



COUNTY OF SAGINAW

111 SOUTH MICHIGAN AVENUE
SAGINAW, MICHIGAN 48602

MARC A. MCGILL

Controller/Chief Administrative Officer

May 24, 2010

Honorable Chair and Members of the
Saginaw County Board of Commissioners
Saginaw County Governmental Center
111 South Michigan Ave.
Saginaw, MI 48602

RE: 2011 FISCAL YEAR BUDGET TRANSMITTAL

Ladies and Gentlemen:

Attached to this transmittal document is the Controller/CAO Recommended Budget for Saginaw County covering the period October 1, 2010 through September 30, 2011 (2011 Budget). The 2011 Budget has been prepared for your review in accordance with the Uniform Budget and Accounting Act ("UBAA"), MCLA 141.421, et seq., which requires the Board adopt a General Appropriation Act designed to appropriate for all County expenditures.

EXECUTIVE SUMMARY

This 2011 budget recommends the largest reduction in County dollars and staff ever placed before the Saginaw County Board of Commissioners. While there are over 10,000 individual line items within the 2011 budget, there are 3 main reasons for this record recommendation for reductions.

First, our largest revenue source being property tax revenues continues a recent year over year decline.

Second, most other revenues remain near constant or are also declining.

Third, continued cost increases exist in the area of benefits and day-to-day operational costs. Several of these areas are discussed further. The major cost drivers are:

1. Health Insurance for our Retirees
2. Health Insurance for our Employees
3. Health Coverage for our Jail Inmates

These three factors: falling revenues, stagnant revenues and rising costs are the cause of the financial difficulties we face.

A net reduction of staff is recommended of 51.15 positions. The wage and benefit reduction associated with these staff approximates \$3,337,000. A schedule of the positions recommended for reduction is contained in the "Other Documents" tab of this transmittal. See page 3.

This recommended reduction of 51 positions follows nine previous years of continued reductions whereby the County eliminated 114 positions. This budget, if adopted, will see a reduction of 165 positions over the ten year period of 2001 (794 employees) to 2011 (629 employees).

This 2011 recommended budget, if adopted, will use the County's entire 5% rainy day fund officially known as the "Budget Stabilization Reserve" in the amount of \$2,278,590. Thus, if adopted, this reserve will be entirely exhausted. Should the County desire not to use any reserves, other further considerations for reduction are on page 4 of the "Other Documents" tab of this transmittal.

This budget was also built to preserve the County's "Reserve for Employee Payroll". Thus, if this recommended budget is adopted, the County would not elect to create a new Department titled "Interest on Debt". Such new department would employ no staff. It could also cost in excess of \$1,000,000 a year. This could cause the need for the Board of Commissioners to reduce expenses by the equivalent of an additional 15 employees. This new department would likely be continued for the foreseeable future. The accompanying 5 Year Financial Forecast provides an outside analysis and forecast of this happening. See tab "5 Year Financial Forecast" in this transmittal.

The recommended staff reductions in this budget have not been agreed to or endorsed by the Judges, Elected Officials, Departments or Agencies at this time. This is further explained on page 14 of this transmittal.

Two special Committee of the Whole meetings of the Board of Commissioners have been established to hear budget appeals on this recommended first draft of the budget. They are scheduled on Thursday June 24th from 6:00 to 9:00 pm and on Wednesday June 30th from 6:00 to 9:00 pm. Officials desiring to appeal these recommendations in this first draft of the 2011 recommended budget should contact the Board Office to schedule an appearance before the full Board of Commissioners. As additional meetings are required to consider the recommendations in this budget they too shall be scheduled.

The reductions in this document are only recommended to balance revenues and expenditures as the law requires the County to do each year. No other reasons for the reductions are made. Hence, if there were actually dollars at hand to maintain or increase all the departments recommended for reduction, they would be so recommended.

All parties to the County Budget should be cognizant of the fact that any changes from here forward must be balanced. Should parties desire to not make a reduction in one area they must either make a corresponding reduction in another area or secure ample new (verifiable) revenues.

The 2011 Budget is scheduled to be finalized and approved by the Saginaw County Board of Commissioners at its September 21, 2010 Board of Commissioners meeting.

Copies of this Draft # 1 of the Controller's Recommended 2011 budget have been provided to each County Commissioner, the Chief Judges, and Elected Officials. Additional copies may be viewed in the Board Office, County Clerk's Office or the Controller's Office. Also much of this transmittal will be placed on the County web site at saginawcounty.com as possible as time permits.

TRANSMITTAL OF THE CONTROLLER RECOMMENDED 2011 BUDGET

The 2011 Budget is being communicated to the Board of Commissioners this May 24, 2010 date per the Board of Commissioners approved Budget Calendar. This calendar has been accelerated by 2 months from the normal cycle as this 2011 Budget contains numerous changes in County operations that may require additional deliberations extending beyond our normal budget process. Included with the 2011 Budget are four Budget Resolutions.

Resolution A sets the budget appropriations and restrictions for use of those appropriations.

Resolution B sets certain wage schedules not already contained in Board of Commissioners previously approved labor agreements.

Resolution C identifies capital outlay items for approval.

Resolution D sets fees for all departments controlled by the Saginaw County Board of Commissioners.

Together, Resolutions A, B, C and D constitute the entire lawful budget of the County of Saginaw for Fiscal 2011. All four resolutions, upon approval, will be bound with supporting documentation and will constitute the Board Approved Fiscal 2011 Budget.

This 2011 Budget was prepared using the assumptions contained in this transmittal, which includes the best information currently available. These assumptions are subject to change as new information becomes available during the course of the Budget process up to the date of adoption by the Board of Commissioners on September 21, 2010.

TOTAL County 2011 Budget

This recommended 2011 budget for the entire County is valued at \$144,350,316 which reflects a decrease of \$11,830,674 or -7.6% from the current amended 2010 Total County Budget of \$156,180,990.

GENERAL FUND 2011 Budget

This proposed 2011 budget for only the General Fund is valued at \$42,718,463 which reflects a decrease of \$1,285,256 or -3% from the current amended 2010 General Fund Budget of \$44,003,719.

ADDITIONAL INFORMATION

Five Year Financial Forecast of the General Fund. A Five Year General Fund Forecast prepared by Local Focus Consulting of Ann Arbor Michigan has been included in this Communication. It can be found in the tab titled "5 Year Financial Forecast" included in this transmittal.

Three Ring Binder Format. A 3 ring binder format has been used for this Draft #1 due to anticipated supplemental information. This supplemental information may arrive to Board Members via the Controller's Office, State of Michigan, Departments or Elected Offices or other sources. With the now 2 scheduled Committee of the Whole meetings (June 24th 6:00 pm and June 30th 6:00 pm) additional information is expected. This 3 ring binder format is intended to aid Commissioners in managing the information.

MAJOR REVENUE & EXPENDITURE CHANGES

General Fund Property Taxes

Property tax revenues comprise the largest portion of General Fund revenues. The General Fund property tax revenues are budgeted at \$22,326,918 for 2011. This is a decrease of \$1,400,071 over the current budgeted amount of \$23,726,989. This nearly 6% decrease in property tax revenue is based on best known estimates received of our Equalization Department at this time. This significant reduction follows on the heels of last year's reduction in property taxes of nearly \$796,912.

Over the past two years the County's major revenue source has declined by approximately \$2,200,000.

The future for property tax revenue beyond 2011 is somewhat unpredictable. However, caution should be used when predicting that such revenues will soon return to 2009 levels. The Budget Audit Committee of the Board, in conjunction with staff, built the 5 Year Financial Forecast on the assumptions that property tax revenue will go down by 5% in 2011, go down by 2.5% in 2012 and remain flat for 2013 and all years after will grow by 2.5% per year. Under this scenario we could not expect property tax revenue to be what it was in back in 2009 until 2018. If this scenario were to play out, the County would not be able to afford to expend what it did during 2009 until 2018.

State of Michigan Revenue Sharing

State Revenue Sharing (SRS) is budgeted in the General Fund at \$4,192,588 for 2011. This number is based on the latest information available from Lansing.

In February of this year the Governor recommended the 38 Counties returning to the State roles for distribution of Revenue Sharing be fully funded by the State. Our amount was \$4,413,251.

In March of this year the House of Representatives also recommended the same \$4,413,251.

In May of this year the Senate recommended that this amount be reduced by 5% to the amount of \$4,192,588 which is presented in this recommended budget.

It should be noted that the entire State of Michigan Budget has not been set at this time and further changes could yet be determined.

Employee Wages

This recommended 2011 budget is based on a wage freeze (0%) for all positions within all labor groups **that do not have** a ratified agreement that encompasses Fiscal 2011.

For labor groups **that have** a ratified labor agreement that encompasses Fiscal 2011 there is a base wage freeze (0%) built into them. Most of the labor agreements continue to include the 1.75% lump-sum-payment within them in lieu of any wage increase. Therefore, for most of the labor groups and non-union employees those are thus budgeted with the exception of the Controller, Judges, Elected Officials and Commissioners where no lump-sum-payment is budgeted.

Elected Officials', Commissioners' and Judges' wages are listed in Resolution B. Wages for the Elected Officials and Commissioners are budgeted at no change from 2010 to 2011 (0% change).

Benefits for the County Commissioners are continued at the levels last established by the County's Compensation Commission in 2008. This last setting of Commissioners' wages and benefits was not rejected by the Board of Commissioners (therefore approved). There has been no direction to alter the current benefit structure. Thus it is recommended to continue as is in this Draft # 1.

Wages for the 13 Judges are set by the State of Michigan Compensation Commission. No adjustment of Judges' wages is expected for 2011.

All other temporary wages, overtime/holiday pay, and per diem budgets are held to the minimum amounts necessary to cover estimated expenses for the upcoming year.

Pages 14 – 17 of the Budget Resolution display the proposed staffing levels recommended in this 2011 Budget. Further information relating to the recommended staff changes and a 10 year

history of staff changes can be found on pages 1 – 3 of the ‘Other Documents’ tab of this transmittal.

Following is a status report of the 20 labor groups for which the County accounts for:

**Status Report
Saginaw County Employee Groups
As of 5/24/2010**

NO.	Employee Group	Current Employees	Expiration of Contract	Status
1	Commissioners	15	September 21, 2010 via Budget Approval	Set
2	Elected Officials	6	September 21, 2010 via Budget Approval	Set
3	Judges	13	State of Michigan Commission	Set
4	Non-Union	10	September 21, 2010 via Budget Approval	Set
5	UAW – Managers	64	9/30/2013	Set
6	UAW – Professionals	74	9/30/2013	Set
7	UAW - Clerical, Technical, & Para-Professionals	24	9/30/2013	Set
8	POLC - Sheriff Unit II-Sergeants	14	9/30/2009	In Negotiations
9	GELC - Detention Youth Care Specialists	23	9/30/2009	In Negotiations
10	AFSCME – Prosecutors	19	9/30/2008	In Negotiations
11	GELC - Detention Center Supervisors	4	9/30/2012	Set
12	Teamsters - Health Dept/COA Employees	105	9/30/2013	Set
13	COAM - Sheriff Unit III-Captain & Lieutenants	3	9/30/2012	Set
14	Teamsters - Animal Shelter Employees	6	9/30/2012	Set
15	GELC - Probation Officers, Family Division	7	9/30/2012	Set
16	OPEIU - Courthouse Employees	159	9/30/2009	In Negotiations
17	Teamsters - Public Health Nurses	16	9/30/2009	In Negotiations
18	POAM - Sheriff Unit 1 (312 Eligible)	45	9/30/2009	In Negotiations
19	GELC - Probation Officers, District Court	7	9/30/2009	In Negotiations
20	POAM - Sheriff Unit 1 (Non-312 Eligible)	57	9/30/2009	In Negotiations
Total Positions		671		

Health Insurance for Employees

Employee Health Premium Rates are budgeted at \$7,406,000. This is an increase of \$40,000 or 0.5% from the current 2010 budgeted amount of \$7,366,000. This is the first time in several years the County will be budgeting a slight increase in Health Insurance costs.

The 2011 rate reduction above consists of a blended rate between the new PPO1, PPO2, PPO8 and Community Blue Plans and the old PPO1, PPO2, PPO8 plans. The new plans have recently negotiated co-pays on certain items, most notably prescription coverage. The old plans still remain in effect for several labor groups which have not finalized new labor agreements with the Board of Commissioners.

Overall, Health Insurance rates for those labor groups that have agreed with the Board of Commissioners on new labor agreements (331 employees) have actually gone down by over 10%. Health insurance rates for those labor groups that have not yet settled a new agreement with the Board of Commissioners (340 employees) have increased over 10%. Therefore, at this time, the County has converted about half its labor force to the new rates and thus created the 0.5% increase in health costs for 2011. Should negotiations with the remaining labor groups result in similar results we should see a decrease in Employee Health Insurance costs for 2012.

The County maintains several health plans for its employees. Following are illustrative premium family rates and net rates for some of the more commonly used health plans.

The OLD PPO2 Family Plan is \$20,100 (annually) with employees paying 10% or \$2,010 of that amount, leaving a net taxpayer cost of \$18,090. We have 180 employees on this plan today. The Prescription Drug co-pay on this plan is \$3 for Generic or Name Brand.

The OLD PPO1 Family Plan is \$21,660 with employees paying 20% or \$4,332 of that amount, leaving a net taxpayer cost of \$17,328. We have 23 employees on this plan today. The Prescription Drug co-pay on this plan is \$0 for Generic or Name Brand.

The NEW PPO2 Family Plan is \$15,950 (annually) with employees paying 10% or \$1,595 of that amount, leaving a net taxpayer cost of \$14,355. We have 84 employees on this plan today. The Prescription Drug co-pay on this plan is \$10 for Generic / \$40 for Name Brand.

The NEW Community Blue Plan for Fiscal 2011 is \$14,536 with employees paying 10% or \$1,454 of that amount, leaving a net taxpayer cost of \$13,082. We have 51 employees on this plan today. The Prescription Drug co-pay on this plan is \$5 for Generic / \$40 for Name Brand.

Health Insurance for Retirees

Health Insurance Premiums for Retirees are budgeted at \$5,236,000 for Fiscal 2011. This is an increase of \$421,000 or 9% from the current 2010 budget amount of \$4,815,000.

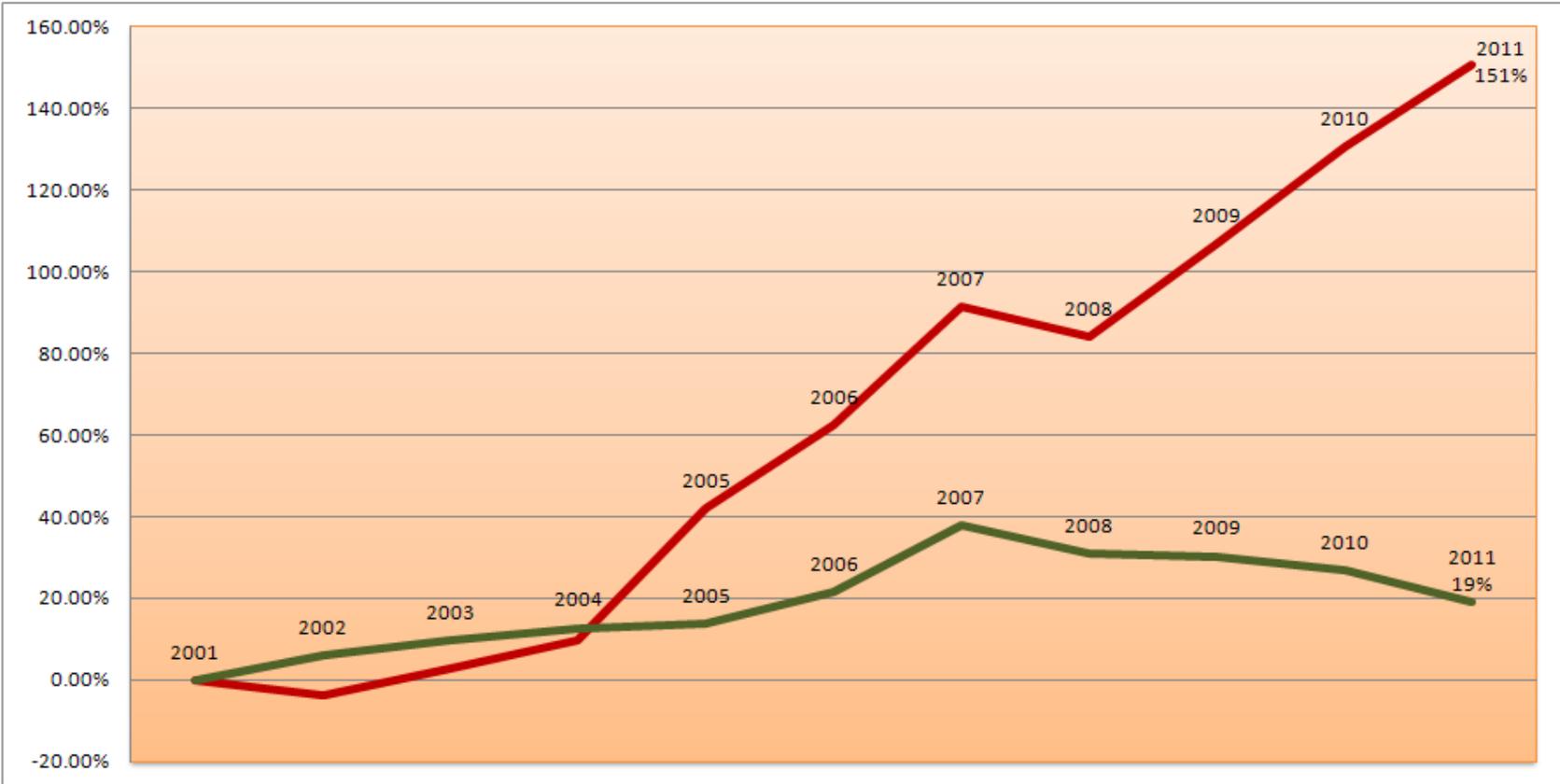
Retiree Health Insurance continues to be the leading cost, accelerating beyond all revenue sources, over the past 10 years. Scheduled below are the \$35 million in costs paid over the past

10 years for Retirees' Health Insurance Premiums. Also scheduled is the year to year percentage increase in those costs. For comparison purposes the same data is displayed for our major revenue source; property taxes. It is very evident that the cost of Retiree Health Care is growing faster than our ability to pay for it. It is also evident that most of the increase in taxes that taxpayers have sent us is not being used to maintain or increase services instead it is mainly going to support Health Insurance for Retirees. Year to year we are shifting dollars from providing services to the taxpayers and putting those dollars toward supporting Health Insurance Coverage for our Retirees.

The chart on the following page shows that Retiree Health Care has increased by 151% over the past 10 years while Property Tax Revenue has increased by only 19%. The chart also infers that General Fund Property Tax Revenue has increased by \$3,612,626 over the past 10 years while at the same time Retiree Health Care costs have increased by \$3,147,881 over the past 10 years. If all we had on the expenditure side of our budget was Retiree Health Care this wouldn't be an issue. However, we also have wages, employee health insurance, retirement, gas, electricity, equipment, maintenance and hundreds of contracted services and other costs which, like general inflation, generally increase every year.

COUNTY OF SAGINAW RETIREE HEALTH CARE

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
RETIREE HEALTH	2,088,322	2,012,132	2,146,371	2,294,860	2,968,364	3,389,074	3,999,136	3,844,961	4,321,757	4,815,203	5,236,203
GF TAXES	18,714,274	19,848,742	20,535,898	21,100,468	21,298,904	22,731,882	25,803,565	24,518,870	24,393,981	23,727,000	22,327,000
R HEALTH % CHG	0.00%	-4%	3%	10%	42%	62%	91%	84%	107%	131%	151%
GF TAXES % CHG	0.00%	6%	10%	13%	14%	21%	38%	31%	30%	27%	19%



Retiree Health Care change = \$3,147,881 General Fund Taxes change = \$3,612,726

The County maintains three health plans for its Retirees. Following are illustrative premium two person rates for the Retirees:

Retirees under age 65:

The PPO2 Two Person Plan for Fiscal 2011 is \$17,075 with most Retirees paying a percentage of this plan between 0% and 10%. We have 41 Retirees on this plan today. The prescription drug co-pay on this plan is \$3 for Generic as well as for Name Brand.

The PPO1 Two Person Plan for Fiscal 2011 is \$18,374 with most Retirees paying a percentage of this plan between 0% and 10%. We have 124 Retirees on this plan today. The prescription drug co-pay on this plan is \$0 for Generic as well as for Name Brand.

Retirees over age 65:

The Blue Cross Traditional Two Person Plan for Fiscal 2011 is \$17,085 with most Retirees paying between 0% and 10%. We have 272 employees on this plan today. The prescription Drug co-pay on this plan is \$2 for Generic as well as for Name Brand.

In total, we have 437 Retirees for which we pay to provide health insurance. In addition to covering the 437 Retirees, 238 other lives are covered as dependents. This brings the total lives covered by the Board of Commissioners to 675 for purposes of Retiree Health Insurance.

Cost of Prescription Drugs

The average cost of a monthly Retiree's NAME BRAND Prescription is \$160 per month.

The average cost of a monthly Retiree's GENERIC Prescription is \$18 per month.

There is obviously very little incentive for retirees to obtain a Generic Prescription as indicated by the co-pays above. One retiree switching one monthly prescription would save the taxpayers of this County nearly \$1,500 per year. In the case of 1,000 conversions from Name Brand to Generic the taxpayers of this County would save nearly \$1,500,000 per year. An example of this calculation is provided later in this section.

Funding Retiree Health Care

As can be seen from the chart, Retiree Health Care has become a substantial expense to the taxpayers of the County.

This budget does begin to implement a plan to reduce these expenditures in part. This plan is to adjust (over several years) the co-pays on certain items to match co-pays to levels that current employees pay, as well as to a level that our taxpayers pay; providing they even have Retiree Health Care funded by their employer.

This plan does not do or recommend the following:

- Does not eliminate Retiree Health Care as a benefit to any Retiree.
- Does not change a Retiree from the plan they are currently enrolled to a different plan.
- Does not eliminate any of the coverage in the plans Retirees have.
- Does not change the percentage of the premium co-pay Retirees pay (for those that do pay a percentage).

This plan does change the co-pay on prescriptions, office visits and emergency room use to the same level in all Retiree Health Plans. These amounts would be equal to those of several of the labor groups of the County such as Elected Officials, Judges, Commissioners and Non-Union employees of the County have changed to.

- The co-pay on Prescription Drugs is intended to change from \$0, \$2, or \$3 for any prescription to \$5 for Generic Prescriptions and \$40 for Name Brand.
- The co-pay on an Office Visit is changing from paying \$0 or \$5 to \$20.
- The co-pay on an Emergency Room Visit is change from paying \$0 to \$25, to \$50. This co-pay is waived if admitted.
- All other plans, coverages, co-pays and premium share percentages (if any) are intended to be continued and remain the same.

It is important to note that these plan changes do not eliminate insurance coverage to any of our retirees. By and through the taxpayers of Saginaw County the Board of Commissioners is not eliminating Retiree Health Care for any Retirees.

It is important to note that these plan changes do not change the health plan the retiree is in.

Further, from within those plans, these changes do not eliminate any specific coverage.

Finally, these changes do not affect any co-pay on the premium of the plans (should a Retiree actually pay a co-pay on the premium).

These three changes in co-pays are expected to reduce the total taxpayer cost for our Retiree Health Care by up to \$2,000,000 a year. For the General Fund alone, about half that will be saved, or about \$1,000,000 per year. In total, this will enable the County to maintain up to 30 jobs County-wide. To not change the co-pays aforementioned would require the identification of up to \$2 million in cuts to the total County Budget; and about \$1 million more in the General Fund Budget beyond what is recommended here in this 2011 Draft # 1.

The Conversion Plan:

Part 1 - Funding

Part 2 - Education

Part 3 - Implementation

Part 1 - Funding:

The County should be budgeting \$5,236,000 to take from Departments' Budgets and place into the Retiree Health Care Trust Fund in 2011. Money in the Retiree Health Care Trust Fund is then used to pay the expected \$5,236,000 of costs for Retiree Health Care Expenses.

The County will only budget and put \$2,997,000 in to the Retiree Health Care Fund but will still expend the expected \$5,236,000 from the Retiree Health Care Fund on behalf of its Retirees and dependents in 2011.

The County can do this for two reasons. First, there is no statutory requirement that the County Budget and place aside the expected amount of Retiree Health Care expenses annually. *There is a statutory requirement for regular Retirement Pension purposes.* Second, the County currently has \$11,937,000 within its Retiree Health Care Trust Fund. Thus enabling us to short the amount paid in, while expending the full amount paid out is possible for 2011. In fact it would be possible for up to the next five years.

Do note that our actuarial firm and certain other financial concerns (bond rating agencies) and perhaps even Retirees believe we should have \$98,000,000 in the Retiree Health Care Fund.

Like most municipalities that have the benefit of Retiree Health Care; the County is not attempting to actuarially fund the benefit and is not in any financial position to attain such funding. To do so, according to our most recent Actuarial Report of December 31, 2008, requires the County to budget \$8,545,000 annually. Doing this would require an additional \$3 million in reductions beyond what is recommended here. Thus, if the goal is not to become fully funded on an actuarial basis; then perhaps the goal should be to spend the Fund down while attempting to change the taxpayer cost of Retiree Health Care.

Part 2 - Education:

The County will begin educating Employees and Retirees about the County's Retiree Health Care Plan and costs. Specifically, when we look at a \$2 million reduction in costs by changing the co-pay on prescriptions one immediately draws the conclusion that the Retirees are going to be spending \$2 million more out of pocket rather than the taxpayers as is the case today. Once you examine the facts surrounding just one monthly prescription it is not the case at all.

EXAMPLE

Our example will compare a retiree paying \$2 a month for a Name Brand Prescription today (average cost is \$160 per month) versus paying \$5 a month for a Generic Prescription today (average cost is \$18 per month).

RETIREE COST: Currently, the retiree is spending \$24 a year ($\2×12 months) on any prescription. If changed from \$2 to \$5 per month the retiree will be spending \$60 a year ($\5×12 months) on the prescription. That's an out-of-pocket Retiree cost increase of \$36 dollars a year. That's the same as it currently is for Employees.

TAXPAYER COST: However, the Name Brand prescription net cost for the year of \$1,896 ($\160 drug cost, less the $\$2$ co-pay $\times 12$ months) to the taxpayer will go down to \$156 ($\18 drug cost, less the $\$5$ co-pay $\times 12$ months) a year. That is a tax payer savings of \$1,740 a year on that one single prescription drug change alone.

SUMMARY: A Retiree changes one monthly Name Brand Prescription to a Generic Prescription because their co-pay went from ($\$2$ on any prescription) to ($\$5$ on Generic and $\$40$ on Name Brand) the Retiree pays \$36 more a year and the taxpayer saves \$1,740 a year. Multiply that by 1,000 and the taxpayers could be saving nearly \$1,740,000 a year.

It should be noted that not all prescriptions can be converted from Name Brand to Generic. However, there are numerous ways to also reduce the costs of prescriptions which will not be elaborated on here but included with the educational pieces of this attempted transition.

Part 3 - Implementation:

This 2011 Budget does not implement the co-pay changes. It does start to account for the savings of such implementation. The reserves in the Retiree Health Care Trust Fund allows for this accounting. The actual implementation will take place over the next couple of years as the various Retiree groups agree to these or similar changes or the Board of Commissioners decides to implement them.

Should the Board of Commissioners not desire to begin this plan as part of the 2011 Budget and therefore not begin to account for the savings now as recommended, then the Board will need to make an additional \$1 million in reductions to the General Fund.

Should the Board of Commissioners within the next five years not actually implement this plan, then at the time of that decision they will need to consider approximately \$1 million in additional reductions to the General Fund.

Other information relating to the County's Retiree Health Care Plan is contained in the tab titled "Retiree Health Care" in this transmittal.

THE BUDGETING PROCESS

The numerous Departmental Changes involving the reduction of staff have not been agreed to by the Judges, Elected Officials or Department Heads at this time. The changes involving the reduction of staff are proposed by the Controller as part of the recommended Budget.

Early on in building this 2011 Budget it became evident that the Controller would have to establish reductions necessary as a starting point to attain a Balanced Budget. Unlike 2003/04 when the County eliminated 62 positions; and unlike 2009 when the County eliminated 25 more positions; the 51 positions reduced in this budget were derived by the Controller to establish a starting point for deliberations.

The 112 positions reduced since 2002 were in large part a response by the Judges, Elected Officials, and Departments to reduce what they could to help the Board of Commissioners attain balanced budgets. They have been commended for their efforts.

This Budget Process will be quite the opposite. All departments of the County now believe they are at minimal levels and thus have no more to offer or concede too.

Therefore, this Budget is a starting point. It is balanced and uses all rainy day funds to balance. It also uses reserves from the Retiree Health Care Trust Fund to balance. However, it does preserve the minimum level of the Employee Payroll Reserve.

What dollars are reduced from specific departments rests solely with the Board of Commissioners. However, what exact positions in many departments are reduced rests with the Courts, Elected Officials and in some circumstances the Departments and Agencies.

As an example the Controller may have recommend position A to be cut from a specific department which saves \$100,000. The Board of Commissioner may agree and force the cut of the amount of \$100,000 thus leaving the department contemplating what position or positions to actually reduce in that amount. The department may determine to cut positions B and C which amount to the same \$100,000 savings as it otherwise would have saved if position A were cut.

Question: One may ask why not just establish target reduction for the departments and let them decide what to reduce.

Answer: That is what this recommend Draft # 1 of the 2011 Budget does.

- Not only does this recommended budget establish target reductions in terms of dollars; it provides a look at what reductions might mean in terms of staffing levels in the departments.
- Further, as over 5,000 of the 10,000 line items in the County Budget relate to wages and benefits; any Recommend Budget must account for such costs.
- Further, per the Board of Commissioners Budget Resolution A, approved funding for all positions must be in the Position Control Number Roster List. See # 7, 8, 9 and 10 of Budget Resolution A.

DEPARTMENTAL CHANGES

101 -101 Board of Commissioners

The 2011 Expenditure Budget for the Board of Commissioners is budgeted at \$669,000. This is a reduction of \$46,474 from the current 2010 Budget of \$715,474. Significant factors contributing to this decline are as follows:

Per Diem: Reduce the number of Commissioners serving on County Boards and Commissions and MAC Committees to one (1) per board/committee, with the exception of the Michigan Works! Job Training Consortium Board (see below). This would result in a department savings of approximately \$6,000.

Elimination of Committees: Currently the Board of Commissioners uses 12 Committees to bring items of concern to the attention of the full Board of Commissioners for action. During the past 10 years it has been noted that two of these 12 Committees have not brought any business of the County's concern to the Full Board of Commissioners for action. In keeping with the premise that Committees of the Board should pre-deliberate items of concern for the full board; and where two such existing Board Committees as a practice never deliberate items which require Full Board consideration; both the **Local Government Liaison Committee** and the **City of Saginaw/County of Saginaw/Saginaw Public Schools Liaison Committee** are recommended for elimination.

There are currently 11 Commissioners in total serving on both of these committees. Taking 11 Commissioners and multiplying by \$50 per diem and multiplying by 12 the expected savings on per diems would be \$6,600. Additionally, the City/County/School Liaison Committee, unlike most of the other Board of Commissioner Committees, provides a light dinner for the members and guests. This cost would also be saved (approximately \$400). Note that any item of Board of Commissioner (County) business that may have or may in the future come to the County's attention can be assigned to one of the 10 remaining committees of the Board of Commissioners for discussion and action.

Elimination of the City/County/School Liaison Committee, in addition to per diem and food costs, would result in a savings to the General Fund of \$5,000 from Other Services & Charges, (Account No. 101-89950-96904) Thus the total General Fund Savings would be \$12,000 (per diem of \$6,600, Food of \$400 and Other Cost of \$5,000).

There are seven Commissioners currently serving on the Michigan Works! Job Training Consortium Board, per statute, based upon population. Michigan Works! will begin paying the monthly per diem and mileage reimbursement to each Commissioner, for a savings to the Board Office Budget of approximately \$6,000 per year.

Memberships & Dues: Reduce the Board of Commissioners Memberships & Dues line item from \$20,500 to \$16,000 by cancelling membership with NACo, for a savings of \$4,500.

Travel: Reduce the Board of Commissioners Travel Budget of \$22,200 to \$16,500 which will equate to \$1,000 per County Commissioner to use either for two in-state MAC Conferences or one out-of-state conference and \$500 each for Board Office Staff. Any amounts expended over and above the allotted amount would be paid by the Commissioner/Staff. This would result in a department savings of \$6,000.

Commissioner Benefits: The County Compensation Commission report of June 10, 2008 was not objected to by the Board of Commissioners and thus was accepted by the Board. Receiving no direction for any changes since; the benefit levels established in that report are continued in this recommended 2011 budget. The three main points in that report concerning Commissioner Benefits are:

- 1) Commissioners' benefits follow those of Non-Union Managerial Employees with the exceptions of numbers 2 and 3.
- 2) County Commissioners are limited to Single Person Health Coverage.
- 3) County Commissioners newly elected, seated or appointed with terms beginning January 1, 2009 or thereafter will not receive the benefits of Longevity Pay, Health Insurance, Health Insurance Offset, Retiree Health Insurance, Life Insurance, Dental Insurance or a Retirement Benefit.

101-131 Circuit Court

The 2011 Expenditure Budget for the Circuit Court is budgeted at \$2,196,730. This is a slight increase of \$19,732 in costs from the current 2010 Budget of \$2,176,998. Significant factors contributing to this change are as follows.

Staff Reduction: The position of Compliance Coordinator is recommended for reduction. This resulting savings from this position reduction are approximately \$50,000. This represents a 4% reduction in the Courts 22.75 current positions exclusive of the 5 Circuit Court Judges. Combined the Court has been reduced by 2.35 of its 24 positions since 2001 or 10%.

101-132 Circuit Court Due Process

The 2011 Expenditure Budget for the Circuit Court Due Process Office is budgeted at \$1,269,000. This is a \$63,235 increase in cost from the current 2010 Budget of \$1,205,765. Significant factors contributing to this increase are as follows:

This Budget provides for Appointed Attorney costs in the Circuit Court. It also provides for Jury Fees, Transcripts and other Due Process Costs.

Court Appointed Attorney: These costs are expected to increase by \$66,000 from \$759,000 in 2010 to \$825,000 in 2011. This is due to a long argued court case being settled to the financial detriment of Counties. This settlement basically makes counties provide for indigent council on appeal of cases that were originally pled guilty to and where request for council was originally waived. Even though council was waived originally, now persons can, upon appeal, ask for indigent council and be granted such. For several years the court did not provide indigent

council on appeal as the original request was waived. Other than this area, no other material changes in this Budget are recommended.

101-133 Circuit Court Probation

The 2011 Expenditure Budget for the Circuit Court Probation Department is budgeted at \$100,023. This is an increase of \$6,021 from the current 2010 Budget of \$94,002.

Circuit Court Probation is staffed by State of Michigan Employees. The County is required to provide offices and office support such as utilities, janitorial and repair and maintenance. The largest factor contributing to the increase in this budget is in the Building Repair and Maintenance line item. This is budgeted to increase by \$3,950 from the 2010 amount of \$6,050 to \$10,000. The building is well aged and is in less than satisfactory condition. It is located at 1931 Bagley Street, Saginaw, 48601.

101-136 District Court

The 2011 Expenditure Budget for the District Court is budgeted at 3,870,831. This is a \$179,337 increase from the current 2010 budget of \$3,691,494. Significant factors contributing to this change are as follows.

Revenue: District Court Revenues are budgeted to increase by \$65,000 from the current budget of \$3,281,144 to \$3,346,144. The various line items within the District Court Revenues have been adjusted based on year-to-date actual estimates.

101-138 District Court Probation

The 2011 expenditure budget for the District Court Probation is budgeted at \$934,943. This is a reduction of \$142,434 from the current 2010 Budget of \$1,077,377. Significant factors contributing to this change are as follows.

Staff Reductions: Two Probation Officer positions have been recommended for reduction. There have not been any reductions in District Court Probation in the past 10 years. Together these two positions amount to a \$165,000 reduction in cost to the General Fund. These two positions also represent a reduction of the staffing from 12 to 10 over the past 10 years which equates to a 17% reduction.

101- 148 Probate Court

The 2011 Expenditure Budget for the Probate Court is budgeted at \$814,714. This is a reduction of \$39,047 from the current 2010 budget of \$853,761. Significant factors contributing to this change are as follows.

Staff Reduction: The position of Deputy Register has been recommended for reduction. The amount of savings from this position is approximately \$49,000. The Probate Court, exclusive of

the Judge, had 9 employees in 2001. This Recommended Budget will provide for 7. This represents a reduction in staff over the past 10 years of 22%.

101-149 Family Court (Juvenile)

The 2011 expenditure budget for the Family Court is budgeted at \$2,713,154. This is a reduction of \$74,534 from the current 2010 Budget of \$2,787,688. Significant factors contributing to this change are as follows.

Staff Reduction: The position of Reimbursement Coordinator has been recommended for reduction. The total amount of savings from this position is approximately \$52,000. The Family Court, exclusive of the Judge, had 29 positions in 2001. With the reduction of this position the Family Court will have seen the reduction of 6.5 of its 29 positions which equates to a 22% reduction over the past 10 years.

101-167 Assigned Council

The 2011 expenditure budget is \$141,644. This is an increase of \$10,391 from the current 2010 budget of \$131,253. Benefit changes account for nearly the entire change.

Staffing: Assigned Council had 2 full-time positions 10 years ago. Today it has 1. Therefore the Department has been reduced over the past 10 years by 50%.

101-215 Clerk

The 2011 Expenditure Budget for the Clerk is budgeted at \$1,150,246. This is a reduction of \$3,762 from the current 2010 budget of \$1,154,008. Significant factors contributing to this change are as follows.

Staff Reductions: The position of Birth Certificate/Notary has been recommended for reduction. The total amount of savings is approximately \$35,000. The Clerk's Office, exclusive of the Clerk, had 17.75 positions in 2001. This reduction will have reduced the staff of the Clerk's Office by 1.75 over the past 10 years for a net reduction of 10%.

Revenues: The 2011 Revenue Budget for the Clerk is budgeted at \$1,791,677. This is a reduction of \$49,668 from the current 2010 Budget of \$1,841,345. The major line item affecting this reduction is the State Court Equity Funding the County receives from the State of Michigan. This is currently budgeted at \$1,134,677; down \$98,668 from the current Budget of \$1,233,345. The State of Michigan sets this amount according to the State Budget. The remainders of the revenue line items controlled by the County Clerk are budgeted to increase by \$49,000. Thus, Clerk revenue is budgeted to increase and expenditures budgeted to decrease with the exception of the one line item the State of Michigan controls.

101-223 Controller

The 2011 Expenditure Budget for the Controller's Office combined activities of the General Fund is budgeted at \$1,051,006. This is a reduction of \$142,581 from the current year Budget of \$1,193,587. Significant factors contributing to this change are as follows.

Staff Reduction: The position of Administration Director is recommended for reduction. The expected cost savings from this position elimination is \$109,000. Exclusive of the Controller, the department had 20.6 positions in 2001. With the elimination of this position the department will have 11 positions which represent a reduction over the last 10 years of 44%.

101-225 Equalization

The 2011 Expenditure Budget for the Equalization Department is budgeted at \$429,118. This is a reduction of \$24,291 from the current 2010 Budget of \$453,409. Significant factors contributing to this reduction are as follows:

Staff Reduction: The Position of Office Manger/Building Pricer is recommended for reduction. In its place a half time position is recommended. The resulting savings from this reduction is approximately \$25,000. Exclusive of the Equalization Director, the department had 6 positions in 2001. With this reduction the department will have 3.7 which represent a reduction over the past 10 years of 2.3 of 6 positions which equates to a reduction of 38%.

101-229 Prosecuting Attorney

The 2011 Expenditure Budget for the Prosecutors Office is budgeted at \$3,054,871. This is a reduction of \$66,001 from the current 2011 Budget of \$3,120,872. Significant factors contributing to this decline are as follows.

Staff Reductions: The 2 positions of Prosecutor I and Prosecutor File Specialist are recommended for reduction. The estimated savings of these two staff reductions is \$130,000. Exclusive of the Prosecutor, the department had 28 positions in 2001. With these 2 reductions the office will have been reduced by 3 positions from 28 to 25 over the past 10 years which equates to a 10 year reduction of 11%.

NOTE: The Prosecuting Attorney also has an additional appropriation from the General Fund to fund special projects. Significant staff reductions have been recommended there and are explained in further in the activity where the General Fund appropriates dollars for these additional Special Projects of the Prosecutors Office.

101-230 Prosecutor – Welfare Enforcement

The 2011 Expenditure Budget for Prosecutor Welfare Enforcement is budgeted at \$555,000. This is a reduction of \$32,200 from the current 2010 Budget of \$587,200. There were no significant changes to note.

Staffing: The Prosecutor Welfare Enforcement Activity had 6 positions 10 years ago and remains in this 2011 Budget with the same 6 positions.

101-236 Register of Deeds

The 2011 Expenditure Budget for the Register of Deeds, inclusive of the Micro Film part of the department, is budgeted at \$561,435. This is a reduction of \$34,548 from the current 2010 Budget of \$595,983. Significant factors contributing to this decline are as follows.

Staff Reduction: The position of Account Clerk III has been recommended for reduction. The estimated savings of this staff reduction is \$45,000. Exclusive of the Register of Deeds, the department had 8.5 employees in 2001. With this reduction the office will have been reduced by 2.5 positions from 8.5 to 6 over the past 10 years which equates to a reduction of 29%.

101-253 Treasurer

The 2011 Expenditure Budget for the Treasurer is budgeted at \$686,412. This is a reduction of \$71,649 from the current 2010 Budget of \$758,061. Significant factors contributing to this decline are as follows.

Staff Reduction: The position of Account Clerk I/II has been recommended for reduction. The estimated savings of this staff reduction is \$44,000. Exclusive of the Treasurer, the department had 9 positions in 2001. With this reduction the office will have been reduced by 3.5 positions over the past 10 years which equates to a reduction of 39%.

101-265 Maintenance

The 2011 Expenditure Budget for the numerous General Fund Maintenance activities of the General Fund is budgeted at \$3,056,155. This is an increase of \$19,473 from the current 2010 Budget of \$3,036,682. Significant factors contributing to this increase are as follows.

Staff Reduction: The position of Custodial Crew Leader is recommended for reduction. The expected cost savings of the reduction of this position is \$44,000. Exclusive of the Maintenance Director, the department had 30 positions in 2001. With this reduction the department will have been reduced by 12 positions over the past 10 years which equates to a reduction of 40%.

Utilities: Natural Gas, Electricity and Water comprise the bulk of the utility costs for the numerous General Fund Buildings. The 2011 Budget for utilities is set at \$1,009,600. This is an increase of \$28,000 from the current 2010 Budget of \$981,600. The Board of Commissioners is expected to issue \$2.2 million in ARRA Energy Bonds to make changes to our utility equipment in August of this year. The changes will be identified through Energy Audits being paid for by a State Energy Grant awarded to Saginaw County via Saginaw Future, Inc. It is expected that the debt payment on the bond will be \$150,000 annually. It is expected that the reduction in utility costs will be \$300,000 annually. It is not expected that we will see the reduction in the utility costs in any great measure until Fiscal 2012 after the changes have been implemented.

101-275 Public Works Commissioner

The 2011 Expenditure Budget for the Public Works Commissioner is budgeted at \$355,403. This is a reduction of \$18,682 from the current 2010 Budget of \$374,085. Significant factors contributing to this decline are as follows.

Staff Reduction: The Position of Drain Assessor/Clerk is recommended for reduction. In its place is a half time position. The resulting savings from this reduction is approximately \$25,000. Exclusive of the Public Works Commission this office had 2.8 positions in 2001. With this reduction the department will have been reduced by .80 positions over the past 10 years which equates to a reduction of 30%.

1010-301 Sheriff Administration

The 2011 Expenditure Budget for the Sheriff Administration activity is budgeted at \$770,435. This is an increase of \$18,152 from the current 2010 Budget of \$752,283. There are no significant factors contributing to this change.

Staffing: The Sheriff Administration had 6 staff 10 years ago. It has 7 currently and is budgeted for the same 7 in 2011. Over the past 10 years the staff has increased in this activity by 17%.

101-351 Sheriff Jail

The 2011 Expenditure Budget for the Jail is budgeted at \$8,419,072. This is an increase of \$719,468 from the current 2010 Budget of \$7,699,604. Significant factors contributing to this increase are as follows.

Health Services for Inmates: The Jail budget for health services with physician costs included, increased by \$509,088 from the current 2010 Budget amount of \$1,165,786 to the 2011 budgeted amount of \$1,674,874.

In 2009 the Attorney General of the State of Michigan opined that the costs of Mental Health Services provided in a County Jail are to be the Cost of the Board of Commissioners of such County and not the cost of the Mental Health Authority. Following that opinion, the Department of Community Health of the State of Michigan, which funds in large part Mental Health Authorities and Public Health Departments, issued a decree that Mental Health Authorizes were to cease providing the funds for such services they were providing to County Jails. The State Department of Public Health did indicate that should a Mental Health Authority desire to finish up the current year (FY 2010) by paying for such services they could. Our Mental Health Authority did agree to do such on behalf of the County. However, in no circumstance were these services to be paid for by the Mental Health Authority beyond September 30, 2010. Therefore, beginning in FY 2011, these costs become new costs of the Board of Commissioners and therefore new costs to the General Fund.

Staff Reductions: In the event that the Sheriff and Board of Commissioners are not satisfied with the numerous reductions in Deputies and Detectives discussed later in this correspondence;

and/or both are not satisfied with the Jail's substantial increase in costs of over \$700,000 for 2011 the County could determine to reduce the size of the County Jail. As an example a reduction in size from its current 513 beds by 20% to about 400 beds would result in substantial savings to the County General Fund. Those savings could approach \$1,600,000.

Those savings would involve the reduction in staff of approximately 11 full-time officers comprised of 2 Jail Sergeants and 9 Security Officers.

101-30124 Jail Reimbursement

The 2011 Expenditure Budget for the Jail Reimbursement Program is budgeted at \$74,157. This is a reduction of \$11,003 from the current 2010 Budget of \$85,160. Significant factors contributing to this decline are as follow:

Staff Reduction: The position of Jail Reimbursement Coordinator is being reduced from .70 part-time to .50 part-time. The expected cost savings to the General Fund is \$13,000. The department had 1 full-time position in 2001 and will again be back to 1 full-time equivalent position in 2011. Thus the 10 year staff change is 0% in the General Fund. Note that the .20 reduction is being picked up by the Community Correction Grant Fund for 2011.

Revenue: The Jail Reimbursement Program is budgeted to contain full funding for Jail Reimbursement in 2011. This means an increase of \$420,000 over the current 2010 Budget. It should be noted that this 2011 budgeted revenue of \$536,500 is \$20,000 more than the original budgeted amount for 2010. The difference is that during this 2010 year the State cut the program at the beginning of the year. However, the State Legislature, at this time, has continually indicated it will be in the 2011 Budget and further that they are attempting to put the current year \$400,000 reductions back into this year's budget.

101-601 Medical Examiner

The 2011 Expenditure Budget for the Medical Examiner is budgeted at \$372,901. This is an increase of \$12,692 from the current 2010 Budget of \$360,209. There are no significant factors affecting this budget.

Staffing: The Medical Examiner Budget contained .80 full-time equivalent positions in 2001. In 2006 that was changed to 1 full-time position when the department was moved from the Health Department to the Courthouse. In Fiscal 2010, due to continued use of part-time (non-union) work, the privatized part-time position was converted to a part-time employee of .60 of a position. The net result is that the department went from .80 positions to 1.6 positions over the past 10 years representing a 100% increase in County Staff.

101-899-95 Contribution to Underground Rail Road

The County General Fund contributed \$25,500 to the Underground Railroad in 2010 to assist the Clerk, Courts and Prosecutor with Personal Protection Orders and Domestic Violence and Sexual Abuse Cases. The Underground Railroad provides 3.5 staff who work in the Courthouse for this

sum. Reducing or eliminating the funding would result in the Underground Railroad Staff to be reduced up to the full 3.5. Upon reduction, the County would likely receive numerous requests for additional staff from several departments. This budget recommends the same \$25,500 appropriation for 2011.

101-899-03 Contribution to Saginaw Area Storm Water Authority

The 2011 contribution to the Saginaw Area Storm Water Authority is recommended to be \$8,000. This is a reduction of \$2,000 from past year's appropriations. This recommendation is based on the approximate expenditures actually made of the past year of \$8,000.

101-899-04 Contribution to City of Saginaw, City Schools and County Liaison Committee

Eliminated Committee and Eliminated Contribution. For the past several years the County Board has appropriated \$5,000 to be used by one of the Board's Standing Committees. The funds were primarily used for a job fair. As the Committee itself has not brought any items of action to the Full Board for over 10 years the Committee is recommend for dissolution in the Budget thus saving per diem costs to Commissioners in the Board Budget. This corresponding appropriation for that Committee's use is also recommended for elimination.

101-899-41 Contribution to Geographic Information Systems Authority (SAGA)

This service was started in 1997. From 1997 until 2004 the County funded this service alone and averaged over \$200,000 a year in costs. In 2004 the County, with the aid of 33 other municipalities within the County, created SAGA. Since 2004 SAGA has improved the County-wide mapping system and the services it provides to the 33 member municipalities, Saginaw County Road Commission, Saginaw County 911, and Saginaw Area Storm Water Authority. The latest enhancement is the property search website at: www.sagagis.org. The site allows SAGA members and the public to search for property information within the SAGA membership area. Since the inception of the SAGA website it has allowed departments such as Equalization, Register of Deeds, Planning, Treasurer, Sheriff, Clerk, Mosquito Control, Parks and others to reduce the number of contacts with the Public. A 2010 aerial photography project has just been completed. As a result of this Intergovernmental partnership Saginaw County has one of the best Geographic Information Systems in the Nation. Property professionals such as realtors, assessors, appraisers, and title and mortgage businesses have come to rely on the convenience of not having to pay a visit to Townships, Cities, Villages or the County Courthouse to obtain information.

This 2010 year the County is budgeted to spend \$93,300. Current dues are based on \$1.30 per parcel, which has been determined by the Authority Board. The target reduction for consideration is 23%. Thus we are attempting to reduce the current parcel rate from \$1.30 per parcel to \$1.00 per parcel, allowing the County's contributions to be reduced by \$23,800.

101-899-45 Contribution to Saginaw Future Inc.

The 2011 contribution to the County's Economic Development Department (Saginaw Future Inc.) is set at \$150,000. This is the same level it is set at in this 2010 Budget.

Saginaw Future is the one department which concentrates efforts on increasing the County's revenue side of the budget. Saginaw Future attracts and retains jobs in the community. Jobs create tax base and tax base creates tax revenues for the County of Saginaw. At \$150,000 of a total County Budget of \$144,350,316; the County is putting slightly more than 1/1,000th of its resources toward improving the revenue side of the Budget. This is the same appropriation made 10 years ago in 2001. No increase is recommended; nor is a reduction recommended.

101-965-02 Contribution to Animal Control

The Contribution to the Animal Control Department for 2011 is budgeted at \$284,518. This is a reduction of \$306,041 from the current 2010 Budget of \$590,559. Significant factors relating to this reduction are as follows.

Staff Eliminations: The 4 positions of Animal Control Officer have been recommended for reduction and the 1 position of Veterinary Technician Assistant has also been recommended for reduction. One part-time .50 Receptionist position has been recommended to be added to the department. The expected savings from these net reductions is \$280,000. Exclusive of the Animal Control Director, this department had 8.5 positions in 2001. With this reduction the department will have been reduced by 7 positions over the past 10 years which equates to a reduction of 74%.

Vehicles and associated costs. With the elimination of the 4 Animal Control Officer Positions the department will eliminate its entire fleet of vehicles. This is estimated to reduce all costs associated with vehicles by \$20,000.

As a result of these changes the Animal Control Department will become a Shelter.

The Department will still provide the following services:

- 1) Adopt, Reclaim, or Euthanize and dispose of animals brought to and/or housed at the Animal Control Facility.
- 2) Conduct public education programs regarding animal control, bite prevention, pet therapy programs and animal care.
- 3) Quarantine bite animals and ensure specimen is sent for testing in a timely manner.

The Department will no longer be providing the following services which will in part revert, according to state statutes, to other existing law enforcement agencies:

- 1) Answer citizen's request for assistance regarding the capture of lost or stray animals, retrieving dead or diseased animals.

- 2) Assist public safety agencies such as police, fire and ambulance and provide 24 hour animal emergency service.
- 3) Investigate complaints for animal cruelty and take appropriate action for correction or prosecution.

In summary, this change in service is from a full service Animal Control Operation to an Animal Control Shelter. Virtually all operations outside of the shelter will revert to the local municipalities and/or public safety entities throughout the County. There are not any statutory requirements for the County to provide these road services which are being recommended for reduction. There are statutes that require law enforcement agencies to respond to animal situations. Currently the County Board of Commissioners has had the funds to do this on behalf of all municipalities in the County. This recommended reduction reflects that we no longer have those funds and like Local Police and Local Fire control in many municipalities have; they will now again have local control over Animal issues that the County no longer can afford to attend to.

101-965-05 Contribution to Law Enforcement Fund

NOTE: The total Sheriff Department is comprised of 5 major cost centers. The current 2010 Budget for all 5 cost centers is \$16,375,208. The recommended total for all 5 cost centers in 2011 is \$15,410,308. This represents a total recommended decrease of \$964,900 or 6% from 2010 to 2011. The staffing level for all 5 is recommended at 102, which represents a 15 percent decrease. The 5 major cost centers are as follows:

		<u>2011</u>	<u>2010</u>
		<u>Staff</u>	<u>Staff</u>
1) Sheriff Administration GF :	2011 Proposed Budget \$770,435. 2010 Current Budget \$752,238. No staff eliminations recommended	7	7
2) Sheriff County Jail GF :	2011 Recommend Budget \$8,419,072. 2010 Current Budget \$7,699,604. No staff eliminations recommended.	64	64
3) Sheriff Millage Road Patrol:	2011 Proposed Budget \$1,857,734. 2010 Current Budget \$1,800,405. No staff eliminations recommended.	14.5	14.5
4) Sheriff Special Projects:	2011 Proposed Budget \$2,972,461. 2010 Current Budget \$3,386,723. No staff reductions recommended.	8	8
5) Sheriff Law Enforcement GF :	2011 proposed budget \$1,390,606. 2010 current budget \$2,736,193. 15.5 staff reductions are recommended.	<u>10</u>	<u>25.5</u>
Totals		103.5	119.0

Sheriff Law Enforcement:

The 2011 contribution to the Law Enforcement Fund from the General Fund is budgeted at \$694,656. This is a reduction of \$1,245,647 from the current 2010 contribution of \$1,940,303. Significant factors related to this reduction and are as follows:

Staff reductions: This budget recommends the reductions the following 15.5 positions:

10.5	Patrol Officers
3	Detectives
<u>2</u>	<u>Patrol Sergeants</u>
15.5	Total

The total estimated savings to the General Fund is the aforementioned \$1,245,647. The Fund was comprised of 40 positions in 2001. With this reduction the department will have been reduced by 29.5 positions over the past 10 years which equates to a reduction of 74%. It should be noted that 5 of the positions eliminated in 2004 were actually picked up in the Sheriff Special Projects Funds. This still results in the real loss of 24.5 positions over the past 10 years which results in a 60% reduction in this 4th cost center of the Sheriff Department.

Cost centers: 1. Administration, 2. Jail, and 5. Law Enforcement Fund above are direct costs to the General Fund of the County. The net effect of the Sheriff's total operations on the General Fund is a reduction of \$607,922 for 2011, which is a percentage reduction of 5% from the 2010 General Fund allotment of \$11,188,035 for Administration, Jail and Law Enforcement Fund.

Cost center 3. Millage Road Patrol is funded by an extra voted millage. Cost center 4. Special Projects is virtually self supporting.

101-965-10 Contribution to Friend of the Court

The 2011 Contribution from the General Fund to the Friend of the Court is budgeted at \$1,028,170. This is an increase of \$325,533 from the current 2010 budgeted contribution of \$702,637. While this is a significant increase at first sight, it needs to be tempered with the fact that \$350,000 of excess reserves residing in the Friend of the Court Fund were used to balance the 2010 Budget. There are no such reserves left to use in balancing this 2011 Budget. Therefore, discounting the use of reserves; in that more realistic measurement of change; the 2011 Budget is a decrease of \$24,467 over what would have been the 2010 appropriation to this fund of \$1,052,637. Other significant factors contributing to this decline are as follows:

Staff Reductions: Four positions are recommended for reduction.

Two of them are Account Clerk I/II positions and one is an Intake Analyst. These three positions are supported in part through the Federal Title IV-D Contract Grant. The grant support is approximately 60% of each of the three positions. Therefore the reduction to the General Fund for all three positions is estimated to be \$53,000 of the \$132,000 of wages and benefits reduced.

The fourth position recommended for reduction is funded through a local grant that has been discontinued. The Michigan Works! – Friend of the Court Non-Custodial Parent Program is a program which was established 8 years ago, in collaboration between Friend of the Court and Michigan Works!. The duties are to locate unemployed and underemployed non-custodial parents who are not paying their child support. The identified parties are referred to the Michigan Works! program by a referral from the Friend of the Court Office. Often the referrals are made by Order of the Court, when the payer is being enforced on for nonpayment. The intention is to provide assistance to those not paying their support in hopes of them obtaining employment, resulting in the child support obligation being fulfilled. Each year, this office refers approximately 650 non-custodial parents to the program. Total money collected from current and former Michigan Works! participants totaled \$2,116,792.00 as of 2008. In order to run the Michigan Works! Non-Custodial Parent Program in this office, with one staff member, an estimated budget of \$87,939 (budget from last fiscal year) is needed. At one point there were two Friend of the Court staff members sustaining the program, and over the years positions decreased to one staff member due to budget constraints.

The Friend of the Court had 59 positions in 2001, excepting the Friend of the Court Director. With these 4 reductions the office will have been reduced by 16 positions during the past 10 years which equates to a 10 year reduction of 27%.

101-965-12 Contribution to Child Care Fund

The 2011 recommended contribution to the Child Care Fund from the General Fund is \$2,727,800. This is a reduction of \$111,460 from the current 2010 contribution of \$2,839,260. Significant factors relating to this reduction are as follows.

Above is the appropriation from the General Fund to the Child Care Fund. The total budget for the Child Care fund for 2011 is \$5,519,301. This is a reduction of \$417,221 from the current 2010 Budget of \$5,936,522.

Staff Reductions: Four positions are recommended for reduction. They are all Detention Youth Care Specialist positions. The expected savings due to the reduction of these positions is \$180,000. The department had 45.7 positions in 2001. With these 4 reductions the department will have been reduced by nearly 11 positions during the past 10 years which equates to a 10 year reduction of 24%.

To accomplish this reduction the Juvenile Center will have to close one of its 4 pods. Each pod houses 14 residents for a total capacity of 56 residents. Currently 3 of the pods hold boys and the 4th pod holds girls. The girl's pod has not been operating at capacity for some time and has had as low of a population of 2 residents at points during the past year. Because the pods have individual and separate bunk quarters for each resident and because several other facilities in the State and Nation have co-ed pods; it is recommend that the facility move from its current 3 boys and 1 girls pod set up (56 resident capacity) to a 2 boys and 1 co-ed pod set up (42 resident capacity). The achievement of this change, which is deemed common practice, would enable the reduction of the 4 aforementioned reductions in staff.

101-965-49 Contribution to MSU Extension

The 2011 recommended contribution from the General Fund to the MSU Extension Fund is \$199,057. This is a decrease of \$33,880 from the current 2010 contribution of \$232,937. Significant factors relating to this reduction are as follows.

Staff Reduction: The position of Typist Clerk I/II is recommended for reduction. The expected cost savings to the General Fund is \$38,000. The department had 3 positions in 2001. With this reduction the department will have been reduced by 1.6 positions during the past 10 years which equates to a reduction of 53%.

101-965-55 Contribution to Emergency Services

The 2011 recommended Emergency Services Fund is budgeted at \$106,202. This is a decrease of \$18,944 from the current 2010 budget of \$125,146. Significant factors relating to this reduction are as follows.

Staff Reduction: The position of Emergency Services Director is recommended to be reduced from full-time to .75 part-time. This reduction will not only reduce the pay but also eliminate benefits for the position. The reduction is expected to reduce General Fund costs by \$22,000. The department had 1.5 positions in 2001. Despite the changes in Federal and State requirements since 9/11 this department is recommended to operate in fiscal 2011 with 1.25 staff. This reduction represents a 17% reduction in staff.

101-965-97 Contribution to Special Projects for Prosecutor

The 2011 recommended total contribution from the General Fund to the Prosecutor Special Projects Fund is \$61,257. This is a decrease of \$229,008 from the current 2010 contribution of \$290,265. The Prosecutor has 5 Special Project Activities which comprise County Employees. Significant factors relating to this reduction are as follows.

1 – Special Project Auto Theft: This special project has 1 staff member and no reduction is recommended. The General Fund does contribute \$59,232 to support this activity while the other half is supported by a State Grant.

2 – Special Project Victim’s Rights: This special project has 3 staff members and no reductions are recommended. Virtually the entire budget for this special project is paid for through State Grants. The General Fund Contribution is only \$2,025 for 2011.

3 – Special Project Asset Forfeiture: This special project has 2 staff members and both are recommended for reduction. One is a Prosecutor I position and the other is a Financial Investigator position. The expected savings to the General Fund would be \$177,910 less a Federal Grant which may or may not be able to be directed to another activity of the Prosecutors Office.

This special project was created several years ago on the premise that funds garnered from forfeited assets would support additional staff. This has not been the case for the past several years. With the exception of 2009 where the County only contributed \$57,000 to this special project; other recent years have seen the General Fund keeping this special project funded. As the General Fund no longer can afford what it has in the past, this activity is recommended for reduction.

Should there be concrete and verifiable funds in the future to 100% cover the cost of this activity then, in that instance, it would be highly recommended to add staff back at such time.

4 – Special Project Inner City Initiative: This special project has 1 staff person. The special project is entirely funded by a Federal Grant. No reduction is recommended.

5 – Special Project Property Crime Task Force: This special project has 1 staff person. The special project is 100% funded by a contribution from the General Fund. This project was originally intended to use non-general fund dollars to continue. For several years, because the General Fund could afford to support this special project it did. The General Fund can no longer support it and thus it is recommended for reduction. One position of Criminal Investigator is recommended for reduction which would result in a \$69,000 savings to the General Fund.

Total staff reductions: The Prosecutor had 9 positions within his special project funds in 2001. With these reductions there will remain 5. The 10 year reduction of 4 represents a 44% decrease.

NOTE: Special Projects are generally projects that have to be accounted for separately because they relate to specific funds acquired from grants, contributions from special programs and in the Sheriff and Prosecutor's circumstances Forfeitures. The 3 positions recommended for elimination have, over the years, become positions for which the General Fund has become fully responsible for. Although the positions are occupied by excellent staff, performing very important duties, the General Fund can no longer support the special and extra activities and only for those reasons are recommended for reduction.

221 Health Department

The 2011 Expenditure Budget for the Health Department is budgeted at \$13,868,935. This is a reduction of \$680,636 from the current 2010 Budget of \$14,549,571. Significant factors contributing to this decline are as follows:

Staff Reductions: Six staff Reductions are recommended for the Health Department. The Department had 113 positions in 2001. This recommend 2011 budget has 89 positions within it. The 10 year reduction is 24 positions or 21%. The recommend staff reductions are as follows:

Nursing Services Division: One position of PPHS Supervisor and two positions of Public Health Nurse are recommended for reduction. As the General Fund appropriation has not over the past years, and is not increasing for 2011, this major activity of the Health Department can no longer afford to maintain the current number of staff. The expected savings to the Health Fund for these three position reductions is \$210,000.

Sexually Transmitted Disease: One position of Public Health Nurse is recommended for reduction. State Grant reductions and the inability of the General Fund to support this program result in having to reduce this position. The expected savings to the Health Fund for this position is \$70,000.

Great Beginnings Program: One position of Outreach Advocate is recommended for reduction. The total funding in this program has not changed but due to benefit and some wage adjustments the near equivalent of one staff person must be reduced. The expected savings from the reduction of this position is \$42,000 for the Health Fund.

Environmental Health: One position of Senior Environmental Health Specialist is being recommended for reduction. The total funding in this program has not changed significantly enough to support the 2011 level of staffing. Aside from fee increases or additional appropriation from the General Fund (neither of which are recommended here) the equivalent of one staff person is required for reduction. The expected savings to the Health Fund as result of elimination of this position is \$74,000.

General Fund Contribution: This 2011 recommended budget again budgets a contribution from the General Fund to the Health Fund in the amount of \$1,519,046. This is the same contribution as last year and the 20 previous years. Unlike most other funds and departments the County has not given any increase to the Health Fund over the years. If the County did increase the contribution to the Health Fund, as it does most other activities and funds, the contribution would likely be over \$3,000,000 today.

Although this appropriation has not been recommended for change, should the Board of Commissioners desire to reduce the appropriation from the General Fund to the Health Department it can. As mentioned the County has historically held its support constant for over two decades at the minimum of the State-required Maintenance of Effort. The potential impact of a hypothetical reduction by \$350,000 is provided below.

A reduction to Health Department Funding of this kind would be devastating to SCDPH's ability to serve Saginaw County Residents.

Domino effect:

- A cut of this magnitude would threaten the County's required Maintenance of Effort, and State Local Public Health Operations (LPHO) funding would be reduced by \$212,000 for a total cut of over half a million to SCDPH operations revenues.
- The State could determine noncompliance and eliminate \$3-6 million of Michigan Department of Public Health funding to Saginaw County and threaten Federal Funds. In this case, SCDPH would practically cease to exist.
- SCDPH is already anticipating major State cuts in FY 2011, including a 7% cut to LPHO funding, a 12% decrease in substance abuse funding, and cuts to or elimination of Healthy Michigan Fund Programs.
- It would weaken the County's allocation plan by reducing the ability to pay our significant share of administrative costs, including County ISS and Retirement.

Service reduction:

- All outlying clinics would be eliminated.
- SCDPH would be forced to cut up to an additional 8 positions. (SCDPH has already lost more positions over the last decade than virtually any other County Department).
- Service hours would be reduced, including reduction of Immunizations, Family Planning, STD, and Dental Clinics.
- All non-mandated services would be cut, and SCDPH may close the department up to one day a week.
- Fee increases would be imminent.

In conclusion, it is imperative that the County continue to support SCDPH at least at its current levels. A cut to County Health Department Allocations would create a domino effect of State funding losses and ultimately threaten the ability of the Board of Commissioners to live up to its responsibility to protect the health of Saginaw County Residents.

276 Michigan Works

The 2011 Expenditure Budget for Michigan Works! is budgeted at \$16,878,789. This is a reduction of \$8,721,692 from the current 2010 Budget of \$25,600,481. Significant factors contributing to this decline are as follows:

Staff Reductions: The position of Program Planner in the Michigan Prisoner Reentry Activity has been recommended for reduction do to the loss of State Funding. The Michigan Works! Budget had 13.5 staff in 2001. This recommended budget contains 15.75 staff in total for a 10 year change of 17%.

American Recovery and Reinvestment Act: Funding provided to Michigan Works! via the ARRA is expected to be significantly reduced in 2011. At this time it is uncertain if some or parts of it will be continued. Draft # 2 of this Budget will provide a more accurate accounting of the ultimate changes. Due to the significant unknowns at this time no further analysis is provided here.

222 Mental Health Authority

The General Fund appropriation to the Mental Health Authority (like the County Public Health Department) is not recommended for reduction. The amount remains the same as it has for the past 13 years at \$1,050,303 for Fiscal 2011. This amount was set as part of the Saginaw County Board of Commissioners Resolution E of 1996. This resolution established this service as a separate Authority and no longer a Department of the County.

Before reviewing the impact resulting from a proposed local County match reduction, it is appropriate to visit a bit of history in this regard.

1. Resolution E of 1996 binds the County of Saginaw to a local match obligation of \$1,050,303 each year. This amount has remained unchanged for 13 years. This funding allows SCCMHA to leverage other State and Federal dollars to support its total budget. However,

Resolution E which also created the Mental Health Authority established an actual local match amount. The unchanged \$1,050,303 match amount over the last 13 years has been reduced in terms of value when taken against simple inflation. However, the local match from the County remains a critical component of SCCMHA Funding as it serves as the basis from which very large amounts of State and Federal revenue are matched.

2. The value of the local match provided by Saginaw County is more than the face value because it is used in its entirety by the Authority to meet the Michigan Department of Community Health (MDCH) match requirements to State General Fund (GF) and Federal Funds (Medicaid) to support the totality of the CMH program. These dollars in turn support the Michigan Mental Health Code required services and the Specialty Mental Health Services benefit to Medicaid beneficiaries.

Analysis Based on 2010 Local Match Obligation to MDCH

A.	\$ 509,000	Annual Fixed Local Match to Medicaid (this leverages \$41,541,778 in State and Federal share Medicaid)
B.	\$ 507,000	Annual Local Match to State Hospitals (this leverages \$2.3 million in State General Fund to pay state hospital bills, Medicaid cannot be used)
C.	\$ 483,000	Local Match to the Community Services Program which, with the exception of licensed residential, includes all professional services, such as local hospital care, psychiatry, nursing, case management pharmacy etc. (this leverages over \$4 million in State GENERAL FUND)
	\$1,499,000	Total Local Match Obligation of SCCMHA to MDCH
	- 1,050,303	Saginaw County Local Match
	\$ 448,697	Projected Local Match Obligation to SCCMHA (This obligation is met through interest earnings on CMH funds and receipts from third party commercial insurance billing)

3. A reduction of \$250,000 in Local County Match would have to be taken out of the Community Service Program section, see (C) above. The local match obligations to A and B above are contractually specified and reductions are not allowable. The impact of the proposed local match reduction would greatly magnify the revenue reduction to SCCMHA based on the 10/90 formula (Local/State) match ratio. The result would be $\$250,000 \times 9 = \2.25 million or a 56% reduction to the revenue that supports Community Services to uninsured/under insured persons with serious disabilities.

\$ 4.00 million SCCMHA Community Services Program MDCH Authorization
- 2.25 million Impact of a \$250,000 local match reduction
\$ 1.75 million Reduced Total 2011 Community Services Program Amount

Program, Staff and Consumer Impact: To reduce GF expenses by \$2.25 million would require the deletion of a large number of professional staff positions and subsequent lay-off of personnel. It would also require outsourcing to the private sector of the “must serve” clinical obligations in the State CMHSP contract, since a number of services would still need to be provided under the Michigan Mental Health Code to the most severely disabled persons, despite their uninsured or underinsured status. Outsourcing would be the most cost effective way, the only way really, to preserve these necessary and required services to the most disabled and those on forensic court orders. It is estimated 50-60 professional staff, comprised of: case managers, nurses, psychiatrists and support staff plus three clinical supervisors, would need to be separated. The staff reductions would need to go deeper than the targeted \$2.25 million in General Fund reductions because of the payer mix inside case loads and need to spend some General Fund to support Mental Health Code mandated services through expanded scope and capacity of existing private outsourced contract service.

In addition, 30-50 uninsured/underinsured adults with serious and persistent mental illness and 15-25 children with serious emotional disturbance would also need to be terminated from active treatment and placed on service waiting lists.

In closing, the \$1,050,303 in Local County Match to SCCMHA leverages huge State and Federal dollars. Any proposed reductions to this level of county financial match obligation, greatly magnifies the level of revenue reduction experienced by SCCMHA.

GENERAL FUND RESERVE BALANCES

Budget Stabilization Reserve

This recommended budget uses all (100 percent) of the County General Fund Budget Stabilization Reserves (rainy day funds) to balance the 2011 Budget.

The most recent audited financial report of the County listed Budget Stabilization Reserves at \$3,183,590. The Board authorized the use of \$905,000 of these reserves to use in this current 2010 Budget during December of 2009 as part of a mid-year budget adjustment. That leaves a total of \$2,278,590 for 2011 and beyond. This 2011 Recommended Budget uses this entire amount to balance.

Not using these reserves the County would have to identify \$2,278,590 more in reductions. A schedule of possible additional reductions is included on page 4 of the "Other Documents" tab of this transmittal.

Employee Payroll Reserve

The Board of Commissioners Policy is to maintain an Employee Payroll Reserve at a minimum amount of 50% of the most current Board Approved General Fund Budget for tax collections. This level of Reserve is required in the General Fund as tax revenues are not receipted until the 11th and 12th month of the fiscal year. Until the 11th and 12th month of the County Year we are able to make payroll because we have this Cash Flow Reserve. Without it the County would have to borrow to make payroll and thus have the new expenditure of interest expense and also miss out on more interest earnings. By law the County can only borrow (tax anticipation notes) up to a level of 50% of its expected tax collections, thus the minimum cash flow reserve is required to be the other 50% of tax collections.

This 2011 Budget does contain 50% of the expected 2011 tax collections per policy in the amount of \$11,163,459.

CAPITAL PROJECTS

Capital Outlay requests from the various departments and funding sources for such requests are included in Resolution C, which encompasses the projects or equipment that will be funded from the capital improvement fund during Fiscal 2011.

SUMMARY

The objective of this recommended 2011 Budget is to balance anticipated expenditures with expected levels of revenues while not damaging the County's Employee Payroll Reserve. *As mentioned earlier using Employee Payroll Reserve would create a new County Department funded by the tax payers. This new department would employ no one and provide no services to*

the tax payers. It could cost between \$800,000 and \$1.6 million a year. It would be called "Interest Expense to Pay Bills".

This budget does reduce staff by 51 positions.

This budget does use the entire amount of the Budget Stabilization Reserve in the amount of \$2,278,590.

This budget anticipates a reduction in property taxes of nearly 6% for 2011 which follows a 4% reduction in this 2010 year which followed a near 1% reduction in 2009.

The 2011 Budget is scheduled to be laid on the table at the August 24, 2010 Board of Commissioner meeting. Additionally, a public hearing and required public notice is scheduled for the same date.

Proposed adjustments to this 2011 Budget must be communicated in writing to the appropriate Standing Committee of the Board of Commissioners and must be balanced

Each of the Standing Committees will then review the proposed balanced adjustments, and if favored will forward them to the Budget and Audit Subcommittee of the Board of Commissioners. All proposed adjustments must be balanced or they cannot be considered. Final adoption of the 2011 Budget is scheduled for September 21, 2010.

OTHER CONSIDERATIONS

Across the Board Cuts

- They generally do not stand up when litigated in courts.
- They presume that all departments are currently budgeted at exactly the perfect level.
- They presume that all departments are deemed exactly as important as any and all other departments.
- They presume that all departments can be cut. For instance the Jail can be cut just as easily as Maintenance.
- They presume that all costs can be cut. For example a Judges Salary, Defined Benefit Retirement or City Water.

Local Jobs for America Act

Local Jobs for America Act – Federal H.R. 4812 is still being formalized as of this writing. This Bill could provide \$75 Billion over two years to local communities to hold off planned cuts or to hire back workers who have been laid-off because of tight budgets. Funding would go directly to eligible local communities to decide how best to use the funds.

H.R. 4812 is the first major proposal to provide local governments with direct and flexible fiscal assistance. Half of the funding will be used to retain employees who might otherwise lose their jobs because of budget shortfalls.

The program has no local match requirement.

There is no requirement to retain employees once the funding runs out. There would be two years of funding, and then it would be up to a city or county to retain employees funded by the program.

Employees would have to be hired full time with benefits, under existing contracts or agreements. The Federal Funding can be used to cover all costs, including salaries and benefits.

There is no cap on per-employee costs; however no more than 20 percent of the funds can be used for management employees.

While it is uncertain as to when implementation will happen or what level of funding Saginaw County could attain from this Bill; the County Board may desire to identify in order of priority the positions laid off that might be brought back for this temporary 2 year period. This would greatly facilitate the process for applying and using these funds if, and when they become available to Saginaw County.

Use of Reserves

The 5 Year Financial Forecast included as part of this communication recommends the County cut the Fiscal 2011 budget by 15%. However, it does indicate that the County could fund all current operations at current levels for at least the next two fiscal years. The ramifications of choice though are also included in the report. See page 5 of the “Other Documents” tab of this transmittal. Nevertheless, the option is available and is so stated here as part of this transmittal.

Special Millages

Unfortunately many important departments rely on excess General Fund money to fund their operations. When General Fund revenues fall as they are it becomes impossible to afford continued support to other funds.

There are approximately 320 Special Millages for counties within the State of Michigan today. They provide for a variety of services. Below is a list of services these millages cover today:

Seniors	Transit	Veterans
Medical Care Facilities	Library	Central Dispatch
Ambulance	Hospital	Parks & Recreation
Roads & Streets	Animal Control	Insect Control
Sheriff Road Patrol	Jail	Drug Enforcement
Airports	Building Debt	Community Action
MSU Extension	Economic Development	Conservation
Health Departments	Historical	Recycling
Juvenile	Drains	Land Preservation

The major reason for a Special Millage is to PROTECT and PRESERVE funding for a specific purpose voted by the taxpayers. When a Special Millage is approved the funds can only be used for the purpose approved and must be collected, accounted for, and audited separately from all other funds. They keep the debate out of a Board of Commissioners hands of where funds will be expended as they can by law only be expended on the specific purpose.

Should the County sense that the public not desire the reductions contained in this budget, or should the public impress upon the County that they do not desire the reductions contained in this budget; in that instance the Board may consider a Special Millage for that purpose.

It should be noted that Special Millages must be for single purpose issues. A County cannot ask the voters for a Special Millage that funds both Airports and Ambulance as that would be deemed multi-purpose. This does not mean that two comparatively similar functions could not be considered a single purpose.

For example, the County could place a single purpose Special Millage that would cover Law Enforcement Services. This single Special Millage could fund first responders including road patrol, detectives, sergeants, animal control officers etc. Under this type of single purpose (1 Special Millage question) both the Sheriff and the Animal Control could be covered as Law

Enforcement. Any such single purpose yet blended coverage millage would require legal review.

Special Revenue Funds

Commission on Aging, Parks and Recreation, Mosquito Control, and Road Patrol Millage Fund have all not been recommended for changes for 2011. It should be noted that these funds have accounted for a reduction of 4% of their major revenue source (property taxes) for 2011. It is expected however that in 2012 they will see a further reduction of up to 6% reduction in property taxes.

Do not hesitate to contact me should you have questions or require additional information.

Respectfully,



Marc A. McGill
Controller/CAO

C: All Judges
All Elected Officials
All Department Heads
All Funded Agencies

Budget Resolutions

RESOLUTION A

September 21, 2010

WHEREAS, The Saginaw County Board of Commissioners ("Board") has examined the 2009 annual financial report and budget requests for the 2011 Fiscal Year for the various departments, agencies, offices and activities ("Budgetary Centers"), which it by law or by policy must finance or assist in financing; and

WHEREAS, The Board has taken into consideration the fact that there are certain required functions of county government or operations which must be budgeted at serviceable levels in order to provide statutory and Constitutionally required services and programs; and

WHEREAS, The Uniform Budget and Accounting Act ("UBAA"), MCLA 141.421, et seq., requires that the Board enact a General Appropriation Act designed to appropriate for all County expenditures in the General Fund and all Special Revenue Funds; and

WHEREAS, The Board has the authority to enact a Special Appropriations Act designed to appropriate for all County expenditures in other County funds; and

WHEREAS, The Board has reviewed the Committee On Appropriation's recommended Budget for Fiscal 2011 and believes the same to contain funds sufficient to finance all mandatory County funded services at or beyond a serviceable level;

NOW, THEREFORE, BE IT RESOLVED, That the Fiscal 2011 Saginaw County Budget as summarized below and set forth in the Committee on Appropriation's recommended budget dated September 21, 2010, which is incorporated by reference herein, is hereby adopted on a fund and activity basis for all funds, subject to all County policies regarding the expenditure of funds and the conditions set forth in this Resolution. The Controller shall monitor each fund on an activity and a category basis and also provide appropriate interim financial reports.

SAGINAW COUNTY FISCAL 2011 BUDGET SUMMARY

FUND NAME	2011 BUDGET	GENERAL FUND APPRO.
General Operating	\$ 35,407,070	\$35,407,070
County Road Patrol Millage	1,857,734	-
Law Enforcement	1,390,606	694,656
Parks & Recreation	897,259	-
GIS System	161,581	-
Friend of Court	4,297,894	1,028,170
Health Services	13,868,935	599,046
Solid Waste Management	675,685	-
Lodging Excise Tax	1,772,000	-
Principal Resident Exemp Denial	20,000	-
Event Center	2,599,606	-
Castle Musm & Historical Society	994,908	-
Commission on Aging	4,154,998	-
Mosquito Abatement Commission	2,936,885	-
Dredged Materials Disposal Facility	13,000	-
Planning	671,478	23,774
Brownfield Redevelopment Authority	206,282	-
Economic Development Corp	236,811	-
Public Improvement	973,030	-
Courthouse Preservation Technology	268,800	-
Animal Control	375,768	284,518
Energy Reduction Revolving Loan	162,000	-
Land Reutilization Fund	493,008	-
Small Cities Reuse	313,348	-
Register of Deeds Automation Fund	178,000	-
E-911 Telephone Surcharge	5,417,482	-
Mobile Data Maint/Replace	683,500	-
Local Correction Officers Training	100,000	-
Area Records Management System	420,463	-
Law Library	50,360	43,860
County Library (Board)	55,000	-
MI Works-Service Centers	639,390	-
Michigan Works Administration	16,239,399	-
Remonumentation Grant	75,000	-
Special Projects	895,692	80,202
Sheriff Special Projects	2,972,461	493
Prosecutor Special Projects	428,022	61,257
Corrections Special Projects	285,856	-
MSU Extension Special Projects	682,658	199,057
Social Welfare	1,763,200	218,300
Child Care Probate/Juvenile Home	5,519,301	2,727,800
Child Care Welfare	816,160	408,260
Veterans Relief	22,000	22,000
Veterans Trust	82,000	-
Parking System	130,436	-
Delinquent Property Tax Foreclosure	1,613,432	-
Land Bank Authority	622,508	-
Airport	561,000	-
Inmate Services	918,000	-
Retiree Health Savings Plan	235,500	-
Information Systems & Services	1,801,180	-
Equipment Revolving Fund	126,823	-
Public Works	81,970	-
Local Site Remediation Revolving	284,300	-
Mailing Department Fund	388,000	-
Motor Pool	184,530	-
Risk Management	1,406,514	-
Investment Services	73,282	-
Employee Benefits	9,084,795	-
HealthSource Saginaw	967,998	-
Library (Penal)	684,500	-
Post Employment Health Benefits	5,236,203	-
Indigent Health Care Fund	1,136,000	920,000
Retirement System	6,738,615	-
TOTAL	<u>\$ 144,350,316</u>	<u>\$42,718,463</u>

BE IT FURTHER RESOLVED #1, That the bound copy of said Budget as presented to each member of the Board be designated as an official copy; and

BE IT FURTHER RESOLVED #2, That the following tax rates are hereby authorized to be levied for the 2010 tax year (Fiscal 2011 budget year) for a total County levy of 7.5784 mills including authorized debt service as summarized below:

2010 AUTHORIZED TAX RATES - FISCAL 2011 BUDGET MILLAGE SUMMARY

<u>Purpose</u>	<u>Millage</u>	<u>Fund</u>
General Govt Operations-July 2011	4.8558 Mill**	General Operating
County Parks	.1615 Mill	Parks & Recreation
Castle Museum	.1997 Mill	Castle Museum & Hist.
Hospital Operation	.2000 Mill	HealthSource Saginaw
Mosquito Control	.4993 Mill	Mosquito Abatement
Senior Citizens	.4300 Mill	Commission on Aging
County Event Center	.4493 Mill	Event Center
Law Enforcement	<u>-.3394 Mill</u>	Road Patrol
Total, Operating Millages	<u>7.1350 Mill</u>	
Debt-Hospital Bonds	<u>.4434 Mill</u>	Hospital Const. Debt
Total, Debt Millages	<u>-.4434 Mill</u>	
GRAND TOTAL	<u>7.5784 Mill</u>	

** July 2011 General Operating levy subject to the provisions of the Headlee Adjustment.

BE IT FURTHER RESOLVED #3, That the Board of Commissioners hereby authorizes a 9-1-1 Emergency Services Funding Assessment in an amount not to exceed \$2.65 per month. This charge shall be placed upon all devices capable of E 9-1-1 service. This charge may further be subject to the Michigan Public Service Commission and may be as low as \$2.18 per month; and

BE IT FURTHER RESOLVED #4, That the sum of \$144,350,316 as set forth in the Budget adopted by this Board is hereby appropriated for the use of several departments, for the purpose of defraying and paying boards of the County of Saginaw for all costs and expenses of every kind and nature, incident to every County function for the fiscal year beginning October 1, 2010 and ending September 30, 2011; and

BE IT FURTHER RESOLVED #5, That said sum is appropriated to and shall be available for expenditures from several funds in accordance with the law, and no obligation or liability shall be incurred, nor any vouchers drawn in payment thereof by any County department, which shall not be confined to the objects or categories of expenditures but, which shall exceed the amount appropriated therefore, as set forth in the categories of said budget; and

BE IT FURTHER RESOLVED #6, That all County elected officials and County department heads shall abide by the Purchasing Procedures and Personnel Manuals, as adopted and amended by this Board and that the budgeted funds are appropriated contingent upon compliance with said Purchasing Procedures and Personnel Manual; and

BE IT FURTHER RESOLVED #7, That the approved employee positions on the Position Control Number Roster List contained in the Budget, shall limit the number of employees who can be employed and no funds are appropriated for any position or employee not on the Approved Position Control Number Roster. Further, there may be a need to increase or decrease various positions within the Budget and/or impose a hiring freeze and/or impose lay-off's due to the unforeseen financial changes; therefore, the Approved Position Control Number Roster List may be changed from time to time by the Board and/or the Board may impose a hiring freeze. The County elected officials and County department heads shall abide by whatever changes are made by the Board, if any, relative to the approved positions and the number of employees stated in the Position Control Number Roster List; and

BE IT FURTHER RESOLVED #8, That the authorized positions in the Position Control Number Roster List contained in each budget indicates the authorized maximum number of employees in their respective classifications for that budget. Any deviations from said list must be specifically approved by the Board; and

BE IT FURTHER RESOLVED #9, That certain positions contained in the Position Control Number Roster List which are supported in some part by a grant, cost sharing, child care reimbursement, or other source of outside funding, are only approved contingent upon the County receiving the budgeted revenues. In the event outside funding is not received, or the County is notified that it will not be received, then said positions shall be considered unfunded and removed from the Approved Position Control Number Roster List; and

BE IT FURTHER RESOLVED #10, That the Controller is authorized upon request of the respective elected official or department head to transfer persons from certain positions contained in the Position Control Number Roster List, which are supported in some part by grant, cost sharing, child care reimbursement or other source of outside funding, to another grant funded position in order to reduce County cost; and

BE IT FURTHER RESOLVED #11, That the County shall designate 16 beds in the County jail for rental to the federal government in order to meet revenue projections for the 2011 Budget Year; and

BE IT FURTHER RESOLVED #12, That revenues received by the County under Public Act 106 and 107, 1985 (Convention Facility Tax revenues) shall not be used to reduce the County's operating millage levy (2011 Budget Year) as defined by Public Act 2, 1986; and

BE IT FURTHER RESOLVED #13, That in accordance with Public Act 106 of 1985 and Public Act 2 of 1986, if 50% or approximately \$542,037 of the estimated \$1,084,073 Convention Facility Tax revenues not used to reduce the County's operating tax rate, shall be transmitted to the Saginaw/Bay Substance Abuse Coordinating Agency with remaining revenues to be deposited in the County's General Fund; and

BE IT FURTHER RESOLVED #14, That the revenues received by the County under Public Act 264 of 1987 (Health and Safety Fund Act) shall not be used to reduce the County's operating millage levy (2011 Budget Year); and

BE IT FURTHER RESOLVED #15, That in accordance with Public Act 264 of 1987 that 12/17 or approximately \$13,646 of the estimated \$19,332 Cigarette Tax revenues, not used to reduce the County's operating tax rate shall be appropriated to the County Health Department Budget, for Public Health prevention programs and services; and

BE IT FURTHER RESOLVED #16, That in accordance with Public Act 264 of 1987 that 5/17 or approximately \$5,686 of the estimated \$19,332 Cigarette Tax revenues, not used to reduce the County's operating tax rate shall be used for personnel and operation costs in excess of Prosecutor's Department, 1988 appropriation levels for Court Operations; and

BE IT FURTHER RESOLVED #17, That the Controller be, and hereby is appointed "Budget Administrator," pursuant to the Uniform Budget and Accounting Act, MCLA 141.421 et seq., with power to administer such duties in connection with said budget; and

BE IT FURTHER RESOLVED #18, That the Budget Administrator be directed to disburse to the various agencies, the approved County appropriation on the basis of need as determined by the cash balances within their respective funds; and

BE IT FURTHER RESOLVED #19, That the County Controller be authorized to transfer monies from one category to another within an activity and between activities within the same fund in an amount up to \$50,000 when it shall be deemed necessary and a quarterly report of all transfers shall be made to the Budget/Audit Committee; and

BE IT FURTHER RESOLVED #20, That the Chairman of the Board, upon recommendation of the County Controller, be authorized to accept grants on behalf of the County in an amount up to \$50,000 with a local match not to exceed 10% (\$5,000), if required, and if available within the requesting department's current budget, and to record the appropriate budget adjustment. A quarterly report of all budget adjustments and grants accepted shall be made to the Budget/Audit Committee; and

BE IT FURTHER RESOLVED #21, That the County Controller is authorized to cause the drafting of contracts where necessary and appropriate within established budgetary limitations and that the Chairman of the Board is authorized to sign said contracts after the appropriate Elected Official/Department Head approves each contract as to lawful expenditure and the Controller approves each contract as to substance and the County Attorney approves each contract as to legal form; and

BE IT FURTHER RESOLVED #22, That the Controller is required and directed to automatically reduce any department each time a reduction is made in Federal, State and local funds. The affected department head shall promptly make the necessary lay-offs and advise those affected by the service that those services are being discontinued as a result of Federal, State, or local fund cutbacks; and

BE IT FURTHER RESOLVED #23, That the Sheriff Department be authorized to enter into law enforcement contracts which shall not result in any appropriation from the General Fund and that each separate contract for law

enforcement services shall be approved by the Controller, Chairman of the Board, and County Attorney, and further provided that the Sheriff is authorized with the concurrence of the Controller, to add additional staff to perform the work as specified in the contract provided that said contract will generate all funds necessary to support the added position; and

BE IT FURTHER RESOLVED #24, That the County policy on travel being Policy #351, upon approval of this budget, will be amended to include within Section 6.4 titled "Budget for Travel Related Expenses"; that all out-of-state travel must be reviewed and approved by the appropriate standing committee of the Board of Commissioners before any expenses related to such out-of-state travel can be expended by the County of Saginaw; and

BE IT FURTHER RESOLVED #25, The Board of Commissioners hereby ratified or implemented the following labor agreements: Teamsters Local 214 Health Department and Commission on Aging - expires 2013; COAM-Sheriff Unit III Captains & Lieutenants - expires 2012; POAM-Animal Control Officers - expires 2012; GELC-Family Division Probation Officers - expires 2012; GELC Detention Supervisors - expires 2012; UAW Managers - expires 2013; UAW Professionals - expires 2013; UAW Paraprofessionals - expires 2013; and Controller/CAO contract - expires 2012; and

BE IT FURTHER RESOLVED #26, That if it is determined that the 2011 General Fund Budget shall have a budget surplus, that two-thirds (2/3) of any such budget surplus shall be transferred to the General Public Improvement Fund, and the remaining one-third (1/3) to the General Fund Reserve Fund Balance Account.

Respectfully submitted,

COMMITTEE ON APPROPRIATIONS

Cheryl M. Hadsall, Chair
Eddie F. Foxx, Vice-Chair

SAGINAW COUNTY, MICHIGAN
BUDGET SUMMARY FOR 2011

FUND	TOTAL BUDGET				GENERAL FUND APPROPRIATION			
	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE DECREASE	PERCENT INCREASE DECREASE	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE DECREASE	PERCENT INCREASE DECREASE
101 GENERAL OPERATING	35,095,378	35,407,070	311,692	0.88	35,095,378	35,407,070	311,692	0.88
205 COUNTY ROAD PATROL MILLAGE	1,800,405	1,857,734	57,329	3.18				
207 LAW ENFORCEMENT	2,736,193	1,390,606	-1,345,587	-49.17	1,940,303	694,656	-1,245,647	-64.19
208 PARKS & RECREATION	936,289	897,259	-39,030	-4.16				
211 GIS SYSTEM	163,945	161,581	-2,364	-1.44				
215 FRIEND OF COURT	4,479,863	4,297,894	-181,969	-4.06	702,637	1,028,170	325,533	46.33
221 HEALTH SERVICES	14,549,571	13,868,935	-680,636	-4.67	599,046	599,046		
228 SOLID WASTE MANAGEMENT	654,240	675,685	21,445	3.27				
229 LODGING EXCISE TAX	1,772,000	1,772,000						
230 PRINCIPAL RESIDEN EXEMP DE	20,000	20,000						
232 EVENT CENTER	2,688,323	2,599,606	-88,717	-3.30				
233 CASTLE MUSM & HISTORICAL A	1,030,853	994,908	-35,945	-3.48				
238 COMMISSION ON AGING	4,263,726	4,154,998	-108,728	-2.55				
240 MOSQUITO ABATEMENT COMMISS	2,980,254	2,936,885	-43,369	-1.45				
241 DREDGED MATERIALS DISPOSAL	340,000	13,000	-327,000	-96.17				
242 PLANNING	740,637	671,478	-69,159	-9.33	21,000	23,774	2,774	13.20
243 BROWNFIELD REDEVELOPMENT A	206,282	206,282						
244 ECONOMIC DEVELOPMENT CORP	236,799	236,811	12					
245 PUBLIC IMPROVEMENT	452,125	973,030	520,905	115.21				
247 COURTHOUSE PRESERVATION TE	268,800	268,800						
250 ANIMAL CONTROL	746,002	375,768	-370,234	-49.63	590,559	284,518	-306,041	-51.82
251 ENERGY REDUCTION REVOLV LO	162,000	162,000						
252 LAND REUTILIZATION FUND	499,132	493,008	-6,124	-1.22				
254 SMALL CITIES REUSE	383,378	313,348	-70,030	-18.26				
256 REGISTER OF DEEDS AUTOMATI	178,000	178,000						
260 E-911 TELEPHONE SURCHARGE	5,417,482	5,417,482						
263 MOBILE DATA MAINT/REPLACE	682,000	683,500	1,500	0.21				
264 LOCAL CORRECTION OFFICER T	100,000	100,000						
267 AREA RECORDS MANAGEMENT SY	360,636	420,463	59,827	16.58				
269 LAW LIBRARY	77,362	50,360	-27,002	-34.90	52,600	43,860	-8,740	-16.61
271 COUNTY LIBRARY (BOARD)	55,000	55,000						
274 MI WORKS-SERVICE CENTERS	605,480	639,390	33,910	5.60				
276 MICHIGAN WORKS ADMINISTRAT	24,995,001	16,239,399	-8,755,602	-35.03				
277 REMONUMENTATION GRANT	75,000	75,000						
278 SPECIAL PROJECTS	952,900	895,692	-57,208	-6.00	89,146	80,202	-8,944	-10.03
280 SHERIFF-SPECIAL PROJECTS	3,386,723	2,972,461	-414,262	-12.23	328	493	165	50.30
282 PROSECUTOR-SPECIAL PROJECT	711,539	428,022	-283,517	-39.84	290,265	61,257	-229,008	-78.89
284 CORRECTIONS-SPECIAL PROJEC	268,868	285,856	16,988	6.31				
286 MSU EXTENSION-SPECIAL PROJ	812,937	682,658	-130,279	-16.02	232,937	199,057	-33,880	-14.54
290 SOCIAL WELFARE	1,764,000	1,763,300	-700	-0.04	219,000	218,300	-700	-0.32
292 CHILD CARE-PROBATE/JUVENIL	5,936,522	5,519,301	-417,221	-7.02	2,839,260	2,727,800	-111,460	-3.92
292 CHILD CARE-WELFARE/RECEIV.	878,160	816,160	-62,000	-7.06	389,260	408,260	19,000	4.88
293 VETERANS RELIEF	22,000	22,000			22,000	22,000		
294 VETERANS TRUST	82,000	82,000						
516 PARKING SYSTEM	123,000	130,436	7,436	6.04				
526 DELINQUENT PROP TAX FORECL	1,960,332	1,613,432	-346,900	-17.69				
536 LAND BANK AUTHORITY	628,632	622,508	-6,124	-0.97				
581 AIRPORT	561,000	561,000						
595 INMATE SERVICES	948,000	918,000	-30,000	-3.16				
627 RETIREE HEALTH SAVINGS PLA	231,000	235,500	4,500	1.94				
631 MERS RETIREMENT FUND	3,135,400	4,060,200	924,800	29.49				
636 INFORMATION SYSTEMS & SERV	1,824,569	1,801,180	-23,389	-1.28				
638 EQUIPMENT REVOLVING FUND	181,061	126,823	-54,238	-29.95				
641 PUBLIC WORKS	102,464	81,970	-20,494	-20.00				
644 LOCAL SITE REMEDIATION REV	284,300	284,300						
653 MAILING DEPARTMENT FUND	388,000	388,000						
661 MOTOR POOL	540,916	184,530	-356,386	-65.88				
677 RISK MANAGEMENT	1,332,851	1,406,514	73,663	5.52				
692 INVESTMENT SERVICES	72,000	73,282	1,282	1.78				
698 EMPLOYEE BENEFITS	9,038,476	9,084,795	46,319	0.51				
711 HEALTHSOURCE SAGINAW	1,007,490	967,998	-39,492	-3.92				
721 LIBRARY (PENAL)	601,000	684,500	83,500	13.89				
728 POSTEMPLOYMENT HEALTH BENE	4,815,203	5,236,203	421,000	8.74				
731 DC PENSION TRUST FUND	2,701,491	2,678,415	-23,076	-0.85				
750 INDIGENT HEALTH CARE FUND	1,136,000	1,136,000			920,000	920,000		
GRAND TOTAL	156,180,990	144,350,316	-11,830,674	-7.57	44,003,719	42,718,463	-1,285,256	-2.92

SAGINAW COUNTY, MICHIGAN
GENERAL OPERATING
BUDGET SUMMARY FOR 2011

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE -DECREASE	PERCENT INCREASE -DECREASE
<u>REVENUE</u>						
TAXES	24,650,444	24,523,901	23,726,989	22,326,918	-1,400,071	-5.91
BUSINESS LICENSES & PERMITS	247,241	305,245	295,875	265,425	-30,450	-10.30
FEDERAL GRANTS	566,246	510,357	561,172	539,920	-21,252	-3.79
STATE GRANTS	2,828,935	2,854,280	6,804,299	6,835,135	30,836	0.45
CHARGES FOR SERVICES-COSTS	1,300,463	1,272,812	1,335,440	1,335,440		
CHARGES FOR SERVICES-FEES	2,621,904	2,683,280	2,564,750	2,615,850	51,100	1.99
CHARGES FOR SERVICES-RENDERED	467,103	468,225	483,100	487,100	4,000	0.82
CHARGES FOR SERVICES-SALES	42,594	22,646	42,000	34,500	-7,500	-17.86
CHARGES FOR SERVICES-USER FEES	973	2,824				
FINES & FORFEITS	868,893	930,875	765,800	815,800	50,000	6.52
INTEREST EARNED	554,234	254,053	202,000	125,426	-76,574	-37.91
RENTS & LEASES	204,976	160,441	146,269	137,778	-8,491	-5.81
REIMBURSEMENTS	3,359,127	3,219,941	2,835,939	3,114,689	278,750	9.82
OTHER REVENUES	19,503	2,933				
TOTAL REVENUE	37,732,637	37,211,814	39,763,633	38,633,981	-1,129,652	-2.85
<u>TRANSFERS-IN</u>						
100% TAX PAYMENT	2,850,000	1,550,000	1,550,000	1,500,000	-50,000	-3.23
INMATE SERVICES FUND	275,892	275,892	275,892	275,892		
MOTOR POOL	11,951	190,000	190,000		-190,000	-100.00
SP COMMUNITY CORRECTIONS	30,000	30,000	30,000	30,000		
REVENUE SHARING RESERVE	4,375,559	5,325,656				
INVESTMENT POOL		59,666				
TOTAL TRANSFERS-IN	7,543,402	7,431,213	2,045,892	1,805,892	-240,000	-11.74
FUND BALANCE			2,194,194	2,278,590	84,396	3.84
TOTAL REVENUE & TRANSFERS-IN	45,276,039	44,643,027	44,003,719	42,718,463	-1,285,256	-2.93

SAGINAW COUNTY, MICHIGAN
GENERAL OPERATING
BUDGET SUMMARY FOR 2011

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE -DECREASE	PERCENT INCREASE -DECREASE
<u>EXPENSE</u>						
LEGISLATIVE	792,294	824,319	715,474	669,000	-46,474	-6.50
JUDICIAL	11,591,153	11,814,190	12,019,838	12,042,539	22,701	0.18
GENERAL GOVERNMENT	11,413,573	11,454,393	11,722,487	11,349,346	-373,141	-3.19
PUBLIC SAFETY	8,977,672	8,508,762	8,546,267	9,272,981	726,714	8.50
PUBLIC WORKS	424,195	255,509	277,000	277,000		
HEALTH AND WELFARE	452,389	444,565	480,209	492,901	12,692	2.64
OTHER FUNCTIONS	1,489,652	1,482,225	1,334,103	1,303,303	-30,800	-2.31
TOTAL EXPENSE	35,140,928	34,783,962	35,095,378	35,407,070	311,692	0.88
<u>TRANSFERS-OUT</u>						
TO OTHER FUNDS	880,568	600,000	920,000	920,000		
ANIMAL SHELTER	704,000	612,043	590,559	284,518	-306,041	-51.83
INFORMATION SERVICES	1,109,000					
AIRPORT	88,000					
LAW ENFORCEMENT	2,286,500	1,910,962	1,940,303	694,656	-1,245,647	-64.20
FOC-ACT 294	1,157,155	901,524	702,637	1,028,170	325,533	46.33
CHILD CARE-PROBATE	3,096,158	2,154,810	2,839,260	2,727,800	-111,460	-3.93
CHILD CARE-WELFARE	469,260	263,098	389,260	408,260	19,000	4.88
SHERIFF SPECIAL PROJECTS	17,499	311	328	493	165	50.30
HEALTH DEPARTMENT	638,478	919,046	599,046	599,046		
LAW LIBRARY	36,351	50,033	52,600	43,860	-8,740	-16.62
MSU EXT SPECIAL PROJECT	272,321	195,569	232,937	199,057	-33,880	-14.55
EMERGENCY SERVICES	113,500	87,660	89,146	80,202	-8,944	-10.04
PLANNING COMMISSION	79,620	17,420	21,000	23,774	2,774	13.20
SOCIAL SERVICES	226,319	216,747	219,000	218,300	-700	-0.32
SOLDIERS RELIEF	19,131	18,067	22,000	22,000		
PROSECUTOR SPECIAL PROJ	254,743	116,699	290,265	61,257	-229,008	-78.90
DPW-ADMINISTRATION		44,811				
PUBLIC IMPROVEMENT		1,312,699				
TOTAL TRANSFERS-OUT	11,448,603	9,421,499	8,908,341	7,311,393	-1,596,948	-17.93
TOTAL EXPENSE & TRANSFERS OUT	46,589,531	44,205,461	44,003,719	42,718,463	-1,285,256	-2.93

SAGINAW COUNTY, MICHIGAN
GENERAL OPERATING
EXPENSE BUDGET BREAKDOWN FOR 2011

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE -DECREASE	PERCENT INCREASE -DECREASE
<u>EXPENSE</u>						
LEGISLATIVE						
BOARD OF COMMISSIONERS	792,294	824,319	715,474	669,000	-46,474	-6.50
LEGISLATIVE	792,294	824,319	715,474	669,000	-46,474	-6.50
JUDICIAL						
CIRCUIT COURT	2,141,026	2,200,066	2,176,998	2,196,730	19,732	0.90
CIRCUIT CT/DUE PROCESS	1,164,041	1,217,329	1,205,765	1,269,000	63,235	5.24
PROBATION-CIRCUIT COURT	96,591	83,064	94,002	100,023	6,021	6.40
DISTRICT COURT	3,306,365	3,626,830	3,691,494	3,870,831	179,337	4.85
PROBATION-DISTRICT COURT	976,991	1,031,019	1,077,377	934,943	-142,434	-13.23
PROBATE COURT	855,076	790,638	853,761	814,714	-39,047	-4.58
FAMILY DIVISION	2,945,792	2,736,358	2,787,688	2,713,154	-74,534	-2.68
ASSIGNED COUNSEL ADMIN	103,771	127,468	131,253	141,644	10,391	7.91
JURY COMMISSION	1,500	1,417	1,500	1,500		
JUDICIAL	11,591,153	11,814,190	12,019,838	12,042,539	22,701	0.18
GENERAL GOVERNMENT						
ELECTIONS	136,462	76,248	78,700	78,700		
AUDITING	153,523	103,876	113,900	115,000	1,100	0.96
CORPORATION COUNSEL	142,704	153,704	154,000	154,000		
COUNTY CLERK	995,227	1,119,299	1,154,008	1,150,246	-3,762	-0.33
CONTROLLER-ADMINISTRATION	339,348	343,747	410,082	367,365	-42,717	-10.42
CONTROLLER-FINANCIAL MGMT	558,181	496,443	516,745	423,055	-93,690	-18.14
CONTROLLER-PERSONNEL	291,239	250,917	266,760	260,586	-6,174	-2.32
EQUALIZATION	445,728	432,511	453,409	429,118	-24,291	-5.36
PROSECUTING ATTORNEY	2,922,802	3,032,895	3,120,872	3,054,871	-66,001	-2.12
PROSECUTOR-WELFARE ENFORCEMENT	561,595	553,191	587,200	555,000	-32,200	-5.49
REGISTER OF DEEDS	468,376	517,612	512,527	470,299	-42,228	-8.24
REGISTER OF DEEDS MICROFILM	64,928	81,496	83,456	91,136	7,680	9.20
COUNTY TREASURER	723,989	729,014	758,061	686,412	-71,649	-9.46
COUNTY OFFICE BLDG & GRDS	272,052	235,390	267,302	284,033	16,731	6.25
COURTHOUSE & JAIL BLDG & GRDS	1,712,248	1,745,056	1,649,738	1,654,036	4,298	0.26
JUVENILE CTR BLDG & GROUNDS	169,644	200,044	195,868	200,487	4,619	2.35
MOTHER COUNTY PROPERTIES	915,242	808,052	799,945	792,622	-7,323	-0.92
MORLEY BUILDING	110,851	112,978	123,829	124,977	1,148	0.92
PUBLIC WORKS/DRAIN DIVISION	335,870	372,130	374,085	355,403	-18,682	-5.00
TELEPHONE-CENTRAL SWITCHBOARD	93,564	89,790	102,000	102,000		
GENERAL GOVERNMENT	11,413,573	11,454,393	11,722,487	11,349,346	-373,141	-3.19
PUBLIC SAFETY						
SHERIFF'S OFFICE	867,592	795,730	752,283	770,435	18,152	2.41
CORRECTIONS REIMB PROGRAM	171,153	128,419	85,160	74,157	-11,003	-12.93
MARINE LAW ENFORCEMENT	6,139	6,478	8,620	8,717	97	1.12
SHERIFF'S DEPT JAIL DIVISION	7,932,120	7,577,856	7,699,604	8,419,072	719,468	9.34
PLAT BOARD	668	280	600	600		
PUBLIC SAFETY	8,977,672	8,508,762	8,546,267	9,272,981	726,714	8.50
PUBLIC WORKS						
DRAIN-CTY AT LARGE	424,195	255,509	277,000	277,000		
PUBLIC WORKS	424,195	255,509	277,000	277,000		

SAGINAW COUNTY, MICHIGAN
GENERAL OPERATING
EXPENSE BUDGET BREAKDOWN FOR 2011

	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2011 BUDGET	AMOUNT INCREASE -DECREASE	PERCENT INCREASE -DECREASE
HEALTH AND WELFARE						
MEDICAL EXAMINER	333,889	348,865	360,209	372,901	12,692	3.52
VETERANS BURIAL ALLOWANCE	118,500	95,700	120,000	120,000		
HEALTH AND WELFARE	452,389	444,565	480,209	492,901	12,692	2.64
OTHER FUNCTIONS						
REPAYMENT-UNALLOWABLE COSTS		156,987				
GRANT-UNDERGROUND RAILROAD	22,500	22,500	25,500	25,500		
VISION 2020	15,000					
SAGINAW AREA STORM WATER AUTH	5,781	7,783	10,000	8,000	-2,000	-20.00
CITY OF SAGINAW-LIAISON COMMIT	5,000	5,000	5,000		-5,000	-100.00
SAGINAW SOIL CONSERVATION DIST	7,500					
SAG CTY HUMAN SERVICES COLLAB	1,000					
CONTRIBUTION-GIS AUTHORITY	82,568	89,652	93,300	69,500	-23,800	-25.51
MENTAL HEALTH AUTHORITY	1,050,303	1,050,303	1,050,303	1,050,303		
SAGINAW FUTURE-JOBS	150,000	150,000	150,000	150,000		
SAGINAW FUTURE-TAX BASE INCR	150,000					
OTHER FUNCTIONS	1,489,652	1,482,225	1,334,103	1,303,303	-30,800	-2.31
TOTAL EXPENSE	35,140,928	34,783,962	35,095,378	35,407,070	311,692	0.88
TRANSFERS-OUT						
TO OTHER FUNDS	880,568	600,000	920,000	920,000		
ANIMAL SHELTER	704,000	612,043	590,559	284,518	-306,041	-51.83
INFORMATION SERVICES	1,109,000					
AIRPORT	88,000					
LAW ENFORCEMENT	2,286,500	1,910,962	1,940,303	694,656	-1,245,647	-64.20
FOC-ACT 294	1,157,155	901,524	702,637	1,028,170	325,533	46.33
CHILD CARE-PROBATE	3,096,158	2,154,810	2,839,260	2,727,800	-111,460	-3.93
CHILD CARE-WELFARE	469,260	263,098	389,260	408,260	19,000	4.88
SHERIFF SPECIAL PROJECTS	17,499	311	328	493	165	50.30
HEALTH DEPARTMENT	638,478	919,046	599,046	599,046		
LAW LIBRARY	36,351	50,033	52,600	43,860	-8,740	-16.62
MSU EXT SPECIAL PROJECT	272,321	195,569	232,937	199,057	-33,880	-14.55
EMERGENCY SERVICES	113,500	87,660	89,146	80,202	-8,944	-10.04
PLANNING COMMISSION	79,620	17,420	21,000	23,774	2,774	13.20
SOCIAL SERVICES	226,319	216,747	219,000	218,300	-700	-0.32
SOLDIERS RELIEF	19,131	18,067	22,000	22,000		
PROSECUTOR SPECIAL PROJ	254,743	116,699	290,265	61,257	-229,008	-78.90
DPW-ADMINISTRATION		44,811				
PUBLIC IMPROVEMENT		1,312,699				
TOTAL TRANSFERS-OUT	11,448,603	9,421,499	8,908,341	7,311,393	-1,596,948	-17.93
TOTAL EXPENSE & TRANSFERS OUT	46,589,531	44,205,461	44,003,719	42,718,463	-1,285,256	-2.93

SAGINAW COUNTY, MICHIGAN
BUDGET SUMMARY FOR 2011
AUTHORIZED PERSONNEL

	AUTHORIZED AS OF 5/20/2010	PROPOSED AS OF 10/1/2010	INCREASE -DECREASE- FROM AUTHORIZED
GENERAL OPERATING			
BOARD OF COMMISSIONERS	18.00	18.00	
CIRCUIT COURT	27.75	27.00	-0.75
DISTRICT COURT	50.00	50.00	
PROBATION-DISTRICT COURT	12.00	10.00	-2.00
PROBATE COURT	9.00	8.00	-1.00
FAMILY DIVISION	23.50	22.50	-1.00
ASSIGNED COUNSEL ADMIN	1.00	1.00	
COUNTY CLERK	18.00	17.00	-1.00
CONTROLLER-ADMINISTRATION	2.40	2.40	
CONTROLLER-FINANCIAL MGMT	5.90	5.20	-0.70
CONTROLLER-PERSONNEL	2.00	2.00	
EQUALIZATION	5.20	4.70	-0.50
PROSECUTING ATTORNEY	28.00	26.00	-2.00
PROSECUTOR-WELFARE ENFORCEMENT	6.00	6.00	
REGISTER OF DEEDS	7.00	6.00	-1.00
REGISTER OF DEEDS MICROFILM	1.00	1.00	
COUNTY TREASURER	8.53	7.53	-1.00
COUNTY OFFICE BLDG & GRDS	1.00	1.00	
COURTHOUSE & JAIL BLDG & GRDS	11.00	10.00	-1.00
OTHER COUNTY PROPERTIES	8.00	8.00	
PUBLIC WORKS/DRAIN DIVISION	3.44	3.09	-0.35
SHERIFF'S OFFICE	7.00	7.00	
CORRECTIONS REIMB PROGRAM	1.20	1.00	-0.20
SHERIFF'S DEPT JAIL DIVISION	64.00	64.00	
MEDICAL EXAMINER	1.60	1.60	
	<hr/>	<hr/>	
TOTAL-GENERAL OPERATING	322.52	310.02	-12.50
COUNTY ROAD PATROL MILLAGE			
COUNTY ROAD PATROL MILLAGE	14.50	14.50	
	<hr/>	<hr/>	
TOTAL-COUNTY ROAD PATROL MILLAGE	14.50	14.50	
LAW ENFORCEMENT			
SHERIFF-OPERATIONS DIVISION	25.50	10.00	-15.50
	<hr/>	<hr/>	
TOTAL-LAW ENFORCEMENT	25.50	10.00	-15.50
PARKS & RECREATION			
PARKS & RECREATION COMMISSION	5.00	5.00	
	<hr/>	<hr/>	
TOTAL-PARKS & RECREATION	5.00	5.00	
GIS SYSTEM			
GIS SYSTEM	1.80	1.80	
	<hr/>	<hr/>	
TOTAL-GIS SYSTEM	1.80	1.80	
FRIEND OF COURT			
FOC-ACT 294	48.00	44.00	-4.00
	<hr/>	<hr/>	
TOTAL-FRIEND OF COURT	48.00	44.00	-4.00

SAGINAW COUNTY, MICHIGAN
BUDGET SUMMARY FOR 2011
AUTHORIZED PERSONNEL

	AUTHORIZED AS OF 5/20/2010	PROPOSED AS OF 10/1/2010	INCREASE -DECREASE- FROM AUTHORIZED
HEALTH SERVICES			
ADMINISTRATION-HEALTH	8.00	8.00	
AIDS COUNSELING/TESTING	0.65	0.65	
FAMILY PLANNING	8.00	8.00	
LABORATORY SERVICES	4.50	4.50	
NURSING SERVICES	24.35	20.85	-3.50
SEXUALLY TRANSMITTED DISEASE	3.00	2.00	-1.00
WOMEN,INFANTS & CHILDREN	8.00	8.00	
GREAT BEGINNINGS	7.00	6.50	-0.50
CHILDHOOD LEAD POISON PREVENT	0.50	0.50	
DENTAL SERVICES	2.00	2.00	
SUBSTANCE ABUSE CA	3.00	3.00	
B.A.S.A.R.A.	4.00	4.00	
ENVIRONMENTAL HEALTH	14.00	13.50	-0.50
CSHCS OUTREACH & ADVOCACY	2.00	1.50	-0.50
BIOTERRORISM EMERGENCY PREP.	1.50	1.50	
HEALTH EDUCATION	0.50	0.50	
HEALTH CENTER BLDG & GRDS	4.00	4.00	
	<hr/>		
TOTAL-HEALTH SERVICES	95.00	89.00	-6.00
COMMISSION ON AGING			
SENIOR SERVICES	7.70	7.45	-0.25
TRANSPORTATION	6.00	6.00	
FOSTER GRANDPARENTS	1.80	1.80	
CAREGIVER SUPPORT PROGRAM	1.15	1.15	
MINORITY OUTREACH	0.70	0.70	
MINORITY STAFFING	0.60	0.60	
SENIOR CENTER STAFFING	2.38	2.38	
NUTRITION III C-1 CONGRE	3.85	3.85	
NUTRITION III C-2 HDM	11.91	11.91	
CASE MGMT-TITLE III-B	3.55	3.55	
IN-HOME SUPPORT SERVICES	0.75	1.00	0.25
CARE MANAGEMENT	2.90	2.90	
	<hr/>		
TOTAL-COMMISSION ON AGING	43.29	43.29	
MOSQUITO ABATEMENT COMMISSION			
ADMINISTRATION-MOSQUITO CONTRL	3.00	3.00	
ENTOMOLOGY SERVICES	1.00	1.00	
FIELD SERVICES	5.00	5.00	
SOURCE REDUCTION	1.06	1.06	
EDUCATION SERVICES	1.00	1.00	
	<hr/>		
TOTAL-MOSQUITO ABATEMENT COMMISS	11.06	11.06	
PLANNING			
PLANNING COMMISSION	3.00	3.00	
	<hr/>		
TOTAL-PLANNING	3.00	3.00	
ANIMAL CONTROL			
ANIMAL CONTROL	7.00	2.50	-4.50
	<hr/>		
TOTAL-ANIMAL CONTROL	7.00	2.50	-4.50

SAGINAW COUNTY, MICHIGAN
BUDGET SUMMARY FOR 2011
AUTHORIZED PERSONNEL

	AUTHORIZED AS OF 5/20/2010	PROPOSED AS OF 10/1/2010	INCREASE -DECREASE- FROM AUTHORIZED
AREA RECORDS MANAGEMENT SYSTEM			
AREA RECORDS MANAGEMENT SYSTEM	1.00	1.00	
TOTAL-AREA RECORDS MANAGEMENT SY	1.00	1.00	
LAW LIBRARY			
LAW LIBRARY	0.25		-0.25
TOTAL-LAW LIBRARY	0.25		-0.25
MICHIGAN WORKS ADMINISTRATION			
MICHIGAN WORKS ADMINISTRATION	14.75	15.75	1.00
DISABILITY NAVIGATOR	1.00		-1.00
MI PRISONER REENTRY INITIATIVE	1.00		-1.00
TOTAL-MICHIGAN WORKS ADMINISTRAT	16.75	15.75	-1.00
SPECIAL PROJECTS			
DIST COURT-ALCOHOL CASEFLOW	1.00	1.00	
DRAIN DIVISION-MAINTENANCE	1.00	1.00	
OFFICE OF EMERGENCY SERVICES	1.50	1.25	-0.25
TOTAL-SPECIAL PROJECTS	3.50	3.25	-0.25
SHERIFF-SPECIAL PROJECTS			
SELECTIVE ENFORCEMENT	2.00	2.00	
JAG 2007-2010	1.00		-1.00
JAG STIMULUS 2009-2012		1.00	1.00
MOTOR CARRIER ENFORCEMENT	1.00	1.00	
PLUS-HOME SURVEILLANCE PROGRAM	4.00	4.00	
TOTAL-SHERIFF-SPECIAL PROJECTS	8.00	8.00	
PROSECUTOR-SPECIAL PROJECTS			
PROSECUTOR'S AUTO THEFT DIV.	1.00	1.00	
PROSECUTOR'S VICTIM'S RIGHTS	3.00	3.00	
PROSECUTOR'S ASSET FORFEITURE	2.00		-2.00
SAGINAW INNER CITY INITIATIVE	1.00	1.00	
PROPERTY CRIME TASK FORCE	1.00		-1.00
TOTAL-PROSECUTOR-SPECIAL PROJECT	8.00	5.00	-3.00
CORRECTIONS-SPECIAL PROJECTS			
COMMUNITY CORRECTIONS ADMIN	0.80	1.00	0.20
PRETRIAL SERVICES	2.80	2.80	
TOTAL-CORRECTIONS-SPECIAL PROJEC	3.60	3.80	0.20
MSU EXTENSION-SPECIAL PROJECTS			
MSU EXTENSION	2.30	1.40	-0.90
TOTAL-MSU EXTENSION-SPECIAL PROJ	2.30	1.40	-0.90

SAGINAW COUNTY, MICHIGAN
BUDGET SUMMARY FOR 2011
AUTHORIZED PERSONNEL

	AUTHORIZED AS OF 5/20/2010	PROPOSED AS OF 10/1/2010	INCREASE -DECREASE- FROM AUTHORIZED
CHILD CARE			
CHILD CARE-FAMILY DIVISION	2.50	2.50	
JUVENILE DETENTION HOME	36.34	32.34	-4.00
TOTAL-CHILD CARE	38.84	34.84	-4.00
PARKING SYSTEM			
PARKING SYSTEM	1.00	1.00	
TOTAL-PARKING SYSTEM	1.00	1.00	
DELINQUENT PROP TAX FORECLOSUR			
DELINQUENT FORECLOSURE 2009	2.27		-2.27
DELINQUENT FORECLOSURE 2010		3.27	3.27
TOTAL-DELINQUENT PROP TAX FORECL	2.27	3.27	1.00
INFORMATION SYSTEMS & SERVICES			
INFORMATION SYSTEMS & SERVICES	15.00	15.00	
TOTAL-INFORMATION SYSTEMS & SERV	15.00	15.00	
EQUIPMENT REVOLVING FUND			
EQUIPMENT REVOLVING FUND	0.20	0.20	
TOTAL-EQUIPMENT REVOLVING FUND	0.20	0.20	
PUBLIC WORKS			
PUBLIC WORKS/WATER & SEWER	0.50	0.35	-0.15
TOTAL-PUBLIC WORKS	0.50	0.35	-0.15
RISK MANAGEMENT			
RISK MANAGEMENT ADMINISTRATION	0.60	0.60	
TOTAL-RISK MANAGEMENT	0.60	0.60	
INVESTMENT SERVICES			
TREASURER-INVESTMENTS	0.20	0.20	
TOTAL-INVESTMENT SERVICES	0.20	0.20	
EMPLOYEE BENEFITS			
WORKERS' COMPENSATION	0.90	0.60	-0.30
TOTAL-EMPLOYEE BENEFITS	0.90	0.60	-0.30
DC PENSION TRUST FUND			
RETIREMENT-ICMA	1.00	1.00	
TOTAL-DC PENSION TRUST FUND	1.00	1.00	
TOTAL	680.58	629.43	-51.15

RESOLUTION B

September 21, 2010

WHEREAS, The Board of Commissioners has established salaries of all officials and employees of Saginaw County, with the exception of unsettled bargaining units of the County; and

WHEREAS, It is the intent of the Board of Commissioners that the salaries established are in lieu of any and all fees, either County or State, collected by any said employee or official; and

WHEREAS, The Board of Commissioners of Saginaw County desires at this time to adopt a salary schedule for the fiscal year beginning October 1, 2010 and ending September 30, 2011;

NOW, THEREFORE, BE IT RESOLVED, That the respective departments be and are hereby restricted to the staffing level as provided in the Departmental Personnel Schedule in the 2011 Budget at rates of compensation set forth in attached Salary Schedules for the fiscal year beginning October 1, 2010 and ending September 30, 2011.

BE IT FURTHER RESOLVED #1, That fees and/or remunerations of any kind received by a County employee or official in the performance of his/her official duties shall be forthwith turned over to the Treasurer of Saginaw County by said employee or official and same shall be credited to the General Fund of Saginaw County. The exceptions would be those fees or remunerations specifically established by law or authorized by the Board of Commissioners, which shall be allowed; and

BE IT FURTHER RESOLVED #2, That the elected officials, appointees, and employees shall be paid for the fiscal year on a bi-weekly basis in the grades and steps as provided in the Departmental Personnel Schedule in said 2011 Budget; and

BE IT FURTHER RESOLVED #3, That all salaries paid to said employees shall be based on length of service with Saginaw County in accordance with the aforementioned Salary Schedules, except as otherwise provided in the Personnel Policy Manual; and

BE IT FURTHER RESOLVED #4, That the proper County officials be authorized and directed to adjust the budgets of the departments staffed by members of bargaining units in accordance with the contracts approved by the Board of Commissioners.

Respectfully submitted,

COMMITTEE ON APPROPRIATIONS

Cheryl M. Hadsall, Chair
Eddie F. Foxx, Vice-Chair

September 21, 2010

RESOLUTION B

**COUNTY OF SAGINAW
ELECTED/APPOINTED OFFICIALS COMPENSATION**

NUMBER	TITLE	1/1/2010 AMOUNT	1/1/2011 AMOUNT
1	Chairman, Board of Commissioners	\$ 14,137	\$ 14,137
5	Vice Chair (1), Committee Chair (4), Board of Commissioners	11,689	11,689
9	Member, Board of Commissioners	10,874	10,874
5	Circuit Court Judge	139,919	139,919
6	District Court Judge	138,272	138,272
2	Probate Court Judge	139,919	139,919
1	Clerk	80,709	80,709
1	Register of Deeds	79,333	79,333
1	Treasurer	89,313	89,313
1	Public Works Commissioner	89,171	89,171
1	Sheriff	107,927	107,927
1	Prosecutor	135,136	135,136
3	Veterans Relief Commission	600	600
1	Chairman, Road Commission	6,000	6,000
2	Member, Road Commission	5,000	5,000
3	Member, Department of Human Services Board	4,000	4,000

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05/20/2010

SAGINAW COUNTY GOVERNMENT
SCHEDULE OF SALARY PROGRESSION
ANNUAL AND BI-WEEKLY EFFECTIVE 10/01/2010
HAY STUDY MGT. CLASSIFICATION

NON UNION

SALARY GRADE	HIRE RATE (STEP 1)	6 MONTHS (STEP 2)	1 YEAR (STEP 3)	2 YEARS (STEP 4)	3 YEARS (STEP 5)	4 YEARS (STEP 6)	5 YEARS (STEP 7)	6 YEARS (STEP 8)	7 YEARS (STEP 9)
H05	28,300.00 1,088.46	29,095.00 1,119.04	29,911.00 1,150.42	30,750.00 1,182.69	31,612.00 1,215.85	32,500.00 1,250.00	33,411.00 1,285.04	34,348.00 1,321.08	35,311.00 1,358.12
H06	31,253.00 1,202.04	32,131.00 1,235.81	33,030.00 1,270.38	33,959.00 1,306.12	34,910.00 1,342.69	35,891.00 1,380.42	36,896.00 1,419.08	37,931.00 1,458.88	38,997.00 1,499.88
H07	34,554.00 1,329.00	35,523.00 1,366.27	36,519.00 1,404.58	37,543.00 1,443.96	38,597.00 1,484.50	39,680.00 1,526.15	40,793.00 1,568.96	41,935.00 1,612.88	43,113.00 1,658.19
H08	38,287.00 1,472.58	39,361.00 1,513.88	40,465.00 1,556.35	41,600.00 1,600.00	42,767.00 1,644.88	43,967.00 1,691.04	45,200.00 1,738.46	46,468.00 1,787.23	47,771.00 1,837.35
H09	42,715.00 1,642.88	43,914.00 1,689.00	45,144.00 1,736.31	46,411.00 1,785.04	47,714.00 1,835.15	49,052.00 1,886.62	50,429.00 1,939.58	51,841.00 1,993.88	53,297.00 2,049.88
H10	48,273.00 1,856.65	49,626.00 1,908.69	51,019.00 1,962.27	52,449.00 2,017.27	53,919.00 2,073.81	55,434.00 2,132.08	56,986.00 2,191.77	58,586.00 2,253.31	60,231.00 2,316.58
H11	54,611.00 2,100.42	56,144.00 2,159.38	57,718.00 2,219.92	59,337.00 2,282.19	61,002.00 2,346.23	62,713.00 2,412.04	64,472.00 2,479.69	66,280.00 2,549.23	68,140.00 2,620.77
H12	62,600.00 2,407.69	64,355.00 2,475.19	66,160.00 2,544.62	68,016.00 2,616.00	69,923.00 2,689.35	71,885.00 2,764.81	73,903.00 2,842.42	75,975.00 2,922.12	78,107.00 3,004.12
H13	71,805.00 2,761.73	73,819.00 2,839.19	75,889.00 2,918.81	78,018.00 3,000.69	80,206.00 3,084.85	82,455.00 3,171.35	84,769.00 3,260.35	87,146.00 3,351.77	89,592.00 3,445.85
H14	82,918.00 3,189.15	85,243.00 3,278.58	87,635.00 3,370.58	90,093.00 3,465.12	92,620.00 3,562.31	95,217.00 3,662.19	97,889.00 3,764.96	100,635.00 3,870.58	103,458.00 3,979.15

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05/20/2010

SAGINAW COUNTY GOVERNMENT
SCHEDULE OF SALARY PROGRESSION
ANNUAL AND BI-WEEKLY EFFECTIVE 10/01/2010
HAY STUDY PROFESSL. CLASSIFICATION

NON UNION

SALARY GRADE	HIRE RATE (STEP 1)	6 MONTHS (STEP 2)	1 YEAR (STEP 3)	2 YEARS (STEP 4)	3 YEARS (STEP 5)	4 YEARS (STEP 6)	5 YEARS (STEP 7)	6 YEARS (STEP 8)	7 YEARS (STEP 9)
I05	28,300.00 1,088.46	29,095.00 1,119.04	29,911.00 1,150.42	30,750.00 1,182.69	31,612.00 1,215.85	32,500.00 1,250.00	33,411.00 1,285.04	34,348.00 1,321.08	35,311.00 1,358.12
I06	31,253.00 1,202.04	32,131.00 1,235.81	33,030.00 1,270.38	33,959.00 1,306.12	34,910.00 1,342.69	35,891.00 1,380.42	36,896.00 1,419.08	37,931.00 1,458.88	38,997.00 1,499.88
I07	34,554.00 1,329.00	35,523.00 1,366.27	36,519.00 1,404.58	37,543.00 1,443.96	38,597.00 1,484.50	39,680.00 1,526.15	40,793.00 1,568.96	41,935.00 1,612.88	43,113.00 1,658.19
I08	38,287.00 1,472.58	39,361.00 1,513.88	40,465.00 1,556.35	41,600.00 1,600.00	42,767.00 1,644.88	43,967.00 1,691.04	45,200.00 1,738.46	46,468.00 1,787.23	47,771.00 1,837.35
I09	42,715.00 1,642.88	43,914.00 1,689.00	45,144.00 1,736.31	46,411.00 1,785.04	47,714.00 1,835.15	49,052.00 1,886.62	50,429.00 1,939.58	51,841.00 1,993.88	53,297.00 2,049.88
I10	48,273.00 1,856.65	49,626.00 1,908.69	51,019.00 1,962.27	52,449.00 2,017.27	53,919.00 2,073.81	55,434.00 2,132.08	56,986.00 2,191.77	58,586.00 2,253.31	60,231.00 2,316.58
I11	54,611.00 2,100.42	56,144.00 2,159.38	57,718.00 2,219.92	59,337.00 2,282.19	61,002.00 2,346.23	62,713.00 2,412.04	64,472.00 2,479.69	66,280.00 2,549.23	68,140.00 2,620.77
I12	62,600.00 2,407.69	64,355.00 2,475.19	66,160.00 2,544.62	68,016.00 2,616.00	69,923.00 2,689.35	71,885.00 2,764.81	73,903.00 2,842.42	75,975.00 2,922.12	78,107.00 3,004.12

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05/20/2010

SAGINAW COUNTY GOVERNMENT
SCHEDULE OF SALARY PROGRESSION
ANNUAL AND BI-WEEKLY EFFECTIVE 10/01/2010

SALARY GRADE	NON UNION		MANAGERIAL				
	HIRE RATE (STEP 1)	6 MONTHS (STEP 2)	1 YEAR (STEP 3)	2 YEARS (STEP 4)	3 YEARS (STEP 5)	4 YEARS (STEP 6)	5 YEARS (STEP 7)
M01	29,919.00 1,150.73	31,048.00 1,194.15	32,173.00 1,237.42	33,380.00 1,283.85	34,584.00 1,330.15	35,709.00 1,373.42	
M02	31,609.00 1,215.73	32,814.00 1,262.08	34,024.00 1,308.62	35,232.00 1,355.08	36,516.00 1,404.46	37,803.00 1,453.96	
M03	33,539.00 1,289.96	34,820.00 1,339.23	36,114.00 1,389.00	37,403.00 1,438.58	38,764.00 1,490.92	40,141.00 1,543.88	
M04	35,709.00 1,373.42	37,078.00 1,426.08	38,448.00 1,478.77	39,896.00 1,534.46	41,342.00 1,590.08	42,792.00 1,645.85	
M05	37,803.00 1,453.96	39,412.00 1,515.85	41,096.00 1,580.62	42,792.00 1,645.85	44,477.00 1,710.65	46,161.00 1,775.42	
M06	40,456.00 1,556.00	42,224.00 1,624.00	43,994.00 1,692.08	45,765.00 1,760.19	47,535.00 1,828.27	49,385.00 1,899.42	
M07	42,387.00 1,630.27	44,458.00 1,709.92	46,527.00 1,789.50	48,603.00 1,869.35	50,753.00 1,952.04	52,907.00 2,034.88	
M08	45,423.00 1,747.04	47,647.00 1,832.58	49,882.00 1,918.54	52,108.00 2,004.15	54,343.00 2,090.12	56,567.00 2,175.65	
M09	48,044.00 1,847.85	50,591.00 1,945.81	53,225.00 2,047.12	55,852.00 2,148.15	58,481.00 2,249.27	61,116.00 2,350.62	
M10	51,390.00 1,976.54	54,179.00 2,083.81	56,969.00 2,191.12	59,759.00 2,298.42	62,523.00 2,404.73	65,343.00 2,513.19	
M11	53,646.00 2,063.31	56,794.00 2,184.38	60,096.00 2,311.38	63,281.00 2,433.88	66,361.00 2,552.35	69,523.00 2,673.96	
M12	57,421.00 2,208.50	60,795.00 2,338.27	64,126.00 2,466.38	67,516.00 2,596.77	70,906.00 2,727.15	74,301.00 2,857.73	
M13	60,859.00 2,340.73	64,390.00 2,476.54	67,976.00 2,614.46	71,568.00 2,752.62	75,161.00 2,890.81	78,754.00 3,029.00	
M14	63,423.00 2,439.35	68,813.00 2,646.65	72,639.00 2,793.81	76,462.00 2,940.85	80,360.00 3,090.77	84,251.00 3,240.42	
M15	69,435.00 2,670.58	73,485.00 2,826.35	77,532.00 2,982.00	81,580.00 3,137.69	85,634.00 3,293.62	89,755.00 3,452.12	
M16	74,175.00 2,852.88	78,523.00 3,020.12	82,878.00 3,187.62	87,235.00 3,355.19	91,589.00 3,522.65	96,023.00 3,693.19	
M17	79,287.00 3,049.50	83,871.00 3,225.81	88,537.00 3,405.27	93,196.00 3,584.46	97,856.00 3,763.69	102,519.00 3,943.04	
M18	84,640.00 3,255.38	88,366.00 3,398.69	94,593.00 3,638.19	99,538.00 3,828.38	104,508.00 4,019.54	109,473.00 4,210.50	
M19	90,351.00 3,475.04	94,328.00 3,628.00	100,976.00 3,883.69	106,249.00 4,086.50	111,548.00 4,290.31	116,824.00 4,493.23	
M20	96,451.00 3,709.65	100,693.00 3,872.81	107,792.00 4,145.85	113,416.00 4,362.15	119,079.00 4,579.96	124,631.00 4,793.50	
M21	97,522.00 3,750.85	101,813.00 3,915.88	108,991.00 4,191.96	114,680.00 4,410.77	120,405.00 4,630.96	126,095.00 4,849.81	

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SAGINAW COUNTY GOVERNMENT
SCHEDULE OF SALARY PROGRESSION
ANNUAL AND BI-WEEKLY EFFECTIVE 10/01/2010
PROFESSIONAL CLASSIFICATION

NON UNION

SALARY GRADE	HIRE RATE (STEP 1)	6 MONTHS (STEP 2)	1 YEAR (STEP 3)	2 YEARS (STEP 4)	3 YEARS (STEP 5)	4 YEARS (STEP 6)	5 YEARS (STEP 7)
P01	25,734.00 989.77	26,776.00 1,029.85	27,833.00 1,070.50	28,871.00 1,110.42	29,919.00 1,150.73	31,048.00 1,194.15	
P02	27,833.00 1,070.50	28,952.00 1,113.54	30,085.00 1,157.12	31,204.00 1,200.15	32,330.00 1,243.46	33,539.00 1,289.96	
P03	30,164.00 1,160.15	31,368.00 1,206.46	32,571.00 1,252.73	33,781.00 1,299.27	35,065.00 1,348.65	36,354.00 1,398.23	
P04	32,491.00 1,249.65	33,861.00 1,302.35	35,232.00 1,355.08	36,594.00 1,407.46	37,958.00 1,459.92	39,412.00 1,515.85	
P05	34,982.00 1,345.46	36,516.00 1,404.46	38,038.00 1,463.00	39,568.00 1,521.85	41,096.00 1,580.62	42,709.00 1,642.65	
P06	37,645.00 1,447.88	39,329.00 1,512.65	41,019.00 1,577.65	42,792.00 1,645.85	44,559.00 1,713.81	46,330.00 1,781.92	
P07	40,532.00 1,558.92	42,469.00 1,633.42	43,974.00 1,691.31	46,330.00 1,781.92	48,256.00 1,856.00	50,184.00 1,930.15	
P08	43,268.00 1,664.15	45,339.00 1,743.81	47,486.00 1,826.38	49,642.00 1,909.31	51,791.00 1,991.96	53,939.00 2,074.58	
P09	46,693.00 1,795.88	49,004.00 1,884.77	51,316.00 1,973.69	53,627.00 2,062.58	55,935.00 2,151.35	58,326.00 2,243.31	
P10	50,514.00 1,942.85	52,986.00 2,037.92	55,454.00 2,132.85	57,928.00 2,228.00	60,399.00 2,323.04	62,920.00 2,420.00	
P11	53,569.00 2,060.35	56,398.00 2,169.15	59,231.00 2,278.12	62,046.00 2,386.38	64,818.00 2,493.00	67,516.00 2,596.77	
P12	57,343.00 2,205.50	60,563.00 2,329.35	63,741.00 2,451.58	66,906.00 2,573.31	70,061.00 2,694.65	72,987.00 2,807.19	
P13	60,777.00 2,337.58	64,134.00 2,466.69	67,798.00 2,607.62	71,167.00 2,737.19	74,871.00 2,879.65	78,002.00 3,000.08	

EPS705P
05/20/2010

SAGINAW COUNTY GOVERNMENT
SCHEDULE OF SALARY PROGRESSION
ANNUAL AND BI-WEEKLY EFFECTIVE 10/01/2010
T.O.P.S. CLASSIFICATION

NON UNION

SALARY GRADE	HIRE RATE (STEP 1)	6 MONTHS (STEP 2)	1 YEAR (STEP 3)	2 YEARS (STEP 4)	3 YEARS (STEP 5)	4 YEARS (STEP 6)	5 YEARS (STEP 7)
T01	17,777.00 683.73	18,341.00 705.42	18,900.00 726.92	19,548.00 751.85	20,190.00 776.54		
T02	18,494.00 711.31	19,144.00 736.31	19,788.00 761.08	20,511.00 788.88	21,071.00 810.42		
T03	19,301.00 742.35	19,942.00 767.00	20,593.00 792.04	21,235.00 816.73	21,956.00 844.46		
T04	20,026.00 770.23	20,748.00 798.00	21,477.00 826.04	22,198.00 853.77	22,916.00 881.38		
T05	20,832.00 801.23	21,555.00 829.04	22,281.00 856.96	23,199.00 892.27	23,807.00 915.65		
T06	21,638.00 832.23	22,358.00 859.92	23,162.00 890.85	23,963.00 921.65	24,773.00 952.81		
T07	22,683.00 872.42	23,487.00 903.35	24,294.00 934.38	25,178.00 968.38	26,059.00 1,002.27		
T08	23,807.00 915.65	24,693.00 949.73	25,578.00 983.77	26,462.00 1,017.77	27,428.00 1,054.92		
T09	25,019.00 962.27	25,897.00 996.04	26,860.00 1,033.08	27,833.00 1,070.50	28,795.00 1,107.50		
T10	26,221.00 1,008.50	27,268.00 1,048.77	28,391.00 1,091.96	29,517.00 1,135.27	30,643.00 1,178.58		
T11	27,586.00 1,061.00	28,795.00 1,107.50	30,001.00 1,153.88	31,204.00 1,200.15	32,417.00 1,246.81		
T12	29,355.00 1,129.04	30,641.00 1,178.50	31,930.00 1,228.08	33,220.00 1,277.69	34,506.00 1,327.15		
T13	31,124.00 1,197.08	32,491.00 1,249.65	33,861.00 1,302.35	35,232.00 1,355.08	36,594.00 1,407.46		
T14	32,975.00 1,268.27	34,419.00 1,323.81	35,872.00 1,379.69	37,321.00 1,435.42	38,764.00 1,490.92		
T15	34,903.00 1,342.42	36,432.00 1,401.23	37,958.00 1,459.92	39,490.00 1,518.85	41,019.00 1,577.65		
T16	36,920.00 1,420.00	38,448.00 1,478.77	40,141.00 1,543.88	41,739.00 1,605.35	43,427.00 1,670.27		

RESOLUTION C

September 21, 2010

WHEREAS, The Saginaw County Board of Commissioners ("Board") has examined the 2011-2015 Capital Improvement Plan for the 2011 Fiscal Year as submitted by the Saginaw County Controller/CAO; and

WHEREAS, The State of Michigan, Public Act 2 of 1968, as amended, known as the Uniform Budget and Accounting Act requires local units of government to develop, update and adopt a plan each year in conjunction with the regular budget process. The Capital Improvement Plan is a five-year outline of recommended projects, estimated costs and proposed means of financing. The intent is to identify needs and plan for expenditures to meet those needs in an orderly, but flexible manner;

NOW, THEREFORE, BE IT RESOLVED, That the County of Saginaw Capital Improvement Plan for the 2011 Fiscal Year is hereby adopted, subject to the availability of funds.

BE IT FURTHER RESOLVED, That the proper County officials be authorized and directed to proceed with the priority A projects, as attached, for the 2011 Fiscal Year.

Respectfully submitted,

COMMITTEE ON APPROPRIATIONS

Cheryl M. Hadsall, Chair
Eddie F. Foxx, Vice-Chair

RESOLUTION D

September 21, 2010

WHEREAS, The Board of Commissioners has established fees for services for all elected offices and departments of Saginaw County; and

WHEREAS, It is the intent of the Board of Commissioners that the fees for services established are to be approved annually through the budget adoption process; and

WHEREAS, The Board of Commissioners has incorporated as part of the Fiscal 2011 Budget a County Fee Schedule which shall set the various fees of the County for the fiscal year beginning October 1, 2010 and ending September 30, 2011; and

WHEREAS, The fees listed in the County Fee Schedule shall not be changed without full Board of Commissioner approval during the year;

NOW, THEREFORE, BE IT RESOLVED, That the fees to be charged and collected by the various elected offices and departments of Saginaw County are those fees contained with the County Fee Schedule which is made part of the Fiscal 2011 Budget.

Respectfully submitted,

COMMITTEE ON APPROPRIATIONS

Cheryl M. Hadsall, Chair
Eddie F. Foxx, Vice-Chair

Five Year Financial Forecast

In partnership with



Insights and applications for better financial management

May 21, 2010

Mr. Marc McGill
County of Saginaw
111 South Michigan Avenue
Saginaw, MI 48602

Dear Mr. McGill:

We have completed our forecast of Saginaw County's General Fund finances for the period of 2010 – 2015. This transmittal letter summarizes the results of our analysis and outlines possible courses of action to increase fiscal stability.

CURRENT SITUATION

As you are fully aware, the County has faced a structural operating deficit for a number of years. Various efforts have been made to reduce costs in recent years, including:

- Wage freezes
- Reductions in staffing levels
- Reductions in employee benefits

In addition to cost reductions, the County has sought to increase revenues. However, due to the loss of property value over the past couple of years, Saginaw County, like most counties in Michigan, has seen a reduction in property tax revenues. Further compounding the loss of revenues are significant reductions in interest income and most revenues related to development or property transfers. At this time, it appears the State will maintain revenue sharing payments to counties, although this could change at any time.

In recognition of the imbalance between declining revenues and increasing costs, the County made a more concerted effort in FY 2009 to reduce expenditures. The austerity measures resulted in a 5.3% reduction of General Fund expenditures. However, revenues were also down by 1.6% that year. The current budget anticipates a further revenue reduction of 6.2%, while costs are budgeted to remain virtually flat. To balance this year's budget, the County has committed to utilizing almost \$2.2 million in fund reserves.

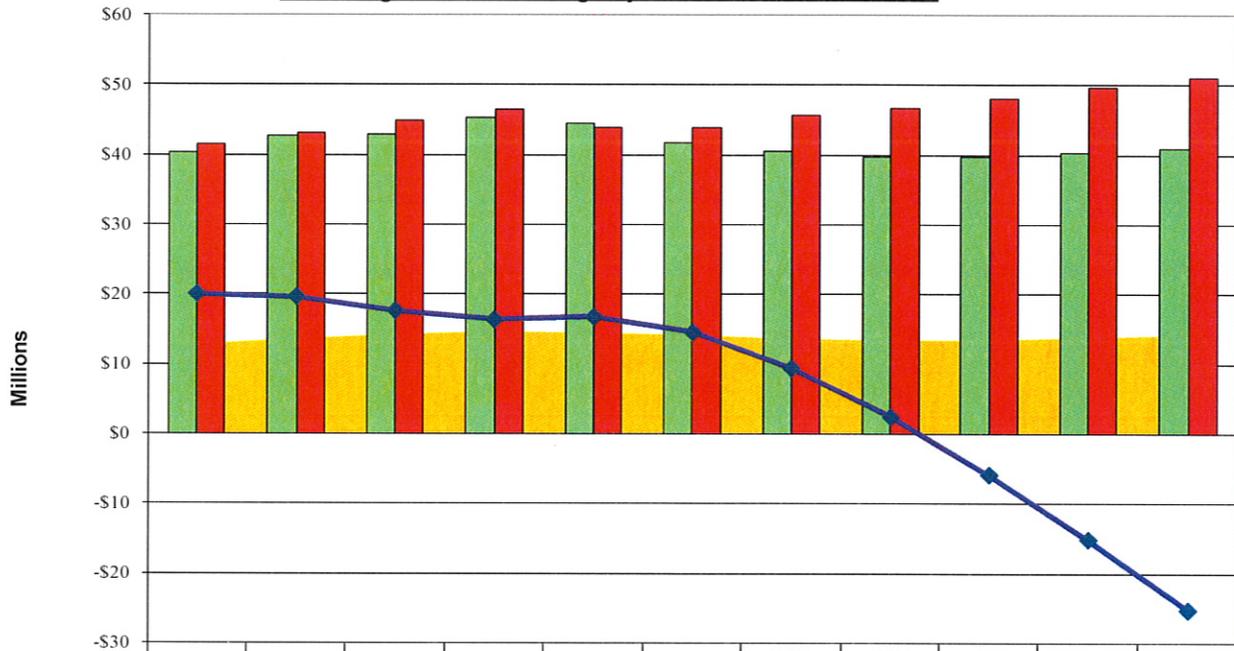
At the end of the current fiscal year, Saginaw County's General Fund reserve levels are estimated to be just above the minimum reserve levels established by the Board of Commissioners. Any further use of fund balance in future years would erode the County's ability to meet monthly cash requirements of General Fund operations, including the ability to meet payroll for its employees.

FUTURE OUTLOOK IS CONCERNING

The findings of our analysis, summarized in Chart 1, indicate that if the County does nothing to bring expenditures in line with revenues in the immediate future, the General Fund's current fund balance of \$16.7 million could be fully depleted by FY 2013.

Chart 1

County of Saginaw
General Fund
Revenues, Expenditures and Fund Balance, FY 2005-2015
Assuming Revenue Sharing Payments Continue from State



	2005 Actuals	2006 Actuals	2007 Actuals	2008 Actuals	2009 Actuals	2010 Budget	2011 Estimate	2012 Estimate	2013 Estimate	2014 Estimate	2015 Estimate
Minimum Reserve	\$12.7	\$13.5	\$14.1	\$14.6	\$14.4	\$14.1	\$13.6	\$13.3	\$13.4	\$13.7	\$14.1
Revenues	\$40.3	\$42.7	\$42.9	\$45.2	\$44.6	\$41.8	\$40.5	\$39.8	\$39.8	\$40.3	\$40.9
Expenditures	\$41.5	\$43.1	\$44.9	\$46.5	\$44.0	\$44.0	\$45.6	\$46.7	\$48.1	\$49.6	\$51.1
Ending Fund Balance	\$20.1	\$19.7	\$17.7	\$16.3	\$16.8	\$14.6	\$9.4	\$2.4	\$(5.8)	\$(15.1)	\$(25.3)

As indicated in Chart 1, the current level of spending could be sustained for an additional two fiscal years. However, the County would be required to make significant cost reductions in the third year to bring the budget into balance. Should the County choose to take no action on budget reductions in the 2011 fiscal year, borrowing via Tax Anticipation Notes (TAN) or other sources would be required to meet monthly cash flow needs, including payroll for its employees.

In this situation, the County would create a new cost center in the General Fund, "interest on debt," which would provide no value to the County. As the need for borrowed cash increases in future years, so too would the interest on debt. Funding this new expense would require the elimination of up to 15 positions.

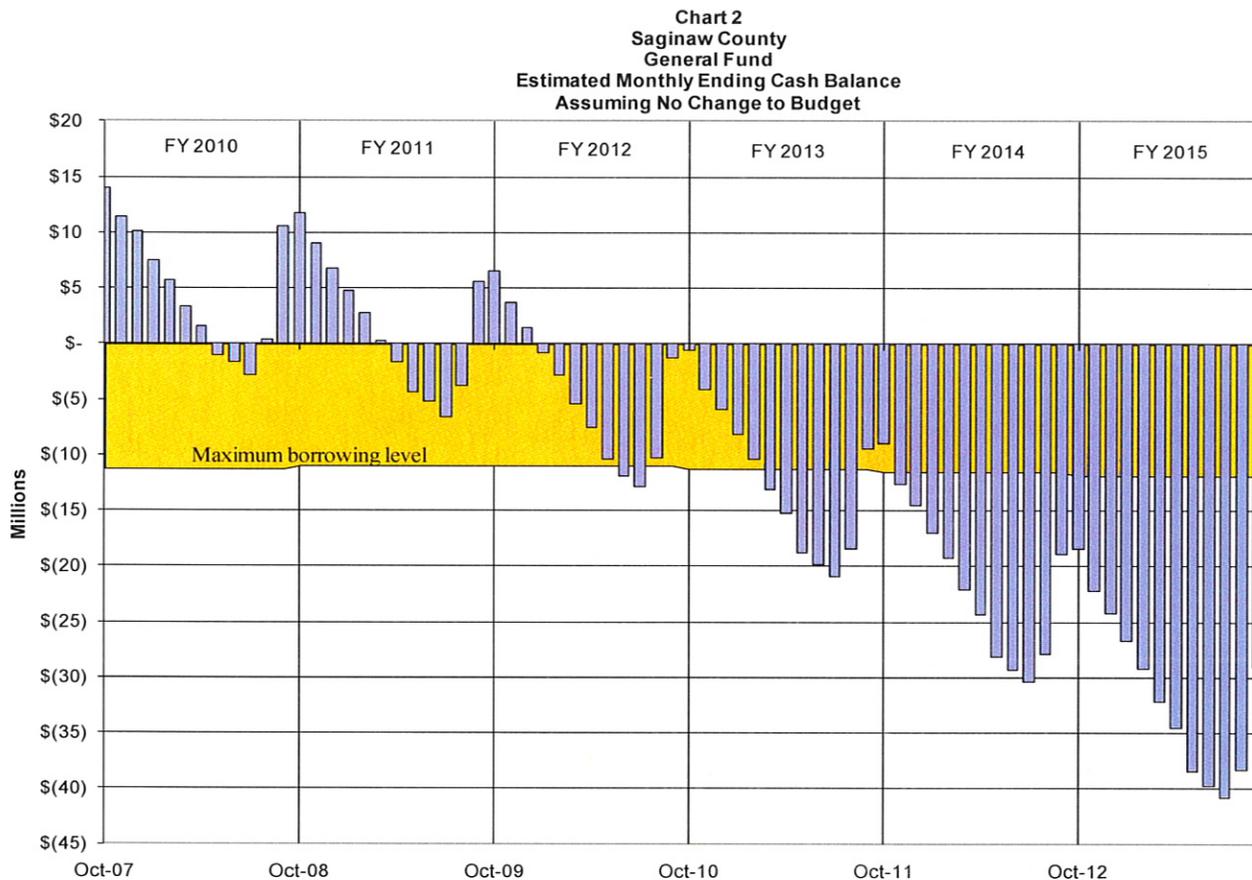
WEAK CASH POSITION

Chart 2 presents the monthly cash balance projections under this scenario. As indicated, the County would require increasingly greater borrowing to meet cash needs. Part of the cash problem can be attributed to the State-mandated change in tax collections to the summer tax bill. However, a larger factor is the structural deficit in the General Fund, which can be corrected only by cost reductions or additional revenues. Since revenue options are extremely limited for counties in Michigan, the most viable option is to reduce expenditures.

As noted, the County could continue at its current level of spending for the next two fiscal years. Doing so would require borrowing to meet cash flow requirements. As illustrated in Chart 2, the



County would be able to issue sufficient debt to fund operations during these years. The problems with this approach would quickly become apparent in FY 2013, because the County would require debt issuance in excess of the legal borrowing limit for TANs.



Clearly, the County would face severe reductions in FY 2013 to avoid a fiscal emergency. In fact, the General Fund would have to be cut by more than 20% in that one year to keep the fund solvent, albeit the cash position would remain very poor.

CORRECTING THE IMBALANCE

Based on these findings, it is imperative that the County take appropriate steps to avoid continued budget deficits. The strategy that may be most appropriate for Saginaw County would be to plan reductions over the course of several years. The benefit of this approach is that it leaves open the possibility for the County to respond to anticipated fiscal conditions on a year-by-year basis. Should economic conditions improve, fewer cost reductions would be required; if conditions worsen, the County would be able to increase its cost cutting measures to the degree necessary.

Having said this, it is important to recognize that reducing costs in the near term results in a lower operational impact than putting cuts off to later years. For this reason, it would be most beneficial for Saginaw County to follow a cost reduction plan that begins with the next fiscal year, 2011. Using the projections of revenues and expenditures included in the County's



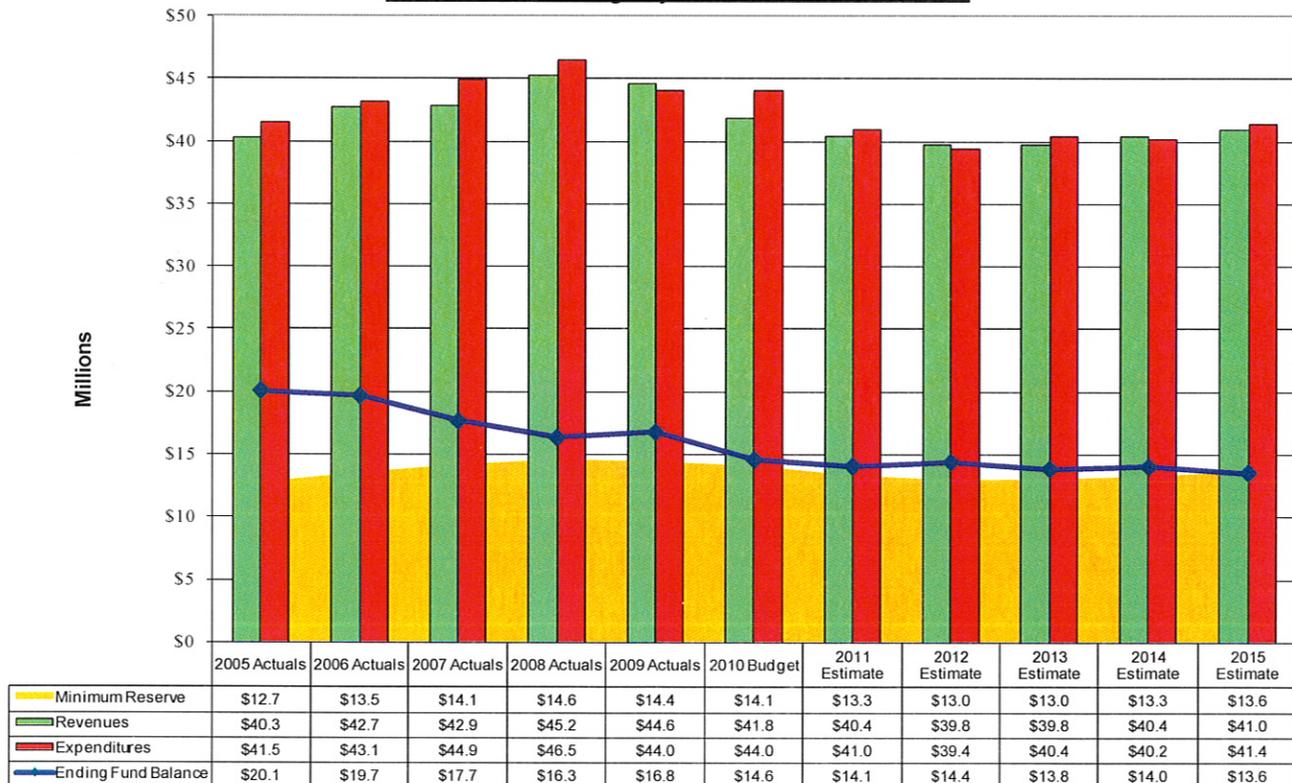
financial forecasting model, we believe the most appropriate schedule for cost reductions would be:

Fiscal Year	% Reduction	\$ Reduction
2011	10%	\$4.4 million
2012	5.3%	\$2.2 million
2013	0%	\$0
2014	3.5%	\$1.4 million
2015	0%	\$0

Implementing this cost reduction plan would significantly improve the General Fund financial position, as indicated in Chart 3. This approach preserves the minimum fund reserve levels established by the Board, and positions the County for long-term fiscal stability. In years beyond 2015, we would expect to see taxable values increase, which should reduce the need to make further reductions. However, if costs outpace revenues, the County will need to consider additional cost cutting or increase revenues.

Chart 3

General Fund
Revenues, Expenditures and Fund Balance, FY 2005-2015
*Assuming Proposed Cost Reductions are Fully Implemented
and Revenue Sharing Payments Continue from State*

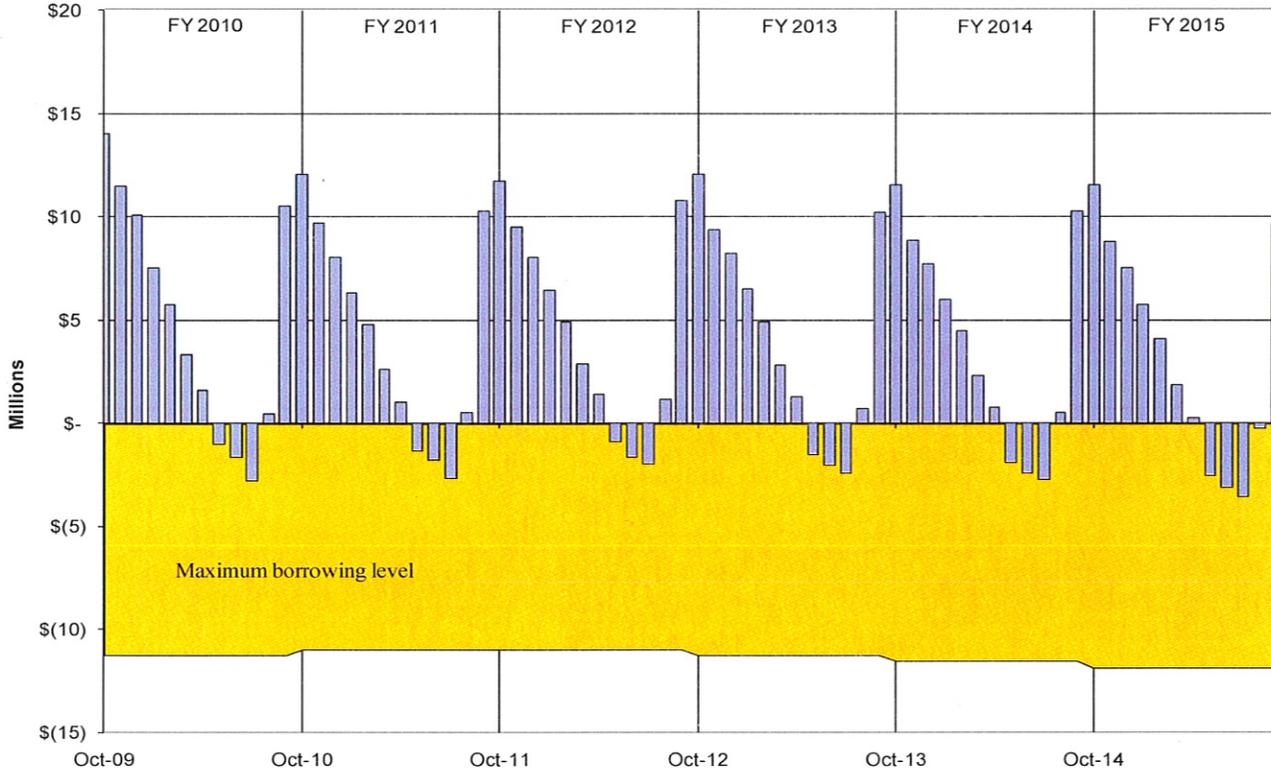


The General Fund's cash flow problems would also be mostly addressed under this plan. As seen in Chart 4, there would still be several months each year when the General Fund would



need to borrow money to meet cash needs, including payroll for its employees. It is likely that this cash could be borrowed temporarily from other County funds, which would keep the interest costs close to zero.

Chart 4
Saginaw County
General Fund
Estimated Monthly Ending Cash Balance
Assuming Proposed Budget Reductions



A general guideline should help guide budget deliberations in future years: because projected reserves at the end of the current year are expected to be only slightly more than Board-established minimums, *budgeted expenditures in future years should be limited to projected revenues*. Operating at a significant deficit in any year will result in lower cash reserves and increased interest costs.

SUMMARY

In summary, the County of Saginaw is faced with stagnating revenues, increasing expenditures and a long-standing structural budget deficit problem that will require a significant reduction in spending to correct. While continuing at current spending levels would be possible for the next two years, this strategy would fully deplete General Fund reserves and require a massive cost cutting effort in FY 2013.

Making a 10% reduction in the 2011 budget, and additional reductions in later years, would best enable the County to maintain adequate reserve levels and minimize future borrowing to pay for General Fund operations. The County would also be well served to closely monitor revenue



projections for each successive budget year and make the necessary adjustments to maintain a healthy fund reserve and cash position.

We appreciate this opportunity to work with the County on this important issue, and we hope our analysis will help the County with difficult budget deliberations in the coming years.

Very truly yours,



John Kaczor
Principal



Other Documents

**County of Saginaw
All Funds
10 Years of Staffing Cuts
Fiscal 2001 through Fiscal 2011**

	Department	Fiscal Year										10 Year Staff Change	10 Year % Change		
		Base Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010			Budgeted Fiscal 2011	
GF	Social Welfare	3.00	3.00	-	-	-	-	-	-	-	-	-	-	(3.00)	-100.0%
GF	Health Department Sec.&Maint.	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	(4.00)	-100.0%
GF	Law Library	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	(0.25)	-100.0%
GF	Law Enforcement	40.00	39.00	31.50	24.50	24.50	24.50	24.50	28.50	25.50	25.50	10.00	10.00	(30.00)	-75.0%
GF	Animal Control	9.50	9.50	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	2.50	2.50	(7.00)	-73.7%
GF	Planning	7.00	7.00	6.00	5.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	(4.00)	-57.1%
SS	SP Drain Division/Maint/	2.97	2.75	1.25	1.50	1.50	2.50	2.50	2.50	1.50	1.50	1.35	1.35	(1.62)	-54.5%
GF	MSU Extension	3.00	3.00	3.00	2.50	2.50	2.50	2.50	2.50	2.30	2.30	1.40	1.40	(1.60)	-53.3%
GF	Sheriff Special Projects	15.00	14.00	14.50	19.50	19.50	15.50	15.50	11.00	9.00	8.00	8.00	8.00	(7.00)	-46.7%
GF	Prosecutor Special Projects	9.00	9.00	8.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00	5.00	5.00	(4.00)	-44.4%
GF	GIS System	2.50	1.50	1.50	2.00	2.00	2.00	2.00	1.80	1.80	1.80	1.80	1.80	(0.70)	-28.0%
GF	Friend of the Court	60.00	60.00	58.00	58.00	56.00	53.00	53.00	53.00	48.00	48.00	44.00	44.00	(16.00)	-26.7%
GF	Child Care - Juvenile Det./Fam. Div.	45.70	45.70	38.30	36.70	36.30	36.30	36.30	36.30	38.80	38.84	34.84	34.84	(10.86)	-23.8%
GF	Health Department	112.90	114.65	118.05	109.05	108.05	107.10	109.10	105.60	104.60	95.00	89.00	89.00	(23.90)	-21.2%
GF	Emergency Services	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.25	1.25	(0.25)	-16.7%
GF	ISS Department	18.00	18.00	16.00	16.00	15.00	15.00	15.00	15.00	14.00	15.00	15.00	15.00	(3.00)	-16.7%
GF	General Fund	366.49	363.16	347.81	337.39	337.89	338.59	338.26	338.46	324.62	322.52	310.02	310.02	(56.47)	-15.4%
SS	SP Community Corrections	4.00	3.00	3.00	2.50	2.50	3.60	3.60	3.60	3.60	3.60	3.80	3.80	(0.20)	-5.0%
SS	Mosquito Abatement Commission	11.10	11.10	11.10	11.10	11.10	11.10	11.10	11.10	11.10	11.06	11.06	11.06	(0.04)	-0.4%
SS	Parking System	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	0.0%
SS	Commission on Aging	42.60	42.40	44.00	43.15	44.20	44.60	43.80	42.70	43.20	43.29	43.29	43.29	0.69	1.6%
SS	County Road Patrol Millage	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.50	14.50	14.50	14.50	14.50	0.50	3.6%
GF	Employee Benefits	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.70	2.40	2.40	0.30	14.3%
SS	Michigan Works! Administration	13.50	12.50	12.50	12.50	12.75	12.75	12.75	13.75	16.75	16.75	15.75	15.75	2.25	16.7%
SS	Parks & Recreation	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	1.00	25.0%
SS	Area Records Management System	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	100.0%
SS	SP District Court Alcohol Project	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	100.0%
SS	Treasurer Activities	0.60	0.60	0.60	0.60	0.60	0.60	1.60	1.60	2.50	2.47	3.47	3.47	2.87	478.3%
Totals		793.71	787.71	750.96	725.84	720.24	717.36	713.76	689.62	680.58	629.43	629.43	629.43	(164.28)	-20.7%
Change from Prior Year:		(6.00)	(36.75)	(25.12)	(5.60)	(3.13)	(3.60)	(24.14)	(9.04)	(51.15)					

GF = General Fund Supported
SS = Self Supporting (no General Fund \$'s)

**County of Saginaw
General Fund
10 Years of Staffing Changes
Fiscal 2001 through Fiscal 2011**

Department	Base	Budgeted										10				
	Year	Fiscal	2002	2003	2004	2005	2006	2007	2008	2009	2010	Fiscal	Year	Staff	Year	%
	Fiscal	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Fiscal	2011	Change	Change	Change
Controller's Office	19.50	17.75	14.90	13.90	12.90	12.90	12.90	12.90	12.90	10.90	10.30	9.60	9.60	(9.90)	-50.8%	
Assigned Counsel - Admin	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	(1.00)	-50.0%	
Maintenance Department	31.00	30.00	28.00	23.00	23.00	23.00	23.00	23.00	23.00	20.00	20.00	19.00	19.00	(12.00)	-38.7%	
Equalization	7.00	7.00	6.00	5.00	5.00	5.00	5.00	5.00	5.20	5.20	5.20	4.70	4.70	(2.30)	-32.9%	
Register of Deeds	9.50	9.50	9.00	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	(2.50)	-26.3%	
County Treasurer	10.07	10.07	10.07	9.40	9.40	9.40	9.40	9.40	9.40	8.50	8.53	7.53	7.53	(2.54)	-25.2%	
Family Division (Juvenile Court)	30.00	29.00	28.00	26.50	27.00	27.00	27.00	27.00	27.00	23.50	23.50	22.50	22.50	(7.50)	-25.0%	
Probate Court	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00	8.00	(2.00)	-20.0%	
Public Works/Drain Division	3.80	3.80	3.80	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.44	3.09	3.09	(0.71)	-18.7%	
Probation - District Court	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	10.00	10.00	(2.00)	-16.7%	
District Court	56.00	56.00	52.00	52.00	52.00	52.00	52.00	52.00	52.00	50.00	50.00	50.00	50.00	(6.00)	-10.7%	
Prosecutor - Attorneys Office	29.00	29.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	26.00	26.00	(3.00)	-10.3%	
County Clerk	18.75	18.75	17.75	19.25	19.25	19.25	19.25	18.50	18.50	18.00	18.00	17.00	17.00	(1.75)	-9.3%	
Circuit Court	29.00	29.00	28.00	28.00	28.00	28.00	28.00	28.75	28.75	27.75	27.75	27.00	27.00	(2.00)	-6.9%	
Board of Commissioners	19.00	19.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	(1.00)	-5.3%	
Sheriff Dept. Jail Division	65.00	64.00	64.00	63.00	64.00	65.00	65.00	65.00	65.00	64.00	64.00	64.00	64.00	(1.00)	-1.5%	
Prosecutor - Welfare Enforcement	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	0.0%	
Corrections Reimb. Program	1.00	1.50	1.50	1.50	1.50	1.50	1.20	1.20	1.20	1.20	1.20	1.00	1.00	-	0.0%	
Sheriff Administration	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	1.00	16.7%	
Medical Examiner	0.80	0.80	0.80	0.80	0.80	1.00	1.00	1.00	1.00	1.00	1.60	1.60	1.60	0.80	100.0%	
	365.42	361.17	345.82	335.25	335.75	336.45	336.15	336.35	322.45	322.45	322.52	310.02	310.02	(55.40)	-15.2%	
		(4.25)	(15.35)	(10.57)	0.50	0.70	(0.30)	0.20	(13.90)	0.07	(12.50)					

Change from Prior Year:

Saginaw County 2011 Budget - Staff Changes
Draft # 1 - May 24, 2010

<u>Department</u>	<u>Position</u>	<u>Reduction</u>	<u>Addition</u>	<u>Estimated Savings</u>
Circuit Court	Law Clerk		0.25	\$ (15,000)
Circuit Court	Compliance Coordinator	1		50,000
Circuit Court	Law Clerk	0.25		15,000
District Court Probation	Probation Officer	2		165,000
Probate Court	Deputy Register	1		49,000
Family (juvenile) Court	Reimbursement Coordinator	1		52,000
Clerk	Birth Cert/notaries Clerk	1		35,000
Controller	Administration Director	0.7		77,000
Controller-Benefits	Administration Director	0.3		32,000
Equalization	Officer Manager/Build Pricer	0.5		25,000
Prosecutor	Prosecutor I	1		85,000
Prosecutor	File Specialist	1		45,000
Register of Deeds	Account Clerk III	1		45,000
Treasurer	Account Clerk I/II	1		44,000
Maintenance	Custodial Crew Leader	1		44,000
Public Works	Office Manager	0.35		15,000
Public Works-Erosion	Office Manager	0.15		10,000
Jail Reimbursement	Coordinator	0.2		13,000
Animal Control	Road Officer	4		240,000
Animal Control	Veterinary Technician Asst.	1		60,000
Animal Control	Receptionist/Secretary		0.5	(20,000)
Sheriff	Patrol Officer	10.5		780,000
Sheriff	Detective	3		240,000
Sheriff	Patrol Sergeant	2		160,000
Friend of the Court	Account Clerk I/II	2		88,000
Friend of the Court	Intake Analyst	1		50,000
Friend of the Court	Non-Custodial Agent	1		60,000
Juvenile Detention	Detention Officer	4		180,000
MSU Extension	Typist Clerk I/ii	0.9		38,000
Special Project Prosecutor	Prosecutor I	1		100,000
Special Project Prosecutor	Financial Investigator	1		85,000
Special Project Prosecutor	Criminal Investigator	1		69,000
Health Department	Public Health Nurse	4		280,000
Health Department	Outreach Advocate	1		42,000
Health Department	Senior Health Specialist	1		74,000
Michigan Works	Program Planner	1		60,000
Emergency Services	Director	0.25		22,000
Foreclosure Property Tax	Account Clerk I/II		1	(44,000)
Community Corrections	Director		0.2	(13,000)
Total		53.1	1.95	\$ 3,337,000
Net Staff Reductions	51.15			

**Examples of FURTHER reductions in order to not use Reserves
General Fund 2011 Budget**

<u>Department</u>	<u>Further Reductions to not use ANY Reserves</u>		<u>Further Reductions to not use Budget Stabilization</u>		<u>Further Reductions to not use Retiree Health Reserve</u>	
	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>
Animal Control	\$100,000	1.5				
Law Enforcement	436,590	5	\$198,590	2		
MSU Extension	200,000	1.4	200,000	1.4	\$200,000	1.4
Planning	20,000	3	20,000	3	20,000	3
Prosecutor Special	60,000	1	60,000	1		
Underground Rail Road	25,000	3.5				
GIS Authority	70,000	2	70,000	2	70,000	2
Saginaw Future	150,000					
BOC Staff	50,000	1	50,000	1	50,000	1
Circuit Court Staff	50,000	1	50,000	1		
District Court Staff	50,000	1	50,000	1		
District Court Probation Staff	50,000	1				
Family Court Staff	50,000	1				
Clerk Staff	50,000	1	50,000	1		
Prosecutor Staff	50,000	1				
Treasurer Staff	50,000	1				
Maintenance Staff	50,000	1	50,000	1		
Sheriff Administration Staff	80,000	1	80,000	1	80,000	1
Jail 105 Beds	<u>1,600,000</u>	<u>11</u>	<u>1,400,000</u>	<u>9</u>	<u>493,000</u>	<u>5</u>
	<u>\$3,191,590</u>	38.4	<u>\$2,278,590</u>	24.4	<u>\$913,000</u>	13.4
Reserves Being Used						
Budget Stabilization	\$2,278,590		\$2,278,590			
Retiree Health Care	913,000				\$913,000	
	<u>\$3,191,590</u>		<u>\$2,278,590</u>		<u>\$913,000</u>	

County of Saginaw
Additional Use of General Fund Reserves if NO Staff Reductions Made

Scenario A - Restore all positions and keep Retiree Health Care at \$8,700 per eligible employee

Restore all Positions	\$ 3,180,000
Less Retiree Health Care savings on Restored Positions	<u>(94,000)</u>
Additional Use of General Fund Reserves	<u><u>\$ 3,086,000</u></u>

General Fund Reserve Balance

	Estimated Reserve Balances at 9/30/2010	Use of Reserves in 2011 Budget	Additional Use of Reserves Scenario A	Remaining Reserve Balances
Employee Payroll Reserve	\$ 11,163,459	\$ -	\$ (3,086,000)	\$ 8,077,459
Budget Stabilization	<u>2,278,590</u>	<u>(2,278,590)</u>	<u>-</u>	<u>-</u>
Total General Fund Reserves	<u><u>\$ 13,442,049</u></u>	<u><u>\$ (2,278,590)</u></u>	<u><u>\$ (3,086,000)</u></u>	<u><u>\$ 8,077,459</u></u>

Scenario A Total Use of General Fund Reserves \$ 5,364,590

Scenario B - Restore all positions and change Retiree Health Care to \$13,100 per eligible employee

Restore all Positions	\$ 3,180,000
Add Original Retiree Health Care savings on Positions not Eliminated	<u>913,000</u>
Additional Use of General Fund Reserves	<u><u>\$ 4,093,000</u></u>

General Fund Reserve Balance

	Estimated Reserve Balances at 9/30/2010	Use of Reserves in 2011 Budget	Additional Use of Reserves Scenario B	Remaining Reserve Balances
Employee Payroll Reserve	\$ 11,163,459	\$ -	\$ (4,093,000)	\$ 7,070,459
Budget Stabilization	<u>2,278,590</u>	<u>(2,278,590)</u>	<u>-</u>	<u>-</u>
Total General Fund Reserves	<u><u>\$ 13,442,049</u></u>	<u><u>\$ (2,278,590)</u></u>	<u><u>\$ (4,093,000)</u></u>	<u><u>\$ 7,070,459</u></u>

Scenario B Total Use of General Fund Reserves \$ 6,371,590