

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
December 11, 2012**

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.

The Public Hearing on the 2013 County Budget was opened by Chairperson Socha. She asked for public comment on the budget. No comments were received. Finance Director Kari Kortz briefly summarized the budget. She noted The proposed 2013 Cheboygan County Budget totals \$23,523,044. Of this total, \$10,492,258 represents the General Fund and \$13,030,786 represents all other funds. The balanced General Fund Budget represents a 5.9% decrease over the current 2012 Amended Budget (\$11,145,758 as of November 30, 2012) and a .2% decrease over the 2012 adopted budget (\$10,512,848). The special funds combined balanced budget represents a 2.0% decrease over the current 2012 Amended Budget (\$13,294,195 as of November 30, 2012) and an increase of less than a quarter percent (.2%) over the 2012 adopted budget (\$13,008,608). The total proposed 2013 Cheboygan County Budget represents a 3.8% decrease over the current 2012 Amended Budget (\$24,439,953 as of November 30, 2012) and less than a one one-hundredth of a percent (<.01%) increase over the adopted 2012 budget (\$23,521,456). The 2013 Budget includes over \$800,000 for capital improvement, which is \$70,000 above and beyond the level of investment included in the 2012 budget. Administrator Lawson reviewed in detail the 2013 budget process, including the strategic planning process, the County's Mission and Vision Statements, Board Goals, Budget Factors, and Capital Improvement Plan. He stressed that the items in the capital improvement plan are contingent upon available funding. Several commissioner questions on specific items were answered by the Finance Director. The Public Hearing was closed at 9:45 a.m.

Chairperson Socha requested additions to the agenda of Budget Adjustment presented today by the Finance Director related to DHS Childcare as Item K under New Business and under Scheduled Visitors presentation of a plaque in recognition.

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

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to reconsider the approval of the agenda. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Allor requested the Budget Adjustments Item 6 B included in the packet be removed from the Consent Agenda and placed on the regular agenda as Item L.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to approve the agenda with the additions of Items K and L under New Business and the Certificate of Appreciation under Scheduled Visitors. Motion carried with 7 yes, 0 no and 0 absent.

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

- A. Approve Monthly Finance Claims: Finance = \$85,654.60 Prepaids = \$745, 447.64
- B. ~~Budget Adjustments~~ (moved to Item L under New Business)

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- C. Public Official Bond
- D. Correspondence
 - 1. Notice of Intent to Update the Master Land Use Plan and Public Comment Period
 - 2. Bay County Resolution St. Clair River Remediation
- E. Minutes:
 - 1. Committee of the Whole Meeting of October 23, 2012 and Finance/Business Meeting of November 13, 2012
 - 2. Health Board – 10/16/12
 - 3. North Country Community Mental Health Board – October 18, 2012
 - 4. NLEA December 2012 President's Report and September 20, 2012 Minutes
 - 5. Board Appointments & Procedures – November 26, 2012
 - 6. Millage Appropriation Committee – November 13, 2012
 - 7. Jail Utilization – September 12, 2012
 - 8. Cheboygan County Fair Board – November 5, 2012
 - 9. Cheboygan County Road Commission – October 18, 2012
 - 10. Cheboygan City Council –October 23, 2012 and November 13, 2012
 - 11. Planning Commission Meeting – November 7, 2012
 - 12. ZBA – October 24, 2012

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

CITIZENS COMMENTS – None

SCHEDULED VISITORS – Chairperson Socha presented outgoing Commissioner Horrocks with a Certificate of Appreciation. Commissioner Horrocks said he enjoyed serving as a county commissioner, has learned a great deal and appreciates the work this board does.

FINANCE DIRECTOR'S REPORT - Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ended October 31, 2012. She reported total year-to-date revenue of \$9,143,185.69 versus \$8,257,564.98 last year at that time. Ms. Kortz reported expenditures year-to-date of \$8,378,108.83, or 75.34% of budget, compared to \$8,225,839.38 last year as of the end October.

ADMINISTRATOR'S REPORT – Administrator Lawson did not present a written report, but stated the camera system is operational and the second phase will be to update the court cameras. He said the roof project is complete and the Animal Shelter project is nearing completion.

COMMITTEE REPORTS

Commissioner Redmond presented recommendations from the Board Appointments & Procedures Committee relative to appointments to various boards and committees.

Motion by Commissioner Redmond, seconded by Commissioner Matelski, to accept the recommendation from the Board Appointments & Procedures Committee to reappoint the following to the Cheboygan County Fair Board for terms beginning December 1, 2012 and ending November 30, 2015: Matt Horrocks, Keith Kwiatkowski, Ron Williams and Colette Andres. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Matelski, to accept the recommendation from the Board Appointments & Procedures Committee to appoint Dawn Marie Bodnar, to fulfill the term of Don Beavers on the Cheboygan County Economic Development Corporation/Brownfield Redevelopment Authority for the remainder of the term to commence December 1, 2012 through September 30, 2017. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Wallace, to accept the recommendation from the Board Appointments & Procedures Committee to appoint Charles Brew to the Cheboygan County Airport Authority for a term commencing December 1, 2012 through December 31, 2015. Motion carried with 7 yes, 0 no and 0 absent.

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Motion by Commissioner Redmond, seconded by Commissioner Gouine, to accept the recommendation from the Board Appointments & Procedures Committee to reappoint Curt Stewart to the Cheboygan County Waterways Commission for a term commencing January 1, 2013 through December 31, 2015. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Redmond reported attending the Health Board, Health Board Executive, Board Appointments & Procedures, and Benton Township meetings and Web EOC Training.

Commissioner Allor reported attending the North Country Community Mental Health Board meeting and reported merging of several CMH entities has been being discussed among those involved. She said the North Country Director said she does not anticipate NMSAS to survive the coming changes. With the new regions there will be twenty-one counties together. Commissioner Allor also attended the Area Agency on Aging a presentation was done on the services available to seniors and encourages seniors to make use of the services available. Commissioner Allor also attended the New Commissioner Training, EOC Training, Wolverine Council meeting and the Forest Township meeting.

Commissioner Gouine attended the MTA Christmas meeting, an Inverness Township meeting and New Commissioner Training.

Commissioner Matelski attended two Planning Commission meetings, one Road Commissioner meeting, three township meetings, a Board Appointments & Procedures meeting, the New Commissioner Training and a ZBA meeting. He reported three of his four townships have expressed interest in taking over the road ends that the Road Commission wishes them to take over. He also advised that the salt plume from the road commission garages in the southern part of the county have been reaching several wells in the area. He said it looks like this will be a continuing problem.

Commissioner Horrocks attended the City Council meetings and the Michigan Northern Counties Association meeting.

Commissioner Wallace said Cheboygan Life Support, the ambulance board, plans to report regularly to this board. He said he attended a joint meeting with the administrative board of the Northeast Consortium and the Workforce Development Board. He said he chairs the administrative board and Ron Neuman of Inverness Township chairs the Workforce Development Board. Presentations were given on how various groups are cooperating. Chairperson Socha said she talked with Commissioner Wallace about elimination of the Northeast Consortium from the committee listing and has decided to retain that committee in the future.

Commissioner Socha attended a ZBA meeting, the Commissioner Training, a Hebron Township meeting, the MTA meeting and the Web EOC Training. She said the Web EOC program will replace E-Team. She said we have five commissioners trained and 20 people attended. She said this is an excellent program and everyone involved will have access.

OLD BUSINESS – None

NEW BUSINESS

Straits Regional Ride Director Mike Couture presented a lease agreement with CCE 9-1-1 to install repeater and two antennas on the CCE tower located on Krause Road in Emmet County. He said this will allow SRR better radio communication as well as the ability to comply with 2013 narrow banding requirements.

Motion by Commissioner Redmond, seconded by Commissioner Allor, to approve the Tower Space Lease Agreement between Charlevoix-Cheboygan-Emmet Central Dispatch Authority and the County of Cheboygan on behalf of Straits Regional Ride for a term of 60 months with the option to renew for three additional terms of 60 months each at an annual cost of \$240.00 and approve necessary budget adjustments and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

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Motion by Commissioner Redmond, seconded by Commissioner Allor, to approve the 2013 Attorney Contract for Delinquency and Child Protection Proceedings and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson said the SAYPA Facilitator Contract is the last component of the reorganization of the SAYPA program. A minimum of 12 hours per week must be allocated to SAYPA. Chairperson Socha asked if the contract could require the Finance Director to receive notices. She requested Civil Counsel to place a statement to that effect in all similar contracts. She also asked why the Judge's signature is not included in all contracts. Mr. Graham said that could be added.

Motion by Commissioner Redmond, seconded by Commissioner Horrocks, to approve the FY 2012 Independent Contractor Agreement between Cheboygan County and Chris Ackerman relative to the SAYPA program with the addition of the Finance Director to Notices under Standard Provisions, and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Allor, seconded by Commissioner Matelski, to approve the Ambulance Millage Appropriation Agreement with Cheboygan Life Support Systems, Inc. and authorize the Chair to sign; to approve the Ambulance Millage Appropriation Agreement with Onaway Area Ambulance Service and authorize the Chair to sign; and to approve the Ambulance Millage Appropriation Agreement with Village of Mackinaw City and authorize the Chair to sign. These agreements are effective January 1, 2013 through December 31, 2019. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Wallace, seconded by Commissioner Horrocks, to table the Drug Court Independent Contractor Agreement with Northern Michigan Independent Drug Screening, LLC until the business meeting in January of 2013. Motion carried with 7 yes, 0 no and 0 absent.

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

Resolution 12-37
TO EXEMPT CHEBOYGAN COUNTY FROM THE REQUIREMENTS OF ACT 152
OF THE PUBLIC ACTS ON 2011

- A. Act 152 of the Public Acts of 2011, MCL 15.561, et seq, (the Act) is a law that limits a public employer's expenditures for employee medical benefit plans; that provides powers and duties to certain state agencies and officials; that provides for exceptions to the Act; and that provides for sanctions.
- B. Section 3 of the Act, MCL 15.563, establishes a "Hard Cap" for a public employers expenditures for medical benefits plans based on the number of employees eligible for medical benefits.
- C. Cheboygan County is projected to exceed the state "Hard Cap" for eligible employees by \$4,007.52 in 2013.
- D. Section 8 of the Act, MCL 15.568, permits a local unit of government by a 2/3 vote of its governing body each year to exempt itself from the requirements of the Act for the next succeeding year.
- E. The Board of Commissioners, therefore, desires to exercise its authority to exempt Cheboygan County from the requirements of the Act for 2013 by the adoption of this Resolution.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Cheboygan County Board of Commissioners hereby exempts Cheboygan County from the requirements of Act 152 of the Public Acts of 2011 for 2013.

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

Community Development Planner Scott McNeil presented the 2013-2018 Capital Improvements Plan which was approved by the Planning Commission on December 5, 2012. He explained the Michigan

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Planning Enabling Act (Act 33, 2008) requires local municipalities that have adopted a master plan to annually prepare a capital improvements program. The Act provides that the capital improvements program show those public structures and improvements, in general order of their priority that in the judgment of the Planning Commission will be needed or desirable and can be undertaken within the ensuing 6-year period. A capital improvements program is a blueprint for planning capital improvement expenditures. The inclusion of a project in a capital improvement program will not require any public entity or department of the county to fund or complete the project. It is a planning tool that can coordinate community planning, financial capacity and physical development. Chairperson Socha noted it is a requirement to have this plan in place, but there's not commitment to do these projects.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to approve the 2013-2018 Capital Improvement Program as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the annual Fee Resolution for approval. She referred to Administrator Lawson to address the fee increases in the Building Safety department. He said this is the first effort to close the gap in the department becoming self-sufficient. The new construction fees will be consistent with the average fees in surrounding counties.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to adopt Resolution 12-38 2013 Fee Resolution, effective January 1, 2013 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to adopt the 2013 General Fund budget in the amount of \$10,492,258 and all other funds budgets with a combined total of \$13,030,786 resulting in a Cheboygan County 2013 Budget in the amount of \$23,523,044. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to cancel the December Committee of the Whole Meeting scheduled for December 25, 2012. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented a Raise Revenues and Expenditures for DHS Childcare totaling \$50,000 at the request of DHS Director Julie Sproul to cover accrued expenditures through the remaining of the year.

Motion by Commissioner Wallace, seconded by Commissioner Horrocks, to approve the budget adjustment for DHS Childcare to raise revenues and expenditures for \$75,000, impacting Fund 101 with a total budget increase of \$25,000 and Fund 292 with a total budget increase of \$50,000. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Allor had requested Budget Adjustments be removed from the Consent Agenda for an explanation of foster care in county, out county, residential treat facility and an institutional facility. Ms. Kortz said she divides this up based on prior year trends, so this basically is a reallocation of the funds within the fund. She said the note was a heads up to the board to expect the need for the additional funds which were just approved.

Motion by Commissioner Wallace, seconded by Commissioner Horrocks, to approve all budget adjustments presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS – Mullett Township Resident Bill Morgan said increases in permit fees for construction are passed on by contractors to the property owners. That's where the negativity will come from. Chairperson Socha said we have information that shows where we are compared to other counties. She said if we do not have sufficient funding and proper staffing then building projects are held up that would be an issue too. She said we heard from all sides, contractors and the general public, when we were discussing windows and fees. Commissioner Gouine said contractors do get feedback when working near the Presque Isle County line because the fees are so much lower in Presque Isle County.

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Ken Paquet, Chair of the Road Commission, said regarding the well this issue has just come up in the last six months and noted these were shallow wells that were affected. He said changes have been made at all the Road Commission garages. They are no longer adding salt to sand. He also stated that the supervisors and clerical at the Road Commission were give a 2% pay increase. He said the reduction of one tech position has put a lot more work on the others.

BOARD MEMBER COMMENTS – Chairperson Socha reminded the board to get per diem and mileage requests for payment in for year end. She also said the County Building Christmas Party, paid for by employees, will be held this Friday.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to adjourn to the call of the Chair. Meeting adjourned at 12:20 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson