

# Managing roads key issue in fall

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BY TIM RICHARD  
STAFF WRITER

State lawmakers made sausage until 5 in the morning Wednesday — a mixture of meats, fat, gristle and sawdust called a roads package.

Here are some of the major ingredients as the Legislature went into its second overtime week to find new money for roads and bridges:

■ Gasoline tax — yes; up 4 cents a gallon effective Aug. 1. It was a victory for Gov. John Engler and business forces and will produce \$200 million a year in new revenues.

■ We can extend some of the contracts we have now — six or eight miles — at good prices, said Engler when asked how soon drivers will see a difference. One cent off the top will go to a state critical bridges program. The other three cents will be split between the state, 83 counties and 534 municipalities.

■ Sales tax cut on gasoline — no; efforts by Senate Republicans and Oakland county Executive L. Brooks Patterson to cut the 8 percent sales on motor fuels to 2 percent "fell off the table," as bargainers say, during the final days of dealing. Buckers argued taxes on fuel should go only for roads and bridges, but House Democrats balked because the sales tax aids schools.

■ Tuition tax credit — yes; victory for the House Democratic tax agenda and Sen. Loren Bennett, R-Canton. Bennett's college tuition credit against the income tax was hiked from \$250 to \$375 per student per year, though House Democrats originally wanted \$500. Tax savings: \$23 million.

■ Child care tax credit — not quite; Democrats wanted this, but Republicans said any cut should benefit non-working mothers as well as working mothers. The new tax law will allow an additional \$600 exemption for children 6 and younger, \$300 for children 7-12. On balance, a victory for Democrats.

## Photographers take pictures of all the pot-holes, but those are on local roads.

John Engler  
Michigan Governor

some face-saving for Republicans.

■ State takeover — no; but Engler will try again in fall. The governor had wanted the Michigan Department of Transportation to take over 23,000 miles of county and local roads, then scaled back his demand to 9,200. As of this week, he got nothing, to the satisfaction of many counties and county road authorities.

But Engler and lawmakers said they would address the issue again in fall. "Photographers take pictures of all the pot-holes, but those are on local roads," said Engler, who seemed to resent being blamed for failures at the local level.

Asked on a Ch. 7 "Spotlight" program why he waited until the seventh year of his administration to raise the issue, Engler said he had been busy on property tax, school reform, welfare reform and other issues. "You can't take on too many at once. I've studied this issue now," he said.

Meanwhile, another road issue faces Engler and the Legislature by Sept. 30, 1998 — expiration of the current road money formula under which the state gets 39.1 percent, counties 39.1 percent and municipalities (cities and villages) 21.8 percent.

Engler set a target of \$570 million annually in new road money. He will almost immediately get \$200 million from the gasoline tax, which will rise to 19 cents a gallon; some part of \$170 million in road administration efficiencies and higher registration fees; and, if he's lucky, \$100 million more from the federal government, though he insists Michigan as a "donor" state should get \$200 million from Washington.

Legislative roll call votes on key tax bills were not available at press time.

# County budget plan carries surprises

BY PAT MURPHY  
STAFF WRITER

The recommended Oakland County budget for 1998 is described as a "status quo" plan, calling for \$652.1 million to be raised and spent.

Even so, the document submitted by executive L. Brooks Patterson has a few "eye-openers," according to commissioner Sue Ann Douglas, chair of the county board's finance committee, including a new district court for Rochester.

The finance committee took its first formal look at the proposed budget Thursday. Commissioners will hold a series of hearings before adopting the budget on Sept. 25.

"It's very early in the process," Douglas emphasized. "But the budget is the key to the governmental process."

As they usually do when they get their initial peek at the budget, individual commissioners found some mildly surprising items of particular interest to them, said Douglas.

These items might pertain to a

committee assignment, or something of importance in their respective district, the Rochester Republican explained. Either way, commissioners want more details.

Douglas said her "eye-opener" was earmarking \$3 million from the delinquent tax revolving fund to finance infrastructure improvements for a company considering moving to Oakland County.

"There wasn't much detail," she said. "But as I understand, it's to set aside money that would match state aid for a company that wants to move here with 5,000 jobs."

"That's definitely an eye-opener for me," she said. "And I definitely want more details." In most respects, this year's recommended budget is much the same as last year's, Douglas said. Like fiscal 1997's budget, next year's proposal is about three inches thick with considerable heft.

The most contentious items, she said, undoubtedly involve requests for pay hikes or staff additions.

The executive wants pay hikes for some of his appointees that exceed the 3.5 percent increase the county expects to give all employees next year.

"We've discussed that before," Douglas said. "And we'll undoubtedly have more discussion this time around."

Personnel requests will also get close scrutiny, Douglas said. Various departments want more positions, but commissioners want justification, she said.

The recommended budget, for example, includes five new sanitarians for Oakland Human Services. "We'll take a close look at that one," said Douglas, referring to the ongoing dispute between commissioners and the executive over well inspections and water testing in parts of the county subject to arsenic contamination.

The capital improvements portion of the recommended budget also has some "eye-openers," Douglas said, such as funding for a new district court in Rochester and money for an addition to the

minimum security portion of the county jail.

Next year's budget calls for a property tax levy of about 4.38 cents for each \$1,000 of assessed valuation — or the same as this year's levy, which was down a tenth of mill from the previous year.

One much-discussed item not included in the recommended budget is the proposed aviation unit for the sheriff's department. Sheriff John F. Nichols has proposed buying a helicopter or two to be used in conjunction with local police departments.

Precise cost figures are being compiled by an ad hoc committee, but early estimates are that the aviation unit would cost about \$1.5 million.

Not being included in the recommended budget doesn't necessarily mean the sheriff's aviation unit won't get off the ground, according to Timothy J. Soave, the county's chief of fiscal services.

"Commissioners can always amend the budget to include something like that," he said.

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