

**CHARTER TOWNSHIP OF YPSILANTI
MINUTES OF THE OCTOBER 18, 2011 WORK SESSION**

Supervisor Brenda L. Stumbo called the meeting to order at approximately 6:00 p.m. in the Ypsilanti Township Civic Center Board Room, 7200 S. Huron River Drive, Ypsilanti Township.

Members Present: Supervisor Brenda L. Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees Jean Hall Currie, Stan Eldridge (arrived at 6:30 p.m.), Mike Martin and Scott Martin

Members Absent: None

Legal Counsel: Wm. Douglas Winters

1. FIRE FUND

Fire Chief Copeland greeted the Board and stated his purpose was to present his 2012 budget for the Fire Department.

He first provided a brief overview of the process used to reach his 2010 and 2011 budget. He recalled that in 2010, he budgeted for 36 positions. He deemed it a maintenance type budget, in which he instituted across the board discretionary spending cuts, relying on negotiations to supplement and arrive at a balanced budget. He had projected saving \$1,000,000 therefore keeping him from using fund balance. The Chief recalled that in the first part of 2010, the early retirements were done with a projected savings of \$500,000. He said the 2011 Budget also relied on negotiations to produce more cost savings to keep from using fund balance. Chief Copeland said that budget had been for 30 positions, up from the 28 that came with early retirements. He said 2012 was roughly the same scenario.

Chief Copeland continued that in 2011, those line items in which he tried to maintain costs had begun to feel stress. He had covered overages in vehicle and building maintenance funds, as well vehicle fuel consumption and those line items were depleted. He was trying to garner savings from the labor group but, to date, there were none and they were preparing for arbitration.

Chief Copeland explained that with this budget there were 28 positions and they were currently staffed at 27. He reported that discretionary costs had risen and revenues, both operationally and in the retirement fund, had fallen short. He added that if they continued, by 2013 the Fire Fund Balance would be depleted.

Chief Copeland presented five options to the Board:

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1. To increase revenues in the form of an expenditure from the Fire Fund Balance or General Fund Balance, coupled with a millage increase of 2 mils.
2. To cut personnel, however he didn't feel the department could be sustained, as there would be the resulting closing of at least one station.
3. A combination of cuts, as well as an increase in revenue.
4. Collaboration and consolidation with the City of Ypsilanti Fire Department.
5. To form a Fire Authority, which could be regionalized.

Chief Copeland continued to list cuts he would strive to get from the labor group, including a 3% pay cut, a 5% increase from their membership to their pension fund and elimination of holiday pay. He felt the union would not agree to those concessions and it would end in arbitration.

He asked the Board to consider going to the taxpayers for additional revenues.

Supervisor Stumbo asked the Chief if he felt a millage was the only option. Chief Copeland felt that option three, a combination of cuts as well as a millage increase was the best method, as well as collaboration and consolidation.

Trustee Scott Martin said he did not like the thought of closing the Hewitt Road station, especially in light of the concentration of apartments in that area.

Clerk Lovejoy Roe suggested starting with a collaboration with the City of Ypsilanti. She felt this made the most sense. She stated she was very concerned with the 2012 budget and taking the Fire Fund Balance to zero, as the accounting advisors and financial experts had always maintained that for the bond rating, it was recommended to keep 15-18% in fund balances. She suggested different ways to accomplish this, which she and the Chief discussed.

Supervisor Stumbo wondered if the Chief should budget the items he was negotiating with the union but he indicated he was not comfortable doing that.

Treasurer Doe asked if they were currently negotiating. The Chief acknowledged that they were. Treasurer Doe said the firefighters had not taken any pay cuts, even though all other township employees and other municipalities had. The Chief felt part of the labor group's strategy was to file a grievance over the OPEB funding, in hope that an arbitrator would rule in their favor and the Township would have to levy enough mils to cover the shortfall for the retirement and health care fund. Treasurer Doe asked if arbitration had been completed. The Chief said the ruling would not be back for three or four weeks. Treasurer Doe replied that he would not support a millage increase unless the firefighters showed they were willing to chip in with concessions.

Supervisor Stumbo said the Chief would need to provide some exact numbers concerning the Fire Fund Balance in order to reflect a balance of at least 15%. Clerk Lovejoy Roe and the Supervisor provided ideas on how to accomplish that. Supervisor Stumbo offered for the firefighters to come and look at the finances with the Accounting Director.

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Trustee Mike Martin had questions about the early retirement program. Chief Copeland explained that the program had provided a \$750,000 savings. Trustee Martin asked about the concessionary labor agreement and Chief Copeland explained it. He stated that he had taken a 3% wage reduction personally, hoping to lead his group to do the same, however they had not followed suit. Trustee Martin made the point that the language seemed to conflict and Supervisor Stumbo agreed it needed to be clarified.

2. COURT FUND

Judge Pope pointed out the budget for 2012 had three major highlights.

1. A Deputy Clerk position was vacated in February 2011 and the Court elected not to fill the position in 2011 or 2012. They had taken a Probation Officer and transferred them to the Deputy Clerk position.
2. The court was approached by the State to partner in the development of the Judicial Information System, a new software system, which would eventually be used by courts throughout Michigan. He said the Court agreed to provide technical and financial support for this project and the Board was generous in allowing them to fulfill that obligation. He explained the financial agreement entailed four years of support, then no expense on the software itself for the next eight years. Judge Pope said that time period has been satisfied so no funds were budgeted for the software project in 2012.
3. Kathy Collins, the Court Administrator, would be retiring on December 9, 2012. The Judge proposed that Mark Nelson, the part-time Magistrate take the reconstituted position of Magistrate/Court Administrator. He said that would result in a savings of approximately \$43,000.

Judge Pope explained that these three items allowed him to come to the Board with a total of about \$125,000 less in expenditures than on 2011.

Judge Pope gave filing figures of cases for the Court which revealed the revenue struggle they were facing. He explained ways they have tried to cope and some of the issues they were going to face in 2012.

Judge Pope said he had been in discussions with other District Judges in the County, looking to get a consultant concerning sharing resources on a larger scale, countywide.

Judge Pope said they were successful in obtaining a grant from the federal government for Domestic Violence case processing, for \$399,000 in 2012. He said that meant our local court would have a dedicated probation officer for Domestic Violence at least two full days, possibly two and a half, and they would take over that caseload.

Treasurer Doe asked what would change to increase or even meet the projected revenue for next year if they were not making the necessary revenue this year.

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Judge Pope agreed that was a major concern for the Court as well. He explained they were doing as much as they could with what was available, and reiterated traffic enforcement and a few other things that needed to become more of a priority.

Supervisor Stumbo asked Judge Pope to adjust the 14B Court Budget with real numbers.

Clerk Lovejoy Roe asked if it was possible to talk to other courts now for collaboration. Judge Pope responded that they already shared Magistrates and Judges in the County. He spoke about the new software making it possible to scan tickets in at one central location and suggested having the criminal cases heard elsewhere, since there wasn't any security at 14-B.

3. OTHER BUSINESS

Supervisor Stumbo asked for the Board's patience to add under Other Business, the Merrill Street and Valley Drive request for Traffic Calming Devices and the cancellation of the public hearing on the 2012 Budget. The Board Agreed.

ADJOURNMENT

The meeting adjourned at approximately 7:10 p.m.

Respectfully submitted,

Karen Lovejoy Roe, Clerk
Charter Township of Ypsilanti