

REPORT (MISC. #06131)

July 20, 2006



BY: General Government Committee, William R. Patterson, Chairperson

**IN RE: MR #06131 - BOARD OF COMMISSIONERS – SUPPORT FOR
AMENDMENTS TO THE REVISED MUNICIPAL FINANCE ACT (P.A. 34 OF
2001)**

To the Oakland County Board of Commissioners

Chairperson, Ladies and Gentlemen:

The General Government Committee, having reviewed Miscellaneous Resolution #06131 on July 10, 2006, reports with a recommendation that the resolution be adopted.

Chairperson, on behalf of the General Government Committee, I move acceptance of the foregoing report.

GENERAL GOVERNMENT COMMITTEE

A handwritten signature in cursive script, reading "Christie A. Long", written over a horizontal line.

General Government Committee Vote:

Motion carried on a roll call vote with Hatchett absent.

MISCELLANEOUS RESOLUTION # 06131

BY: Commissioners Eileen T. Kowall, District #6; Thomas F. Middleton, District #4; William D. Molnar District #13 and Eric S. Wilson, District #3

IN RE: **BOARD OF COMMISSIONERS – SUPPORT FOR AMENDMENTS TO THE REVISED MUNICIPAL FINANCE ACT (P.A. 34 OF 2001)**

TO THE OAKLAND COUNTY BOARD OF COMMISSIONERS

Chairperson, Ladies and Gentlemen:

WHEREAS the cost of public employee retiree health care is one of the fastest growing components of governmental budgets; and

WHEREAS with the implementation of new financial reporting standards, the cost of this benefit is becoming more apparent; and

WHEREAS in order to continue to fund this expense and maintain sufficient budget flexibility to provide for necessary public services, local governments need innovative financial tools; and

WHEREAS one such tool is the ability to issue debt in the form of municipal bonds to fund retiree health care obligations so that a consistent debt service obligation, at a lower annual cost, funds the projected retiree health care cost; and

WHEREAS the Revised Municipal Finance Act (P.A. 34 of 2001) does not provide a mechanism to issue debt in the form of municipal bonds for this obligation, limiting local governments to issue debt only in the form of Trust Certificates; and

WHEREAS because of their cumbersome nature and market unfamiliarity, Trust Certificates would cost local governments additional debt service over the life of the issue; and

WHEREAS a change in P.A. #34 of 2001, allowing local governments to issue municipal bonds for this type of obligation would save on annual debt service allowing more resources to be used to support public services.

NOW THEREFOR BE IT RESOLVED that the Oakland County Board of Commissioners supports amendments to P.A. 34 of 2001 (The Revised Municipal Finance Act), to allow local governments the option of issuing debt in the form of bonds to pay the cost of retiree health care.

BE IT FURTHER RESOLVED that copies of this resolution be sent to Oakland County's State Representatives and Senators and to the Michigan Association of Counties.

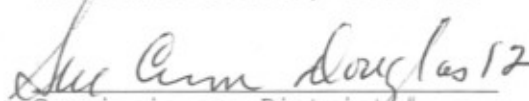
Chairperson, I move adoption of the forgoing resolution.


Thomas F. Middleton, District #4


Eric S. Wilson, District #3


Eileen T. Kowall, District #6


William D. Molnar, Dist. #13


Sue Ann Douglas #2
Commissioner, District #


Commissioner, District # 5

Christie A. Lay
Commissioner, District # 7

2. N. W. H.
Commissioner, District # 11

Mania M. Behrens
Commissioner, District # 17

Vincent Gregory
Commissioner, District #

CHURCH NOSS
Commissioner, District # 20

Commissioner, District #

Commissioner, District #

Commissioner, District #

William R. Patterson
Commissioner, District # ONE

Lee J. Jamieson
Commissioner, District # 16

George W. Sweeney
Commissioner, District #

Eric S. Jones #23
Commissioner, District #

Lee Diller
Commissioner, District # 8

Commissioner, District #

Commissioner, District #

Commissioner, District #

Commissioner, District #

Resolution #06131

June 15, 2006

The Chairperson referred the resolution to the General Government Committee. There were no objections.

Resolution #06131

July 20, 2006

Moved by Moss supported by Jamian the resolutions (with fiscal notes attached) on the Consent Agenda, be adopted (with accompanying reports being accepted).

AYES: Coleman, Coulter, Crawford, Douglas, Gershenson, Gregory, Hatchett, Jamian, Kowall, Long, Melton, Middleton, Molnar, Moss, Nash, Palmer, Potter, Rogers, Scott, Suarez, Wilson, Woodward, Zack, Bullard. (24)

NAYS: None. (0)

A sufficient majority having voted in favor, the resolutions (with fiscal notes attached) on the Consent Agenda, were adopted (with accompanying reports being accepted).



I HEREBY APPROVE THE FOREGOING RESOLUTION

[Handwritten Signature]
7/21/06

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

I, Ruth Johnson, Clerk of the County of Oakland, do hereby certify that the foregoing resolution is a true and accurate copy of a resolution adopted by the Oakland County Board of Commissioners on July 20, 2006, with the original record thereof now remaining in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the County of Oakland at Pontiac, Michigan this 20th day of July, 2006.

[Handwritten Signature]
Ruth Johnson, County Clerk