

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS  
FINANCE/BUSINESS MEETING  
November 8, 2011**

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, Don Horrocks, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

**Absent:** None

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

Chairperson Socha noted that Administrator Lawson was not in attendance as his wife was in surgery today.

Commissioner Matelski requested Item 5A Monthly Finance Claims, Item 5B Budget Adjustments, Item 5F(2) NLEA Letter Regarding Northern Transformations, and Item 5G(3) North Country Community Mental Health Board Minutes be removed from the Consent Agenda and placed under New Business on the regular agenda. Commissioner Allor requested Item 5F(1) Child Care Fund On-Site Fiscal be removed from the Consent Agenda and placed under New Business on the regular agenda. Chairperson Socha requested Item 5D Byrne JAG Grant Contract be removed from the Consent Agenda and placed under New Business on the regular agenda.

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

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

- A. ~~Approve Monthly Finance Claims (Moved to New Business)~~
- B. ~~Budget Adjustments (Moved to New Business)~~
- C. Specialized Services Operating Assistance Program Third Party Contract 2012-0061/P1
- D. ~~Byrne JAG Grant Contract (Moved to New Business)~~
- E. Investment Report
- F. Correspondence:
  - 1. ~~Child Care Fund On-Site Fiscal and Program Review (Moved to New Business)~~
  - 2. ~~NLEA Letter Regarding Northern Transformations (Moved to New Business)~~
  - 3. Letter From Governor Snyder's Office Regarding Cheboygan County Resolution 11-14 in Support of Guaranteed Revenue Replacement Should the State Repeal Personal Property Taxes
  - 4. Van Buren County Resolution in Support of Guaranteed Revenue Replacement Should the State Repeal Personal Property Taxes
- G. Minutes:
  - 1. Finance/Business Meeting of October 11, 2011, and Committee of the Whole Meeting of October 25, 2011
  - 2. Health Board – September 22, 2011
  - 3. ~~North Country Community Mental Health Board – 9/15/11 (Moved to New Business)~~
  - 4. Cheboygan County Fair Board – September 12, 2011
  - 5. Cheboygan Conservation District – August 30, 2011
  - 6. Cheboygan County Housing Commission – September 8, 2011
  - 7. Cheboygan County Road Commission – October 4, 2011, October 20, 2011 and October 26, 2011
  - 8. Cheboygan City Council – October 11, 2011
  - 9. Planning Commission Meeting – September 2, 2011 and October 5, 2011
  - 10. ZBA – September 28, 2011 and October 14, 2011

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

**CITIZENS COMMENTS** – None

**SCHEDULED VISITORS** – None

**FINANCE DIRECTOR'S REPORT** - Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ended September 30, 2011. She reported total year-to-date revenue of \$5,666,569.75 versus \$6,536,061.03 last year at that time. Ms. Kortz reported expenditures year-to-date of \$7,366,156.55, or 69.20% of budget, compared to \$7,307,706.01 last year as of the end September. The Quarterly Fund Balance Report and the Summary of Expenses by Category were also presented for the third quarter of 2011.

**ADMINISTRATOR'S REPORT** – The administrator's written report included information regarding budget, SAYPA and the Brownfield Grant. Chairperson Socha distributed copies of correspondence from Michigan Municipal Risk Management Authority dated October 28, 2011 relative to the appointment of County Administrator Lawson to the MMRMA State Pool Committee for a term expiring December 31, 2014. She also noted that Administrator Lawson attended a meeting regarding the potential reduction in judges throughout the state.

### COMMITTEE REPORTS

Commissioner Horrocks reported that State Representative Frank Foster has been getting involved with the Pigeon River Forest. He also reported attending meetings of the Cheboygan City Council, the Northern Cheboygan County Intermunicipality Planning Committee and the Michigan Northern Counties Association.

Commissioner Wallace attended a CCE 9-1-1 meeting, the NMSAS meeting, and the Circuit Court Drug Court meeting. He said a drug court graduate was asked how many kids used drugs in the schools and said at least 75%.

Commissioner Redmond attended a regular and an executive meeting of District #4 Health Board, a Waterways Committee meeting, a Straits Regional Ride meeting and the Benton Township monthly meeting. He reported that retirement costs for District #4 Health are quite high; and the Waterways Committee had to dip into their fund equity, they may face cuts to night security next year and are looking for new ideas to promote the marina and local waterways. He said SRR discussed concerns relative to funding of Straits Area Services and what can and cannot be provided. Cost for door-to-door pickup, totaling \$177,000, has been provided to Straits Area Services. He also reported that Benton Township is proceeding with building a new fire hall.

Commissioner Allor attended the Council on Aging meeting and reported a push in Lansing to pass legislation regarding elder abuse, an increase in Social Security in 2012, concern with possible legislation regarding no fault insurance and how it would play into Medicare and Medicaid; also the importance of emergency preparedness for area seniors. She also attended the MTA meeting where Emergency Management Director Greg Williams spoke regarding hazard mitigation. Commissioner Allor said at the . NEMCSA meeting there was a presentation on the MI Choice program designed to help reduce numbers in nursing homes. She said the average cost for nursing home care is \$172 per day, and utilizing other methods for various types of in-home care that cost can be reduced to as little as \$51 per day. She noted that District #4 Health Department's home health care received national recognition. At the recent meeting of North Country Community Mental Health discussion related to the new office building being constructed was held. Chairperson Socha said the Council on Aging could request Greg Williams to do a presentation on emergency preparedness to that group. Commissioner Allor distributed two handouts containing interesting census data from NEMCSA. Chairperson Socha said Charlevoix County has been totaling revamping its senior citizen services to better serve the needs for the county.

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Commissioner Gouine said the fair board has a new project to build a ramp for the handicap riders and asked if the ramp could be fixed or if it would have to be portable. Chairperson Socha directed Commissioner Gouine to speak to the county administrator regarding this.

Commissioner Matelski attended two planning commission meetings, a Road Commission meeting, three township meetings, two ZBA meetings, three Citizen Planner Workshops, the MSU Extension Region 3 Advisory Committee meeting, the Pigeon River Advisory Council, and the MTA meeting. He said the Road Commission is looking at an engineer from Emmet County for the manager position. He also reported that since we put \$7,000 in the MSUE Project Fresh other counties are looking at doing something similar.

Commissioner Socha attended an LEPT meeting, that's the local planning team mandated by the state for the FEMA grants. Greg Williams has been successful in getting \$20,000 for radio replacement for fire from these grants. She also met to give Greg Williams direction as to Cheboygan County's priorities when he is voting on the grant projects. She said the LEPT group told him to vote for training and equipment. She reported that the Citizen Planner Training is fantastic and thanked the Community Development Department. She said the Office of Emergency Management, may be able to get grant money to activate multiple calls to all EOC members at once in case of a large emergency, cost for this is \$90,000 for all three counties plus about \$12,000 annually. Commissioner Socha reminded everyone of the EOC training on the FEMA website. She said the LEPC Hazard Mitigation Grant Application will be ready soon; and the state is mandating EOC do 3 exercises next year. She noted that SANE had two more meth labs both in the City of Cheboygan, so be prepared for cleanup costs. She also reminded everyone to get a flu shot.

**OLD BUSINESS** – None

### **NEW BUSINESS**

Community Development Planner Scott McNeil presented two zoning ordinance amendments for approval. He explained that Zoning Ordinance Amendment #102 repeals section 10.6 and section 21.2.6 of the zoning ordinance relative to High Risk Erosion Areas; and the proposed amendment to sections 21.2.3 and 23.7.2.4, provide for new language relative to providing notice to the "proper department or authority within the Michigan Department of Natural Resources" regarding an appeal to the Zoning Board of Appeals involving property within a High Risk Erosion designated area or a Natural Rivers Protection District. This ordinance amendment is proposed so as not to duplicate regulations administered by the Michigan Department of Natural Resources pursuant to Part 323, Shorelands Protection and Management, of the Natural Resources and Environmental Act, 1994 PA 451 as amended. The amendment has been reviewed by civil counsel.

**Motion** by Commissioner Matelski, seconded by Commissioner Horrocks, to adopt Cheboygan County Zoning Ordinance Amendment #102 to Repeal Section 10.6 and Section 21.1.6 and Setback Regulations and amend Sections 21.2.3 and 23.7.2.4 Relative to High Risk Erosion Areas. (Copies available in the County Clerk's Office or the Community Development Office) and authorize the Chairperson to sign. This amendment is effective effective 8 days following publication in a newspaper of general circulation. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Gouine), and 0 absent.

Mr. McNeil explained Zoning Ordinance Amendment #103 was recommended by the Planning Commission in order to restore the thirty (30) day time frame for submission of a completed special use permit application before review by the Planning Commission. The thirty (30) day time frame was previously tied to submission of a site plan. The thirty (30) day requirement was removed with the recent zoning ordinance amendment #90 relative to administrative review that reduced the time frame for submission of a completed site plan review application before review by the Planning Commission to fourteen (14) days. Other language changes are proposed to provide a ten (10) day time frame for review of a special use permit or site plan review application by the Cheboygan County Road Commission, Fire Department, and Health Department and clarify the information to be provided for such review.

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**Motion** by Commissioner Matelski, seconded by Commissioner Gouine, to adopt Cheboygan County Zoning Ordinance Amendment #103 to Establish a Period of Time to File a Completed Special Use Permit Application Prior to Review by the Planning Commission and Establish a Period of Time for Review by Other Agencies. (Copies available in the County Clerk's Office or the Community Development Office) and authorize the Chairperson to sign. This amendment is effective effective 8 days following publication in a newspaper of general circulation. A roll call vote was taken. Motion carried with 7 yes, 0 no, and 0 absent.

Maintenance Director Tim Mason presented bids for new flooring in the Sheriff's Department. As part of the previously approved remodeling project in the Sheriff's Department, new tile and carpet are to be installed in the lobby, dispatch area and back through the office areas. The follow two sealed bids were received: Custom Carpet – \$13,050.00 and Johnson's Home Decorating \$14,980.00.

**Motion** by Commissioner Redmond, seconded by Commissioner Horrocks, to award the bid for flooring in the Sheriff's Department to Custom Carpets of Indian River in the amount of \$13,050.00 and authorize the Chairperson to sign the agreement. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented Amendment #9 to the 2011 Salary & Wage Resolution regarding wages for the Marina. She explained the Marina's seasonal wage and fringe appropriations were previously adjusted, as approved by the Board, on October 11, 2011 for \$1150 and \$220, respectively; however, when calculating the hours required to finish out the 2011 Marina season, the Harbor Master did not realize that the last week of September would be paid in October and therefore underestimated the amount required. This budget adjustment raises the Fund Equity revenue line item by a total of \$72 and the Seasonal Wage and Fringe expenditure line items by \$61 and \$11, respectively. The Salary and Wage Resolution is being amended at this time for a total of \$61.

**Motion** by Commissioner Wallace, seconded by Commissioner Redmond, to adopt Amendment #9 to the 2011 Salary and Wage Resolution and authorize the Chairperson to sign and approve the necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kortz said the contract with Young, Graham, Elsenheimer & Wendling, P.C. for legal services expires at the end of the year. A request for bids was sent out and three bids were received. Those bidding were Young, Graham, Elsenheimer & Wendling, PC; MacArthur Laws Firm and Cummings, McClorey, Davis & Acho, PLC. Due to the complexity of these bids, an analysis was prepared and discussed. The County has contracted with Young, Graham, Elsenheimer & Wendling, P.C. since 2003 and this long term relationship provides many benefits to the County. Among the benefits are the firm's familiarity with the County's legal philosophy; their knowledge of the County's existing legal matters, programs, services and contracts; and the fact the firm employs a staff of six attorneys specializing in various areas of law. Discussion was held regarding on the bidding process and possible elimination. Civil Counsel Bryan Graham said once you have a firm that's been doing the work it really isn't a sealed bid as the established rate is public record. Mr. Graham explained the flexible retainer in Option 2.

**Motion** by Commissioner Wallace, seconded by Commissioner Matelski, to approve the three year (2012-2014), Fixed Plus (Option 2) retainer plan agreement with Young, Graham, Elsenheimer & Wendling, PC, and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Horrocks) and 0 absent.

Chairperson Socha thanked Civil Counsel, Bryan Graham for his dedication and quick response time.

The Monthly Finance Claims were addressed. Chairperson Socha voiced concern with a payment of \$1,617 to the Salvation Army for the Drug Court. She pointed out that there is not a County Board approved contract with the Salvation Army. She said the claim crosses between two fiscal years; and noted a similar issue last year. She read various requirements stated in the Byrne Grant approved earlier regarding signatures, approval and such, and stated those same requirements pertain to all drug court matters. The biggest issue it that this bill has been paid. She recommended that for future drug court expenditures bills be pulled by finance and not paid until they are reviewed. She said Administrator

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Lawson will be speaking with the judge to determine how to deal with these matters. The Drug Court is a good program, but must to have proper accounting as it is the Board's responsibility as the fiduciary. Discussion held. Commissioner Horrocks said perhaps this should pertain to more than just the Drug Court.

**Motion** by Commissioner Matelski, seconded by Commissioner Horrocks, to direct Finance to place all claims submitted for Drug Court on the monthly finance report subject to payment after review until further action by the Board. Motion carried with 7 yes, 0 no and 0 absent.

Regarding Commissioner Horrocks' comment prior to the last motion, Ms. Kortz said with the change in county administrators she does not foresee problems. Chairperson Socha said in the case of the matter just voted on this was not the first time this has happened.

The finance director answered several questions from board members on the prepaids. She told the board that she would be happy to answer any questions they may have on finance claims by telephone prior to the meeting.

**Motion** by Commissioner Horrocks, seconded by Commissioner Matelski to approve monthly finance claims totaling \$37,044.50 and Prepaids totaling \$869,125.52, noting a question on Check #145715. A roll call vote was taken. Motion carried with 5 yes, 2 no (Commissioners Socha and Gouine), 0 absent.

Byrne JAG Grant had been removed from the consent agenda. This grant is for \$80,000 and \$22,500 in Cheboygan County funds. Chairperson Socha said this grant requires documentation after review by the finance director and requires the Chairperson signature.

**Motion** by Commissioner Wallace, seconded by Commissioner Redmond, to approve grant contract between the State Court Administrative Office and Cheboygan County, authorize the chair to sign the same and all other required documentation after review by the Finance Director, and approve the necessary budget adjustments for the last quarter of 2011. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Matelski had requested budget adjustments be removed from the consent. He asked if all the funds requested in the Raise Revenues and Expenditures were from the savings account (Fund Equity). Ms. Kortz explained that all Fund 101 were from Fund Equity, but there others were not and she explained those.

**Motion** by Commissioner Matelski, seconded by Commissioner Allor, to approve the Raise Revenues and Expenditures totaling \$117,329, and Inter-Department Transfer for Child Care Costs of \$74,000 and Inter-Department Transfer for Planning and Zoning of \$2,110. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Allor noted two different review periods in the Child Care Fund onsite Fisca and Program Review. Chairperson Socha said this was done by the State. Commissioner Matelski referred to the NLEA letter regarding Northern Transformations and asked what Northern Transformations was. Chairperson Socha said it appears to be a spinoff of Michigan Works but is has nothing to do with the official Michigan Works. .

**Motion** by Commissioner Wallace, seconded by Commissioner Horrocks, to receive and file Child Care Fund On-Site Fiscal and Program Review and NLEA Letter Regarding Northern Transformations. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Matelski had requested North Country Community Mental Health Board minutes be pulled from the consent agenda. He referred to last page regarding a statement made by Commissioner Allor "Ms. Allor asked a question and explained a situation of an individual with transportation issue in Cheboygan County." He asked if that was regarding our problems with Straits Regional Ride. Commissioner Allor said they were discussing dual eligibles and she explained the situation she believes would be dual eligible but it did not going any further because she was told it was not the time and place to discuss it.

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**Motion** by Commissioner Matelski, seconded by Commissioner Wallace, to receive and file the North Country Community Mental Health minutes of September 15, 2011. Motion carried with 7 yes, 0 no and 0 absent.

**CITIZENS COMMENTS** – Scott Swanson, Editor of the Straitsland Resorter, commented regarding bidding for professional services. He said periodically rebidding is necessary and important as it keeps everyone honest as well as it shows what is out there. He also said during discussion it was noted that board members could contact the Finance Director if they have questions. He said if that happens the questions that were discussed also should be noted so that the Board is aware of the situations. Chairperson Socha said that a lot of the questions are quite minute, but important ones that pertain to policy should be brought up for the entire Board.

**BOARD MEMBER COMMENTS** – Chairperson Socha reminded everyone of the VA Clinic Open House in Mackinaw City on November 10<sup>th</sup> at 1 p.m.

Commissioner Matelski said MERS does offer a 457 supplemental retirement program that would provide annual cost of living increases. He suggested if this were implemented it would eliminate the need to hear requests for increases from retirees. Chairperson Socha asked him to provide the information to the Human Resource Director.

Commissioner Allor referred to an email she received with a summary from the Tea Party regarding Mark Lorenz and the Port Authority that stated funding ½ from DOT ¼ from City and ¼ from County. It was relative to the March 22, 2011 City County meeting. Commissioner Horrocks said he was at that meeting and there was no mention of that. Chairperson Socha said a dredging permit referred to a Port Authority but there is poor information. She said there is a Port Authority Committee, not a Port Authority.

**Motion** by Commissioner Wallace, seconded by Commissioner Redmond, to adjourn to the call of the Chair. Meeting adjourned at 12:15 p.m.

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Mary Ellen Tryban  
Cheboygan County Clerk/Register

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Linda Socha  
Chairperson