAST, PRESENT & FUTURE



# Revenue, Expense & Fund Balance

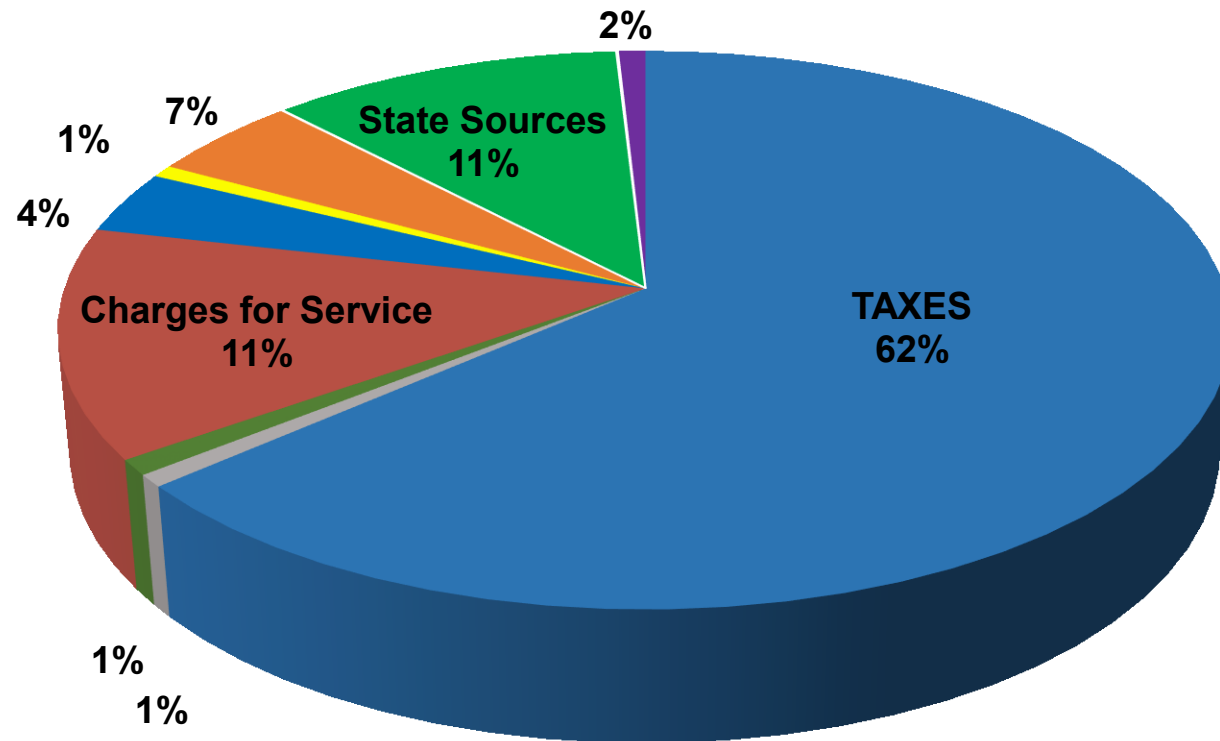


# Historical Spending Trends



# CURRENT YEAR

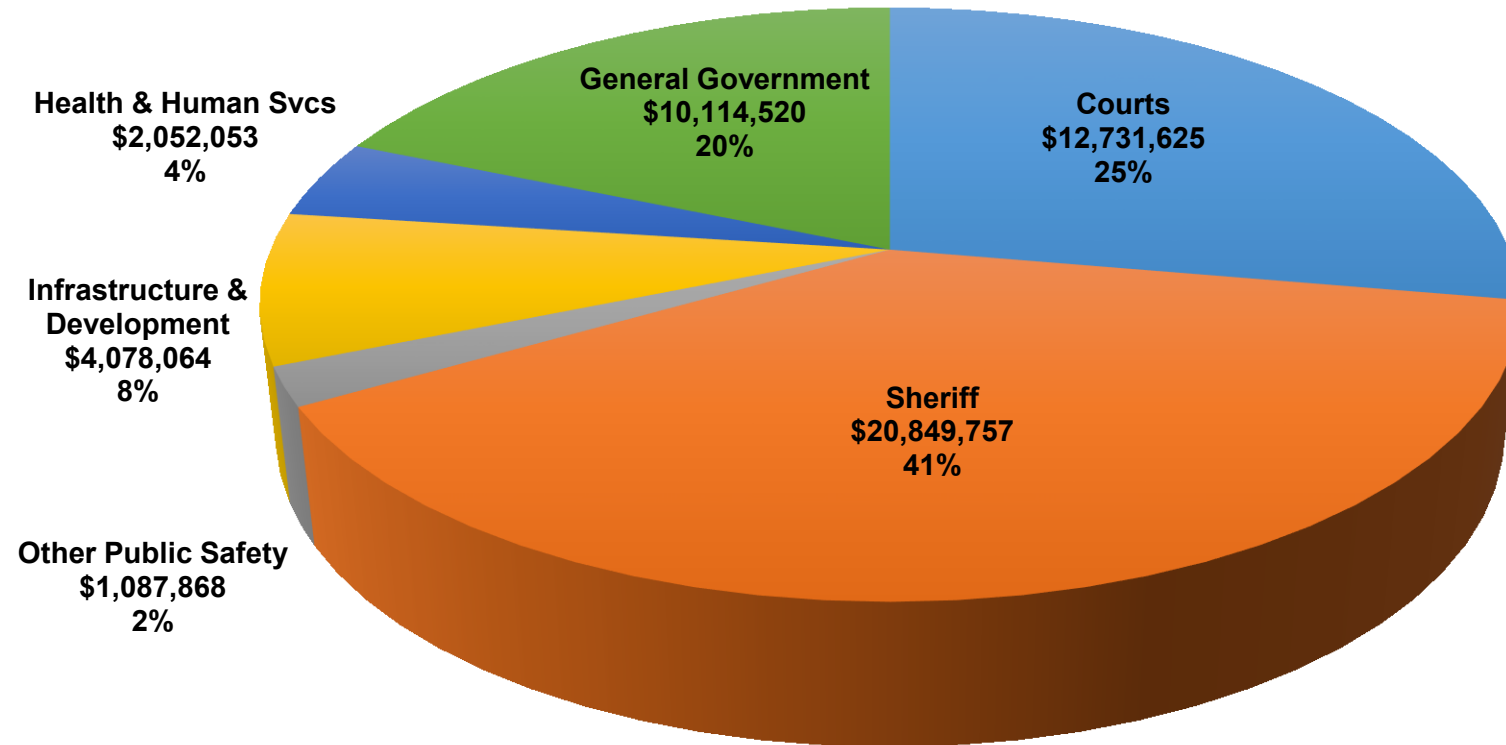
# 2020 Budgeted Revenue



TAXES	\$31,732,869
FINES & FORFEITURES	\$373,395
LICENSE & PERMITS	\$473,600
CHARGES FOR SERVICE	\$5,598,707
RENTAL INCOME	\$1,999,901
INTEREST	\$617,688
OTHER REVENUE	\$3,324,818
FEDERAL SOURCES	\$47,500
STATE SOURCES	\$5,581,222
CONTRIBUTIONS FROM LOCAL	\$25,000
TRANSFERS IN	\$1,139,186

**Total amended budget \$50,913,886**

# 2020 Budgeted Expenses

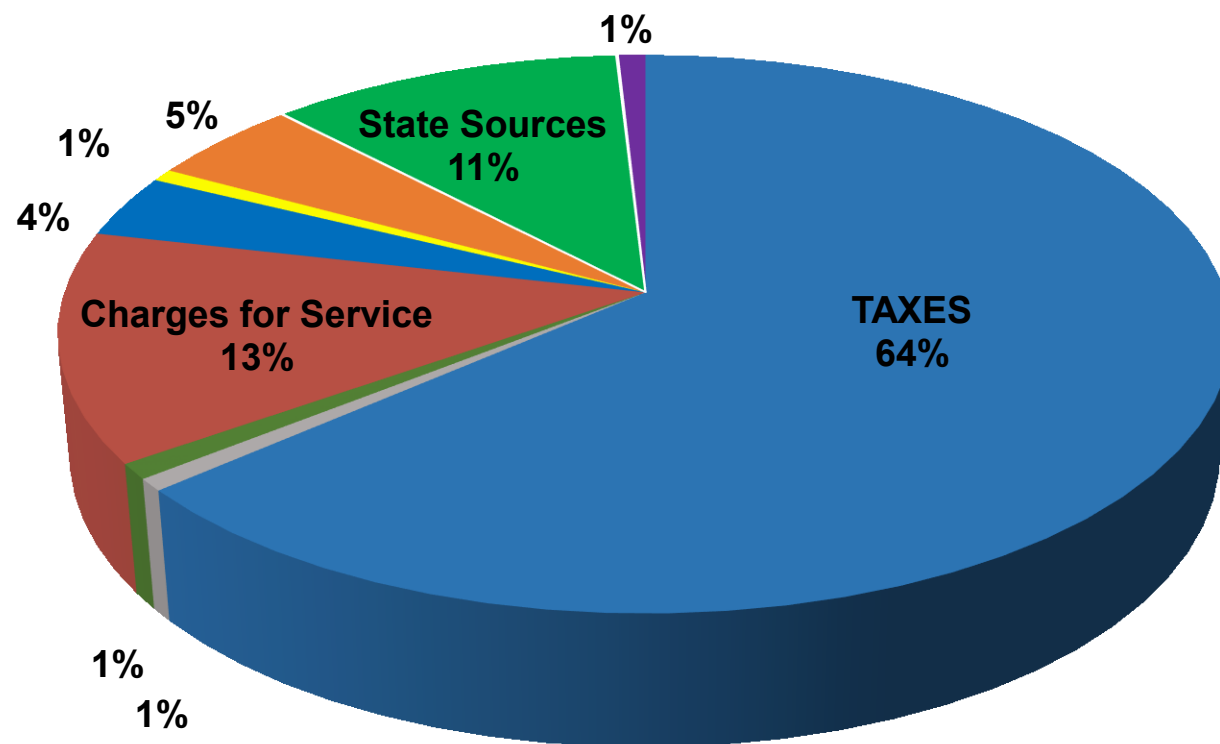


**Total amended \$50,913,886**

# 2021 PROJECTIONS



# Preliminary Revenue Sources



**Total \$49,288,711**

TAXES	\$31,649,000
FINES & FORFEITURES	\$377,195
LICENSE & PERMITS	\$400,600
CHARGES FOR SERVICE	\$5,608,136
RENTAL INCOME	\$2,121,710
INTEREST	\$565,000
OTHER REVENUE	\$3,158,191
FEDERAL SOURCES	\$49,500
STATE SOURCES	\$5,191,779
CONTRIBUTIONS FROM LOCAL	\$25,000
TRANSFERS IN	\$142,600

# Total Revenue Impact



	2019 ACTUALS	2020 REVISED	2021 PROJECTION	PCT CHANGE	2022 PROJECTION
TAXES	\$30,710,422	\$31,732,869	\$31,649,000	-0.30%	\$31,649,000
FINES & FORFEITURES	\$372,181	\$373,395	\$377,195	1.00%	\$359,195
LICENSE & PERMITS	\$474,562	\$473,600	\$400,600	-15.40%	\$405,600
CHARGES FOR SERVICE	\$6,326,171	\$5,598,707	\$5,608,136	0.20%	\$5,732,767
RENTAL INCOME	\$2,194,949	\$1,999,901	\$2,121,710	6.10%	\$2,122,465
INTEREST	\$765,636	\$617,688	\$565,000	-8.50%	\$565,000
OTHER REVENUE	\$3,461,266	\$3,324,818	\$3,158,191	-5.00%	\$3,175,991
FEDERAL SOURCES	\$51,501	\$47,500	\$49,500	4.20%	\$49,500
STATE SOURCES	\$6,089,908	\$5,581,222	\$5,191,779	-7.00%	\$5,191,779
CONT FROM LOCAL UNIT	\$14,074	\$25,000	\$25,000	0.00%	\$25,000
CAPITAL GRNTS/CONTRB	\$12,399	\$0	\$0	0.00%	\$0
GAIN ON SALE OF FIXED ASSETS	\$0	\$0	\$0	0.00%	\$0
TRANSFERS IN	\$560,756	\$1,139,186	\$142,600	-87.50%	\$142,600
TOTAL REVENUE	<b>\$51,033,824</b>	<b>\$50,913,886</b>	<b>\$49,288,711</b>	<b>-3.20%</b>	<b>\$49,418,897</b>
Less Transfers -in	<b>-\$560,756</b>	<b>-\$1,139,186</b>	<b>-\$142,600</b>		<b>-\$142,600</b>
	<b>\$50,473,067</b>	<b>\$49,774,700</b>	<b>\$49,146,111</b>		<b>\$49,276,297</b>
					<b>-\$628,589</b>
				<b>-1.26%</b>	

# Revenue Challenges



- The distribution of State Share Revenue to Counties is still unknown
- The full impact of COVID-19 on County operations are unknown at this time
  - less federal prisoners being housed in the Jail
  - Charges for Service have declined with limited operations
  - reimbursement for State grants & programs
- Livingston County will continue to proceed with caution when making budgetary and financial decisions to ensure its history of sound financial performance

# **SALARY & BENEFIT TRENDS**

# Headcount



Description	Sheriff Deputies	Sheriff Lieutenants	Sheriff Sergeants	EMS	Central Dispatch	Courts	Non Union	All Groups
Full Time	99	6	17	65	29	69	342.40	627.40
Part Time	0	0	0	0	0	1.98	53.77	55.74
2020 Total FTE	99	6	17	65	29	70.98	396.17	683.14

2019 Total FTE	99	6	17	65	29	70.98	375.78	662.76
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2018 Total FTE	100	6	16	72	29	71.47	371.65	666.12
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2017 Total FTE	98	6	16	68	29	71.60	361.08	649.68
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# Hiring Freeze Potential Savings

Hiring freeze to continue until economic position is known

Position #	Description	FTE	Total
14900206	DEP JUV REG/CRT REC	1.000	\$ 46,847
16800120	ACCOUNT CLERK	1.000	\$ 44,450
21599107	DEPUTY CIRC CRT CLK	1.000	\$ 41,729
21599111	DEPUTY CIRC CRT CLK	0.730	\$ 30,462
25700106	SR APPRAISER	0.500	\$ 28,135
26800105	SR DEPUTY REG OF DEEDS	0.500	\$ 20,121
30100113	OFFICE ASSISTANT	0.500	\$ 17,411
35100106	JAIL INTAKE SPECIALIST	1.000	\$ 44,858
35100109	SWAP OFFICER	0.500	\$ 16,196
43000117	ADMINISTRATIVE AIDE	0.480	\$ 17,968
43000112	KENNEL ASSISTANT	0.480	\$ 15,549
General Fund			\$ 323,728

Position #	Description	FTE	Total
60100129	ENVIRON SANITARI II	1.000	\$ 68,999
60100139	HEARING/VISION TECH	0.500	\$ 18,717
60100145	COMM HEALTH WORKER	0.250	\$ 9,359
32500108	OPERATIONS SUPERVISOR	1.000	\$ 68,999
14900202	PROBATION OFFICER	1.000	\$ 59,551
68200108	VETERAN COUNSELOR	1.000	\$ 51,840
37100127	BUILD INSPEC PLANRVR	1.000	\$ 68,999
37100128	BUILDING INSPECTOR / REVIE'	1.000	\$ 68,999
26500134	DEPUTY FACILITY DIRECTOR	1.000	\$ 74,173
26500135	MAINTENANCE MECHANIC	1.000	\$ 44,858
Non-General Fund			\$ 534,494

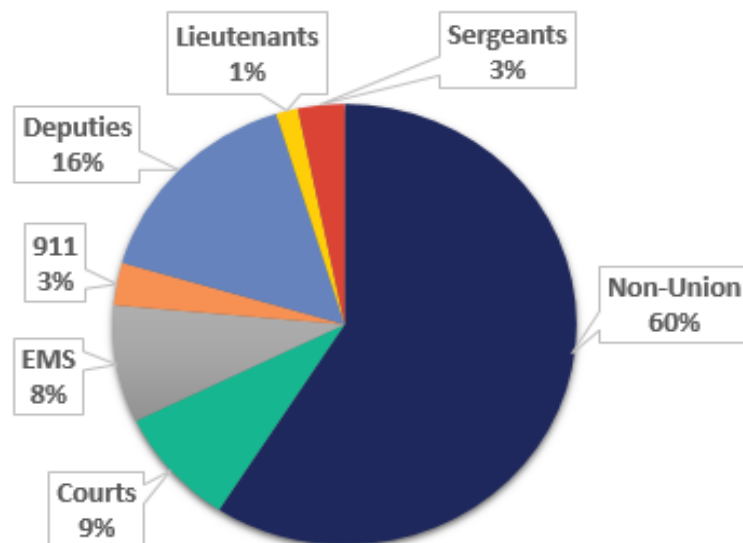
**21 Positions**

**Total Savings \$858,221**



# Average Employee Cost

### Salary Benefits by Employee Group










### All Full-Time Employee Average Wage



With Benefits: \$85,380

### Employee Group Averages

	Non-Union	Courts	EMS	911	Deputies	Lieutenants	Sergeants
							
	\$59,518	\$46,024	\$51,721	\$43,684	\$59,309	\$84,278	\$72,397
With Benefits	\$87,767	\$69,454	\$72,960	\$63,760	\$92,883	\$139,659	\$112,893
Full-Time	340	69	65	29	99	6	17
Part-Time	56.17	1.98	0	0	0	0	0
Total FTE	396.17	70.98	65	29	99	6	17

# Cost of Living Adjustment (COLA)



## All Full-time Employee Average

Average Wage	\$ 57,131
Benefits (NU)	\$ 15,621
<b>Total</b>	<b>\$ 72,752</b>
Healthcare Composite Rate	\$12,628
<b>Total Avg All Groups</b>	<b>\$85,380</b>

	<b>Avg Step</b>	<b>Avg Step Inc</b>
\$39,028,870	\$ 585,433	1.50%
\$10,671,330	\$ 160,070	1.50%
\$49,700,201	<b>\$ 745,503</b>	1.50%

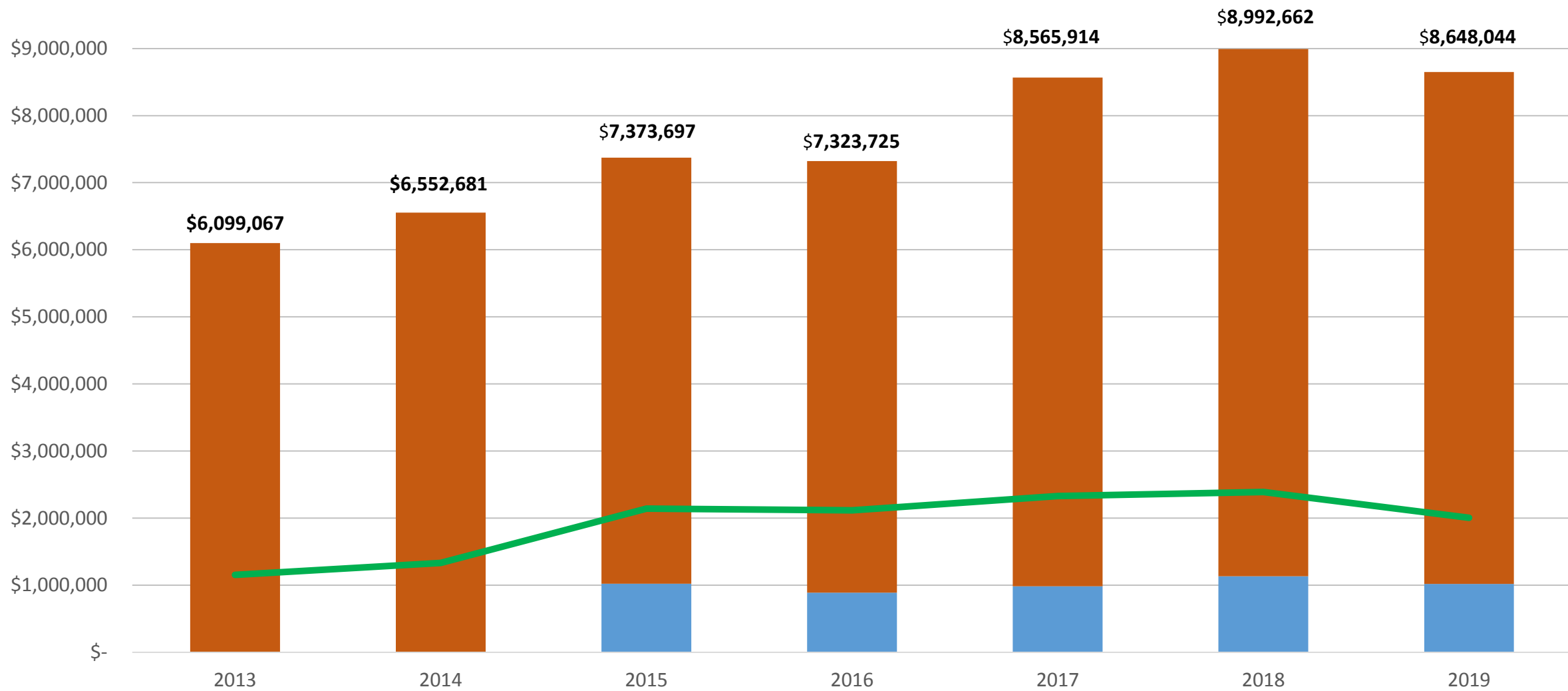
## Full-time Employee Group Average

	<u>NU</u>	<u>CTS</u>	<u>EMS</u>	<u>911</u>	<u>DEP</u>	<u>LTS</u>	<u>SGT</u>
Average Wage	\$ 59,518	\$ 46,024	\$ 51,721	\$ 43,684	\$ 59,309	\$ 84,278	\$ 72,397
Benefits	\$ 15,621	\$ 10,802	\$ 8,611	\$ 7,448	\$ 20,945	\$ 42,753	\$ 27,868
<b>Total</b>	<b>\$ 75,139</b>	<b>\$ 56,826</b>	<b>\$ 60,332</b>	<b>\$ 51,132</b>	<b>\$ 80,255</b>	<b>\$ 127,031</b>	<b>\$ 100,265</b>
Healthcare Composite Rate	\$12,628	\$12,628	\$12,628	\$12,628	\$12,628	\$12,628	\$12,628
<b>Total Avg Cost per Emp</b>	<b>\$ 87,767</b>	<b>\$ 69,454</b>	<b>\$ 72,960</b>	<b>\$ 63,760</b>	<b>\$ 92,883</b>	<b>\$ 139,659</b>	<b>\$ 112,893</b>

<b>FTE's</b>	<u>NU</u>	<u>CTS</u>	<u>EMS</u>	<u>911</u>	<u>DEP</u>	<u>LTS</u>	<u>SGT</u>	<u>TOTAL</u>
Full Time	340	69	65	29	99	6	17	625
Part-time	56.17	1.98	0	0	0	0	0	58.15
<b>Total</b>	<b>396.17</b>	<b>70.98</b>	<b>65</b>	<b>29</b>	<b>99</b>	<b>6</b>	<b>17</b>	<b>683.15</b>

COLA 1%	\$ 297,678		\$ 39,216	\$ 14,828			
COLA 1.5%	\$ 446,516	\$ 60,498	\$ 58,823	\$ 22,242		\$ 25,568	
COLA 2%	\$ 595,355		\$ 78,431	\$ 29,657			
COLA 2.25%	\$ 744,194		\$ 88,235	\$ 33,364	\$ 178,767	\$ 17,149	

# Healthcare



# Healthcare continued



## HEALTHCARE HISTORY

	2013	2014	2015	2016	2017	2018	2019	2020 Budget
Reimb from Trust			\$ 829,390	\$ 703,367	\$ 811,095	\$ 966,503	\$ 431,480	\$ 450,000
NU Retirees	\$ 198,835	\$ 218,295	\$ 153,614	\$ 144,906	\$ 128,894	\$ 122,211	\$ 133,371	\$ 125,000
COBRA	\$ 38,018	\$ 19,192	\$ 12,170	\$ 27,008	\$ 57,294	\$ 60,106	\$ 119,110	\$ 50,000
Active	\$ 900,767	\$ 1,082,023	\$ 1,107,388	\$ 1,199,448	\$ 1,288,364	\$ 1,195,569	\$ 1,296,127	\$ 1,200,000
Court Retirees	\$ 17,403	\$ 12,138	\$ 7,385	\$ 8,058	\$ 8,663	\$ 8,226	\$ 3,529	\$ 8,000
Sheriff Retirees			\$ 31,724	\$ 33,303	\$ 36,811	\$ 36,788	\$ 20,921	\$ 36,000
Total Reimbursement/								
Contributions	\$ 1,155,022	\$ 1,331,648	\$ 2,141,671	\$ 2,116,090	\$ 2,331,121	\$ 2,389,404	\$ 2,004,538	\$ 1,869,000
BCBS	\$ 6,099,067	\$ 6,552,681	\$ 7,373,697	\$ 7,323,725	\$ 8,565,914	\$ 8,992,662	\$ 8,648,044	\$ 9,000,000
Annual Net	\$ 4,944,045	\$ 5,221,034	\$ 5,232,026	\$ 5,207,636	\$ 6,234,793	\$ 6,603,258	\$ 6,643,506	\$ 7,131,000
<i>Inc/Dec from prior year</i>		\$ 276,989	\$ 10,993	\$ (24,390)	\$ 1,027,158	\$ 368,465	\$ 40,248	\$ 487,494

### RETIREE

Claims	\$ 1,022,113	\$ 889,634	\$ 985,463	\$ 1,133,729	\$ 1,020,790
Retiree Contributions	\$ 192,723	\$ 186,266	\$ 174,368	\$ 167,226	\$ 157,821

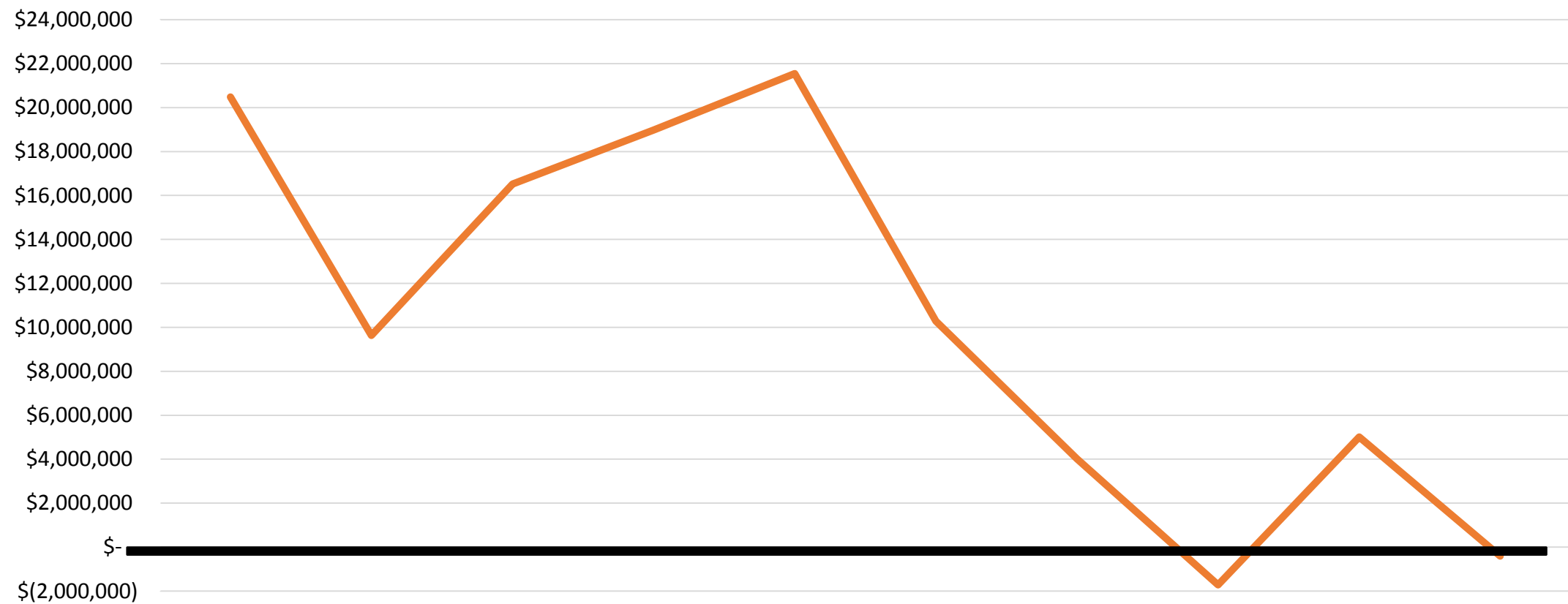
### ACTIVE

Claims	\$ 6,351,584	\$ 6,434,091	\$ 7,580,451	\$ 7,858,933	\$ 7,627,254
Active Contributions	\$ 1,119,558	\$ 1,226,456	\$ 1,345,658	\$ 1,255,675	\$ 1,415,237



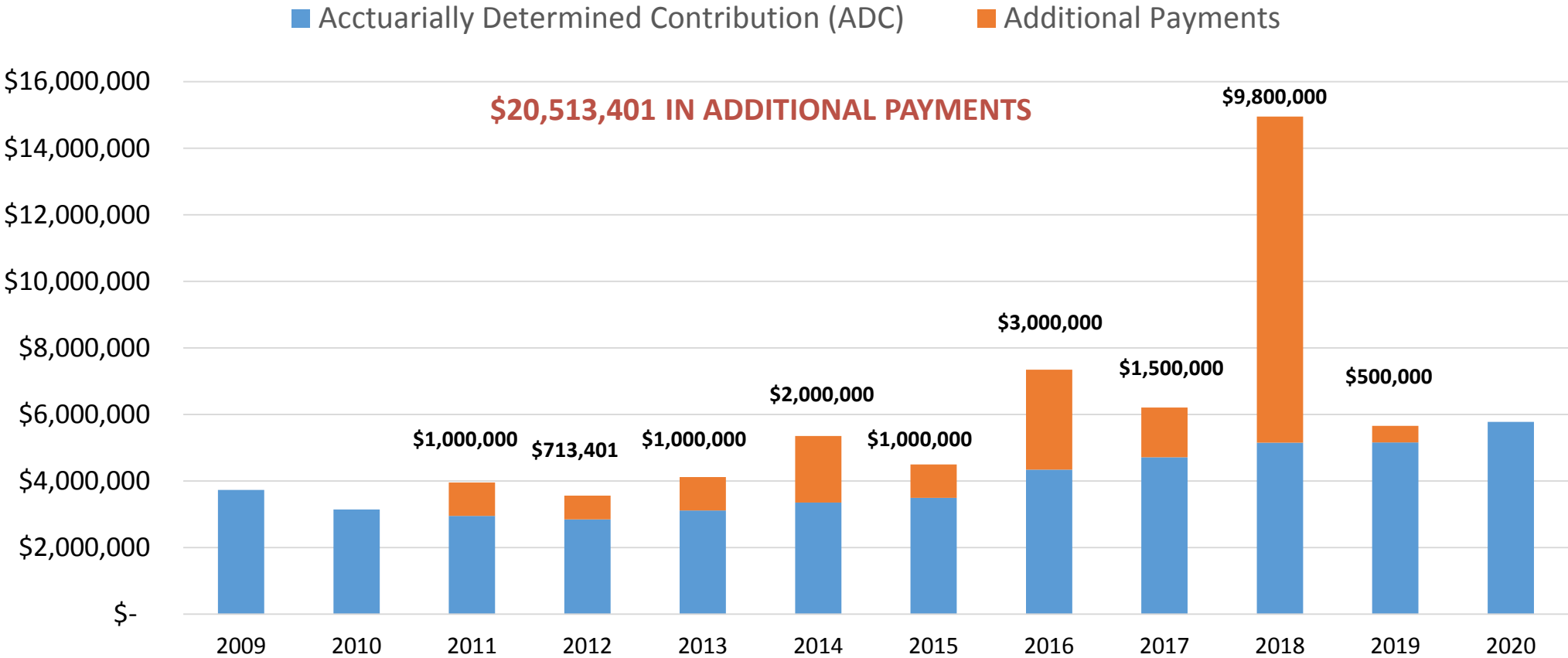
# Retiree Healthcare (OPEB)

Unfunded Liability



2001	2003	2006	2008	2010	2012	2014	2017	2018	2019
\$ 20,477,510	\$ 9,626,320	\$ 16,522,945	\$ 18,982,718	\$ 21,542,487	\$ 10,283,928	\$ 4,015,257	\$ (1,721,985)	\$ 5,005,156	\$ (406,699)

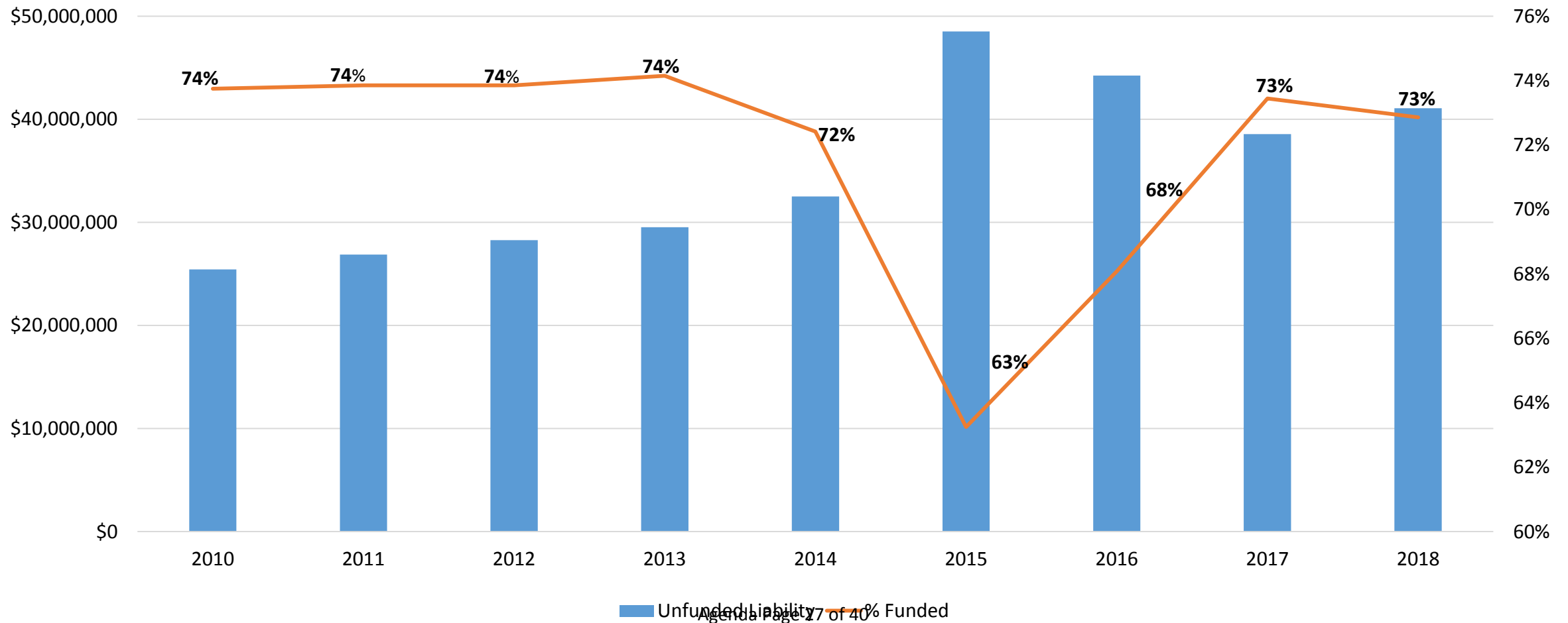
# Pension



	2012	2013	2014	2015	2016	2017	2018	2019
Active NU Defined Benefit	159	147	141	130	123	116	103	96
Active NU Hybrid	95	110	113	148	167	193	196	205
Active all others	179	182	178	181	182	194	189	193
Former	101	112	112	109	115	118	123	127
Retirees & Beneficiaries	272	286	294	317	332	343	368	377
Total	806	829	838	885	919	964	979	998

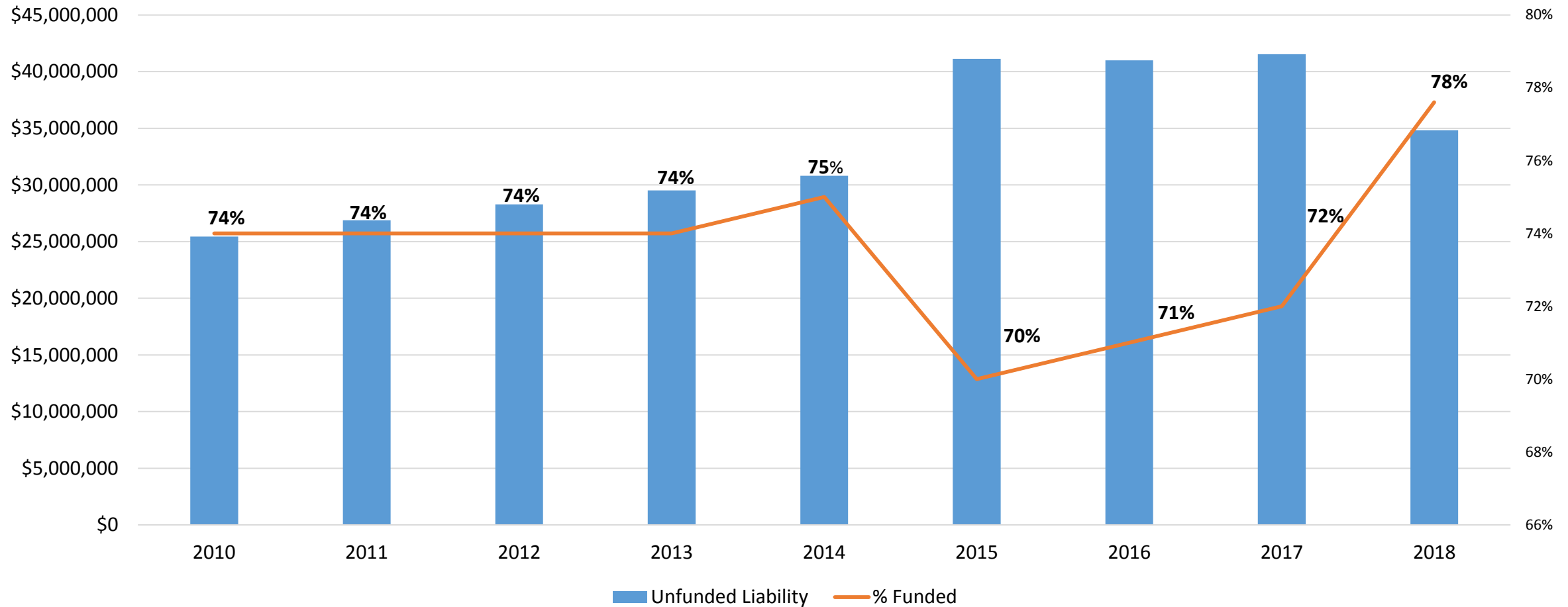


## Actual





## Actuarial



# CAPITAL

# Capital



## Capital Replacement Funded Activities

	2015	2016	2017	2018	2019	2020	Total
General Fund Appropriation to Capital Replacement Fund	\$ 667,500	\$ 683,135	\$ 667,500	\$ 597,500	\$ 850,000	\$ 350,000	\$ 3,815,634
Actual Capital Replacement Funded Expenditures	\$ 528,593	\$ 289,254	\$ 824,179	\$ 551,612	\$ 763,000	\$ 524,091	\$ 3,480,729
Difference	\$ 138,907	\$ 393,880	\$ (156,679)	\$ 45,888	\$ 87,000	\$ (174,091)	\$ 334,905
Fund Balance as of 12/31/19 \$8.7 million							

# STANDARD FORMAT

## DEPARTMENT PRESENTATIONS

# Strategic Plan Program Measures



The mission of Livingston County is to be an effective and efficient steward in delivering quality services within the constraints of sound fiscal policy. Our priority is to provide mandated services which may be enhanced and supplemented to improve the quality of life for all that work, reside and recreate in Livingston County. The strategic plan was introduced in 2015. Planning for the 2021-2026 has begun. Strategic Planning sessions are expected to resume in August.



