

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
NOVEMBER 12, 2014**

The regular meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson Linda Socha at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioners Linda Socha, Bruce Gauthier, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor.

Absent: None

Commissioner Wallace gave the invocation and led the Pledge of Allegiance.

Motion by Commissioner Allor, seconded by Commissioner Redmond, to approve the agenda as presented. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claim (Finance Total = \$21,715.05; Prepays Total = \$1,043,946.17)
- B. Budget Adjustments
- C. Investment Report
- D. MDOT Project Authorization 2012-0061/P10 – 5311 FY 2015 Operating Funds
- E. Correspondence
 - 1. Letter from Cheboygan County Agricultural Society
 - 2. Huron County 6 – Resolutions in Opposition to HB 5886; in Opposition to SB 1038-1040; in Opposition to SB 1076; in Support of HR 5078; in Support of SB 495-498; and in Support of SB 2729 & HR 4319
 - 3. Otsego County Resolution Regarding Adequate Road Funding
 - 4. Washtenaw County Resolution Regarding Adequate Road Funding
- F. Minutes
 - 1. Finance/Business Meeting of October 14, 2014
 - 2. Health Board – 9/17/14
 - 3. NEMCSA – 10/3/14
 - 4. C.C.E. Board of Directors – 9/17/14; Director's Update – 10/15/14; and Monthly Financial Report – September 2014
 - 5. NLEA October-November 2014 Newsletter
 - 6. Michigan Northern Counties – 8/18/14
 - 7. Cheboygan County Fair Board – 9/8 & 10/6/14
 - 8. Cheboygan County Road Commission – 10/2/14
 - 9. Cheboygan City Council – 9/23/14, 9/24/14, 10/13/14 and 10/14/2014
 - 10. Planning Commission – 10/1/14 and 10/15/14
 - 11. ZBA Minutes – 9/3/14 and 9/24/14

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Mary Gainer, a citizen of Tuscarora, asked the Board why money is allocated to the Mackinaw City Senior Center. Commissioner Socha stated that part of Mackinaw City is in Cheboygan County. Ms. Gainer asked why the Wolverine Senior Center doesn't receive special funding when they have senior citizens commuting from various areas outside of the county. Commissioner Allor clarified that the Cheboygan County Council on Aging has to provide services to any seniors regardless of where they are from. Ms. Gainer asked Commissioner Allor why she has voted against senior millage distribution to CCCOA.

Finance/Business Meeting – November 12, 2014

Commissioner Allor stated she is supportive of senior citizens and wants to be sure senior millage funding actually is spent on seniors.

SCHEDULED VISITORS – None

FINANCE DIRECTOR'S REPORT – Accountant James Manko presented the revenue and expenditures report for the General Fund for the month ended September 30, 2014. He reported total year-to-date revenue of \$6,041,613.91, or 53.24% of budget, compared to \$5,922,784.00, or 53.13% of budget last year at the same time. Mr. Manko reported expenditures year-to-date of \$7,745,259.83 or 68.25% of budget, compared to \$7,503,281.54, or 71.10%, last year as of the end September.

Commissioner Gouine asked if the County leases or purchases copy machines. Mr. Manko responded that the copy machines are purchased refurbished with maintenance agreements.

Mr. Manko presented the Cash Summary Fund Balance Report and the Categorized Expense Report through the end of September 2014.

ADMINISTRATOR'S REPORT

Administrator Lawson updated the Board on several projects. Mr. Lawson stated that the final budget for 2015 will be presented for review at the November 25, 2014 Committee of the Whole meeting and the public hearing for budget adoption is scheduled for December 9. Mr. Lawson stated there will be an amendment to the apportionment report at the Committee of the Whole meeting regarding the Wolverine School millage approved at the November General Election. Mr. Lawson reported that he, Sheriff Clarmont and Sheriff's department staff commuted to Lansing to review the Diebold security door setup and they were happy with the results they saw there. Mr. Lawson stated that a cost has been requested from Diebold and that will be ready for presentation at a later meeting.

COMMITTEE REPORTS

Commissioner Gauthier attended a NEMCSA meeting and two City Council meetings. He stated a Port Commission has been established to keep the public informed on news and developments regarding an established port. He also reported the dredging in the river will commence this week.

Commissioner Gouine attended a township meeting and a Straits Regional Ride meeting. He noted he was made aware of the need to refurbish the signage at the county owned park on Court Street.

Commissioner Matelski attended two Planning Commission meetings, a Road Commission meeting, an Appropriation Committee meeting, a Waterways Commission meeting, a Zoning Board of Appeals meeting, and three township meetings. He reported some road signs in Koehler Township have been vandalized and that Aloha Township increased funding for animal control from \$1,000 to \$1,500.

Commissioner Allor attended a Forest township meeting, a Walker Township meeting, an Ellis Township meeting, a District No. 4 Health Board meeting, an Area Agency on Aging meeting, a Michigan Townships Association meeting, a Michigan Northern Counties Association, and an Elected Officials meeting.

Commissioner Wallace attended a Northern Michigan Regional Entity meeting. He reported that this new entity has no financial control.

Commissioner Redmond attended a NEMCOG meeting, a District No. 4 Health Board meeting and a District No. 4 Health Executive Board meeting, a Straits Regional Ride meeting, a Fair Board meeting, an Local Emergency Planning Committee meeting, and M.A.C. Workman's Compensation meeting in Lansing. He stated this year's workman's comp reimbursement should be approximately \$59,000.

Commissioner Socha attended an Emergency Management Board meeting, a C.C.E 9-1-1 Board meeting, a Straits Area Narcotics Enforcement meeting, an Airport Authority meeting, a Local Emergency

Finance/Business Meeting – November 12, 2014

Planning Committee meeting, and a Tip of the Mitt Watershed Resource meeting in conjunction with NEMCOG. She reported the airport had to purchase a new plow truck and that the signage needs to be updated.

OLD BUSINESS - None

NEW BUSINESS

Administrator Lawson presented an in depth report on the MERS Retiree Cost Of Living Adjustment – Long Term Liability. He stated that for 2000-2010 the county approved 2% COLA increases annually and that today most municipal units have ceased the COLA increases due to the economic downturn. Mr. Lawson stated that the county has an obligation to fund the pension system at 100%. Over the last 10 years the County has experienced a substantial increase in unfunded accrued liability. In order to secure the county's obligation to all retirees, the recommendation is to not authorize adoption of a cost of living increase at this time. Commissioner Gauthier asked Mr. Lawson if he has reviewed an investment report from MERS. Mr. Lawson stated that they don't issue an investment report, but they do issue a year-end report. Commissioner Socha shared an article on pension reform. Discussion was held regarding yearly contribution to the unfunded pension liability. Commissioner Matelski asked if there is a provision in the MERS system where current employees can make an additional contribution to MERS. Mr. Lawson affirmed that a 457 Defined Contribution MERS plan is up for consideration. Commissioner Gauthier stated that he supports a cost of living increase for retirees.

Community Planner Scott McNeil presented Zoning Ordinance Amendments #123 and #124 Rezoning of Parcel No. 16-092-007-200-001-02 and 16-092-007-200-001-03. Commissioner Wallace asked Mr. McNeil if Inverness Township was consulted about the rezoning. Mr. McNeil stated that Inverness Township Supervisor Neumann was present at the Planning Commission meeting approving the rezoning. Civil Counsel addressed an error in the findings of fact. Mr. McNeil stated that the error will be corrected.

Motion by Commissioner Matelski, seconded by Commissioner Gauthier to adopt Zoning Ordinance Amendment #123; an ordinance to amend the Cheboygan County Zoning Ordinance #200 rezoning parcel #092-007-200-001-02 from Agriculture & Forestry Management (M-AF) zoning district and Lake & Stream Protection (P-LS) zoning district to Commercial Development (D-CM) zoning district based on the findings of fact adopted by the Cheboygan County Planning Commission and hereby adopted by the Cheboygan County Board of Commissioners and including all written correspondence, public comment, and exhibits of record from the Cheboygan County Planning Commission – ordinance to become effective 8 days after publication and noting minor clerical correction by staff. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Wallace, seconded by Commissioner Gouine to adopt Zoning Ordinance Amendment #124; an ordinance to amend the Cheboygan County Zoning Ordinance #200 rezoning parcel #092-007-200-001-03 from Agriculture & Forestry Management (M-AF) zoning district and Lake & Stream Protection (P-LS) zoning district to Commercial Development (D-CM) zoning district based on the findings of fact adopted by the Cheboygan County Planning Commission and hereby adopted by the Cheboygan County Board of Commissioners and including all written correspondence, public comment, and exhibits of record from the Cheboygan County Planning Commission – ordinance to become effective 8 days after publication and noting minor clerical correction by staff. Discussion was held. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Wallace stated that he would like to see something on record regarding the support from Inverness Township for the zoning change. Commissioner Socha stated that it can be requested.

Administrator Lawson presented Recycling Lease Agreements for Aloha and Tuscarora Townships.

Motion by Commissioner Gauthier, seconded by Commissioner Redmond to approve the three-year recycling lease agreements with Tuscarora Township and Aloha Township to maintain recycling drop-off

Finance/Business Meeting – November 12, 2014

facilities effective November 12th, 2014 and authorize the Chairperson to sign the agreements. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the Senior Millage Appropriation Agreements for MSU-E Project Fresh and the Cheboygan County Council on Aging. The Wawatam Senior Center Agreement is not ready for approval due to pending decisions regarding the Village of Mackinaw remaining as the appropriation fiduciary.

Motion by Commissioner Redmond, seconded by Commissioner Gouine to approve the agreement for Senior Millage Appropriation between Cheboygan County and Michigan State University Extension effective December 1st, 2014 for the amount of \$7,000 of the Senior Citizens Millage collected by the County for the purpose of the Project Fresh Program to be paid in one lump sum payment in April of 2015 and authorize the Chairperson to sign the agreement and also to approve the agreement for Senior Millage Appropriation between Cheboygan County and Cheboygan County Council on Aging for the amount of \$570,975 of the Senior Citizens Millage collected by the County to be paid in equal monthly installments beginning in January 2015 and ending December 2015 subject to the contingency requirements in the agreement including total senior millage availability and authorize the Chairperson to sign the agreement. Discussion was held. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented Resolution 14-26 regarding MERS Defined Contribution 457 Plan Adoption. Commissioner Gauthier asked what the employee contribution maximum is. Mr. Lawson stated that an employee can contribute up to an IRS established maximum.

Motion by Commissioner Matelski, seconded by Commissioner Redmond to adopt Cheboygan County Resolution 14-26; a resolution adopting MERS Uniform Supplemental Retirement Program Resolution and Agreement and authorize the Chairperson to sign the agreement. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson and Accountant James Manko presented the 2015 Fee Resolution #14-25. Discussion was held.

Motion by Commissioner Matelski, seconded by Commissioner Gouine to adopt Cheboygan County Resolution 14-25 – 2015 Fee Resolution, as presented, to become effective January 1, 2015 and authorize the Chairperson to sign the Resolution. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Matelski asked for an explanation of the Public Hearing scheduled to address Lake and Stream rezoning. Planner Scott McNeil explained there are several areas in the county that Lake & Stream has been established because of a stream or drainage which can be problematic in practice in many situations. He said this would not change zoning along actual rivers, lakes or bodies of water.

CITIZENS COMMENTS - None

BOARD MEMBER COMMENTS

Commissioner Redmond reported that Benton Township has increased their donations for the Humane Society from \$1500 to \$2000.

Commissioner Redmond asked if there was an estimate for the amount of funding that would be allocated to the District No. 4 Health Department for 2015. Commissioner Socha stated that Finance Director Kari Kortz was going to come back to the Board with more information. Discussion was held.

Commissioner Gauthier stated that he would like to revisit the issue of the MERS Retiree Cost Of Living Adjustment next year.

Finance/Business Meeting – November 12, 2014

Commissioner Matelski commented on new names on the CCCOA board of directors. Administrator Lawson distributed a draft of the letter he wrote to the CCCOA Board members on policies and practices. Commissioner Gouine mentioned that some senior citizens have told him that the duration of time between CCCOA Board meetings is too long. Commissioner Allor stated that the bylaws have recently changed.

Commissioner Wallace mentioned that Robert Greenwood passed away and the funeral is scheduled for Thursday afternoon.

Commissioner Socha congratulated the Board members for their reelections and welcomed Chris Brown the new District One commisioner.

Motion by Commissioner Wallace, seconded by Commissioner Redmond to adjourn this meeting to the call of the chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 11:48 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson