

**APPROVED  
PROCEEDINGS OF THE OTTAWA COUNTY  
BOARD OF COMMISSIONERS  
FEBRUARY SESSION – FIRST DAY**

The Ottawa County Board of Commissioners met on Thursday, February 15, 2007, at 1:30 p.m. and was called to order by the Chair.

Mrs. Kortman pronounced the invocation.

The Clerk led in the Pledge of Allegiance to the Flag.

Present at roll call: Mrs. Kortman, Messrs. Kuyers, Swartout, Hehl, Rycenga, Schrottenboer, Disselkoen, Berghorst, Holtrop, Holtvluwer. (10)

Absent: Mrs. Ruiter. (1)

Public Comments and Communications from County Staff

Alan G. Vanderberg, Ottawa County Administrator, presented the 2007 State of the County Address.

**STATE OF OTTAWA COUNTY 2007**

Chair Disselkoen, Vice-Chair Kuyers, and members of the Board, I thank you for the opportunity to present this 3<sup>rd</sup> annual State of the County address. I believe it is important to take time each year to reflect upon the accomplishments of the past year and focus on the months ahead.

2006 brought many changes and new opportunities to Ottawa County. After collecting much of the necessary background information throughout 2004 and 2005, the preparation was complete to conduct a countywide strategic planning session for the first time in many years. The new strategic plan included development of a mission, vision, and core values, along with goals, objectives, and outcomes. I have been amazed at how many people have viewed the strategic plan on miOttawa.org and printed it out for reference. Considering the new strategic plan, and the need to use it as an active tool for management – not simply as a plan that will sit on a shelf, I have organized this year's State of the County to correspond with the plan's framework.

Ottawa County is committed to excellence and the delivery of cost effective public services. Our mission says it all. Every day our dedicated employees work to serve the public in the most efficient and effective way possible. We provide service within the context of our core values which recognize the importance of the democratic process, law, ethics, service, our employees, diversity, professionalism, and stewardship. Through this work, we strive to reach our ultimate vision of making Ottawa County the location of choice for living, working, and recreating.

The first of our four goals is to **MAINTAIN AND IMPROVE THE STRONG FINANCIAL POSITION OF THE COUNTY**. In 2006 we maintained our high credit ratings with all of the major rating agencies and continued to implement the 5 year general fund operating deficit elimination plan. The 2007 deficit was reduced to \$925,000 from the almost \$3 million deficit that existed in the 2005 budget when the elimination plan began. If the deficit reduction plan had not been implemented by the Board of Commissioners, the 2007 deficit was estimated to be \$3.9 million.

All departments were required to revise performance measurements to better demonstrate the outcome of the services each provides, and training was provided to 80 department heads and other staff. We will refine that process in 2007 and move toward a focus on outcomes and as stewards will consider funding decisions based upon documented needs and results.

An important activity to assist us in maintaining our strong financial position is to continue to educate the public, local agencies, and state decision makers on the interdependence of state and local government. Decisions made at the state level on mandates and funding fundamentally impact our services, and we need to ensure that our legislators fully understand the impact of decisions on local government. Not only will we add our voices to those of other counties as the legislature considers the restoration of revenue sharing for Tuscola County, but we will continue to actively educate the public and legislators on the history of revenue sharing and its importance to local government. As new mandates are considered, and the funding is eliminated from existing mandates, we will remind our representatives in Lansing of the federalist partnership established in our constitution that requires shared authority and responsibility for delivery of services.

A major financial issue to be addressed in 2007 is the County's Other Post Employment Benefits (OPEB) liability. The liability is required to be reported for the first time in 2007, and although it is not required to be funded at this time, credit rating agencies expect that we will have a plan to address the liability in the future. Staff has been working with an actuarial firm over the past year to determine what the County's liability is for our limited retiree health care benefits; the total liability is projected at \$25 million, with an annual liability of \$3.1 million. We will analyze policy options to determine how best to manage this new requirement.

Our second goal is to **MAINTAIN AND ENHANCE COMMUNICATION WITH CITIZENS, EMPLOYEES AND OTHER STAKEHOLDERS**. Building upon our recent efforts like the annual report to citizens and additional content on miOttawa.org, we will continue to devise creative means of improving communication, evaluating the potential benefits of a blog and other new media methods of communication and development of a critical communicator network. The website continues to increase in its importance to citizens and county departments; over 70% of tax searches are now conducted online, and document downloads have increased by over 400% in the first full year of operation. Services in store for the next year include integrating an interactive Environmental

Health permitting application with the County's GIS system to allow applicants to map potential well and septic locations as they submit required data. Environmental Health staff will receive the information in a standard format, allowing for more efficiency and less guesswork as the permit process is completed.

As we face the potential reduction or permanent loss of revenue sharing, we will launch a major communication effort not just to inform those in Lansing of the importance of retaining funding, but to inform citizens of the value of services we provide. If our communication efforts are successful, citizens and other stakeholders will join us in our efforts to ensure consistent funding for local government from the State.

Communication with employee groups continues to improve, and the 2<sup>nd</sup> wave of the employee survey which will be conducted in early 2007 will indicate areas in which we have improved, and those where more work needs to be done. Brown bag lunches have been scheduled throughout 2007 and several general employee updates and Group T communications are planned.

Opportunities for citizen participation have been enhanced by the creation of the Housing Commission and Veterans Affairs Committee, and an Agricultural Preservation Board will be established as part of the PDR program in 2007.

The third goal established in the strategic plan is to **CONTRIBUTE TO A HEALTHY PHYSICAL, ECONOMIC, AND COMMUNITY ENVIRONMENT**. 2006 saw the completion of the Holland District Court and the beginning of the Grand Haven Courthouse and Fillmore expansion projects. Construction will begin on both buildings in 2007, and we look forward to enhancing our ability to serve citizens throughout the county from the new and expanded facilities.

Water quality issues will remain at the forefront of our concern. Education on the phosphorus ordinance passed in 2006 will occur throughout 2007 to prepare businesses and residents for its implementation in 2008, and Dr. Joan Rose's research team will complete its second Grand River water quality study this year. When the work is complete, we will host another water quality forum for community members to hear the results and will cooperatively develop a research based action plan to help protect our valuable water resources. In addition, the Planning Commission began work to complete a comprehensive Groundwater Resource Inventory and will continue its efforts with local governments and other stakeholders during 2007.

The County will continue to support land use and economic development activities as the need arises, and in 2007 will assist in developing a Purchase of Development Rights program which will increase the capability of local units of government to access federal funds for farmland preservation. The Urban Smart Growth Program partnership between the County and the City of Hudsonville will keep progressing in 2007 with the rewriting of the City's master plan.

The 2006 renewal of the Parks Millage demonstrated the commitment of the citizens of Ottawa County to preserve the beauty of our community and will allow the County to

continue its acquisition and development of land along identified greenways. The Parks Department has consistently and successfully leveraged the contributions of Ottawa County taxpayers with grants from state and federal agencies and will maintain that strategy in the future in order to maximize its ability to provide the best parks system in Michigan. 135 acres of land were acquired in 2006, and grant funding was approved for additional parcels which will provide a 261 acre park with 1.4 miles of riverfront. The Parks Department not only completed its system wide 5 year Parks, Recreation, and Open Space Plan in 2006, but completed park specific plans for several key sites, including the North Ottawa Dunes and Riley Trails.

The final goal established by the Board of Commissioners is to **CONTINUALLY IMPROVE THE COUNTY'S ORGANIZATION AND SERVICES**. This has been a core focus of my administration and will remain so throughout 2007. In 2006, we reported first year savings of \$42,000 from the combination of the Finance and Accounting Departments into the Fiscal Services Department, completed the implementation of the Plante and Moran IT study, and modernized the Soldiers' and Sailors' Relief Commission into a Veterans' Affairs Committee. Significant improvements were made to the Medical Examiner function and we began an evaluation of the Equalization and Property Description and Mapping Department that will conclude in coming weeks. Organizational improvement efforts that will occur in 2007 include the completion of the Clerk-Register consolidation report for Board consideration, evaluation of the creation of a Board of Public Works to manage utilities, examination of animal control services and the continued implementation of the justice imaging project. Over 3.3 million pages have been imaged to date, representing 1.8 million individual documents.

Although relationships have already improved significantly, in 2007 we will further focus on improving management employee relationships. The Labor Management Cooperation Committee, comprised of the leaders of each employee group, elected officials, and managers, has begun working toward its mission of enhancing communication and cooperation among all employees. The first issue the group is considering is the design of a health management plan that would improve workforce health and stabilize health care costs.

Search processes conducted in 2006 culminated in the hiring of Lisa Stefanovsky as Health Officer and Bill Raymond as Michigan Works!/Community Action Agency Director. A new Human Resources Director will be named in the coming weeks and will play an important role in evaluating the services we provide to employees and completing the transition from a Personnel Department to that of a modern Human Resources Department. The new Director will find a labor environment that has changed significantly in the last three years. The Teamsters terminated its relationship with our largest group of employees, and the subsequent SEIU drive to organize the group failed. In addition, two other employee groups have decided to sever relationships with professional unions and become self represented. I believe this indicates that a climate of trust is growing and that employees and management are working in partnership to discuss issues and provide excellent service to the citizens of Ottawa County.

As funding continues to be reduced to our local units of government, we will continue to look for ways to partner with them and share services as opportunities arise. We understand the need to continually examine the services we provide and collaborate whenever possible, as we did with the City of Hudsonville this year by contracting to provide law enforcement services. Without the leadership of Sheriff Gary Rosema and the quality service provided by our Sheriff Department staff such opportunities for collaboration would not be possible.

Planning and Grants is currently drafting overlay zoning ordinances for transportation corridors and facilitating and supporting multi-jurisdictional projects such as the North Bank Communities Joint Planning Initiative and the New Holland Corridor Study. GIS, Equalization, and other departments also work extensively with units of government throughout the county.

When I think of Ottawa County today, it seems we are living a tale of two counties. Many County residents are facing tough times. The number of children in poverty in Ottawa County increased by 20% between the years 2000 and 2005. 2005 saw an increase of 5,000 cases filed in District Court, more than 2,349 over the previous high of 2002, driven in large part by mortgage foreclosures, tenant evictions, and credit card company suits for nonpayment. New housing starts have plummeted from 1,466 in 2005 to 628 in 2006. Home sales have stagnated, and some new developments are either not proceeding or have foreclosed due to the down housing market.

At the same time, Ottawa County's unemployment tracks closer to the national average than the remainder of Michigan, and a net of 600 jobs were added to the county in 2006. Most counties saw a net loss of jobs. Recent work by noted Michigan economist George Erickcek portrays the very enviable position that West Michigan is in compared to the rest of the state with regard to economic competition.

It is obvious that Michigan is in the midst of a painful restructuring and that new approaches will be required to achieve prosperity in the future. Books and reports such as *The World Is Flat* by Thomas Friedman, "The Future State of The State: Why Michigan Needs a New Model" by The Brookings Institution, and "A New Agenda for a New Michigan" by Michigan Future, Inc. detail the importance of education and attracting "talent" workers to our communities in the future.

The State faces another financial crisis in 2007 with a nearly \$3 billion deficit caused by declining revenue projections and the elimination of the Single Business Tax without providing replacement revenue. How the State resolves this crisis will have a profound impact on county government and we will spend a significant amount of time evaluating executive and legislative changes in 2007.

It is clear that both from a state funding perspective and from the reality of regional global competition, we need to think and act regionally while respecting our historic local governmental boundaries and powers. The County has stepped up to participate

and provide leadership within the newly revamped West Michigan Strategic Alliance and we look forward to partnering with the Alliance to achieve improved public policy with measurable County and regional results. The seven counties that make up the West Michigan area as defined by the Strategic Alliance have seen per capita income drop by nearly \$4,500 per household since 1999. This alarming statistic highlights the need for regional cooperation in economic development activity.

In conclusion, although Ottawa County faces many of the same challenges as other communities in the state, in 2007 we are well prepared to face those challenges with committed leadership, dedicated staff, and an informed citizenry. Our preparation will not make us complacent, and we will continue to seek new opportunities for improvement and excellence to live our mission of providing cost effective public service. I look forward to working with you to do so. Thank you.

Candy Hornache, Bridgeman, Michigan, addressed the Board regarding her brother who is a client of Community Mental Health and the court case that involved her mother being removed as her brother's guardian. This case is on appeal now.

B/C 07-040 Mr. Schrottenboer moved to approve the agenda of today as presented and amended adding Discussion Item #4 – Closed Session – Opinion of Counsel. The motion passed.

B/C 07-041 Mr. Kuyers moved to approve the following Consent Items:

1. To approve the Minutes of the January 23, 2007, Board of Commissioners Meeting.
2. To authorize the payroll of February 15, 2007, in the amount of \$522.70.
3. To receive as information Correspondence Log 366.
4. To approve the general claims in the amount of \$2,847,746.68 as presented by the summary report for January 15, 2007, through January 31, 2007.
5. To receive for information the County of Ottawa Equalization Department's 2006 Annual Report.
6. To receive for information the County of Ottawa Register of Deeds' 2006 Annual Report.

The motion passed as shown by the following votes: Yeas: Mrs. Kortman, Messrs. Holtvluwer, Kuyers, Holtrop, Berghorst, Hehl, Rycenga, Swartout, Schrottenboer, Disselkoen. (10)

B/C 07-042 Mr. Holtrop moved to approve the name change of the Personnel Committee to the Human Resources Committee. The motion passed.

Discussion Items

1. Equalization Department's 2006 Annual Report – Michael Galligan, Equalization Director, presented the 2006 Equalization Department's Annual Report.
2. County of Ottawa Register of Deeds' 2006 Annual Report – Gary Scholten, Register of Deeds, presented the 2006 Register of Deeds' Annual Report.
3. Administrator's Evaluation – Donald Disselkoen presented Alan Vanderberg's 2006 evaluation. Mr. Vanderberg received a score of 4.59 out of 5.00.

B/C 07-043 Mr. Berghorst moved to go into a Closed Session at 2:29 p.m. for the purposed of discussing pending litigation. (Two-thirds (2/3) roll call vote required.) The motion passed as shown by the following votes: Yeas: Messrs. Hehl, Rycenga, Schrotenboer, Kuyers, Holtvluwer, Mrs. Kortman, Messrs. Holtrop, Swartout, Berghorst, Disselkoen. (10)

Mr. Swartout left at 2:30 p.m.

B/C 07-044 Mr. Holtrop moved to rise from Closed Session at 3:34 p.m. The motion passed.

The Administrator's report was presented.

Several Commissioners commented on meetings attended and future meetings to be held.

B/C 07-45 Mr. Holtrop moved to adjourn at 3:39 p.m. subject to the call of the Chair. The motion passed.

DANIEL C. KRUEGER, Clerk  
Of the Board of Commissioners

DONALD DISSELKOEN, Chair  
Of the Board of Commissioners