

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
July 12, 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, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

Absent: Commissioner Pete Redmond

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

Chairperson Socha requested the County Administrator Employment Agreement be added under New Business as Item 11E. Commissioner Horrocks asked to remove the Finance Claims from the Consent Agenda and place under New Business as Item 11F. Chairperson Socha requested Budget Adjustments be removed from the Consent Agenda and placed under New Business as Item 11G.

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

- A. ~~Approve Monthly Finance Claims – Finance – \$43,545.02 Prepaids – 886,011.27 (moved to New Business Item 11F)~~
- B. ~~Budget Adjustments – Raise Revenue & Expenditures Fund 101 Dept 301 in amount of \$200 due to a grant. Inter budget Transfer in Sheriff Dept. transferring \$2,936 from 101 333 718.00 Full Time to 101 301 718.00 Full Time and transferring \$4,937 from 101 333 712.00 Fringe to 101 301 712.00 Fringe (moved to New Business Item 11G)~~
- C. Investment Report
- D. 2012 Crime Victims Rights Grant Application approved, the forthcoming grant agreement upon review from civil counsel, and authorized Chairperson to sign all relative documents
- E. Cheboygan County Road Commission Annual Report 2010
- F. Correspondence:
 - A. Approve Monthly Finance Claims
 - B. Budget Adjustments
 - C. 2012 Region 9 Area Agency on Aging Annual and Multi-Year Implementation Plans
 - D. 2012 Budget Process Timeline
 - E. Correspondence:
 1. Letter from NEMCOG Regarding FY2012 Dues
 2. NEMCOG Notice of Intent by Cheboygan County Economic Development Group, Inc. to Apply for Federal Assistance from USDA
- F. Minutes:
 1. Commissioners Reconvened Meeting of June 8, 2011, Finance/Business Meeting of June 14, 2011, Planning Session Meeting of June 15, 2011 and Reconvened Meeting of June 27, 2011
 2. Health Board – May 17, 2011
 3. Michigan Northern Counties Association – May 16, 2011 and June 20, 2011
 4. North Country Community Mental Health Board – May 19, 2011
 5. Cheboygan County Humane Society – April 5, 2011 and May 3, 2011
 6. Cheboygan County Road Commission – June 2, 2011
 7. Cheboygan City Council – May 24, 2011
 8. Planning Commission Meeting – June 1, 2011 and June 15, 2011
 9. ZBA Meeting – May 25, 2011

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

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CITIZENS COMMENTS – None

SCHEDULED VISITORS – Cameron Cavitt, newly appointed Cheboygan County Drain Commissioner, was introduced. Mr. Cavitt said he plans to return the office to one of public service and looks forward to working with the Board. Chairperson Socha welcomed him and requested the County Administrator provide Mr. Cavitt with a copy of the document drafted by Civil Counsel for the previous drain commissioner's regarding basic duties of the office. Mr. Cavitt said he hopes to review the existing records and locate any county drains. He said he would welcome any direction the board could give. Administrator Overton suggested he talk with Benton Township and those who signed the petition regarding a drain in that township two years ago. Commissioner Horrocks welcomed Cam and thanked the committee made up of the county clerk, county prosecutor and probate judge for their time and work put into making the appointment.

FINANCE DIRECTOR'S REPORT - Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ended May 31, 2011. She reported total year-to-date revenue of \$1,660,977.21 versus \$1,593,037.26 last year at that time. Ms. Kortz reported expenditures year-to-date of \$3,959,285.51, or 37.58% of budget, compared to \$4,064,791.65 last year as of the end May.

ADMINISTRATOR'S REPORT – Administrator Overton said this is his last meeting as administrator and expressed pleasure in working with the former board as well as the new board. He said there are a lot of projects in the works which he will review with Mr. Lawson. Chairperson Socha thanked Administrator Overton and said he would be missed. She announced that a reception will be held on July 22nd from 11:30 a.m. to 1:30 a.m. to say good by to Mike and to meet Jeff.

COMMITTEE REPORTS

Commissioner Allor reported attending townships meetings, and noted that Walker Township Trustee Gail Southwell resigned.

Commissioner Gouine reported the 2011 Fair Books are out and that the Fair Board has been working diligently to get ready for fair week.

Commissioner Matelski attended two planning commission meetings, two road commission meetings, three township meetings, a ZBA meeting, the MTA meeting, two Board Appointments & Procedures meetings and the County Planning Session at the UAW Center. He said the UAW was a great site for the Board Planning Session. He also reported the Cheboygan County Road Commission audit was good; and the townships are concerned with not receiving the FEMA maps yet.

Chairperson Socha thanked everyone involved with the planning session at the UAW Center, including Leonard Page. She said it was a wonderful opportunity to meet there; and the Board will meet regarding the goals after the new administrator gets settled.

Commissioner Wallace reported that the Northeast Michigan Consortium has lost funding and are looking at budget cuts.

Commissioner Socha attending the Emergency Management meeting and reported the budget has been finalized. She also met with Director Greg Williams regarding training for new commissioners and distributed a list of required training. She explained the training is all available on the FEMA website. She said it is time consuming and once completed certificates can be printed. She said Mr. Williams would set training here, but she recommended doing the online courses instead. She stressed the importance of this training.

OLD BUSINESS – None

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NEW BUSINESS

Harbormaster Curtis Chambers presented a contract with the Michigan Department of Natural Resources regarding the County Marina Transient Boat Slip Revenue.

Motion by Commissioner Allor, seconded by Commissioner Gouine, to authorize execution of a Contract between the Michigan Department of Natural Resources Parks and Recreation Division and Cheboygan County Regarding the Payments to the Community for Transient Boat Slip Revenue Collected by a Centralized Reservation System effective upon signatures and in effect until October 31, 2016 and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

Maintenance Director Tim Mason presented a Fairgrounds Event Agreement for Boys Scouts from Clio, Michigan. He said this group has used the fairgrounds in the past on Labor Week to camp and walk the Mackinac Bridge. The charge would be \$300 for the use of the barn and \$20 per night per campsite. Discussion held on reducing the cost for this. Administrator Overton suggested a work in kind agreement from the Boys Scouts to cover the charge. Chairperson Socha said this would be a good idea, but should be addressed in a county policy. Commissioner Horrocks said these should be looked at individually.

Motion by Commissioner Wallace, seconded by Commissioner Matelski, to approve the Fairground Event Agreement between Cheboygan County and the Boy Scouts from Clio, Michigan for use of camp area and building #5 for September 3, 4 and 5, 2011 and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

Fair Manager Dan O'Henley presented four contracts for various events at this year's fair that have all been reviewed by Civil Counsel.

Motion by Commissioner Wallace, seconded by Commissioner Matelski, to approve the EUP Antique Equipment Association contract, date of event August 7, 2011 and authorize the Chairperson to sign; to approve the Michigan Horsepulling Association contract pending receipt of liability insurance, date of event August 9, 2011 and authorize the Chairperson to sign; to approve the Thumb Tractor Pulling Association, Inc. contract pending receipt of liability insurance, date of event August 12, 2011 and authorize the Chairperson to sign; and to approve the Whispering Pines Mobile Zoo contract, date of event August 8 through 13, 2011 and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

County Treasurer Linda Cronan presented the annual Property Foreclosures Right of Refusal. She explained the process which includes offering the properties to the County. She said there's a piece of property on Williams Street in the City of Cheboygan adjacent to the property the county purchased from Charles LaHaie that the county may be interested in. She said the minimum bid would be \$950 to be paid by July 31, 2011. Finance Director Kari Kortz said fund to purchase this could be taken either from the general fund or the public improvement fund. Treasurer Cronan said the sale will take place August 20, 2011 at the Inland Lakes Elementary School.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to purchase the property on Williams Street for the minimum bid of \$950.00 with funds to come from the general fund. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks, to decline to exercise the Property Foreclosures Right of Refusal except for the Williams Street Property (Parcel #619) and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

A proposed Employment Agreement for Jeffery Lawson as County Administrator was discussed. Chairperson Socha noted the new administrator will not have a county vehicle for personal use. She said Mr. Lawson will be allowed time to transition from his present employment to his new position. During this time the documentation for his pay will be submitted to the Finance Director; the Board Chair and/or the Vice Chair will be available; and if the Administrative Assistant has to be out of the office, the Payroll

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Clerk will be available. Discussion held on the cost savings resulting from not utilizing a professional search firm.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks, to approve the Employment Agreement between the County of Cheboygan and Jeffery B. Lawson; this is a three year agreement, effective July 12, 2011. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent. Commissioner Wallace made note that Commissioner Redmond, who was absent, was in favor of this also.

Finance Claims which were removed from the Consent Agenda were discussed. Commissioner Horrocks questioned the expenditure to Hyde Equipment in amount of \$7,341.78. Finance Director Kortz explained it was a lawn mower purchase which was bid out per county policy. Commissioner Horrocks said he received two telephone calls from local retailers, one was not asked to bid and the other felt he was within the range. Ms. Kortz said the bids could be reviewed, and noted this bid did not have to be advertised per our purchasing policy. Commissioner Matelski questioned the bill received from Attorney Dennis Grenkowicz for legal fees regarding the Drain Commissioner. He asked if the board could request the results of legal research performed. Civil Counsel Bryan Graham said no, that is attorney/client privileged, which cannot be violated. Mr. Graham recommended that except for last entry on the bill, the bill should be paid.

Motion by Commissioner Allor, seconded by Commissioner Wallace, to pay legal fees submitted by Attorney Dennis Grenkowicz representing the County Drain Commissioner, with the exception of 5.5 hours charged on June 8, 2011, total amount authorized \$3,403.23. Commissioner Wallace suggested putting on the check payment in full; and Chairperson Socha said to make that note. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to approve payment of the monthly finance claims, noting change of Attorney Dennis Grenkowicz charge; Finance = \$45,092.78 Prepaids = \$703,445.76. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Ms. Kortz said in the future she would be happy to answer any questions directed to her by any board member regarding finance just before the meeting.

Chairperson Socha had requested Budget Adjustments removed from the Consent Agenda to allow for discussion on Housing Commission Fund and NEMAH. She said she would like to know where we are overall financially with NEMAH administrating housing. Finance Director Kortz explained specifically with this item customer deposits were erroneously recorded as miscellaneous revenue and are being moved to liability. It was just an error on how it was recorded in 2010. Ms. Kortz said she would pull information on Housing and NEMAH together for the next meeting. Commissioner Wallace said we need to hear from the Housing Commission as well as NEMAH. Administrator Overton said the board should talk with NEMAH about that first, Chairperson Socha said the intent is to make sure we are providing housing assistance where needed. She said she would like more input before handing this over to the new administrator. Administrator Overton said there were no other counties that had two full time employees in housing departments. He said the numbers are easy and financially the county is way ahead. Commissioner Matelski said he has heard payment to contractors have been slower than with the county. Chairperson Socha said that was another facet that was important. Administrator Overton said NEMHA should report to the Board at least every 6 months. He said NEMAH had to correct an error from 2010 and NEMAH was paid administration fee for that correction. Chairperson Socha requested more detail on the two transactions for NEMHA before the presentation. Ms. Kortz said there were some changes for 2010 that weren't anticipated and from here on out there will be a match for match.

Motion by Commissioner Matelski, seconded by Commissioner Guine, to approve Raise/Lower Revenues and Expenditures as follows: Fund 101 Dept. 301 Sheriff total budget increase of \$6,688; Fund 270 Veterans Assistance Fund total budget decrease of \$500; Fund 281 Cheboygan County Housing Commission Fund total budget increase of \$6,413, resulting in a total budget increase of \$12,601. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

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CITIZENS COMMENTS – None

BOARD MEMBER COMMENTS – Commissioner Allor said the recycling station in Indian River was used heavily over the July 4th weekend and trash was overflowing into the parking lot; and more of that has also been happening this week. She said she received phones call regarding this situation and noted Dan O’Henley is aware of it, and hopefully it will get resolved. Administrator Overton said Dan should monitor more closely on holiday weekends. Chairperson Socha said bins may have to be added for the summer months and she also noted that the ambulance garage in Indian River was mentioned as blighted property recently in the Tuscarora Township minutes published in the Straitsland Resorter. Commissioner Horrocks said he still would like to revisit the location of the dumpsters behind the county building.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to adjourn to the call of the Chair. Meeting adjourned at 11:51 a.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson