

MINUTES

KALAMAZOO COUNTY BOARD OF COMMISSIONERS COMMITTEE OF THE WHOLE

July 21, 2009

PLACE: Room 207A, County Administration Building

TIME: 4:00 p.m. – 6:10 p.m.

MEMBERS PRESENT: Commissioners Carolyn Alford, Nasim Ansari, Jeff Balkema, Robert Barnard, Grady Biby, Deb Buchholtz, Dave Buskirk, Jeff Heppler, Brian Johnson, Dave Maturen, John Nieuwenhuis, Mike Quinn, Frank Thompson, Jack Urban, John Zull

MEMBERS ABSENT: Commissioners Ann Nieuwenhuis, and John Taylor

OTHERS PRESENT: Peter Battani, John Faul, Thom Canny, Dina Sutton, Tina Becker, Tracie Moored, Lisa Bradshaw, Jimyo Ferworn, Dave Artley, Lotta Jarnefelt, Mary Balkema, Dave Rachowicz, Linda Buzas, Undersheriff Paul Matyas, Jo Woods, Anne Conn, Tina Keifer, Rebecca May, Kathy Guthrie, Deb Lenz, Tim Snow, Susan Sayles, Lisa Thompson, Sue Darling, Nigel Crum

Chairperson Buskirk convened the Committee of the Whole at 4:00 p.m.

1. Review of Transfers and Disbursements

Finance Director Tracie Moored stated that claims for July 21, 2009 totaled \$2,789,786.53. Ms. Moored reviewed transfers and disbursements on page 2-4. The Allocated Fund Balance schedule was also presented for approval.

2. 2008 Audit Wrap Up

Mr. Doug Havera of BDO Seidman gave a brief overview of the Audit Wrap Up booklet that was passed out. He stated BDO Seidman completed their audit of the financial statements and the federal audit of the County for year-end 2008. He stated the County was issued an unqualified opinion on the financial statements. He stated the objective of the audit was not absolute assurance but feasible assurance about whether the financial statements were free from material misstatements. He also stated all records and information requested were freely available and they received full cooperation from County.

Ms. Kristi VanderMolen of BDO Seidman gave a brief overview of the financial highlights from the Comprehensive Annual Financial report and Single Audit Act Compliance Report on pages 8-19. She thanked Administration and staff for their hard work and dedication to get through this audit.

Commissioner Taylor arrived at 4:10 p.m.

3. 2008 Retirement Actuarial Annual Summary

Mr. Jim Koss of Gabriel, Roeder Smith & Company gave a brief overview of the County's Review of 2008 Retirement System Valuation Report that was handed out. He presented the results of the December 31, 2008 Annual Actuarial Evaluation for the general employees from the County of Kalamazoo. He stated the retirement system continues to be well funded. He also stated contributions are expected to increase as 2008 asset loss is recognized.

Discussion ensued

Commissioner Maturen requested a few scenarios of 5 year projections that could be presented to the Board. Mr. Koss stated this could be done in a 4-6 week period.

4. Compensation/Classification Audit Update

Deputy Administrator Mr. John Faul reviewed his memo in the packet and gave a brief background of the classification audit process. He requested Board approval for Administration to implement a banding concept. He stated this concept would enhance the ability to attract and retain quality employees and create internal pay equity within the County's budget. He recommended a 3 person team which would include a manager, Finance and Human Resources. He stated this approach would be much stronger and would develop a more rational approach. He stated to move forward, Administration would like to utilize the banding structure as opposed to individual wage groups. He also requested approval on tonight's consent agenda to eliminate the Manager of Compensation position, because the Audit had been completed, Administration suggested using a broader team approach to develop a salary system.

Commissioner Urban stated he was pleased Administration had a way to work out the jam the County was heading toward. He however had concerns with the new team approach, that it may not be perfect either, and Administration needed to be careful this didn't get off track.

Commissioner Taylor had concerns about the process that had been taken to get to this point. He stated he felt it had taken far too long and far too much of the County's budgets had relied upon this information that needed to be done years ago and now we're continually starting anew. He stated he was disappointed Administration wanted to take a step back. He stated the Board should put pressure on Administration to complete this.

Many Commissioners concurred with Commissioner Taylor's comments.

Commissioner Alford stated the Board needed to be more conscious and supportive of the County's staff. She had concerns with the money and time spent over the past three years. She stated she did not support this request.

Discussion ensued.

Corporate Counsel Thom Canny recommended refraining from discussions of a particular individual's job performance unless that person was given the opportunity to know that discussion was taking place.

Commissioner Barnard had concerns that Administration had not seen the audit process becoming a useless tool over the past 2 ½ - 3 years.

Administrator Battani stated fundamentally he was the person that would take responsibility for this. He stated he wished the process hadn't taken as long as it had. He stated fundamentally the process took a long time because individuals, i.e. constitutional officers and department heads of which he had direct control had a lot of concerns about the fairness of the process, the objectivity of the process and ultimately the quality that was produced and asked for an opportunity to have an appeals process. He stated the County had never been through a reclassification or re-audit of our entire system before. He stated the process was such that if you wouldn't know the whole story until it's done. He stated he did feel the County came out of this with a piece that was successful, and that being a banding process that collapses down positions, that's workable.

Chair Buskirk stated this item would be pulled from tonight's consent agenda.

Commissioner Urban stated he understands this correction was needed. He questioned what had been accomplished as a result of this audit.

Administrator Battani stated the County learned there were too many job classifications, that the County could simplify job classifications. He stated we've learned we'll have a train wreck if we try to force fit a pointing system that fundamentally the entire edifice opposes. He stated Administration would like to implement a process that the entire edifice felt it had input in that was fair and objective and that people could participate and support.

Discussion ensued.

5. Economic Development Fund

Ms. Lotta Jarnefelt recommended approval at tonight's Board of Commissioners meeting for three items that were on the consent agenda. First being the approval of Funding from the Economic Development Funding Program (EDFP) from the Economic Development Corporation to the City of Portage. Secondly, approval for Funding from the EDFP from the County Economic Development Corporation to the 100 Block Michigan Avenue Project for public infrastructure improvements through the City of Kalamazoo and approval of the contract with the City of Kalamazoo related to the funding; and third, approval from the County Economic Development Corporation to "freeze" the EDFP at the present time.

Mr. Dave Artley responded to specific issues that were raised at the June 16 Committee of the Whole meeting concerning The City of Portage and the City of Kalamazoo projects.

Discussion ensued.

6. Personnel Policy Recommendations

This item was moved to the August 5 Committee of the Whole meeting.

7 MDOT Resolution

Commissioner Johnson stated this item was removed from the consent agenda. He stated he was requesting approval of a Resolution urging Michigan Department of Transportation (MDOT) to keep the light at Fletcher Street and West Main Street.

Commissioner Nieuwenhuis arrived at 5:55 p.m.

Ms. Terri Mellinger, Kalamazoo Township Supervisor stated she supported Commissioner Johnson's recommendation. She stated it either has to go back into service or put an enhanced walk way in place.

Some discussion ensued.

Many Commissioners supported this resolution.

8. Extension of Lease of the Nazareth Facility

Corporate Council Thom Canny recommended extending the lease of the Nazareth Facility. He stated this item was on the consent agenda at tonight's Board of Commissioners meeting.

9. Commissioner Budget Retreat

This item was removed to "Administrator Time" at tonight's Board of Commissioners meeting.

10. Adjournment

There being no further business to come before the Board, Chair Buskirk adjourned the meeting at 6:10 p.m.

David Buskirk, Chair
Kalamazoo County Board of Commissioners