

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
ORGANIZATIONAL MEETING
JANUARY 2, 2013**

The meeting was called to order by County Clerk/Register Mary Ellen Tryban 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

The Oaths of Office were administered to all Commissioners by Clerk Tryban.

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

PUBLIC COMMENT – None

Clerk Tryban requested nominations for Board Chairperson. Commissioner Gauthier nominated Linda Socha for a 2 year term as Board Chairperson, supported by Commissioner Matelski. Clerk Tryban asked for additional nominations three times. None were received. Clerk Tryban explained that by statute the Board Chairperson's term is two year and the Board Vice-Chairperson's term is one year.

Motion by Commissioner Wallace, seconded by Commissioner Allor, to close nominations and cast a unanimous ballot for Linda Socha for Board Chairperson. Motion carried with 7 yes, 0 no, and 0 absent.

Chairperson Socha requested nominations for Vice Chairperson. Pete Redmond was nominated for Vice Chairperson by Commissioner Matelski, supported by Commissioner Gouine. Chairperson Socha asked for additional nominations three times. None were received.

Motion by Commissioner Wallace, seconded by Commissioner Gauthier, to close nominations and cast a unanimous ballot for Pete Redmond for Board Vice Chairperson. A roll call vote was taken. Motion carried with 7 yes, 0 no, and 0 absent.

Chairperson Socha was sworn in as the 2013-2014 Board Chairperson and Pete Redmond the 2013 Vice-Chairperson.

Chairperson Socha read the county's existing mission and vision statements for reaffirmation at this time.

Motion by Commissioner Allor, seconded by Commissioner Redmond, to reaffirm the Board's Mission Statement and Vision Statement for 2013. Motion carried with 7 yes, 0 no and 0 absent.

Chairperson Socha distributed the list of committee appointments for 2013. She designated Commissioner Wallace to lead the Invocation and Pledge of Allegiance.

Chairperson Socha said the board would continue to meet in regular session on the 2nd and 4th Tuesdays of each month at 9:30 a.m. She noted that Committee of the Whole meetings on the fourth Tuesday are typically for information only and, if action must be taken on a matter at the committee of whole meeting, all pertinent information on the matter must be distributed to each board member in advance of the meeting. A calendar highlighting regular meeting days, as well as the annual Tri-County Board meeting, was distributed. She said in addition to the regularly scheduled meetings there are additional meetings such as board planning and goal setting sessions and meetings with

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the elected department heads. Commissioner Gauthier asked about holding evening meetings so more people would be able to attend. Chairperson Socha said that has been tried several times in the past; however, there was not any better public attendance. She said evening meetings can be difficult as departments are not opened readily available if a need arises.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to adopt the 2013 Cheboygan County Commissioners Calendar of Board Meetings as presented. Motion carried with 7 yes, 0 no and 0 absent.

Chairperson Socha presented the 2013 Rules of Order which have been adopted in the past and reviewed by civil counsel. Some discussion was held.

Motion by Commissioner Redmond, seconded by Commissioner Allor, to adopt the 2013 Rules of Order as presented. Motion carried with 7 yes, 0 no and 0 absent.

County Treasurer Linda Cronan presented two resolutions for adoption. She explained that the County Investment Policy is part of Resolution 13-02 and does not have to be approved separately. She said it has been her practice to renew these resolutions every two years and briefly explained the documents for benefit of the new commissioner.

Motion by Commissioner Matelski, seconded by Commissioner Redmond, to adopt the following resolution:

**RESOLUTION 13-01
DEPOSITORY RESOLUTION
FOR CHEBOYGAN COUNTY**

WHEREAS, under the laws of the State of Michigan, Act No. 40 of the Michigan Public Acts of 1932, 1st Extra Session, as amended (MCL 129.12), this Board is required to provide, by resolution, for the deposit of all public monies, including tax monies, belonging to, or held for, the State, County or other political units coming into the hands of the County Treasurer, in one or more banks, savings and loan associations or credit unions within the State.

THEREFORE BE IT RESOLVED that: the Board of Commissioners of Cheboygan County hereby directs the Cheboygan County Treasurer to deposit all public monies, including monies and funds held for the State Board of Escheats or missing heirs, coming into the hands of the County Treasurer in any bank, savings and loan association or credit union within the State which is a legal depository as defined by State and/or Federal law.

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

Motion by Commissioner Gauthier, seconded by Commissioner Allor, to adopt the following resolution:

RESOLUTION 13-02

**RESOLUTION AUTHORIZING INVESTMENT OF COUNTY FUNDS
AND APPROVING COUNTY INVESTMENT POLICY**

WHEREAS, pursuant to the provisions of Act No. 20 of the Public Acts of Michigan of 1943, as amended, (“Act 20”) the Board of Commissioners of the County of Cheboygan may authorize the County Treasurer to invest County Funds in certain investments; and

WHEREAS, this Board wishes to authorize such investments as are permitted by Act 20; and

WHEREAS, section 5 of Act 20 requires this Board of Commissioners in conjunction with the County Treasurer to adopt an investment policy which complies with the provisions of Act 20; and

WHEREAS, the County Treasurer has submitted a proposed Investment policy which complies with provisions of Act 20.

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CHEBOYGAN as follows:

1. The County Treasurer is authorized to invest funds of the County of Cheboygan in investments authorized by Act 20.
2. The Investment Policy attached hereto as Appendix 1 is approved and shall take effect on January 1, 2013.
3. Before executing an order to purchase or trade the funds of the County of Cheboygan, a financial intermediary, broker or dealer shall be provided with a copy of the County's Investment Policy and shall acknowledge receipt of the Investment Policy and agree to comply with the terms of the Investment Policy regarding the buying or selling of securities by executing the form attached as Appendix 2.
4. The County Treasurer is authorized to rely on the continuing effect of this resolution until and unless it is specifically amended or rescinded by a future resolution of the Board of Commissioners.
5. This resolution shall take effect immediately.

APPENDIX 1

CHEBOYGAN COUNTY INVESTMENT POLICY To Comply With Act 20 PA 1943, as amended

1.0 PURPOSE:

It is the policy of Cheboygan County to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the County and comply with all state statutes governing the investment of public funds.

2.0 SCOPE:

This investment policy applies to all transactions involving the financial assets and related activity of the County except for its employee pension funds and its employee deferred compensation funds which are organized and administered separately. These assets are accounted for in the various funds of the County and include the general fund, special revenue funds, debt service funds and capital project funds (unless bond ordinances and resolutions are more restrictive), enterprise funds, internal service funds, special assessment funds, trust and agency funds and any new fund established by the County, unless specifically exempted by the governing body.

3.0 OBJECTIVES:

The primary objectives, in priority, of the County's investment activities shall be:

3.1 Safety—Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

3.2 Diversification—The investments will be diversified by specific maturity, dates, individual financial institution (s) or a specific class of securities in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

3.3 Liquidity—The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

3.4 Return on Investment—The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

4.0 DELEGATION OF AUTHORITY:

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Authority to manage the investment program is derived from MCL 48.40 requiring the County Treasurer to be the custodian of the County's funds. Management responsibility for the investment program is hereby delegated to the Cheboygan County Treasurer who shall establish procedures and internal controls for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except under the terms of this policy and the procedures established by the Cheboygan County Treasurer. The Cheboygan County Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

5.0 AUTHORIZED INSTRUMENTS:

The Cheboygan County Treasurer is limited to investments authorized by Act 20 of 1943, as amended, and may invest in the following:

- (a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- (b) Certificates of deposit, savings accounts, deposit accounts, or depository of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the State under a law or rule of this State or the United States.
- (c) Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.
- (d) Repurchase agreements consisting of instruments listed in (a) above. Repurchase agreements shall be negotiated with dealers or financial institutions with whom the County has negotiated a Master Repurchase Agreement. Repurchase Agreements must be signed with the bank or dealer and must contain provisions comparable to those outlined in the Public Security Association's model Master Repurchase Agreement.
- (e) Bankers' acceptances of United States Banks.
- (f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated investment grade by not less than 1 standard rating service.
- (g) Mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with the authority to purchase only investment vehicles that are legal for direct investment by the County. This authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share.
- (h) Investment pools organized under the surplus funds investment pool act, 1982 PA 367, 129.111 to 129.118.
- (i) Investment pools through an inter-local agreement under the urban cooperation act of 1967, (Ex Sess) PA 7, MCL 124.501 to 124.512.

6.0 SAFEKEEPING and CUSTODY:

All Security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the Cheboygan County Treasurer may be on a cash basis or a delivery vs payment basis as determined by the County Treasurer. Securities may be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts as determined by the Treasurer.

7.0 PRUDENCE:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

8.0 REPORTS:

Within 120 days of the end of the fiscal year, the Treasurer shall prepare an annual written report to the governing body concerning the investments of the funds.

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

Motion by Commissioner Redmond, seconded by Commissioner Gouine, to reappoint Honorable Robert Butts and Honorable Scott L. Pavlich; and Honorable Maria Barton to the Community

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Corrections Advisory Board for one year terms expiring January 2013. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, supported by Commissioner Wallace, to adjourn to the call of the Chair. Meeting adjourned at 10:12 a.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson