Approved FY 2017 Budget

Delta County, Michigan

October 1, 2016-September 30, 2017

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Administrator's Budget Message

Chairperson Harrington and the Delta County Board of Commissioners,

It is my privilege to present the Proposed FY 2017 Budget. Although there are no new programs, and only a few minor enhancements due to budget stressors that I'll mention later, the Proposed Budget does include the following:

- No layoffs or reduction in hours
- No tax or fee increases
- No use of financial reserves to balance the General Fund
- Two percent salary increases in every settled labor contract, and for non-union employees.
- Funding for an additional Corrections Officer, who was approved and hired during FY 2016
- Full required funding for the county's pension system, which increased by over $100,000 this year.

Administrative Priorities and Goals

When I started as Administrator in May of 2015, the four main priorities the Board agreed I would focus on were fiscal stability, employee relations, citizen transparency, and public safety services. The FY 2016 Budget began, and the FY 2017 Budget continues that focus.

Fiscal Stability

Fiscal stability means proposing a budget where ongoing revenues are equal to ongoing expenditures. Paying for current year expenditures with fund balance is tempting, but it sets future Boards up with very difficult decisions to maintain services. The FY 2017 Budget, just like the FY 2016 Budget, will not reduce any General Fund balance.

Adequate financial policies are also a cornerstone of fiscal stability. Having strong financial controls also helps ensure a clean audit. In the past year, the Board has revised its procurement policy, credit card policy, land sale policy, and created the Pension Stabilization Fund. Additionally, the most recent financial audit was the first in over a decade without a material financial weakness.

Employee Relations

Labor relations can either be a huge positive for a community, or it can be something that caused problems for everything a government does. The commitment by our employees over the past year and a half has been outstanding. The Administrative Office has not received a grievance in 14 months. While I'd love to take credit, the reality is this is the employee's doing. They have been more than willing to sit down and talk about any problems. In most cases, we've found a solution. More importantly, things have remained cordial even if we haven't.

However, employees do need and deserve salary increases that keep up with the cost of living. Every expired labor contract was settled with a two percent annual salary increase, and all were settled for

three years. These two percent increases, including for non-union employees, are accounted for in the budget, and should help provide a year of labor peace in FY 2017.

Citizen Transparency

Local government in Michigan is confusing. The local city or township handles some things. The County Road Commission handles others. The State even does some things that are handled locally in other jurisdictions. Even what is handled by the County government isn't a simple structure. The Board of Commissioners approves the budget of some elected officials, who are otherwise autonomous. One of the goal's of this year's budget is to produce a document that is much easier to understand. Although it is still available, the hundreds of spreadsheet numbers are gone. Replacing them is a more concise, organized document that attempts to explain what each county department does.

We will also attempt to improve citizen transparency by improving our website. It's been a long time coming, but our goal is to reduce traffic in the Courthouse. If a citizen can do something online, we want them to be able to. Our IT Director is currently talking to each department head and elected official on ideas and strategies. This project will be completed in FY 2017.

Public Safety Services

53 percent of General Fund dollars are spent on our justice system. This includes the Prosecutor, Courts, and Correctional Facility. Since I've been here, I've tried to connect the Board with the Sheriff and Prosecutor whenever possible. This has resulted in a wonderful relationship where all of us work together to improve what we can. Even though the recent Sheriff Millage was defeated, it showed that the Board and the elected executives are a united front when it comes to prioritizing our justice system first.

Budget Pressures

The Delta County Budget remains stressed due to four significant budget pressures.

Corrections Problems

There are three unique issues that are putting continuous strain on our Corrections Division:

1. The deterioration and insufficient capacity of the current correctional facility
2. The increase in drug crimes in Delta County
3. Sentencing reforms and the closing of state prisons

These three pressures have combined to create a catastrophic situation for Delta County, and the single biggest problem we face as a County Government. Even if the current capacity was sufficient, parts of the current facility have been operated 24 hours a day since the 1960s. More maintenance problems arise every year. More safety codes that cannot possibly be met in our current facility are added by the state each year. The design of the current facility was considered outdated in 1983, when the pod

design became the standard. The state has been giving Delta County a pass on the current jail, because we have no other options and have been working on solutions. That won't last forever.

The capacity is as big of an issue as the deterioration however. Drug crimes have dramatically increased over the last decade. Our Prosecutor and Court System have had to deal with a continuous trend of increased caseload, and increased incident severity. This is compounded by the fact that the state has made it more and more difficult to send offenders to prison. To balance its budget, the state continues to close prisons and then take credit about the declining prison population. These criminals are now staying at the county level, and we're responsible for paying for them. Because of the size of our current facility, and with no other financially realistic options available, our Judges frequently have no choice but to let inmates out early. No one in Delta County wins when this occurs.

Pension Funding

Like so many communities throughout the Country, the current funding of our pension system is inadequate to meet our long-term needs. Our current assets only cover 73 percent of our future liabilities. Because our pension systems are closed to new entrants, we will be forced to pay off our unfunded liability over the next decade. After increasing by $125,000 this year alone, our annual costs are projected to increase by an average of over $150,000 each year for the next eight years, before leveling off and finally decreasing.

Fortunately, the County has strong financial reserves, and it will almost certainly be required to dip into them over the next decade to cover these pension costs. In FY 2015, we drastically reduced end of year spending and out-of-fund transfers to create a General Fund surplus of $615,000. This was deposited in the newly created Pension Stabilization Fund, and we should anticipate using it to mitigate pensions cost in the FY 2019, 2020, and 2021 Budgets. Conservative spending and continued commitment from our employees is imperative to continuing to grow the Pension Stabilization Fund.

Property Tax Changes

Finally, the continuous threat of property tax changes has made government financial forecasting very risky. When considering salary increases, program enhancements, or even avoiding reductions, local governments have to rely on stable revenue forecasting. When the state awards major, and retroactive, property tax refunds, or passes major reforms without funding them, the budget can get set back years. Fortunately, Upper Peninsula legislators have taken an active role in at least reducing the impact by attempting to close the dark store loophole. A law may be passed in the fall legislative session. This isn't our only concern with recent state changes, but it does show that the state is starting to more actively consider the financial impact on local units.

Michigan's Local Government Revenue System

Not only is the state changing the rules after the game started, but the game was set up to be next to impossible for local governments to sustainably grow. A state act called "Headlee" forces property tax values of existing structures to grow no faster than the rate of inflation. And if the overall property

values grow too quickly, the millage rate is automatically reduced with something called a Headlee rollback. While this might sound good in theory to the average taxpayer, what happens after a recession? When homes "return to normal values" after a recession, there is no mechanism for local governments to ever get that money back, because growth cannot exceed inflation. This is the main reason that Michigan Counties are 50th out of 50 states for local government revenue gained during the last measured decade.

Major Changes in the FY 2017 Budget

Manufacturing Personal Property Tax Revenue

The state has phased out personal property taxes for eligible manufacturing industries. This has resulted in a $300,000 loss of revenue in FY 2016. Fortunately, the state plans on reimbursing impacted localities for the near future, however, 100 percent reimbursement is not guaranteed. Although the state anticipates full reimbursement in FY 2017, I have only accounted for $250,000 reimbursement in the Budget.

Funding for Corrections Officer

The General Fund has subsidized the Airport with $350,000 annually for many years. The Airport has been doing well financially however, and the subsidy has allowed them to build a fund balance of nearly $700,000. During FY 2016, the County Board recommended reducing the subsidy from $350,000 to $300,000 for FY 2016 and FY 2017. With the additional $50,000, the County added a full-time Corrections Officer. This Officer splits the two shifts, starting in the afternoon into the evening, in an effort to assist both shifts with their most difficult tasks. This has been very successful thus far. The Proposed FY 2017 Budget continues funding for this position. Between the Proposed and the Approved Budget, funds were also added for additional nursing hours and for part-time healthcare.

Funding for Prosecutor's Internship Program

One of the strategies for meeting our pension cost increases this year was to reduce Attorney costs. The employees have made it easy on us to reduce our labor relations budget by working with us on every issue. However, there are many non-labor relations legal matters that come up each year. Fortunately, our Prosecutor has taken on the role of assisting both myself and the Board with legal matters. As a result, this has allowed the FY 2017 Budget to include a $15,000 reduction in Professional and Consulting Fees.

Taking time out to help the County is difficult considering the caseloads his office currently deals with, however hiring another Attorney is a $70,000 proposition. Fortunately, the Prosecutor has suggested a much cheaper solution to assist his office. The Prosecutor's Association of Michigan offers four month internships with fully accredited Attorneys, for $6,100. The Attorney would be able to come in during the summer, when employees typically take vacations, and assist the other Attorneys by taking on the lowest level cases and research. This action is recommended in the Prosecutor's FY 2016 Budget.

Circuit Court Attorney Fees

For many years, five appointed Attorneys in Circuit Court have been working off of a $21,000/year contract. Unfortunately, the caseload has increased and criminal offenses have become more severe. Judge Davis has strongly recommended that the contractual payment to Attorneys be increased to account for the additional work. Maintaining five criminal defenders has become difficult. The Proposed FY 2017 Budget includes a $3,000 increase for each Attorney, costing a total of $15,000. This action will ensure that the County is able to hire adequate public defenders for the foreseeable future.

Contingency Funds

The main reason we're able to propose the FY 2017 Budget without any major reductions is because we planned on the increased costs last year. When the FY 2016 Budget was approved, $95,000 was included in contingency funds. Rather than put them towards a program, we held on to them, knowing that they would be needed in this year's budget to cover the increased salary and pension costs. They should also help provide a surplus when FY 2016 closes, which will go by policy to the Pension Stabilization Fund.

Where Additional Funding Should Go

Corrections

One frustrating aspect of balancing a budget with minimal revenue growth is that there are very worthy items that do not get funded. These aren't reductions, but worthwhile expansions. The three items I would recommend funding if we had an additional $50,000 would all be in the Correctional Facility. They would be healthcare for one more part-time Corrections Officer, additional contracted nursing hours on weekends, and additional funds to staff a part-time Officer on midnight shift. During the Budget Process, I will discuss various reduction possibilities, and the Board can discuss the positives and negatives of routing additional funds to our Justice System.

FY 2017 Goals

Aside from its financial purpose, the Budget Document is also an excellent way to set other goals for the upcoming year. Below are goals that administration will work towards in FY 2017, with any additions by the Board to be added:

- Replacing existing Equalization agreement.
- Settling long-term inspections structure with contracts for Plumbing, Mechanical, and Electrical inspections.
- Securing funding for a new Sheriff's Office and Correctional Facility.
- Shifting customer interactions online wherever possible.
- Working towards a new Renaissance Zone at the Airport.
- Management and completion of the ongoing Energy and Infrastructure Project.

The FY 2018 and FY 2019 Budgets

When developing the FY 2017 Budget, eyes are also on the next several years. Proposing a budget that sets us up for failure in future years is not good for the county. With that in mind, here are early thoughts on the next two budgets:

FY 2018 Changes

Salaries will increase $50,000 due to wage increases. Healthcare will likely increase another few percent, or $20,000. Our pension costs will continue to climb, adding $90,000 in new General Fund costs. This $160,000 will be the main ongoing cost increases that we will need to account for. Fortunately, we will be making our final Courthouse debt payment at a reduced rate, which will save approximately $60,000. This leaves us with a $100,000 General Fund Budget gap to work on. Hopefully, it is solved with additional revenues. If not, I would still consider it a manageable gap at this stage.

FY 2019 Changes

Our FY 2019 Pension costs are not set yet, but early projections having them increasing by $270,000 over current costs, and $180,000 over FY 2018. This, coupled with an assumed $70,000 increase in salary and healthcare costs, will present a difficult budget gap if we maintain flat property tax growth. This may be the first year that we need to use a portion of the $615,000 Pension Stabilization Fund. We will also need to be very prudent when replacing vacant positions, and with our appropriations to non-mandated services. On the positive side, there will be $270,000 in annual savings due to having fully paid off Courthouse debt. However, I hold out hope that this $270,000 will be reserved for the additional staffing required on a new Correctional Facility.

Conclusion

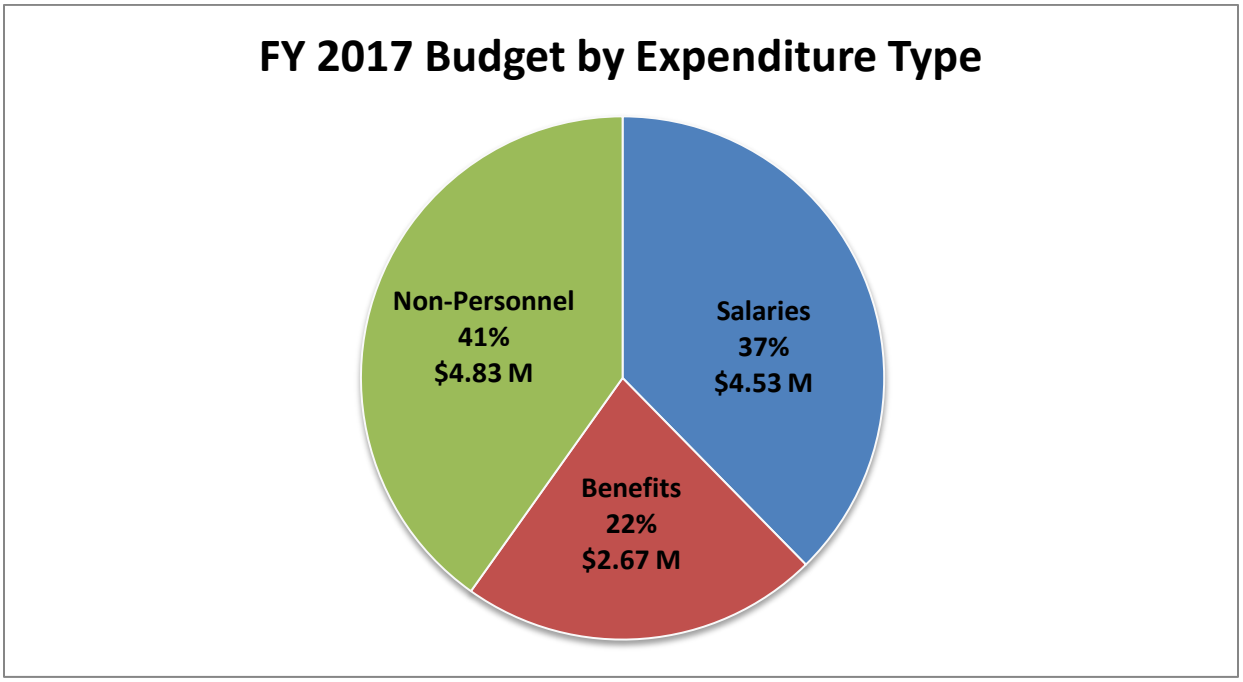
Despite the difficult budget pressures, the Proposed FY 2017 Budget maintains existing service levels, while tweaking and making small improvements in the Correctional Facility and Courts System. While we, like most other local governments, have some difficult years ahead due to our pension costs, we've taken positive steps to plan accordingly. I encourage the Board of Commissioners to review and add their wrinkles to the Budget. I will be happy to provide funding reduction possibilities if you would like to consider shifting funds elsewhere. Please do not hesitate to contact me with any questions.

Thank you,
Ryan Bergman
Delta County Administrator

Budget Summary (Major Funds)

The following charts and graphs include information from the major county funds (General, Airport, Building and Zoning, Road Patrol, and Service Center)

The FY 2017 Budget includes approximately $7.2 million in personnel costs, between salaries and benefits. This is in addition to $4.83 million in non-personnel costs. Non-personnel costs include contractual services, appropriations, utility costs, debt payments, and all required equipment and infrastructure.



The average permanent Delta County employee earns $43,275 a year. If they elect health insurance, and are part of the County pension system, the County will be required to contribute an average of $35,771 in benefit costs on their behalf. This means that for every $1 in salaries that the County contributes for many employees, it contributes an additional 83 cents for benefits.

Average Permanent Employee Statistics	
Number of Permanent/Elected Employees	102
Average Permanent Salary	$43,275
Average Healthcare Cost (with Coverage)	$14,807
Average Retiree Cost (with Pension)	$17,654
Average FICA Cost	$3,310
Average Employee Cost (w/ Healthcare, Pension)	**$79,046**

Budget Summary (General Fund)

General Fund Budget By Program Type		
Program Type	**FY 17 Budget**	**Percent**
Prosecutor and Courts	$3,181,117	33.3%
Sheriff and Corrections	$2,339,196	24.5%
Board and Administration	$471,435	4.9%
Maintenance and Custodial	$468,589	4.9%
Clerk/Elections/Register of Deeds	$371,450	3.9%
Mental Health and Substance Abuse	$345,030	3.6%
Debt Payment	$327,330	3.4%
Airport Subsidy	$300,000	3.1%
Health Department	$267,231	2.8%
Contractual Departments	$227,100	2.4%
Unallocable Pension Expense	$207,853	2.2%
Technology Purchase and Maintenance	$195,850	2.1%
Equalization Services	$180,398	1.9%
Treasurer	$175,905	1.8%
General Insurance	$135,000	1.4%
General Appropriations	$127,210	1.3%
Audit and Professional Services	$88,000	0.9%
Capital Outlay Appropriation	$85,000	0.9%
MSU Extension	$43,500	0.5%
Miscellaneous	$11,555	0.1%
General Fund Total	**$9,548,749**	

Permanent and Elected Staffing Summary

The following table represents all permanent employees in Delta County. Part-time and contractual employees are not included. 23 employees are under the purview of the Delta County Board of Commissioners; 46 are under the purview of the Elected Treasurer/Clerk/Prosecutor/Sheriffs; and 33 are under the purview of Elected Judges.

Permanent and Elected Staffing Summary				
Department Name	**Management**	**FY 2016**	**FY 2017**	**Change**
Administration & Finance	Board	3	3	0
Board of Commissioners	Board	6	6	0
Building Maintenance	Board	4	4	0
Circuit Court	Circuit Judge	3	3	0
County Clerk	Clerk	2	2	0
County Treasurer	Treasurer	3	3	0
District Court	District Judge	11	11	0
Elections	Clerk	1	1	0
Equalization	Board	1	1	0
Friend of the Court	Circuit Judge	9	9	0
Probate Court	Probate Judge	3	3	0
Probate Court-Juvenile	Probate Judge	8	8	0
Prosecuting Attorney	Prosecutor	7	7	0
Register of Deeds	Clerk	2	2	0
Sheriff-Administration	Sheriff	4	4	0
Sheriff-Corrections	Sheriff	15	16	1
General Fund Sub-Total		**82**	**83**	**1**
Airport	Board	7	7	0
Building & Zoning	Board	2	2	0
Road Patrol	Sheriff	11	11	0
Nongeneral Funds Sub-Total		**19**	**19**	**0**
Countywide Total		**101**	**102**	**1**

General Fund Mandated & Non-Mandated Services

The following is intended only as a guide. Mandated programs are services required of County Government by the state. Non-mandated programs exist at the discretion of the Board of Commissioners.

Mandated Programs and Services
Board of Commissioners
Circuit Court
District Court
Friend of the Court
Probate Court (including Juvenile Division)
Elections
County Clerk
Equalization
Prosecuting Attorney
Register of Deeds
Sheriff and Corrections
Medical Examiner
Appropriation to Delta Menominee Public Health
Appropriation to Northcare (Substance Abuse Funding)
Building Inspections (Code Official)

Services that Directly Support Mandated Programs and Services
Administration and Finance
Technology
Maintenance and Custodial

Grant Funded Programs and Services
Sheriff-Marine
Emergency Management

Non-Mandated Programs and Services
Appropriation to Delta County Airport
Delta County Park System Management
Appropriation to MSU Extension
Zoning Administration
Appropriation to Animal Shelter
GIS through CUPPAD
Memberships (CUPPAD, UPCAP, Chamber, EDA, MAC)
Soil Erosion Agreement with Delta Conservation District
Veteran Services
Work Release through Community Corrections

General Fund Revenue

Proposed FY 2017 General Fund Revenue			
Description	**Approved FY 2016**	**Proposed FY 2017**	**Change**
Taxes	$6,139,666	$5,819,912	($319,754)
Fees/Cost Reimbursement	$1,755,040	$1,797,536	$42,496
State Allocations	$1,033,766	$1,319,951	$286,185
Federal Allocations	$340,000	$375,000	$35,000
Grants	$159,400	$135,550	($23,850)
Interest Earnings	$95,800	$100,800	$5,000
Total Revenue	**$9,523,672**	**$9,548,749**	**$25,077**

Summary of Significant General Fund Revenue Changes		
Revenue Source	**Change from FY 2016**	**Reason for Change**
Property Taxes	($301,479)	Reduction almost entirely due to state's phase out of industrial personal property tax. A portion will be reimbursed under PPT reimbursement below.
Industrial Facility Taxes	($22 275)	Reduction also due to the industrial personal property tax phase out.
Federal Grants	($20,000)	Previous federal grant revenue program has expired.
Out of County Prisoners	($10,000)	Reduced utilization due to consistent capacity issues at the Jail. Primarily used for Hannahville inmates.
Attorney Fee Reimbursement	($10,000)	Recent reduction in reimbursement received from clients for court appointed attorneys.
District Court Reimbursement	$15,000	Increase in reimbursement for court costs due to recent increased caseload.
F.O.C Reimbursement	$23,000	Increase due to higher federal reimbursement for costs and additional incentive payments.
Swamp Tax Revenue	$32,468	$1 increase (to $4) in the per acre payment for select land owned by the state.
Federal Payment in Lieu of Taxes (PILT)	$35,000	Increased allocation in the national PILT program which pays for federal lands.
State PPT Exemption Reimbursement	$250,000	Covers a portion of lost revenue for policy changes in personal property tax exemptions.

Board of Commissioners: Fund 101 Dept 101

Department Overview

The Board of Commissioners is the governing body and the major policy approval center for County government. It is the legislative body with authority over most aspects of the county, including approval of the annual budget. The County Board consists of five members elected by regional district, serving two year terms. The Chairperson is elected by a vote from the five standing Commissioners.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$89,505	$94,932	$96,868	$1,936
Benefits/FICA	$34,235	$35,122	$35,478	$356
Non-Personnel	$12,604	$14,700	$14,700	$0
Total Budget	**$136,344**	**$144,754**	**$147,046**	**$2,292**

Summary of Significant Changes

- **$1,936** Increase salaries budget due to two percent wage increase

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Board Secretary/Administrative Assistant	1	1	0
County Board Chairperson	1	1	0
County Commissioners	4	4	0
Department Total	**6**	**6**	**0**

Circuit Court– Fund 101-Dept 131

Department Overview

Circuit Court is the major trial court of the Michigan Justice System. In general, the Court handles felony criminal cases and all civil cases with claims of more than $25,000. The Court also handles some family cases such as divorce proceedings, and hears cases appealed from other trial courts and administrative agencies. The Circuit Court Judge is responsible for the Friend of the Court Department (which is listed in the Budget as a separate department).

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries[1]	$149,517	$143,451	$145,451	$2,000
Benefits/FICA	$85,452	$76,127	$85,894	$9,767
Non-Personnel	$153,468	$139,162	$152,440	$13,278
Total Budget	**$388,437**	**$358,740**	**$383,785**	**$25,045**

Summary of Significant Changes

- **$8,834** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **$1,033** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **$12,500** Increase budget for Attorney Fees to ensure retention of the Court's five contractual Public Defenders.

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Circuit Court Judge[1]	1	1	0
Court Administrator	1	1	0
Court Reporter	1	1	0
Department Total	**3**	**3**	**0**

[1]Circuit Court Judge is primarily paid by the State, with the County contributing approximately $45,000.

District Court– Fund 101-Dept 136

Department Overview

District Court handles misdemeanor criminal cases, civil cases up to $25,000, landlord-tenant matters, and traffic violations. District Court also operates a substance abuse diversion program known as Sobriety Court, holds probable cause conferences and preliminary examinations for felony cases.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries[1]	$394,932	$387,831	$397,323	$9,492
Benefits/FICA	$168,315	$187,282	$192,392	$5,110
Non-Personnel	$105,652	$107,490	$108,490	$1,000
Total Budget	**$668,899**	**$682,603**	**$698,205**	**$15,602**

Summary of Significant Changes

- **$9,492** Increase salaries budget due to two percent wage increase, and pay grade re-classification of two Probation Officers.
- **$7,237** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **($2,753)** Decrease healthcare budget due to employee enrollment changes.

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Clerk	5	5	0
Court Administrator	1	1	0
Court Reporter/Clerk	1	1	0
District Court Judge	1	1	0
Magistrate	1	1	0
Probation Officer	2	2	0
Department Total	**11**	**11**	**0**

[1]District Court Judge is primarily paid by the State, with the County contributing approximately $45,000.

Friend of the Court– Fund 101-Dept 141

Department Overview

The Friend of the Court is the family division of the Circuit Court and helps decide and administer divorce, custody, parenting time, paternity, and support matters.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$330,110	$326,628	$332,712	$6,084
Benefits/FICA	$213,929	$200,879	$225,361	$24,482
Non-Personnel	$55,728	$62,873	$58,873	($4,000)
Total Budget	**$599,767**	**$590,380**	**$616,946**	**$26,566**

Summary of Significant Changes

- **$6,084** Increase salaries budget due to two percent wage increase for non-union employees.
- **$5,605** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **$18,462** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **($4,000)** Decrease budget for Postage and Bench Warrant Costs based on recent and anticipated utilization.

Permanent Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Chief Account Clerk	1	1	0
Enforcement Clerk	3	3	0
Friend of the Court	1	1	0
Legal Assistant	2	2	0
Receptionist/Caseworker	1	1	0
Staff Attorney	1	1	0
Department Total	**9**	**9**	**0**

Probate Court– Fund 101-Dept 148

Department Overview

Probate Court handles wills, administers estates and trusts, appoints guardians and conservators, and orders treatment for mentally ill and developmentally disabled persons. In additional, Probate Court handles all abuse/neglect matters and adoption proceedings. Probate Court's Juvenile Division, and its 8 employees, is listed in the Budget Document as a separate department.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries[1]	$192,802	$198,307	$188,589	($9,718)
Benefits/FICA	$60,667	$54,875	$78,747	$23,872
Non-Personnel	$93,238	$87,050	$88,850	$1,800
Total Budget	**$346,707**	**$340,232**	**$356,186**	**$15,954**

Summary of Significant Changes

- **($9,718)** Decrease salaries budget due to the retirement of the Register and promotion of the Deputy Register. Each position was replaced at a lower initial salary level.
- **$24,429** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability, and conversion to defined contribution for new hires.
- **$4,300** Increase budget for transcripts based on increased utilization.
- **($2,500)** Decrease telephone budget due to accounting change. Telephone expenses are now paid partially from the Childcare Special Revenue Fund.

Permanent and Elected Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Deputy Register[1]	1	1	0
Probate Court Judge	1	1	0
Register[1]	1	1	0
Department Total	**3**	**3**	**0**

[1]Position funding split between the General Fund and the County Probation Special Revenue Fund

Probate Court-Juvenile– Fund 101-Dept 154

Department Overview

Probate Court's Juvenile Division handles all juvenile criminal offenses, including a diversion program and juvenile probation. Juvenile Diversion and Probation are primarily funded through the special revenue Childcare and County Probation funds.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries[1,2,]	$97,255	$126,597	$128,655	$2,058
Benefits/FICA	$61,985	$75,302	$81,316	$6,014
Non-Personnel	$0	$0	$0	$0
Total Budget	**$159,240**	**$201,899**	**$209,971**	**$8,072**

Summary of Significant Changes

- **$2,058** Increase salaries budget due to two percent wage increase
- **$8,667** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability, and conversion to defined contribution for new hires.
- **($4,804)** Decrease healthcare budget due to employee enrollment changes.

Permanent Staffing Summary[1,2]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Clerk	1	1	0
Diversion Director[1]	1	1	0
Juvenile Referee/Director[2]	1	1	0
Probation Officer[1]	4	4	0
Probation Supervisor[2]	1	1	0
Department Total	**8**	**8**	**0**

[1]Positions funded and paid directly through Childcare or County Probation Special Revenue Funds.
[2] Position funding split between General Fund, and Childcare or County Probation Special Revenue Funds.

Elections– Fund 101-Dept 191

Department Overview

The County Clerk is the Chief Election Official of the county and oversees the Elections Department. As Chief Election Official, the County Clerk: accepts candidate filings; prepares and distributes all ballots; maintains campaign finance reports; trains all elections inspectors; and tabulates and certifies all election results.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$34,933	$36,617	$37,211	$594
Benefits/FICA	$31,122	$29,340	$18,946	($10,294)
Non-Personnel	$23,070	$25,300	$25,300	$0
Total Budget	**$89,125**	**$91,257**	**$81,457**	**($9,800)**

Summary of Significant Changes

- **$594** Increase salaries budget due to two percent wage increase.
- **($10,294)** Decrease healthcare budget due to employee enrollment changes.

Permanent Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Deputy Clerk[1]	1	1	0
Department Total	**1**	**1**	**0**

[1]The Elections Clerk works in the office of, and is supervised by the County Clerk/Register of Deeds.

County Clerk– Fund 101-Dept 215

Department Overview

The County Clerk is responsible for keeping records of births, deaths, marriage licenses, concealed pistol licenses, military discharges, and notary bonds. Additionally, all documents pertaining to Circuit Court, including all District Court bindovers and Friend of the Court documents, are filed with the County Clerk. The position also serves as the Clerk for the Board of Commissioners, Jury Board, and Board of Canvassers. The County Clerk has additional responsibilities as the Register of Deeds, and Chief Election Official, duties of which are covered separately under these departments in the Budget Document.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$94,242	$93,223	$95,906	$2,683
Benefits/FICA	$100,165	$61,317	$80,053	$18,736
Non-Personnel	$10,424	$9,890	$9,110	($789)
Total Budget	**$204,831**	**$164,430**	**$185,069**	**$20,639**

Summary of Significant Changes

- **$2,683** Increase salaries budget due to two percent wage increase.
- **$11,794** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **$6,387** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.

Permanent and Elected Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Chief Deputy Clerk	1	1	0
County Clerk/Register of Deeds	1	1	0
Department Total	**2**	**2**	**0**

[1]The Elections Department also has one employee and the three employees share several duties. This employee is included in the staffing summary for the Elections Department.

Administration & Finance– Fund 101-Dept 223

Department Overview

The County Administrator is hired by the Board of Commissioners and implements board directives and policies. The County Administrator is responsible for payroll, accounting, preparation of the annual budget, labor negotiations, human resources, and management of all departments/employees that fall under the County Board's purview.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$213,403	$192,438	$201,115	$8,677
Benefits/FICA	$113,967	$104,722	$113,024	$8,302
Non-Personnel	$9,433	$7,250	$10,250	$3,000
Total Budget	**$336,803**	**$304,410**	**$324,389**	**$19,979**

Summary of Significant Changes

- **$8,677** Increase salaries budget due to two percent wage increase for all staff, and contractual increase for County Administrator.
- **$4,609** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **$3,315** Increase retirement budget due to required increase in employer match to defined contribution plans.
- **$3,000** Add funds for contractual mileage reimbursement.

Permanent Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
County Administrator	1	1	0
Information Technology Director	1	1	0
Senior Payroll Clerk	1	1	0
Department Total	**3**	**3**	**0**

Technology– Fund 101-Dept 224

Department Overview

The Technology Department is led by the county's Information Technology Director, who is funded out of the Administration Department. Countywide technology maintenance and purchases are funded out of this budget. Aside from computer hardware and software, the department is responsible for the county's network security, website development, security camera management, and computerized building access system.

Technology Department Budget				
Description	**FY 15 Actual Expenditures**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Maintenance-New Dawn	**$17,850**	**$19,000**	**$19,000**	**$0**
Annual payment for county's court management software.				
Maintenance-Jury	**$1,530**	**$2,200**	**$1,700**	**($500)**
Annual payment for county's jury pool management software.				
Maintenance-BS&A Software	**$26,680**	**$28,000**	**$28,000**	**$0**
Annual payment for county's accounting and tax management software.				
Maintenance-Courts VIQ	**$9,240**	**$6,700**	**$6,700**	**$0**
Annual payment for county's court recorder technology.				
Maintenance-Software	**$4,798**	**$15,000**	**$12,500**	**($2,500)**
Funds used to purchase and maintain miscellaneous software programs				
Maintenance-Computers	**$1,943**	**$18,300**	**$15,000**	**($3,300)**
Funds for purchase of new computers and printers (hardware).				
Internet Service	**$8,313**	**$10,000**	**$10,650**	**$650**
Annual payment for county's internet service.				
Phone Service	**$0**	**$18,000**	**$20,000**	**$2,000**
Annual payment for county's phone service.				
Technology Implementation	**$59,659**	**$70,000**	**$70,000**	**$0**
Funds for all other technology projects including: network security; security cameras; security doors; network storage; website development; and all miscellaneous.				
TOTAL	**$130,013**	**$187,200**	**$183,550**	**($3,650)**

Equalization– Fund 101-Dept 225

Department Overview

Equalization is the process of correcting inequities that occur between local units during the assessment process. Delta County also has an agreement with a contractual Equalization Director, and one full-time Office Manager. The office coordinates with local assessors and with the county's GIS program, run contractually through CUPPAD. The office also prints annual tax bills for the majority of local units, and provides parcel and mapping customer service. Customer service duties are shared with the Building and Zoning Department.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries[1,2]	$31,942	$31,501	$33,329	$1,828
Benefits/FICA	$9,168	$11,140	$13,169	$2,029
Non-Personnel	$7,260	$9,700	$8,900	($800)
Total Budget	**$48,370**	**$52,341**	**$55,398**	**$3,057**

Summary of Significant Changes

- **$1,828** Increase salaries budget due to two percent wage increase and pay grade reclassification of Equalization Clerk position into an Office Manager.
- **$7,819** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **($800)** Decrease telephone budget due to accounting change. Telephone expenses will be paid from a central account for departments that do not receive cost reimbursement.

Permanent Staffing Summary[1,2]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Equalization Assistant	1	0	-1
Office Manager	0	1	1
Department Total	**1**	**1**	**1**

[1]The County also has an agreement with a contractual Equalization Director. The contract is paid through the Appropriations department.
[2]The Deputy Clerk in the Treasurer's Office also works in Building and Zoning/Equalization as needed.

Prosecuting Attorney– Fund 101-Dept 229

Department Overview

The County Prosecuting Attorney is the chief law enforcement official in the County. The office is responsible for a wide array of functions including: litigating misdemeanors and felonies; representing the state in child abuse/neglect cases; handling both civil and criminal appeals; and victim/witness services.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$355,713	$342,953	$351,538	$8,585
Benefits/FICA	$162,272	$163,741	$169,476	$5,735
Non-Personnel	$29,400	$29,500	$34,450	$4,950
Total Budget	**$547,385**	**$536,194**	**$555,464**	**$19,270**

Summary of Significant Changes

- **$10,085** Increase salaries budget due to two percent wage increase, and pay grade re-classification of Prosecutor's Office Clerk position.
- **$4,418** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **$6,100** Increase non-personnel budget to fund contractual Attorney Internship through the Prosecuting Attorney's Association of Michigan to assist with current caseload.
- **($1,500)** Reduce budget for vacation relief. Work will be handled by existing staff.

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Assistant Prosecuting Attorney	1	1	0
Chief Assistant Prosecuting Attorney	1	1	0
Clerk-Prosecutor's Office	1	1	0
Office Manager/Misdemeanor Clerk	1	1	0
Paralegal/Assistant to the Prosecutor	1	1	0
Prosecuting Attorney	1	1	0
Victim/Witness Coordinator	1	1	0
Department Total	**7**	**7**	**0**

Register of Deeds– Fund 101-Dept 236

Department Overview

The County Clerk/Register of Deeds serves as the official recording office for all legal documents pertaining to the transfer and ownership of all real property located in the County. Register of Deeds office staff also serves as a passport application acceptance agent for the U.S Department of State.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$61,424	$60,551	$61,739	$1,188
Benefits/FICA	$37,803	$39,058	$38,835	($223)
Non-Personnel	$4,358	$5,250	$4,350	($900)
Total Budget	**$103,585**	**$104,859**	**$104,924**	**$65**

Summary of Significant Changes

- **$1,188** Increase salaries budget due to two percent wage increase.
- **($900)** Decrease telephone budget due to accounting change. Telephone expenses will be paid from a central account for departments that do not receive cost reimbursement.

Permanent Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Chief Deputy Register of Deeds	1	1	0
Deputy Clerk	1	1	0
Department Total	**2**	**2**	**0**

[1]Register of Deeds personnel works under direction of the County Clerk/Register of Deeds.

County Treasurer: Fund 101 Dept 253

Department Overview

The County Treasurer has the responsibility to receive, and act as the custodian for, all county funds. The Treasurer is also responsible for the collection of all delinquent real property taxes, including managing foreclosure and sale of property for non-payment in accordance with the Michigan General Property Tax Act.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$120,181	$118,843	$125,578	$6,735
Benefits/FICA	$55,707	$55,631	$46,732	($8,899)
Non-Personnel	$6,423	$3,925	$3,595	($330)
Total Budget	**$182,311**	**$178,399**	**$175,905**	**($2,494)**

Summary of Significant Changes

- **$6,735** Increase salaries budget due to two percent salary wage increase, and pay grade re-classification of Deputy Clerk position.
- **($10,124)** Decrease healthcare budget due to employee enrollment changes.

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**FTE Change**
Chief Deputy Clerk	1	1	0
County Treasurer	1	1	0
Deputy Clerk	1	1	0
Department Total	**3**	**3**	**0**

Maintenance & Custodial– Fund 101-Dept 266

Department Overview

The Department of Building Maintenance and Custodial handles maintenance, repair, and housekeeping duties for Delta County buildings, with emphasis on the Delta County Correctional Facility.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$183,223	$179,297	$170,672	($8,625)
Benefits/FICA	$104,507	$107,428	$101,267	($6,161)
Non-Personnel	$147,111	$177,125	$160,150	($16,975)
Total Budget	**$434,841**	**$463,850**	**$432,089**	**($31,761)**

Summary of Significant Changes

- **($13,118)** Decrease salaries budget due to the conversion of a vacant Assistant Director position into a union Chief Maintenance Technician.
- **($4,734)** Decrease salaries budget due to the retirement of the Building and Maintenance Director. The new Director was hired at a lower salary.
- **$1,727** Increase salaries budget due to two percent wage increase .
- **$7,500** Increase salaries budget for part-time Maintenance Employee. The employee primarily handles exterior duties such as lawn care and snow removal.
- **$6,024** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **($11,725)** Decrease healthcare budget due to employee enrollment changes.
- **($12,000)** Decrease budget for Courthouse utilities based on recent and anticipated utilization.
- **($5,000)** Decrease budget for snow removal and salting. Work is now primarily done by Maintenance Department staff.

Permanent Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Assistant Building and Maintenance Director	1	0	-1
Building and Maintenance Director	1	1	0
Chief Maintenance Technician	0	1	1
Housekeeper	2	2	0
Department Total	**4**	**4**	**4**

Sheriff Administration– Fund 101-Dept 305

Department Overview

The Sheriff is charged with enforcing the laws enacted by the Legislature under the police power of the state, and with preserving public peace within the County. The Sheriff also manages the Delta County Correctional Facility, Delta County Road Patrol, and the Marine Division. These departments are included elsewhere in the Budget Document. Additionally, the Sheriff supervises the Courthouse Security Deputy, who is tasked by Judges with protecting the courts.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$271,630	$251,585	$258,189	$6,604
Benefits/FICA	$81,379	$105,053	$106,266	$1,213
Non-Personnel	$21,148	$17,875	$17,875	$0
Total Budget	**$374,157**	**$374,513**	**$382,330**	**$7,817**

Summary of Significant Changes

- **$6,604** Increase salaries budget due to two percent wage increase.
- **($2,008)** Decrease healthcare budget due to employee enrollment changes.
- **$2,773** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability.

Permanent and Elected Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Road Patrol Deputy (Courthouse Security)	1	1	0
Office Manager	1	1	0
Sheriff	1	1	0
Undersheriff	1	1	0
Department Total	**4**	**4**	**0**

Sheriff-Marine– Fund 101-Dept 331

Department Overview

The Marine Patrol, under the supervision of the Delta County Sheriff, shares responsibility with the Department of Natural Resources to patrol the waters of the County.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$14,179	$14,900	$13,800	($1,100)
Benefits/FICA	$4,309	$4,890	$1,456	($3,434)
Non-Personnel	$10,342	$4,340	$5,550	$1,210
Total Budget	**$28,830**	**$24,130**	**$20,806**	**($3,324)**

Summary of Significant Changes

- **($1,100)** Decrease holiday pay budget due to underutilization. Funds have been appropriated but not used for several fiscal years.
- **($3,300)** Decrease retirement budget based on changes in accounting of defined benefit allocations.
- **$1,210** Increase non-personnel budget for increasing gasoline, and boat maintenance costs.

Permanent Staffing Summary

The Sheriff-Marine Division does not have any dedicated permanent employees. Salaries are paid to a part-time employee and a split time Road Patrol Deputy.

Sheriff-Corrections– Fund 101-Dept 305

Department Overview

The Sheriff is responsible for the maintenance and operation of the Delta County Jail which houses inmates sentenced to County Jail, defendants awaiting trial, and felons sentenced to prison prior to their transfer. The current facility has a rated capacity of 85 inmates.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$708,937	$729,768	$766,749	$36,981
Benefits/FICA	$423,562	$438,726	$487,911	$49,185
Non-Personnel	$614,748	$658,600	$678,900	$20,300
Total Budget	**$1,747,247**	**$1,807,094**	**$1,913,560**	**$106,466**

Summary of Significant Changes

- **$59,000** Increase salaries, FICA, healthcare, and retirement funds to add new Corrections Deputy to be split between day and night shift on weekdays. (Implemented during FY 2016)
- **$4,025** Increase salaries budget due to two percent wage increase, partially offset by attrition and new hires entering at a lower pay step.
- **$1,500** Add funds to convert one Corrections Deputy into a Corrections Sergeant.
- **$26,272** Increase retirement budget due to growth in costs associated with paying off county's unfunded pension liability, and due to offering additional 3% benefit for supervisors on defined contribution plans.
- **$25,000** Increase budget for medical coverage due to inflation, and to add nursing hours.
- **$8,600** Increase healthcare budget to give healthcare coverage to one additional part-time Corrections Officer. This will allow for additional part-time hours for this employee.
- **($4,700)** Reduce budget for utilities and inmate food based on recent and anticipated utilization.
- **($8,250)** Reduce budget for Holiday Pay based on recent and anticipated utilization.

Sheriff-Corrections– Fund 101-Dept 305

(Continued)

Permanent Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Corrections Deputy	10	10	0
Corrections Sergeant	4	5	1
Corrections Lieutenant (Jail Administrator)	1	1	0
Department Total	**15**	**16**	**1**

[1]All Corrections positions are supervised by the Sheriff.

Miscellaneous– Fund 101-Dept 958

Miscellaneous General Fund Expenditures				
Description	**FY 15 Actual Expenditures**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Audit Costs	**$34,600**	**$36,000**	**$36,000**	**$0**
Payment to Anderson Tackman for conducting the annual financial audit.				
Equipment Purchase	**$1,735**	**$22,000**	**$16,500**	**($5,500)**
Contingency account for equipment purchases beyond Building Maintenance appropriation.				
Insurance (Auto, Liability, Property)	**$157,712**	**$136,000**	**$135,000**	**($1,000)**
Payment to MMRMA for automotive, liability, and property insurance.				
Labor Relations Attorney	**$52,430**	**$40,000**	**$25,000**	**($15,000)**
Funds used for Attorney costs on labor relations matters. Budget reduced due to Administrator handling all negotiation duties.				
Miscellaneous Costs	**$2,270**	**$12,800**	**$10,300**	**($2,500)**
Contingency account for unanticipated costs.				
Publications	**$3,054**	**$2,500**	**$2,500**	**$0**
Cost of required advertisements and public notices.				
Professional and Consulting Fees	**$20,558**	**$40,000**	**$25,000**	**($15,000)**
Funds used for consulting and attorney fees on non-labor matters. Budget reduced due to Prosecutor's Office assisting Administrator on legal topics.				
Repair	**$0**	**$25,000**	**$20,000**	**($5,000)**
Contingency account used for repair beyond Building Maintenance appropriation.				
Soldier Burial	**$19,500**	**$14,500**	**$14,500**	**$0**
Stipend, handled by the Veteran Services Officer, for partial veteran funeral reimbursement.				
Unallocable Retirement Expenses	**$46,107**	**$201,016**	**$207,853**	**$6,837**
Pension system costs that cannot be allocated to departments.				
Department Total	**$337,966**	**$529,816**	**$492,653**	**($37,163)**

Contingency– Fund 101-Dept 941

Description	**FY 15 Actual Expenditures**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Contingency Funds	**$0**	**$94,867**	**$0**	**($94,867)**
Contingency funds were set aside in the FY 2016 Budget to prepare for anticipated increases in salaries and pension costs. These funds were eliminated FY 2017 to assist in balancing the budget.				

Appropriations– Fund 101-Dept 965

Internal Appropriations (Transfers to other County Funds)				
Description	**FY 15 Actual Expenditures**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Airport Fund	**$350,000**	**$350,000**	**$300,000**	**($50,000)**
General Fund subsidy for operation of the Delta County Airport.				
Brownfield Authority	**$0**	**$1,000**	**$1,000**	**$0**
General Fund subsidy for meeting costs associated with Delta County Brownfield Authority.				
Building and Zoning Fund	**$0**	**$15,000**	**$10,000**	**($5,000)**
General Fund subsidy for costs associated with the Building and Zoning Fund.				
Capital Outlay Fund	**$56,458**	**$65,000**	**$85,000**	**$20,000**
Funds set aside for future capital and infrastructure needs. FY 17 increase is due to scheduled loan payment from comprehensive energy project.				
Childcare Fund	**$350,000**	**$350,000**	**$350,000**	**$0**
General Fund subsidy for Childcare Fund costs, which get 50 percent reimbursement.				
Law Library	**$20,000**	**$20,000**	**$9,000**	**($11,000)**
General Fund subsidy for costs associated with Circuit Courts Law Library. Due to digitalization, costs have been lower, at $9,000 in recent years.				
Soldier & Sailor Relief Fund	**$350**	**$350**	**$1,500**	**$1,150**
Funds for emergency relief as approved by the Soldier Sailor Relief Committee and the Veteran Services Officer. The program received a policy update during FY 2016 by the new VSO, which will result in additional use.				
Debt Retirement	**$333,218**	**$326,680**	**$327,330**	**$650**
Transfer to Courthouse Renovation Debt fund for annual payments associated with the 1994 renovation and expansion of the Courthouse. The final annual payment will occur in FY 2018.				
Internal Appropriation Total	**$1,110,026**	**$1,128,030**	**$1,083,830**	**($44,200)**

External Appropriations (Payments to Other Agencies)				
Description	**FY 15 Actual Expenditures**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Chamber of Commerce	**$2,510**	**$2,400**	**$2,510**	**$110**
Annual appropriation to Delta County Chamber of Commerce.				
Community Corrections	**$0**	**$27,107**	**$23,500**	**($3,607)**
Appropriation to fund inmate work release program.				
Community Promotions	**$1,508**	**$2,000**	**$2,000**	**$0**
Miscellaneous funds for community events.				
CUPPAD	**$9,000**	**$9,000**	**$9,000**	**$0**
Annual appropriation to Central Upper Peninsula Planning and Development Regional Commission.				
Delta County Animal Shelter	**$25,000**	**$25,000**	**$25,000**	**$0**
Annual appropriation to Delta County Animal Shelter				
Economic Development Alliance	**$15,000**	**$20,000**	**$20,000**	**$0**
Annual appropriation to Economic Development Alliance to help fund EDA Director position.				

Description	FY 15 Actual Expenditures	FY 16 Approved Budget	FY 17 Proposed Budget	Change
Equalization Contract	**$125,000**	**$125,000**	**$90,000**	**($35,000)**
Contract with Allied Information Systems to handle Equalization Duties. Reduction in FY 2016 is due to GIS functions being transitioned to CUPPAD.				
Fire Departments	**$10,000**	**$10,000**	**$7,500**	**($2,500)**
Grants to local fire departments for equipment.				
Garden Ambulance	**$800**	**$800**	**$800**	**$0**
Annual appropriation to help fund Garden Township's ambulance service.				
GIS Agreement (CUPPAD)	**$0**	**$0**	**$35,000**	**$35,000**
Payment for contractual agreement with CUPPAD to fund geographic information systems services, to improve the county's mapping.				
Health Department	**$270,231**	**$271,731**	**$265,731**	**($4,500)**
Required annual appropriation to the Delta-Menominee Health Department.				
Historical Society	**$2,000**	**$2,000**	**$2,000**	**$0**
Annual appropriation to the Delta County Historical Society.				
Human Services Board	**$491**	**$500**	**$3,000**	**$2,500**
Payment for Human Services Board dues and expenses.				
MAC and NACO	**$8,911**	**$9,000**	**$9,000**	**$0**
Annual dues for MAC and NACO membership.				
MSU Extension	**$44,806**	**$45,100**	**$43,500**	**($1,600)**
Annual appropriation for MSU Extension Services, including the 4-H program.				
Northcare Substance Abuse	**$166,347**	**$67,491**	**$69,350**	**$1,859**
State required payment to Northcare based on ½ of Convention Facilities revenue received.				
Northwoods Rail Commission	**$0**	**$0**	**$100**	**$100**
Annual dues for membership in the Northwoods Rail Commission.				
Park Funding (Delta Conservation)	**$50,000**	**$50,000**	**$50,000**	**$0**
Contractual agreement with the Delta Conservation District to manage the Delta County Parks System.				
Pathways Mental Health	**$275,608**	**$275,608**	**$275,608**	**$0**
Annual appropriation to Pathways for mental health services.				
Rock Ambulance	**$800**	**$800**	**$800**	**$0**
Annual appropriation to help fund Maple Ridge Township's ambulance service.				
Soil Permits (Delta Conservation)	**$25,000**	**$25,000**	**$25,000**	**$0**
Payment to Delta County Conservation District to manage soil erosion permits.				
Superior Trade Zone	**$10,000**	**$10,000**	**$10,000**	**$0**
Annual dues for membership in the Superior Trade Zone.				
UPCAP	**$1,500**	**$1,500**	**$1,500**	**$0**
Annual dues for membership in the Upper Peninsula Center for Area Progress.				
External Appropriation Total	**$1,044,512**	**$980,109**	**$971,471**	**($8,638)**

Other General Fund Departments

The following departments are also included within the General Fund:

Emergency Management- Dept 426 Funds primarily used to pay a contractual Emergency Management Coordinator who assists both Delta and Schoolcraft Counties.

Medical Examiner- Dept 648

Veteran Affairs- Dept 682 Funds primarily used to pay the Upward Talent Council for a contractual Veteran Services Officer, who assists citizens with veteran benefit programs and community veteran outreach/coordination.

Jury Commission- Dept 145 Funds used to pay per diem and postage costs for the Jury commission.

Drain Commissioner-Dept 275 Funds used to pay a stipend to the required elected Drain Commissioners office.

Record Copying-Dept 286 Funds used for the annual service agreement and related supplies for the county's copier machines.

Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Emergency Management	$57,757	$55,600	$55,600	$0
Medical Examiner	$49,799	$50,500	$50,500	$0
Veteran Affairs	$16,692	$60,000	$55,000	($5,000)
Jury Commission	$1,721	$2,110	$2,110	$0
Drain Commissioner	$55	$55	$55	$0
Record Copying	$10,120	$14,000	$11,000	($3,000)

Airport– Fund 581

Department Overview

The Delta County Board of Commissioners is responsible for operations of the Delta County Airport, after input from an Airport Advisory Board. The Airport, which is located in Escanaba, currently provides commercial service to Detroit. In addition, the Airport handles general aviation, fueling, and hangar rentals.

Revenue Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Fuel Sale Revenue	$462,123	$405,300	$328,150	($77,150)
Hangar Rental Revenue	$63,813	$71,000	$74,000	$3,000
Other Services/Grants	$223,517	$182,250	$182,300	$50
Transfer From General Fund	$350,000	$350,000	$300,000	($50,000)
Use of Airport Fund Balance	$0	$0	$48,184	$48,184
Revenue Totals	**$1,099,453**	**$1,008,550**	**$932,634**	**($75,916)**

Expenditure Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$261,709	$303,112	$290,133	($12,979)
Benefits/FICA	$116,529	$132,761	$186,874	$54,113
Non-Personnel	$480,463	$572,677	$455,627	($117,050)
Total Budget	**$858,701**	**$1,008,550**	**$932,634**	**($75,916)**

Summary of Significant Changes

- **($12,979)** Decrease salaries budget, despite two percent wage increase and raise for Airport management, due to attrition of a senior employee and the elimination of funding for the Airport Trainer position.
- **$27,847** Increase defined benefit retirement budget due to growth in costs associated with paying off county's unfunded pension liability, and additional defined contribution costs.
- **$27,541** Increase healthcare budget due to inflationary growth and employee enrollment changes.
- **($17,000)** Decrease marketing budget due to the expiration of a marketing grant.
- **($55,000)** Decrease fuel sales budget due to anticipated usage changes by Sky West and Valley Med.
- **($35,000)** Decrease funds for capital outlay based on recent and anticipated utilization. Funds had not been used in several years.

Airport- Fund 581

(Continued)

Permanent Staffing Summary			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Airport Manager	1	1	0
Assistant Airport Manager	5	5	0
Assistant Maintenance Worker	1	1	0
Department Total	**7**	**7**	**0**

Building and Zoning– Fund 240

Department Overview

The Department of Building and Zoning employs a designated Code Official responsible for managing the county's permitting process for various local units. This currently includes building, plumbing, and mechanical permits. Additionally, the office interprets and hears cases related to the County's Zoning Ordinance, which is only used in local units that do not have their own zoning.

Revenue Budget Summary[1]				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Previous Revenue Structure[1]	$177,469	$155,000	$0	($155,000)
Menominee Contract	$0	$0	$20,000	$20,000
Building Permit Fees	$0	$0	$90,000	$90,000
Mechanical Permit Fees	$0	$0	$30,000	$30,000
Plumbing Permit Fees	$0	$0	$30,000	$30,000
Zoning Permit Fees	$0	$0	$10,700	$10,700
Township Zoning Fees	$0	$8,245	$8,000	($245)
Transfer From General Fund	$0	$15,000	$15,000	$0
Revenue Totals	**$185,443**	**$178,245**	**$203,700**	**$25,455**

[1]In previous years, various revenue types were intermingled. Beginning in FY 2017, revenue will be more specifically tracked for the department.

Expenditure Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$84,445	$84,471	$87,214	$2,743
Benefits/FICA	$37,540	$37,839	$60,631	$22,792
Non-Personnel	$49,112	$55,935	$55,855	($80)
Total Budget	**$171,097**	**$178,245**	**$203,700**	**$25,455**

Summary of Significant Changes

- **$2,743** Increase salaries budget due to two percent wage increase.
- **$21,180** Increase defined benefit retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **$1,135** Increase healthcare budget due to inflationary growth and employee enrollment changes.

Building and Zoning– Fund 240

(Continued)

Permanent Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Assistant Building and Zoning Administrator	1	1	0
Building and Zoning Administrator	1	1	0
Department Total	**2**	**2**	**0**

[1]The Office of Building and Zoning; and the Equalization Department share clerical staff and responsibilities. Additionally, a Deputy Treasurer position serves as an office replacement during absences.

Sheriff-Road Patrol– Fund 205

Department Overview

The Road Patrol is supervised by the Sheriff and is primarily funded through a countywide millage. The Road Patrol provides 24 hour police protection to all Delta County citizens, including a Detective and a dedicated Officer for the Upper Peninsula Substance Enforcement Team (UPSET).

Revenue Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Property Taxes	$1,058,089	$1,083,562	$1,033,670	($49,892)
State Funding	$0	$0	$44,740	$44,740
Grant Funding	$99,251	$93,483	$94,062	$579
Reimbursement	$100,285	$82,605	$77,102	($5,503)
Miscellaneous	$12,375	$14,340	$20,340	$6,000
Transfer In	$116,293	$0	$0	$0
Total Revenue	**$1,386,293**	**$1,273,990**	**$1,269,914**	**($4,076)**

Expenditure Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$635,441	$638,226	$623,337	($14,889)
Benefits/FICA	$450,261	$398,011	$405,666	$7,655
Non-Personnel	$259,451	$237,753	$240,911	$3,158
Total Budget	**$1,345,153**	**$1,273,990**	**$1,269,914**	**($4,076)**

Summary of Significant Changes

- **($43,282)** Decrease salaries budget due to transferring the payment of the Courthouse Security Deputy to the General Fund. This action actually occurred in FY 2016.
- **$17,193** Increase salaries budget due to two percent wage increase for Deputies/Sergeants and four percent wage increase for Lieutenants.
- **($6,700)** Decrease salaries budget for snowmobile and forest service grants based on declining revenue and recent utilization.
- **$18,249** Increase defined benefit retirement budget due to growth in costs associated with paying off county's unfunded pension liability.
- **($21,284)** Decrease defined contribution retirement budget based on changes in accounting of retirement allocations.
- **$9,343** Increase healthcare budget due to inflationary growth and employee enrollment changes.

Sheriff-Road Patrol– Fund 205

(Continued)

Summary of Significant Changes (continued)

- **$10,000** Increase overtime budget due to recent and anticipated utilization.
- **$7,167** Increase appropriation to Drug Enforcement Fund to cover additional costs of dedicated UPSET Officer.
- **$4,500** Increase budget for telephone reimbursement due to phone subsidies negotiated in recent labor contract.

Permanent Staffing Summary[1]			
Job Classification	**Approved FY 16**	**Proposed FY 17**	**Change**
Lieutenant/Detective	1	1	0
Road Patrol Deputy	6	6	0
Road Patrol Lieutenant	1	1	0
Road Patrol Sergeant	2	2	0
UPSET Detective	1	1	0
Department Total	**11**	**11**	**0**

[1]All Road Patrol positions are supervised by the Sheriff.

Service Center Fund– Fund 631

Department Overview

The Service Center Fund is an internal service fund that accounts for all activities at the Delta County Service Center. Activities currently include: leasing out space to Michigan Works and CUPPAD; and giving out space to Delta-Menominee Public Health Department and Michigan State Cooperative Extension. There are over $600,000 of reserves in this fund intended to assist with the repurposing of the facilities.

Revenue Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Service Center Rents[1]	$46,540	$0	$46,540	$46,540
Use of Fund Balance	$27,605	$46,500	$21,034	($25,466)
Revenue Totals	**$74,145**	**$46,500**	**$67,574**	**$21,074**

[1]Rent from Michigan Works was erroneously included with a different fund for the FY 2016 Budget.

Expenditure Budget Summary				
Cost Type	**Actual FY 15**	**Approved FY 16**	**Proposed FY 17**	**Change**
Salaries	$0	$0	$7,500	$7,500
Benefits/FICA	$27,068	$0	$574	$574
Non-Personnel	$47,077	$46,500	$59,500	$13,000
Total Budget	**$74,145**	**$46,500**	**$67,574**	**$21,074**

Summary of Significant Changes

- **$13,000** Increase utility and maintenance cost at the Service Center based on recent and anticipated utilization.
- **$8,074** Add salary and FICA funds for a part-time grounds employee. This existing position was previously paid entirely by the General Fund.

Permanent Staffing Summary

The Service Center Fund does not have any dedicated permanent employees. Only a part-time Maintenance employee is partially funded through the Service Center Fund. Maintenance staff assists at the Service Center at no cost to the fund.

Other Nongeneral Funds

(Component Unit Funds, and Trust & Agency Accounts not included)

In addition to: the General Fund, Road Patrol Fund, Building and Zoning Fund, Airport Fund, 911 Authority Fund, and Service Center Fund; the Proposed FY 2017 Budget includes the following funds:

Internal Service Funds- Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, on a cost reimbursement basis.

Debt Service Funds- Funds used to account for and report financial resources that are restricted or committed for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Proposed FY 2017 Budget includes the following Internal Service and Debt Service Funds:

Internal Service/Debt Service Funds				
Description	**Post FY 15 Fund Balance**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Capital Outlay Fund	**$1,002,992**	**$80,000**	**$115,000**	**$35,000**
Fund 401- Accounts for activities related to major capital expenditures for the county. $535,000 of set aside funds were used during FY 2016 for the comprehensive energy and infrastructure project.				
Airport Improvement Fund	**$87,437**	**$20,000**	**$20,000**	
Fund 287 – Accounts for capital projects at the county airport with funds received from other governmental agencies.				
Courthouse Renovation Fund	**$62,313**	**$326,680**	**$327,330**	**$650**
Fund 368- Accounts for collection from the General Fund and disbursement of the annual bond payment required on the 1994 courthouse renovation project and subsequent 2009 refinancing bonds.				
Building Authority Fund	**$35,753**	**$35,700**	**$35,753**	**$53**
Fund 251- Accounts for the remaining funds available from the 1994 courthouse renovation bond sale. Expenditures must be related to the Courthouse, and must be approved by the Building Authority.				
PFC Airport Improvement Fund	**$102,486**	**$51,000**	**$51,000**	**$0**
Fund 288- Accounts for funds received from the passenger facility tax and other grants to be used on approved airport related projects.				
Renaissance Zone Fund	**$34,470**	**$17,500**	**$0**	**($17,500)**
Fund 410- Accounts for the General Fund contribution to, and some revenues received, related to the recently expired Renaissance Zone. There are no immediate plans for expenditures related to this program.				
Brownfield Fund	**$427,299**	**$450,000**	**$1,000**	**($449,000)**
Fund 420- Accounts for revenue and expenditures related to projects supported by the Delta County Brownfield Authority. FY 16 Budget included grant revenue related to a project that was discontinued. The majority of the fund balance will be returned to the state.				
Termination/Sick Leave Fund	**$458,505**	**$35,000**	**$35,000**	**$0**
Fund 230- Accounts for annual leave and sick leave payouts for employees upon termination.				
Michigan Works Fund	**$135,993**	**$45,580**	**$0**	**($45,580)**
Fund 632- Funds collected over the years for the maintenance of the detached former Michigan Works building at the Service Center. There are no immediate plans for expenditures related to this building.				

Proprietary Funds- Funds that are businesslike in nature that are funded by charging costs to external users.

The Proposed FY 2017 Budget includes the following Proprietary Funds:

Proprietary Funds				
Description	**Post FY 15 Fund Balance**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
PA 123 Foreclosure Fund	**$762,232**	**$68,750**	**$68,750**	**$0**
Fund 254- Accounts for fees, sales proceeds, and expenses related to the foreclosure process of real property in the county for which taxes are delinquent beyond the statutory redemption period. (Managed by Treasurer)				
Delinquent Tax Revolving Fund	**$3,676,081**	**$44,000**	**$45,000**	**$1,000**
Fund 516- Accounts for the purchase and subsequent collection of delinquent real property taxes from the various taxing units throughout the county. (Managed by Treasurer)				
Delinquent Tax Administration	**$3,411**	**$3,785**	**$2,500**	**($1,285)**
Fund 615- Accounts for revenue previously received to administer the Delinquent Tax Revolving Fund. (Managed by Treasurer.) Revenue is no longer received, and only fund balance remains.				

Special Revenue Funds- Funds used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes. (other than debt service).

The Proposed FY 2017 Budget includes the following Special Revenue Funds:

Special Revenue Funds				
Description	**Post FY 15 Fund Balance**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Title III Forest Project Fund	**$210,451**	**$65,000**	**$200,000**	**$135,000**
Fund 212- Accounts for reimbursing activities permitted by the local Firewise plan in National Forest land.				
Friend of the Court Fund	**$144,464**	**$8,000**	**$8,000**	**$0**
Fund 215- Funds received from the state to be used for nonfederally funded services such as custody and parenting time activities. (Managed by Circuit Court Judge and Friend of the Court)				
Circuit Court Counseling	**$84,002**	**$3,000**	**$3,000**	**$0**
Fund 216- Funds received from the state to be used for certain services such as mediation, custody, and parenting time evaluations. (Managed by Circuit Court Judge)				
Hannahville Fund	**$62,461**	**$131,000**	**$230,000**	**$99,000**
Fund 235- Accounts for the receipt and disbursement of Hannahville 2% grants to local agencies. (Funding recommended by Hannahville)				
Search and Rescue Team Fund	**$127,544**	**$55,000**	**$62,000**	**$7,000**
Fund 237- Accounts for donations and grants to be used by the County Search and Rescue Team (Managed by Sheriff)				
PA 124 Training Fund	**$10,521**	**$9,800**	**$6,000**	**($3,800)**
Fund 264- Funds received by the State for Corrections Officer training. (Managed by Sheriff)				
Drug Enforcement Fund	**$2,034**	**$90,900**	**$101,067**	**$10,167**
Fund 265- Accounts for funds received from the Road Patrol Fund, and federal and state funds received, for the placement of a local detective on the Upper Peninsula Substance Enforcement Team. (Managed by Sheriff)				
County Survey Fund	**$107,796**	**$127,960**	**$127,960**	**$0**
Fund 245- Accounts for county's remonumentation program to survey corners.				
Homestead P.A 105	**$24,656**	**$5,650**	**$5,650**	**$0**
Fund 255- Accounts for the administration of the homestead exemption and qualified agricultural property				

exemption. (Managed by Treasurer)				
Description	**Post FY 15 Fund Balance**	**FY 16 Approved Budget**	**FY 17 Proposed Budget**	**Change**
Register of Deeds Automation Fund	**$55,076**	**$40,000**	**$38,000**	**($2,000)**
Fund 256- Accounts for fees received for Register of Deeds services that are required to be used for the purpose of automating/digitizing files and services. (Managed by County Clerk/Register of Deeds)				
Concealed Pistol Licensing	**$4,680**	**$12,000**	**$16,000**	**$4,000**
Fund 263- Accounts for funds received for issuing concealed pistol licenses, used for costs associated with managing the program. (Managed by County Clerk)				
Law Library Fund	**$31,712**	**$24,500**	**$13,500**	**($11,000)**
Fund 269- Accounts for funds received from the General Fund and penal fines to be used for legal textbooks and digital library access. (Managed by Circuit Court Judge)				
Soldiers and Sailor Relief Fund	**$11,053**	**$350**	**$3,000**	**$2,650**
Fund 293- Accounts for General Fund dollars appropriated to program that awards emergency funds to soldiers and sailors. Program is administered by Veteran Services Officer and three appointed members.				
Veterans Trust Fund	**$783**	**$2,000**	**$2,700**	**$700**
Fund 294- Accounts for state veteran trust funds received to be used on assisting veterans. Funds are managed by the Veteran Services Officer who requests reimbursement from the state.				
County Probation Fund	**$218,370**	**$77,216**	**$88,577**	**$11,361**
Funds 295- Accounts for grant revenue received, and the local match required, to fund juvenile probation services. (Managed by Probate Court Judge)				
Childcare Fund	**$601,637**	**$517,784**	**$602,307**	**$84,523**
Fund 292- Accounts for state reimbursement received, and the local match required, to fund juvenile activities such as Probation Officer salaries, placements, and foster care. (Managed by Probate Court Judge)				
Sobriety Court	**$0**	**$0**	**$30,000**	**$30,000**
Fund 297- Federal pass through grant funds for District Court's Sobriety Court.				
Summer Tax Fund	**$10,620**	**$0**	**$7,000**	**$7,000**
Fund 602- Accounts for funds previously received for costs related to the tax schedule change to the summer for counties. (Managed by Treasurer). Revenue is no longer received, and only fund balance remains.				