

**Cheboygan County Board of Commissioners
Committee of the Whole Meeting
June 22, 2021**

The Committee of the Whole meeting of the Cheboygan County Board of Commissioners was called to order at the Cheboygan Senior Center by Chairperson John Wallace at 9:31 a.m.

Roll called and a quorum present.

PRESENT: Commissioners Mary Ellen Tryban, Richard Sangster, Michael Newman, Ron Williams, Roberta Matelski, John Wallace and Steve Warfield.

ABSENT: None

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

Motion by Commissioner Tryban, seconded by Commissioner Warfield, to approve the agenda moving the Scheduled Visitors/Department Reports up before Citizen Comments and adding the CCE 911 Director's update as 6. D.. A roll call vote was carried. Motion carried with 7 yes, 0 no and 0 absent.

SCHEDULED VISITORS/DEPARTMENT REPORTS

Administrator Jeff Lawson and Commissioner John Wallace presented a Certification of Appreciation to Teresa Remeur for her 21 years of loyal and dedicated service as the Investigator/Mediator for the Cheboygan County Friend of the Court. Friend of the Court Kevin Weller commented he has had the privilege of working with Teresa for the past 14 years where she worked exclusively in the area of custody and parenting time with very difficult issues. She also was a trained mediator where she specialized in that area. Her skills in that area were really going to be missed and it was going to be hard to replace her.

53rd Circuit Court Judge Gauthier presented the 2020 Circuit Court's Annual Report. 2019 was his first year on the bench, having been appointed in December of 2018. There were changes to the Recovery Court Program in line with the latest research and best practices, and the continuance to resolve cases, collect fines and costs, and enforce child support within the parameters of state guidelines. The jurisdiction of the Circuit Court includes felony criminal cases, civil cases with claims of more than \$25,000 in damages, cases where a party is seeking an injunction, and cases involving real property (such as title disputes, easements, and waterfront rights). The Circuit Court also hears appeals from the decisions of the District Court and other administrative bodies (such as zoning matters and driver license appeals). The family division of the Circuit Court handles domestic relations cases (such as divorce, paternity, and custody) and personal protection orders. The mission of the 53rd Circuit Courts was to administer criminal justice and resolve civil disputes in a way that respects public resources, protects individual rights, and promotes public confidence in the rule of law.

Court-Community Connections: One of the highest priorities on taking office was to increase the communication between the Court and various stakeholders, which was done in various ways as follows: During 2019 and 2020, he visited every municipal and township board in Cheboygan County to give an update on the business of Circuit Court and answer any questions about general Court procedures. 2020 required a pause to his quarter "bench-bar"

lunch meetings with local attorneys to discuss ways to improve the Court's practices and procedures, but he did resume them (at least virtually) in 2021. He did maintain strong communication between all the Judges in Cheboygan and Presque Isle Counties, which helped solve and avoid problems and coordinate their response to certain procedural challenges. Also once he reached 1,000 subscribers on their YouTube channel, he instituted an "Ask the Judge" program. This has become another good method for the Court to interact with the public in a way that increases both Court transparency and public knowledge.

Circuit Court increased efficiency: It also remained one of his priorities to constantly evaluate their procedures to find area to increase efficiency without compromising the ability of litigants to receive the Court's full attention to their cases. Before the pandemic, they streamlined their scheduling to make it more convenient for the attorneys, which cut down on costs to their clients. Once the pandemic hit, they moved to an entirely "staggered" scheduling approach, where each case had a specific time slot assigned to it. They also refined their program to allow parties to "waive" certain procedural hearings, such as routine scheduling conferences. Some types of hearings were made optional.

Recovery Court Status/Updates: Cheboygan County has been operating an adult drug treatment court since 2009. The program targets high risk, high needs felony offenders with serious substance use disorders. Violent or sexual offenders are excluded from the program. It is an intensive program built on a team approach that includes the prosecutor, a defense attorney, a treatment provider, a probation agent, a case manager, the court administrator, a law enforcement officer, a compliance officer, and the judge. Many of the team members volunteer their time to take on responsibilities within the program without recognition or compensation. The program was centered on substance abuse treatment, with strict drug and alcohol testing to monitor each participant. Incentives and sanctions are used to hold participants accountable and to reward achievements. The program was not easy on the participants, but it offers them an alternative to jail or prison. Those participants who are removed from the program are sentenced to jail or prison.

Status of Participants: During 2020, the Cheboygan Recovery Court continues to average between 20 to 23 participants, had nine (9) graduations and unsuccessful (8) unsuccessful terminations. In 2021, so far they have had six (6) graduations and only one (1) unsuccessful termination.

Recidivism: Their recidivism rates continue to be very low. The Supreme Court carefully tracks the recidivism rates of recovery court graduates by finding "matched pairs," which means they match a graduate with an offender who was similarly situated in terms of race gender, age, criminal history, and region of the state, who did *not* participate in a drug treatment court. This way, they could come the closest to comparing "apples to apples." The 53rd Circuit Court graduates were some good apples. Statewide, 22% of the non-participants were convicted of a new offense within three (3) years, while only 10% of graduates reoffend within that time frame. That was an impressive statistic, cutting recidivism in half. But for their matched pairs, the comparison was even better. 32% of the non-participants reoffend within 3 years, but only 3 % of their graduates do so. In other words, comparing offenders who were truly comparable, successful completion of their program reduces recidivism by a whopping 91%.

Funding: The program was primarily grant funded, with a significant local contribution as well. In 2020, \$94,000 in state grant funds (the grant fiscal year began October 1st) was received. In addition, the County budgeted \$22,500 as its commitment to support the Recovery Court Program. \$12,015 of the local contribution was spent. During 2020, the amount paid back by

participants was \$5,143. For 2020, a grant was also received through Northern Michigan Regional Entity (NMRE) for \$6,000 to help with transitional housing for male participants. We are still lacking a local option for transitional housing through the Salvation Army for male participants. A recovery court program is not cheap, but it is far more cost effective than traditional approaches. It costs taxpayers about \$32,000 per year to house one offender in the state prison for one year. A year in the county jail for one (1) inmate typically costs taxpayers more than \$10,000.

Case filed and Resolved: 2020 was an outlier year due to the pandemic. There was a stay-at-home order for a period of time, and reduced social interaction for a sustained length of time. In 2020, there were 170 new criminal filings and 178 new civil filings (including domestic relations cases), and 62 PPO petition filed. For criminal cases, 93% of felony cases were resolved within 154 days from the bindover to Circuit Court from District Court (above the state guideline of 85%), and 100% within 301 days (above the state guideline of 98%). For general civil cases, 66% were resolved within 364 days of filing (slightly below the state guideline of 70%) and 96% within 728 days (just above the state guideline of 95%). Domestic cases were tracked differently depending on the case type, but in all categories Circuit Court were within three (3) percentage points of the state guidelines.

Collections and Bond Compliance: The Circuit Court is in compliance with the Michigan Supreme Court's standards for a court collections program for criminal fines, costs, and restitution. In 2020, collection totaled \$205,219. This was a slight increase over 2019, which constitutes a significant accomplishment since they suspended collection efforts for a period of time in the early months of the pandemic. Circuit Court monitors compliance with bond conditions (like drug testing) in criminal cases. Computerized scheduling of who to test and how often, and keeping track of missed test or positive results. When someone was not in compliance, an order was filed for them to show cause why they should not be held in contempt.

Budget: The 2020 budget allocated a total of \$329,998, but which \$302,328 was expended. The County also budgeted a \$22,500 contribution to the Recovery Court program, of which \$12,015 was spent. Presque Isle County's contribution, per a longstanding agreement between the Counties, totaled \$45,363 last year. Thus, the total funding cost of Cheboygan County for the Circuit Court in 2020 was \$268,980.

Friend of the Court: During 2020, the FOC has 1,201 open cases, with a total amount of support distributed over \$2.4 million. Cheboygan's rate of collection was 76.66% (above the statewide average of 75%). Their rate of collection on arrears (past due support) took a significant hit in 2020, dropping to 49.71%. This was a direct result of the pandemic. Now, their enforcement efforts on arrears were back to full speed, so they should see an uptick in the 2021 figures next year. FOC conducted 40 mediations, resolving all but one of those cases by helping the parties reach an agreement. In addition, the FOC conducted 29 custody and parenting time investigations. The FOC also uses an attorney referee system that helps resolve custody and parenting time disputes and actively monitors compliance with support orders.

Judge Gauthier commented on the legacy that Teresa Remeur has done in the past 21 years of employment with Cheboygan County Friend of the Court and there were an untold number of children who were now adults that she has influenced. She has also helped parents to co-parent after a separation or divorce and this only benefited the children and the legacy that she has left can never be measured. 2020 has brought other challenges, including some major unforeseen ones surrounding the pandemic that Circuit Court was still working through and Judge Gauthier looked forward to continuing to service the community.

CEO Christine Gebhard presented the North Country Community Mental Health 2020 Annual Report. NCCMH partnered with Emmet and Cheboygan County Sheriff's Department to implement *Stepping Up*, a national initiative to reduce the number of people with mental illnesses in jails. *Stepping Up* was a six-step process intended to assist counties with developing and implementing a system-led, data-driven plan that could lead to measureable reductions in the number of people with mental illnesses in local jails. Charlevoix County Sheriff's Department began the Stepping Up process in 2018. Technical assistance was being provided by Wayne State University's Center for Behavioral Health and Justice. In mid-March, the entire NCCMH workforce responded to the COVID-19 pandemic with a unified commitment to pivot as quickly and seamlessly as possible with protection of clients and staff being their highest priority. They championed safety net roles for people served and others in the community who were struggling. A three-year investment in technology, NCCMH successfully deployed a remote work force plan to virtually connect staff and clients. Also they also used telephone and telehealth services were provided with increased frequency to ensure clients' wellbeing and prevent a crisis situation. Staff also sewed masks, delivered groceries and meals to make sure that people had the resources and their needs were being met regardless of what their needs were. NCCMH paid out over \$1 million in premium payments to direct care workers providing care to 240 individuals receiving residential services. NCCMH also paid out \$300,831 to support the sustainability of contractual providers who were hard hit during the Stay Home Stay Safe Order. The chart of service location showed the pivot from outpatient office and community-based service to telehealth and telephone in mid-March. Recently, NCCMH hired a second Criminal Justice Liaison position and was looking forward to providing more frequent services in the six (6) County jails. She asked the Board to take the time to read the stories of hope and recovery because that was really what they were there for of setting an impact on people's lives and helping them on their paths to recovery. PhotoVoice was a process that had been used internationally to highlight people whose voices may go unheard and whose perspectives were frequently overlooked. Through the power of the visual image, PhotoVoice offered an innovative way to break the silence that often surrounded the experience of mental illness and other disabilities. NCCMH has offered the PhotoVoice program now for two (2) years with 36 participants. NCCMH subscribed to the myStrength health and wellness application to benefit everyone in the community. MyStrength was an evidence-based, self-help resource that was available 24/7 in the privacy of your own home. The app was packed with engaging content, videos, and tips that people could immediately put to use about stress, anxiety, depression, and issues such as early parenting, chronic pain, insomnia, and much more. For your free account, download the app or access it through their website at nccocmh.org. The free access code was NCCMHcomm. In 2020, most of the NCCMH expenditures were largely spent on community living supports, which totaled \$28 million or 58% of their budget. In Cheboygan County, they served 656 people or 17% on individuals served of which totaled 487 adults and 160 children and adolescents. NCCMH spent \$5.6 million in services in Cheboygan County or 13% of their total expenditures. NCCMH was largely funded by Medicaid or 91% and 4% state general fund. The cost of services provided to clients in Cheboygan County totaled \$5,667,910. Cheboygan County contributed \$111,995 last year. This was the same amount contributed every year since NCCMH has become an authority in 1997, which amount was frozen. These funds were unrestricted and NCCMH was able to use these funds to meet local community needs. Of the \$657,000 that NCCMH received from the locals, they turn around and send \$431,000 back to the State of Michigan, so that it could be put into the general fund to draw down traditional Medicaid. She had talked to the Board before about Section 928 in the budget boiler plate and their desire to have that eliminated. About two (2) years ago, the House and the Senate agreed to put in a five (5) year phase out and they did not fund that phase out in fiscal year 2021. It was still up for negotiation during this budget cycle.

She encouraged the Board to reach out the State Representatives. It was really important to continue to phase out those dollars so that the local dollars stay local. In Cheboygan County, there were 73 psychiatric inpatient utilization admissions for a total of 688 days and 6 people were admitted to the state hospital. The state hospital was for those individuals who had the most serious and challenging mental illness disorders. Those 6 patients were there for 977 days and this was where part of the local dollars was spent. NCCMH's formula for success was to put the client first in every decision the executive team made to consider the impact on their clients – how to affect a positive impact while minimizing any burden. NCCMH was not a conglomerate of multiple enterprises; it was one organization dedicated to delivering consistent quality service in a welcoming and supportive environment. They will continually strive to be responsible, respectful, and collaborative community partner. Their staff was the foundation by which the organization fulfills its mission. It really does take a village. NCCMH appreciated the support of the Board of Commissioners and Commissioner Newman who sits on the NCCMH Board.

NCCMH had some serious concerns with what was going on in the legislature with an attempt to redesign Mental Health in Michigan, which was HB 4925 set forth by Representative Whiteford. Senator Shirkey was starting to reintroduce two bills that would take the specialty behavioral health system, which was a \$3.4 billion system and give it to the Medicaid Health Plans. NCCMH would not be supporting those bills once they were introduced. Sheriff Clarmont gave her kudos for her work and the Criminal Justice Liaison's work was phenomenal.

CCE 911 Pamela Woodbury gave an update on the 800 MHz Radio Project. She stated that they were live now and everyone had been migrated over to the 800 MHz. There was really good feedback from the users of the system relaying back that the transmissions were clearer and they could hear better. She reported that it was much safer for the responders and for the citizens. Coverage testing was going on in Cheboygan County today. She thanked the Board of Commissioners for their support.

CITIZENS COMMENTS

Patricia Gildner, citizen of Benton Township commented in opposition of the audit request on the agenda. This was a waste of taxpayer's money with many other issues in the County. It was important to focus on the future and not the past.

Janet Vance, citizen of Tuscarora Township commented on the need to establish as elected officials public confidence in the election system and to assure people that every vote counted and assure that the outcome was fair. She asked for a complete forensic investigation.

Larry Hull, citizen of Tuscarora Township commented on Thomas Payne's published writings known as "Common Sense", the Declaration of Independence, MCL 168.31a regarding election audits and a brief excerpt from a Michigan Supreme Court decision from 1863 in People v Township Board of Overyssell. He asked the Commissioners, as entrusted agents for the citizens of this County, to take definitive action to restore voter confidence in the electoral process.

Rob Ross, citizen of Benton Township commented that he worked as an election worker and there was nothing wrong with this county's vote counts. This was a waste of county time because there was always going to be conspiracies. These machines were tested with hand counts and every time the numbers matched exactly.

Karen Martin, citizen of the City of Cheboygan commented on separating the facts from fiction and conspiracies always being BS. She asked to stop giving Cheboygan County a black eye.

Shawn Wyzlic citizen of Mackinaw Township commented on this audit being pointless and potentially an expensive endeavor. An article from the Cheboygan Daily Tribune was read regarding the Dominion Voting System. She urged the Board of Commissioners to put an end to this so called audit and to not send the letter to the Secretary of State.

Doug Carter, citizen of Aloha Township commented that he was in support of the Board of Commissioners to do whatever they needed to do because his vote mattered.

Nathan Kaczynski, citizen of Grant Township commented that audits and recounts were valuable tools for cultivating confidence in the elections. There were legal standards to establish the need for a recount in elections in general. It was his understanding that the vote difference in this election did not meet that threshold. A yes vote would sievert the tools that were meant to establish confidence to the opposite result of their intent and purposes. Please vote, “no”!

Beth Bridgman citizen of the City of Cheboygan commented on what the state had overlooked for the federal election because she had all of the documentation from the County Clerk's office on Dominion and the Secretary of State. There was not one thing mentioned of the Federal Commission guidelines. This was a Federal election, which the federal government pays for. The FEC stated that these machines were supposed to be more accurate and faster. The FEC also stated that the acceptable error rate was 1 in 10 million ballots and she addressed the under vote and over vote ballots. She was upset that this letter was drafted without any input from the Election Information Sub-Committee. This was her last dance and asked how this Board was letting this happen. This letter did not do what needed to be done.

Leo Forster citizen of Inverness Township commented about articles in the Cheboygan Daily Tribune dated June 21, 2021 and in The Miner Journal. He suggested to wait until the Michigan State Senate Oversight Committee came out with their report before sending this letter and to please stop embarrassing this County.

Stephen Hatt, citizen of Grant Township commented that this was not about the 2020 election, but was about the next two (2) elections and he really appreciated everyone here for listening.

Amber Hiske, citizen of Benton Township commented that her son received a mail in ballot when he was only 17 years old and didn't turn eighteen (18) until December 1st. He also received a letter thanking him for voting from the Biden Administration.

Hugh Arenson, citizen of Inverness Township commented on the Board making the news, about wasting time and wasting money. Biden won the election. There was no fraud!

John Petkus, resident of Northern Michigan commented about being an election inspector and evidence versus facts. When neither of these was on their side, count the table. Don't let the table count them.

Jerry Vilenski, citizen of Inverness Township commented on what his observations on what was happening here. This was an alright attack on a fair and secure election that didn't go the way they hoped. The Board owed the citizens of this County an apology for wasting their time, their energy and viewing of these falsehoods. Enough was enough, stop embarrassing this County.

William Burnell, citizen of Benton Township commented that this country was founded on God's word. This was a spiritual battle that they were going through. Evil will not rule over God. He was an American and as an American he had the right to open these machines up and to be transparent.

Bernie Whitcomb, citizen of Wilmot Township commented that the purpose of all of this was to divide us. People could have different opinions and still be friends. If a voting machine was going to be taken apart, was this going to solve the problem? America was a two party system. When do we come together?

Gina Keaugh, citizen of Cheboygan County commented in support of the audit because if there was no transparency there was no honesty and asked the Board of Commissioners to vote "yes" for this audit.

Vivian Ecker Sova, citizen of the City of Cheboygan commented on if this election process was fair, secure and the best that they could make it. She asked the Board to follow, promote truth in this whole situation and vote "yes". Help restore the faith of the citizens.

Debbie Pond, citizen of Inverness Township commented on watching Commissioner Sangster mouth the last citizen's words during her speech and she wondered if he fed the last speaker her speech. Commissioner Sangster denied knowing her and these accusations.

Mary Bauer, citizen of Tuscarora Township commented that she feels that the lawyers were feeding misinformation. She was sorry that this Board was going to have to make a difficult decision today and she had concerns with the upcoming 2022 election.

Barbara Hall commented that this meeting would not have happened if Trump had won the election. This was a partisan effort to undermine the confidence in the election and the Board should not be a party to this kind of undermining of their democracy.

John Studer, citizen of Ellis Township commented in support of the audit to look into this and the need to find the truth.

Karen Lagerman, citizen of Northern Michigan commented on the error rate for these machines were 1 in 10 million. There were people here that had no idea if their vote counted. A forensic audit needs to be done in this County.

Linda Konicki, citizen of Inverness Township commented about concerns that she has had for several years on what was happening in the country. Nationwide many parties have questioned the results of the election. The citizens need voter integrity and trust. One way or another, they need to find out so she asked the Board to vote "Yes!"

Joseph Klein, citizen of Benton Township commented that this week in the local news they used the word, "glitch" in regard to the machines and if this was not enough of a red flag as to the relationship of the vulnerability of these machines, it must of at least made everyone to pause. He asked the Board to get this investigation done.

Greg Whittaker, citizen of Mentor Township commented that confidence in the elections needed to be restored and he was in support of this audit.

Diane Mills, citizen of the City of Cheboygan commented that this threat was real and it was not about Cheboygan, it was not about Michigan and it was not about the United States. This was global. She encouraged the Board to vote “yes” for this forensic audit.

Randy Scott, citizen of Mullett Township commented on what happened in Antrim County and questioned why there hasn't been a hand count done in Cheboygan County. When opening a can of worms, be very careful.

Mark Gahn, citizen of Benton Township commented that this was common sense and if there was something wrong, that Board was going to have to come to the end of the line and prove it no matter where it falls. This was not a partisan thing. Just get to the bottom of this.

Donna Keene, citizen of Benton Township commented that this small town in a big state stepped up to find the truth regardless of the party and was willing to shine the light of day on it.

Debbie Abernathy, citizen of Grant Township commented on her grief of the truth versus the lies. She was in support of this audit because the people needed to know the truth.

Owen Goslin citizen of the City of Cheboygan commented that he wanted to know the truth, but unfortunately there were people out there trying to find a County to push an audit. He urged the Board to vote, “no” for this audit.

ADMINISTRATOR'S REPORT

Administrator Jeff Lawson reported on the Building Envelope and HVAC System Study. Staff would like authorization to prepare an RFP to seek proposals from qualified consultants to prepare a Building Envelope and HVAC Study of the County Building consisting of the inspection of the current building envelope and HVAC systems with the development of plans, specifications and inspection services for the replacement/addition of energy efficient HVAC equipment, energy efficient window replacement and other envelope modifications to improve indoor air quality limiting the spread of airborne virus or other environmental hazards. This project would utilize the American Rescue Plan funding.

Motion by Commissioner Sangster, seconded by Commissioner Tryban to approve a RFP to seek proposals from qualified consultants to prepare a Building Envelope and HVAC Study of the County Building. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson gave an update on the Marina Fuel System Project. Installation of the fuel dock sheet pile at the Marina was completed. The Contractor would begin backfill of the dock area next week. Footing and foundation of the fuel dock building would follow.

Administrator Jeff Lawson reported the Cheboygan County Audit. The auditors are in the process of completing their work for submittal of the County's audit by June 30, 2021. The Finance Director has provided information within the audit report to meet the standards of a Comprehensive Annual Financial Report and the report would be submitted to the Government Finance Officers Association (GFOA) for Certificate of Achievement for Excellence in Financial Reporting consideration. The Auditors will review the audit for Board acceptance at the July 13, 2021 Finance Business meeting.

Administrator Jeff Lawson reported on an Equal Employment Opportunity Plan. The County must maintain an Equal Employment Opportunity Plan (EEO) to meet federal grant

requirements. The County's EEO Plan would be placed on the Board's July 13, 2021 meeting agenda for approval.

Commissioner Williams wanted to commend the Administrator for a job well done. He had the opportunity to do a walk thru the project last week and it was an excellent project with safety improvements for the environment.

OLD BUSINESS

Civil Counsel Bryan Graham presented on the letter to the Michigan Department of State Bureau of Election – Audit Request. The letter was requesting an audit of the 2020 Presidential Election by conducting the following by an accredited election auditor: 1) Conduct a hand recount of the Cheboygan County's presidential ballots and compare the results of that hand count to the electronic vote results that were reported; 2) Confirm the actual vote tally within Cheboygan County was accurately reported to the state election officials; and 3) Confirm whether the County's Dominion vote tabulator and/or Election System and Software machine had a modem installed capable of connecting to the internet. In connection with this questions, and more importantly, whether there was any evidence that the County's Dominion vote tabulator and/or Election System and Software machine was actually in communication with any unauthorized computer actually manipulation the actual vote tally within Cheboygan County.

Discussion was held and a recommendation was given on changing the wording in paragraphs one (1) and three (3) to read Election Management Software instead of Election System and Software.

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to approve sending the letter as revised to the Michigan Department of State Bureau of Election to request an audit. A roll call vote was taken. Motion carried with 4 yes, 3 no (Commissioner Newman, Williams and Matelski) and 0 absent.

Commissioner Tryban commented that she was waffling on this situation in trying to decide what was really correct and she thought after hearing from several other people today in the audience, it led her to believe that they do want the truth not only in just the State governments, but the whole country needs to find the truth of whether or not this voting system could connect with other countries.

NEW BUSINESS

53rd Circuit Court Judge Gauthier presented the 53rd Recovery Court – Approval of MDCGP and Edward Byrne Memorial Justice Assistance Grant Application. 53rd Circuit Recovery Court desires to apply for grant funds to continue the Recovery Court Program. The applications for these grants are due on June 30, 2021.

Motion by Commissioner Tryban, seconded by Commissioner Warfield, to authorize grant submittal and execution of all other necessary grant documents by the County Chairperson after review from the Finance Director and Legal Counsel, and authorize any necessary budget adjustments, if applicable. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Treasurer Buffy Weldon presented the Act No. 255 & Act No. 256 Public Acts of 2020. Public Acts 255 and 256 of 2020 (the "Amendments") modify the General Property Tax Act in response

to the Michigan Supreme Court's decision in *Rafaeli v Oakland County*. In *Rafaeli*, the Court determined that parties with an interest in tax foreclosed real property retain a right under the Michigan Constitution to proceeds realized at auction which exceed the taxes, interest, penalties, fees, and other costs owed on that property. *Rafaeli* marked a drastic change in Michigan law with respect to real property tax foreclosure and rendered unconstitutional portions of the GPTA which previously allowed Foreclosing Governmental Units to retain remaining proceeds. Characterized broadly, the Amendments essentially comprise four significant changes to the GPTA: 1. **A Claims Process** – A newly created MCL 211.78t established a process by which former interest holders can claim Remaining Proceeds realized from the sale of foreclosed property; 2. **Application of Proceeds** – Changes to MCL 211.78m modify the way in which FGUs apply foreclosure proceeds and clarify what costs can be recovered; 3. **Notice and Reporting** – Changes to various statutory notices to include reference to the newly enacted Section 78t and interested parties' rights under that section. Changes also require FGUs to submit additional reporting to the state treasurer; 4. **Right of First Refusal** – Changes to the requirements and procedures surrounding local units' right of first refusal.

The Amendments represent the most significant changes to Michigan tax foreclosed since PA 123 of 1999 abolished the old tax lien system. With this comes new obligations and challenges which may require legal advice and representation outside of the current county of the County Prosecutor under MCL 211.100 Prosecuting attorney; duties Sec.100.

Motion by Commissioner Warfield, seconded by Commissioner Sangster, to grant the County Treasurer the ability to retain outside legal counsel from the foreclosure fund. A roll call vote was taken. Motion carried with 7 yes, 0 no, and 0 absent.

Treasurer Buffy Jo Weldon presented the Property Foreclosures First Right of Refusal. There were 16 property foreclosures. Before selling these properties at a public auction, the County Treasurer shall offer them to the State of Michigan who has the right to purchase any and all properties at fair market value. Any properties remaining will be offered to the local municipality who has the right to purchase by paying fair market value if a Notice of Claim has been filed or minimum bid as set by the County Treasurer. Any properties not purchased by the State or local municipalities would then be offered to the County who has the right to purchase by paying fair market value if a Notice of Claim has been filed or minimum bid. . Any property purchased by the local municipality or County must be used for public purposes. Treasurer Weldon believed that none of these properties would benefit the County. There will be an online auction held on August 13, 2021 www.tax-sale.info for COVID-19 related reasons.

Motion by Commissioner Newman, seconded by Commissioner Warfield, to authorize Chairperson John B. Wallace to sign the waiver of First Right of Refusal in accordance with Act 123 P.A. 1999. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Treasurer Buffy Jo Weldon presented the Sale Proceeds Report. In 2021, no later than September 30th (recently changed from June 30th deadline of 2008) of the second calendar year after foreclosure, the County Treasurer shall submit a written report to the Board of Commissioner and the State Treasurer. Any remaining balance must be used for costs incurred by the foreclosing governmental unit. Pursuant to the law, any allowable expense could be charged against the sale proceeds. In the foreclosure process, there were additional fees that were set by statute such as October 1st a \$15.00 fee added to all delinquent taxes that were in the 1st year of delinquency and March 1st a \$235.00 fee added to all delinquent taxes that were in the 2nd year of delinquency. These fees were to help cover the cost of recording fees, mailing notices, title searched, publication, etc.... The sale proceeds and the fees have expenses in administering the program MCL 211.78m (8) (i). The 2019 Sale Proceeds is \$143,214.06.

2016 Sale Proceeds - \$360,628.87. 2017 Sale Proceeds - \$98,294.46. 2018 Sale Proceeds - \$98,947.41. 2019 Sale Proceeds \$143,214.06. For a total of \$700,784.80 being held in the foreclosure fund.

Motion by Commissioner Newman, seconded by Commissioner Williams, to accept the report and instruct Treasurer Weldon to submit report to the State Treasurer. A roll call vote was taken. Motion approved 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Service Development and New Technology (SDNT) Facility Construction Feasibility Study Grant. Cheboygan County Board of Commissioners submitted an application for this SDBT Grant in the Straits Regional Ride FY2022 Annual Application. The Michigan Department of Transportation (MDOT) has award and approved funding for a Facility Construction Feasibility Study Grant for Straits Regional Ride.

Motion by Commissioner Sangster, seconded by Commissioner Wallace, to approve and accept this \$65,000, authorize the Chairperson or Administrator to sign and allow the necessary budget adjustments. A roll call vote was taken. Motion approved 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented Service Development and New Technology (SDNT) Transportation Needs Study and Service Plan Grant. Cheboygan County Board of Commissioners submitted application for this SDNT Grant in the Straits Regional Ride FY2022 Annual Application. The Michigan Department of Transportation (MDOT) has awards and approved funding for a Transportation Needs Study and Service Plan Grant for Straits Regional Ride.

Motion by Commissioner Sangster, seconded by Commissioner Williams, to approve and accept this grant of \$65,000, authorize the Chairperson or Administrator to sign, and allow the necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

BOARD MEMBER MATTERS FOR DISCUSSION

Commissioner Wallace presented a proposal for consideration regarding the NLEA. Due to the ongoing concern about effective representation by the NLEA for Cheboygan County, he proposed that the Cheboygan County EDC, including its Chair Sharon Lange, the County Administrator Jeffrey Lawson and the President of the NLEA, David Emmel meet to discuss NLEA's future representation and retention of Cheboygan County. He proposed that this meeting was to be held sooner than later and in no case later than July 22, 2021.

Motion by Commissioner Wallace, seconded by Commissioner Warfield to approve the above mentioned proposal as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Beth Bridgman citizen of the City of Cheboygan commented that it was time for her to wash her hands of this group. The Board thinks this letter was appropriate, but this letter gives the State the right to say that there was no problem with this election. There was no forensic information that was going to be provided to them that proved that there could have been hacking. Without this forensic audit there was no looking into the integrity of this election.

Owen Goslin citizen of the City of Cheboygan commented that the Board opened up Pandora's Box a few months ago with this Election Information Sub-Committee. He urged the Board to dissolve this committee because it really has done a disservice.

John Petkus commented that there was a system in this country. He urged this audit to be presented to the courts and to listen to the election experts.

BOARD MEMBER COMMENTS

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to adjourn to the call of the chairperson. Motion carried with 7 yes, 0 no and 0 absent. Meeting was adjourned at 12:41 P.M..

Karen L. Brewster
County Clerk/Register

John B. Wallace
Chairperson of Board of Commissioners