

BOARD OF COMMISSIONERS

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Chet Janik, County Administrator

Leelanau County Government Center
 8527 E. Government Center Drive, Suite #101
 Suttons Bay, Michigan 49682
 (231) 256-9711 ♦ (866) 256-9711 toll free
 (231) 256-0120 fax
 www.leelanau.gov ♦ cjanik@leelanau.gov

To: Board of Commissioners
 From: Chet Janik
 Date: July 29, 2022
 Re: 2023 budget requests

As we begin the process of developing the 2023 budget, below is an overview of the significant issues that are included in the proposed budget, requests that are not included, as well as several discussion items that need further dialogue.

The projected revenue	\$15,842,155
The projected expenses are	\$15,842,155

The projected fund balance amount required for a balanced budget is \$1,176,376, which is less than last year's projected amount of \$1,760,108. A key point to remember is that every projected budget during the past decade had a projected use of fund balance of approximately the same amount.

In nine of those ten years, however, the audited amount at the end of the year was actually an increase to the County's fund balance. The only exception was in 2018, when the LEC roof and Phase I of the HVAC upgrade projects were approved.

Expenditures/Requests listed in the 2023 Budget:

- \$250,000 – proposed additional MERS payments
- 3.25% increase in all employees' salaries
- \$50,000 – design and development of a new County website
- \$125,000 – new dispatch consoles purchase
- \$48,000 – for the dispatch annual software maintenance
- \$4,500 – proposed new copy machine for MSU
- \$75,000 – proposed capital improvement projects
- Motor Vehicle Fund – *No cost analysis provided by the Sheriff's Office*
- \$60,000 – Building Safety Department request for two vehicles

- \$19,000 – Circuit Court recording equipment
- \$54,500 – Parks and Recreation Commission request- Attached is a sheet which outlines the proposed projects and estimated costs
- \$4,000 – Supplies to rebuild Register of Deed's books

Requests/ Discussion/Clarification Issues

- \$170,000 matching funds for a potential Great Lakes Class Patrol Boat
- Early Childhood Budget – expenses vs. revenue
- Potential Leelanau Township tower
- Creation of a Campus Services Director
- ARPA Funding options/commitments
- Drain districts expenses allocated to County
- Leland Dam Authority request of \$66,600
- Health Department – potential space partnership and associated costs
- Distribution of the opiate settlement funds
- Review of Department Heads and Elected Officials spending limits authority
- Parks and Recreation Commission request – Attached is a sheet which outlines the proposed projects and estimated costs

Capital Improvement Plan Review:

Enclosed in the budget book is the county's capital improvement plan, which lists numerous projects that are either short- or long-term objectives.

The most critical issue that will need further dialogue is the HVAC challenges in the Government Center Building. Phase I was completed four years ago but the issues outlined in Phase II and Phase III are still a concern and the heat pumps in the building are failing. Within the budget manual are floor plans that show the current status of the heat pumps that were replaced and the ones that are currently malfunctioning.

In closing, I would like to once again express my gratitude to Human Resources Director Darcy Weaver, Account Clerk Johanna Novak, County Treasurer John Gallagher, and Chief Deputy Treasurer Sarah Lautner for all of their efforts in compiling the draft budget.