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NOTICE

Eaton County Board of Commissioners
Special Meeting
April 17, 2024 5:00 p.m.

The Eaton County Board of Commissioners will hold a special meeting to host a public town hall to gather information for the Financial Stability Report on Wednesday, April 17, 2024, beginning at 5:00 p.m. in the Board of Commissioners' Room of the County Courthouse located at 1045 Independence Boulevard, Charlotte, MI 48813.



Eaton County
Financial Stability Presentation
April, 2024

Overview

- Recent Financial History
 - Current Issues
- Financial Stability Report
 - Outline and Themes
- Comments from Last Meeting
- Next Steps



Recent History

2016 – Continuation Budgets Become Necessary

- Board defers projects and infrastructure
- Board makes changes to County pension plan to reduce retirement benefits

2018-19 – Revenue Issue Identified

- Solutions debated and considered; final report issued in 2018

2020 – COVID-19 Pandemic

- Chose to wait on revenue solution

2022 – Revisited Revenue Shortfall

- Used American Rescue Plan Act (ARPA) funds to balance the budget
- Sheriff ends night shift due to recruitment challenges

2023 – New Administration and Board Members

- Sheriff's Office over 14 deputies short
- Financial Stability Work Group (Work Group) begins review of long-term financial situation

2024 – Work Group to Draft Analysis Report

- Focus placed on the true cost of government
- Town hall-style meetings to engage with residents
- May 10, Report due to Ways and Means Committee



Current Situation

The County does not have the revenue to maintain current service levels:

- Projected to be **millions of dollars** short in the next budget cycle and beyond due to a lack of revenue
- The 2024/25 budget cycle will lay out exactly where the County stands in terms of revenue, debts, obligations, and options
- Without additional revenue, cuts in service and/or staffing will need to be made

The County has deferred issues and projects for years, leading to issues with:

- Recruitment and Retention
- Infrastructure
- Technology
- Security

The Work Group is drafting a report to analyze **long-term financial stability** of the County and make recommendations for solutions



Financial Stability Report

Due May 10, 2024, to the Ways and Means Committee,
to include:

- **Workforce Retention, Recruitment and Development**

Public Safety and hard-to-retain employee groups and positions

- **County Infrastructure/Capital Improvement**

Special attention to necessary projects for facilities, safety, and technology

- **True Cost of County Government**

Current value of government services, responding to resident's concerns



Comments from Last Meeting

State and Federal Money:

- Youth Facility expansion is paid for through state grants
- Balancing budget with American Rescue Plan Act (ARPA): often referred to as COVID-19 money

Infrastructure Needs:

- Elevators, technology, security, Animal Control building, etc.
- This Complex is nearly 50 years old

Hiring and Retention:

- Sheriff is short 14 deputies; has been unable to hire and retain for years
- Losing staff to higher-paying positions within the state and other municipalities
- Public safety is suffering across Eaton County
- Attorney shortages in the Prosecutor's Office, Trial Courts, and the Public Defender's Office

Pension Liability and Retirement Costs:

- County made strides to cover more of its retiree benefit costs
- Continued managing pension obligation, including reducing benefits



Comments from Last Meeting

Tax Limitation:

- Each municipality is allotted a specific amount
- Eaton County has remained unchanged since 1978
- If the Board chooses to look at a limitation alteration, **it does not set the amount:**
 - A Tax Limitation Advisory Committee is formed that reviews and recommends a change to the allotted amount
 - The Board of Commissioners passes a resolution setting the date for the proposal to appear on an upcoming ballot

Developments in the County:

- County government is the last to get paid from any taxation program
- Municipalities and the State see revenue before the County does

Services Impacted:

- The County does not want to cut services or reduce staffing
- If the County does not address revenue, services will look vastly different



Q&A



Next Steps

May 10 – Ways and Means Committee

- The Work Group presents report
- Residents can attend in person or watch online
- Meeting information can be found on social media or at eatoncounty.org

The Board considers the analysis and continues its work on the 2024/25 budget