SAFETY



COMMUNICATIONS



TECHNOLOGY



ROADS



ECONOMIC  
DEVELOPMENT

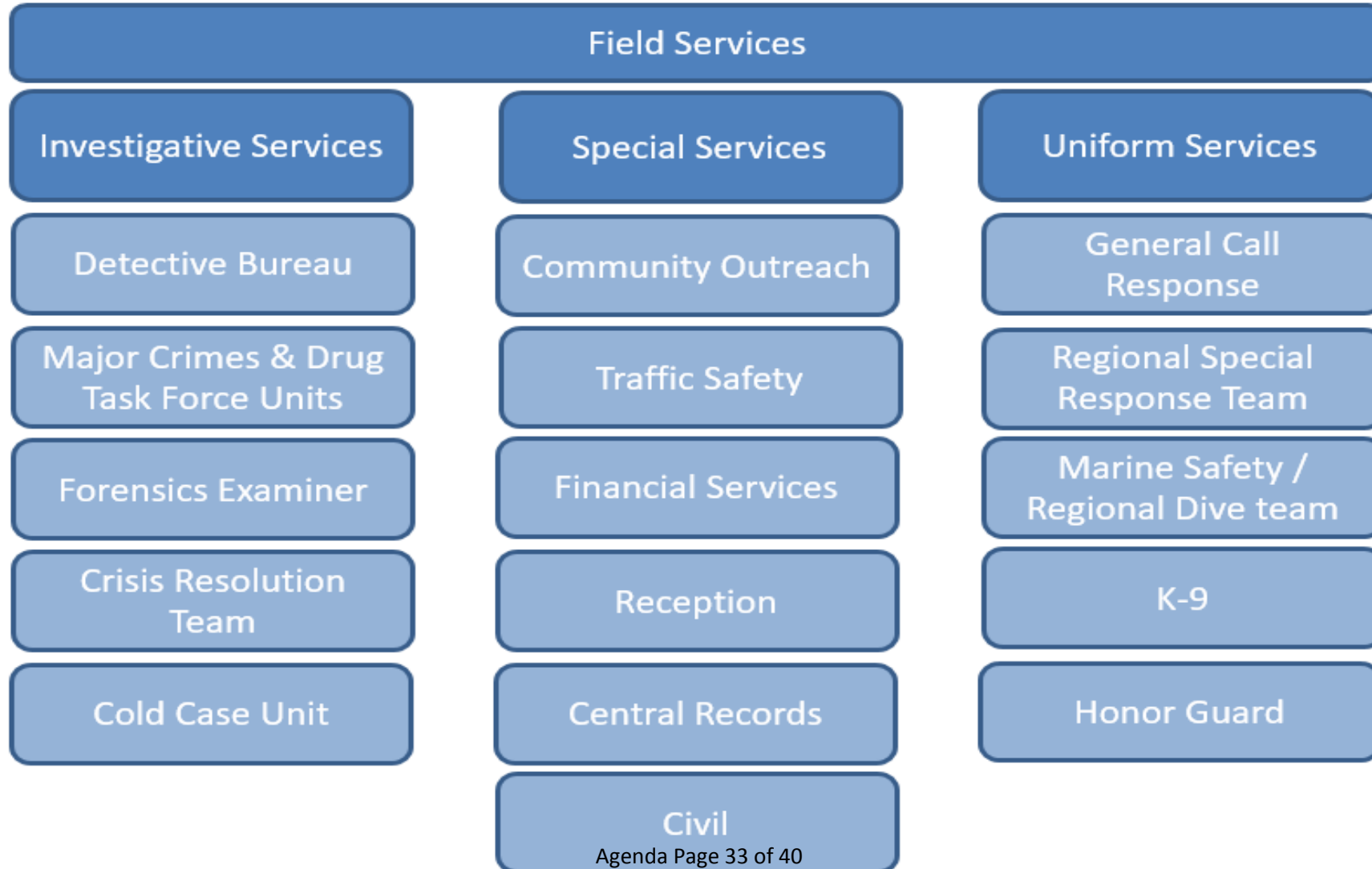


COURTS

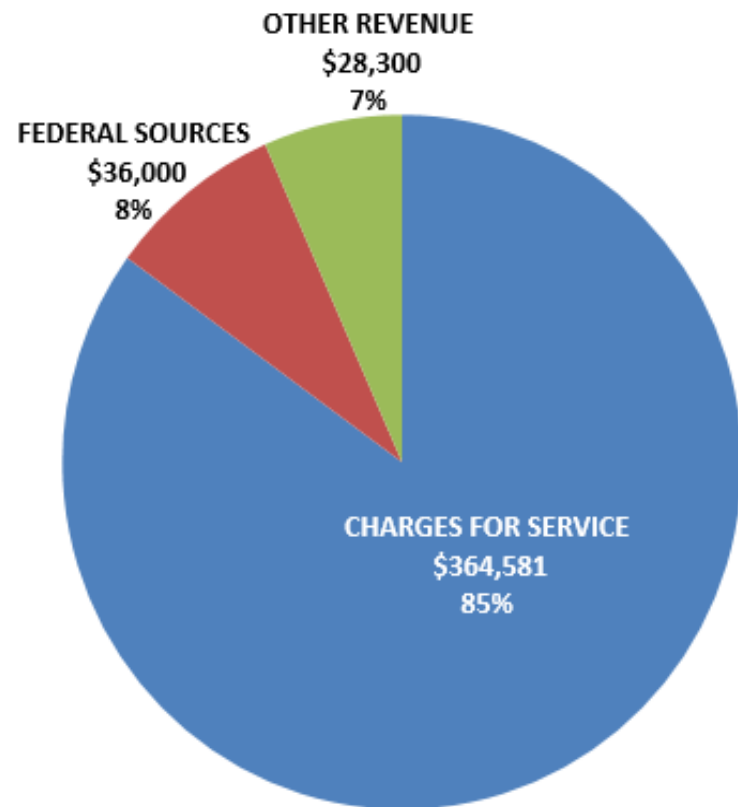


VISIONARY  
PLANNING

# Sheriff Programs



# Sheriff Revenue



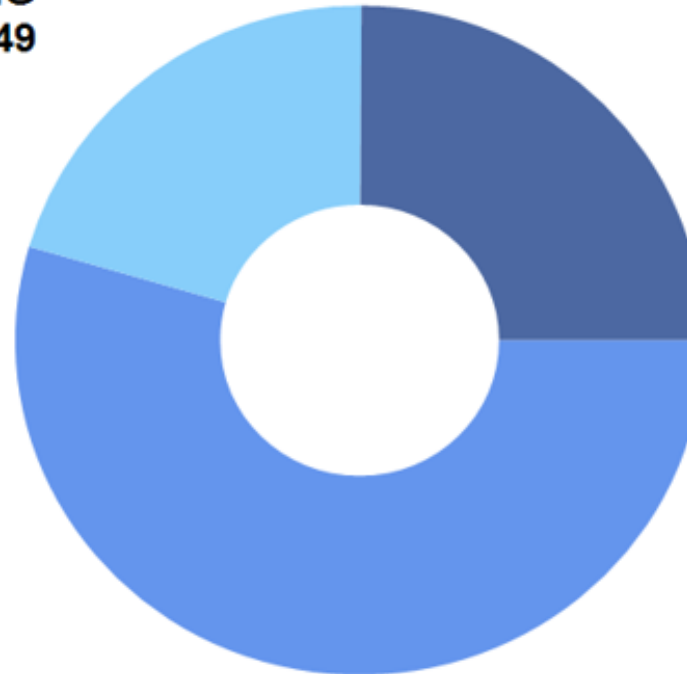
Total 2020 Revenue: \$428,881

# Sheriff Budget Overview



**OPERATING**  
**\$1,786,249**

**BENEFITS**  
**\$2,164,625**



**SALARIES**  
**\$4,736,138**

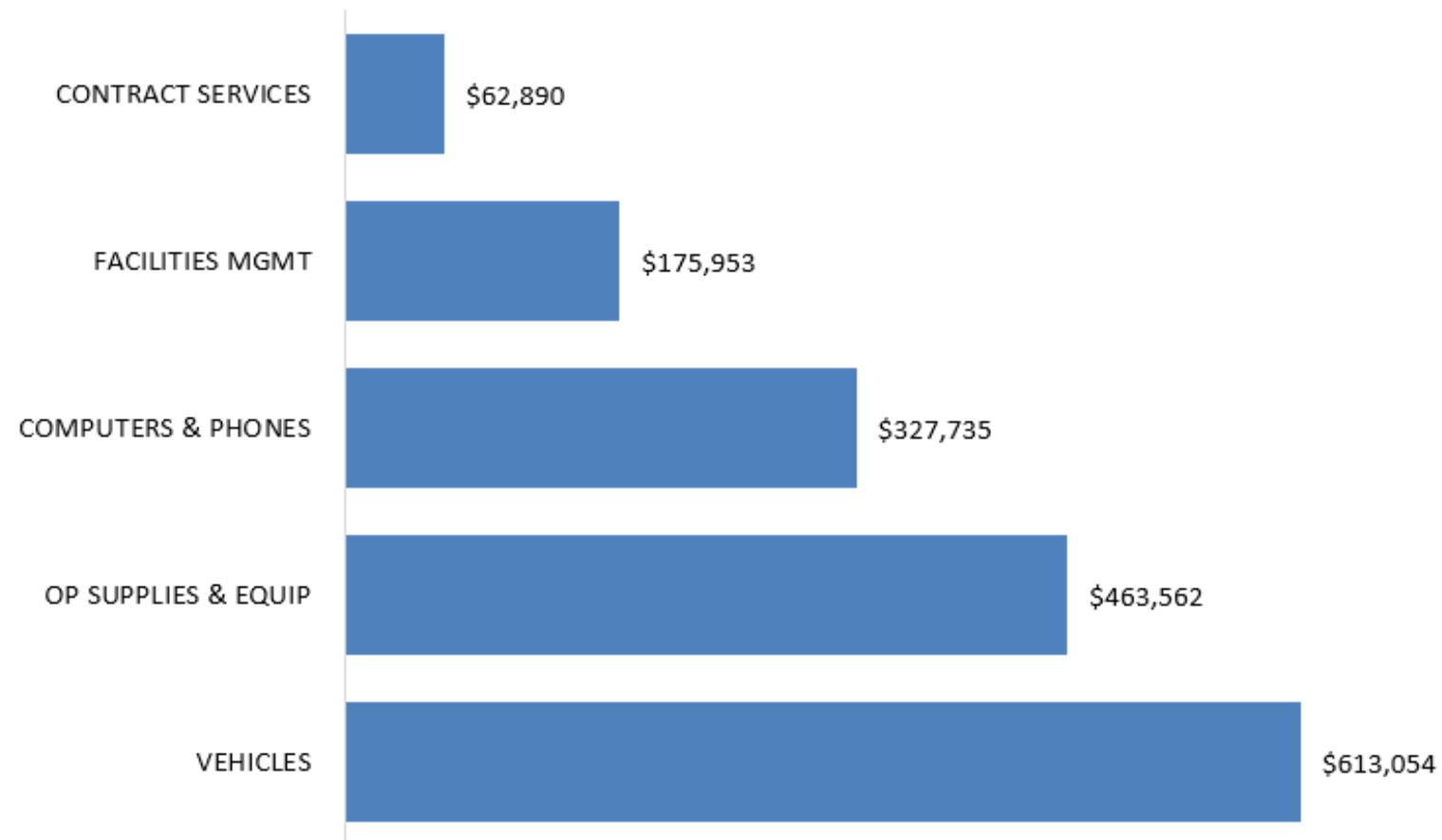
2019: FTE's: 63.75

New: transfer 1.00

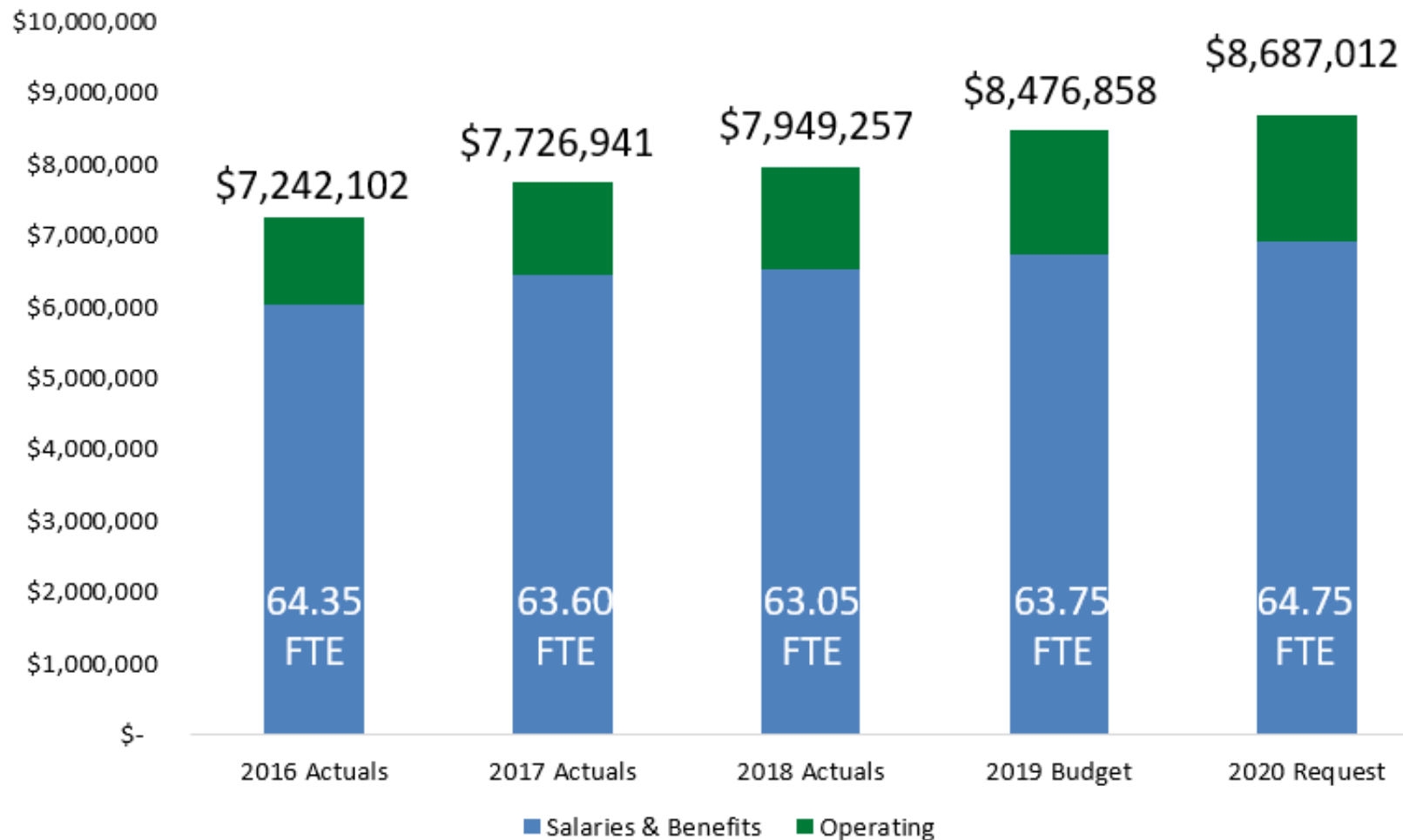
Total 2020 Budget Request: \$8,687,012

Total FTE's: 64.75

# Sheriff Budget Drivers



# Sheriff Spending Trends



# ACTION ITEMS

# Discussions to be had



## COLA

- Courts, Deputies, Lieutenants and Sergeants COLA already approved
- 911 & EMS contracts expire 12/31/2020
- NU

## Special Projects

- Meals on Wheels
- Additional Pension funding
- Sheriff & Judicial facility construction
- Other

## Contingency

- \$250,000 base
- Employee payouts continued

## General Fund Department Target Allocations

- Priority items funded first
- Allocation based off of 3 Year Historical Analysis of General Fund Appropriation less one-time costs

# QUESTIONS?