

**Report on issues discussed at the weekly
Management Update meeting on July 14, 2014**

Commissioners present: Sam Brentano and Janet Carlson.

Absent: Commissioner Kevin Cameron

Staff: John Lattimer, Jeff White, Cynthia Granatir, Camber Schlag, Cary Moller, Dawn-Alisa Sadler, Dana VanHaverbeke, Jolene Kelley and Lynne Coburn as recorder.

Guests: Chuck Swank, Devan Esch and Ryan Pasquarella – Grove, Mueller & Swank, P.C.

INFORMATIONAL

FY 2012-13 Audit Exit Conference and FY 2013-14 Audit Entrance Conference

Chuck Swank of Grove, Mueller & Swank, P.C., presented the management letter prepared as part of the FY 2012-13 audit. He reviewed four minor deficiencies outlined in the letter and noted that under Government Auditing Standards the deficiencies are not required to be reported; however, they are reported to the commissioners with the expectation that financial management will address, comply and/or respond to the issues. Chief Administrative Officer John Lattimer asked that the auditor verify that the Clerk's Office has dual control procedures for daily sales reconciliation. Mr. Swank presented the Federal Grant Compliance Report and explained that the Single Audit Act requires that a percentage of the county's federal programs be audited for compliance. He said the county's five major federal programs were audited and there was only one finding related to sub recipient monitoring. Chief Accountant Cynthia Granatir said Community Services is developing checklists to ensure all monitoring requirements are met. Mr. Swank presented the FY 2013-14 Entrance Conference noting that the landfill report was filed with the Department of Environment Quality (DEQ) as required. He also explained that departments that process major financial transactions are audited annually while other departments are audited approximately every three years. Mr. Lattimer confirmed that departments' cash handling controls are reviewed.

Community First Choice Update

Behavior Health Division Director Cary Moller provided an update on the Community First Choice Option Plan, also known as the K Plan. She explained that the K Plan offers families and individuals a choice in how and where Developmental Disability (DD) services are provided including in-home services. The Medicaid entitlement also has no ceiling or floors to the services provided. She said this is a positive improvement for families; however, the impact is significant. Ms. Moller reviewed the Community Developmental Disabilities Program (CDDP) Workload Model that will allocate staff based on the amount of work required to complete an activity,

rather than caseload size. She said it is estimated 123 new positions will be added statewide. Ms. Moeller said Marion County is anticipating an increase of four percent growth of eligible individuals next year, and seven and a half percent growth across the state by 2017. The increase is driven by families who will now receive services for their in-home children and estimated population growth. She said over 100 new families have enrolled in DD services over the last nine months and noted that people do not age out of DD. Ms. Moller said the budget being proposed to the legislature is at 95 percent of what it would cost the state to otherwise provide those services. That would be an increase of \$29.3 million statewide and for the Marion County Health Department it would be an increase of \$1.3 million. Commissioner Carlson asked what happens if the legislature does not give the county all the full-time positions recommended in the CDDP Workload Model. Ms. Moller said there will be less staff to provide the supports; however, there are department savings that would be used to backfill those positions to maintain minimum health and safety standards. Commissioner Carlson requested additional information to assist in making a case to the legislature and suggested the issue be brought up at a Local Government Advisory Committee (LGAC) meeting. Chief Financial Officer Jeff White asked how many positions Marion County would add. Ms. Moller said it would be a 16 percent increase or almost 10 positions.

COMMISSIONERS' COMMITTEE ASSIGNMENTS AND UPDATES

Commissioner Carlson said the Marion County Fair went well. The entertainment was excellent and Bob's Hamburgers drew crowds the entire four days. Final gate receipts have not been tallied.

Commissioner Brentano said he joined the Sheriff at Detroit on Saturday and there was discussion around sheriff patrols in the area. He said he is concerned about the county having to provide patrols once Secure Rural Schools expires and mentioned that the county is looking for partners. Commissioner Brentano said there were two drownings on the North Fork that were complicated by communication problems. He has been discussing the communication issue with Public Works Emergency Manager John Vanderzanden. Commissioner Brentano asked if there was interest in providing maintenance services at San Salvador Park which has historical significance and has become dangerous.

Commissioner Carlson said she attended the monthly Marion County Chiefs of Police meeting and discussed her vision for Marion County Public Safety Coordinating Council.