

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
OCTOBER 11, 2016**

The Finance/Business meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson Pete Redmond at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioners Chris Brown, Bruce Gauthier, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

Absent: None

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

Commissioner Gauthier requested to pull Item 5-E-6 *Board Appointments & Procedures Committee Minutes of 9/7/16, 9/27/16 & 9/29/16* from the Consent Agenda and Commissioner Redmond placed it under New Business as Item H.

Motion by Commissioner Brown, seconded by Commissioner Allor, 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 Claim (Finance = None for October; Prepays = \$887,622.94)
- B. Budget Adjustments
- C. Straits Regional Ride
 - 1. MDOT Contract 2017-0032/P1 – 5311 FY 2017 Operating Funds
 - 2. MDOT Contract 2017-0032/P2 – Specialized Services Operating Assistance Program
- D. Correspondence
 - 1. NLEA September President's Report
- E. Minutes
 - 1. Finance/Business Meeting of August 9, 2016; Committee of Whole Meeting of August 23, 2016; Finance/Business Meeting of September 13, 2016; and Committee of the Whole Meeting of September 27, 2016
 - 2. Health Board – 8/16/16
 - 3. NEMCSA – 9/16/16
 - 4. North Country Community Mental Health – 8/18/16
 - 5. Millage Appropriations Committee – 9/14/15, 9/26/16, and 10/3/16
 - ~~6. Board Appointments & Procedures Committee – 9/7/16, 9/27/16 & 9/29/16~~
(Moved to New Business Item H)
 - 7. Cheboygan County Road Commission – 9/1/16
 - 8. Cheboygan City Council – 8/23/16 & Special Meeting 9/7/16
 - 9. Planning Commission Meeting – 9/7/16
 - 10. ZBA – 8/24/16

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

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Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ended August 31, 2016. She reported total year-to-date revenue of \$4,214,653.33, or 35.20% of budget, compared to \$4,234,225.27, or 35.9% of budget last year at the same time. Ms. Kortz reported expenditures year-to-date of \$7,014,667.24 or 58.75% of budget, compared to \$6,974,531.21 or 59.14%, last year as of the end August. Also presented was the Cash Summary by Fund Report for August 2016.

ADMINISTRATOR'S REPORT

Administrator Lawson stated that staff will distribute a draft copy of the line item section of the Budget at the end of the meeting as well as a downloadable file of the Pension Report would be available for the Board of Commissioners to review prior to discussion at the October 25, 2017 Board Meeting.

Administrator Lawson stated that regarding township road project loans staff have begun working on provisions to develop a loan program to townships for road project funding as permitted under Act 77 of 2016. Administrator Lawson stated that staff has not identified the provisions of the Act that have been used within any other county within the State at this time so Cheboygan County has to create a program in conjunction with legal counsel. Commissioner Redmond stated that the hope is to create a proper lending program as no other County has done this in the State. Commissioner Gauthier asked if there is a timeline for when the county would have a program for lending to the townships. Administrator Lawson stated that in opening discussion about lending to townships, it may come to a point of notifying other townships of an application process with program perimeters and that may take time. Commissioner Brown inquired about the County's term of payback from the townships. Administrator Lawson stated that there has been discussion about 5-year terms but they would seek feedback from the townships. Commissioner Redmond asked Benton Township Supervisor Andrew Archambo if they would consider a 5-year term. Supervisor Archambo stated that the Township would pay off the county first before a special assessment payback and that Benton Township is only interested in borrowing for a portion of the project. Discussion was held.

Administrator Lawson stated that across the state, MAC has been working with larger counties in the State regarding the delay in receipt of payments for reimbursements to their child care funds. Administrator Lawson stated that there have been program provision changes including the state requiring additional financial work to prove and report the funds that the County is expending for child care expenses. Administrator Lawson stated that the biggest concern is that if the State approves something for the County as expenditure and then the State comes and asks for the money back.

Administrator Lawson stated that regarding the jail expansion study that the Landmark Design Group has met with staff to begin development of the report to determine the feasibility of a jail expansion project to construct a kitchen facility to help control inmate meal cost as well as additional cell capacity and storage building area for the Sheriff's Department equipment. Administrator Lawson stated that the report is scheduled to be completed by January 2017 and he will keep the Board updated.

COMMITTEE REPORTS

Commissioner Brown attended a Burt Township meeting, a Mackinaw Township meeting, a Munro Township meeting, a Beaugrand Township meeting, two Board Appointments and Procedures Committee meetings, and a meeting with the Wawatam Township Senior Center.

Commissioner Wallace attended a NEMCOG meeting and a Northeast Consortium meeting.

Commissioner Allor attended a North Country Community Mental Health meeting, a District. No. 4 Health Board meeting, and two Senior Citizen Millage Appropriation meetings.

Commissioner Gauthier attended two Board Appointments and Procedures Committee meetings discussing salary for elected officials, a NEMCSA meeting, a Trail Town Implementation meeting, a DDA Forum held at City Hall conducted by NLEA, an NLEA meeting in Boyne City, an Alcona Health Center meeting, and is following a volunteer group pursuing a "main street project" that the City of Cheboygan is

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undertaking. Commissioner Gauthier presented the recommendation from the Board Appointments and Procedures Committee to re-appoint Karen Daniel to the DHHS Board.

Motion by Commissioner Gauthier, seconded by Commissioner Wallace to reappoint Karen Daniels to the Department of Health and Human Services Board for a three-year term beginning retroactively October 1st, 2016 to October 31, 2019. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Gouine attended an Inverness Township meeting, an Airport Authority meeting, a Fair Board meeting, and a Senior Millage Appropriation Committee meeting.

Commissioner Matelski attended two Planning Commission meetings, two Road Commission meetings, two Senior Millage Appropriation Committee meetings, an Economic Development Corporation meeting, a ZBA meeting, and an Aloha Township meeting. Commissioner Matelski commented about an issue with a citizen engaging in activities without the authority of the County or the Planning Commission and requested to Legal Counsel to address the enforcement issue. Legal Counsel stated that it is historically handled through the Prosecutor's Office. Commissioner Allor commented that she can tell that the Planning Commission members are frustrated with their inability to enforcing the zoning ordinances. Discussion was held.

Commissioner Redmond attended a few MAC meetings in Boyne Falls, an Executive DHHS Board meeting, an Executive DHHS meeting in Alpena regarding the Health Officer position, a District No. 4 Health Board meeting, a Waterways Commission meeting, and a Benton Township meeting.

OLD BUSINESS – None

NEW BUSINESS

Commissioner Allor presented the recommendation from the Millage Appropriation Committee for the Cheboygan County Council on Aging, the Wawatam Area Senior Citizens Center and MSU-E Project Fresh. Commissioner Allor stated that the Millage Appropriation Committee met on September 26, 2016 and October 3, 2016 to review applications for millage funding from Cheboygan County Council on Aging, the Wawatam Area Senior Citizens Center and MSU-E Project Fresh. Commissioner Allor stated that Cheboygan County Council on Aging requested \$560,975, Wawatam Area Senior Citizens requested \$59,892, and that MSU-E Project Fresh requested \$8,000.

Motion by Commissioner Brown, seconded by Commissioner Allor to approve the allocation of \$560,975 from the Senior Citizens Millage Fund to the Cheboygan County Council on Aging, the allocation of \$59,892 from the Senior Millage Fund to Wawatam Area Senior Citizens, Inc., and the allocation of \$8,000 from the Senior Millage Fund to MSU-E Project Fresh Program. Discussion was held regarding the outstanding fund balance left in the Senior Millage Fund. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Megan Anderson, Director of Emergency Management, presented Resolution 16-22 regarding the adoption of a Tri-County Mitigation Plan. Commissioner Wallace asked if the Hazard Mitigation Plan was complete. Ms. Anderson responded that it is complete but there will be minor tweaks based on FEMA and State of Michigan recommendations.

Motion by Commissioner Gouine, seconded by Commissioner Brown to approve Resolution 16-22 and authorize the Chairperson to sign. Discussion was held regarding information differences between the three included counties. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

RESOLUTION 16-22 RESOLUTION ADOPTING THE CHARLEVOIX, CHEBOYGAN AND EMMET COUNTY HAZARD MITIGATION PLAN

WHEREAS the Counties of Charlevoix, Cheboygan and Emmet, MI, has experienced natural hazards that result in public safety hazards and damage to private and public property;

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WHEREAS the hazard mitigation planning process set forth by the State of Michigan and the Federal Emergency Management Agency offers the opportunity to consider natural hazards and risks, and to identify mitigation actions to reduce future risk;

WHEREAS the Michigan State Police Emergency Management and Homeland Security Division is providing federal mitigation funds to support development of the mitigation plan;

WHEREAS the Hazard Mitigation Plans for Charlevoix, Cheboygan and Emmet Counties have been combined and updated by the Tri-County Office of Emergency Management.

WHEREAS the Hazard Mitigation Plan includes a prioritized list of mitigation actions including activities that, over time, will help minimize and reduce safety threats and damage to private and public property, and

WHEREAS the draft plan was provided to each participating jurisdiction and was posted on the Tri-County Office of Emergency Management's website so as to introduce the planning concept and to solicit questions and comments from the public.

WHEREAS public hearings were held in Charlevoix, Cheboygan and Emmet County to allow the public the opportunity to comment on the plan.

NOW THEREFORE BE IT RESOLVED:

1. The Charlevoix, Cheboygan and Emmet County Multi-Jurisdictional Hazard Mitigation Plan, as submitted to the Michigan State Police Emergency Management and Homeland Security Division and the Federal Emergency Management Agency on April 20, 2016 by the Tri-County Office of Emergency Management is hereby adopted as an official plan of Counties of Charlevoix, Cheboygan and Emmet; minor revisions recommended by the Federal Emergency Management Agency and/or the Michigan State Police Emergency Management Division may be incorporated without further action.
2. The Charlevoix Cheboygan and Emmet County departments identified in the plan are hereby directed to pursue implementation of the recommended high priority activities that are assigned to their departments.
3. Any action proposed by the plan shall be subject to and contingent upon budget approval, if required, which shall be at the discretion of the Charlevoix, Cheboygan and Emmet County Board of Commissioners respectively and this resolution shall not be interpreted so as to mandate any such appropriations.
4. The Emergency Management Coordinator is designated to coordinate with other offices and shall periodically report on the activities, accomplishments, and progress.

Administrator Lawson presented the Blue Cross Blue Shield Inmate Services Agreement up for renewal. Administrator Lawson stated that the Agreement allows for Cheboygan County inmate medical services to be billed at the BCBS insurance approved rate. Administrator Lawson stated that legal counsel has reviewed the agreement. Commissioner Allor asked legal counsel about page 404, third paragraph of the Agreement regarding governance by the inmate retirement security act. Legal counsel affirmed the provision as the contract is dealing with inmates, not employees.

Motion by Commissioner Allor, seconded by Commissioner Brown to approve and sign the proposed Blue Cross/Blue Shield of Michigan – Administrative Services Contract – Advance Deposit Program – Cheboygan County Inmate Services Contract dated July 2016. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Gauthier presented the 2017 Wage and Salary Resolution 16-20 regarding Elected Officials. Commissioner Gauthier stated that the Board Appointments and Procedures Committee met and the recommendation is that there would be no change in salary or per diems of the Cheboygan County Board of Commissioners and the County Road Commissioners for their terms of office, \$62,000 for the new County Treasurer and \$65,000 for the new County Clerk/Register, an increase of 3.15% to the salary of the Sheriff, \$1,000 for the County Drain Commissioner and County Surveyor for the term of office, and to review the salaries of the County Clerk/Register, County Treasurer, County Sheriff, and County Prosecuting Attorney every year at budget time.

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Motion by Commissioner Gauthier, seconded by Commissioner Brown to adopt the 2017 Salary and Wage Resolution – Elected Officials #16-020 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kortz presented the 2017 Salary & Wage Resolution regarding Non-Union General Employees #16-021. Commissioner Allor commented that when a resolution of this nature came before the Board last year and there were employees at above average comparable compensation at that time who were still getting raises. Commissioner Allor stated that she has a hard time justifying for someone getting paid 7% – 12% over average and would still get a raise and that we're in that same situation again this year – giving raises to individuals who are already over average if the resolution passes.

Motion by Commissioner Wallace, seconded by Commissioner Gauthier to adopt the 2017 Salary and Wage Resolution – Non-Union General Employee #16-021 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 5 yes, 2 no (Commissioner Gouine and Commissioner Allor), and 0 absent.

Finance Director Kortz presented the Court Administrative Cost Allocation Plan Contract. Commissioner Allor asked about getting out of the contract if the indirect costs will not be included. Finance Director affirmed that it is possible if the work of the contract has not started. Discussion was held regarding potential recapturing of funds by the State.

Motion by Commissioner Brown, seconded by Commissioner Allor to approve the three-year (County FY 2015-2017) consulting services contract with MGT of America, Inc. in the total amount of \$12,000 to provide the Court Administrative Cost Allocation Plan and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Undersheriff Tim Cook presented Stellar Services, LLC Contract (Inmate Banking and Commissary Services) which would automate and itemize the commissary and bonding process in the jail. Undersheriff Cook stated that legal counsel has reviewed the contract.

Motion by Commissioner Matelski, seconded by Commissioner Brown to approve the move to Stellar Services, LLC for inmate banking and commissary after civil counsel review and to have the contract signed by authorized signatures and this motion would be contingent on the agreement with Stellar Services, LLC and Cheboygan County, Cheboygan County Sheriff's Department regarding contract language. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Gauthier addressed the meeting minutes for the September 27, 2016 Board Appointments and Procedures Committee meeting. Commissioner Gauthier stated that the Committee agreed on \$65,000 recommendation for the Clerk/Register position and the meeting minutes state "\$65,500" and he would like it corrected accordingly. Clerk/Register Tryban will make the correction and those minutes will go to the Board Appointments and Procedures Committee for approval.

Motion by Commissioner Gauthier, seconded by Commissioner Brown to receive and file the Board Appointments and Procedures Committee meeting minutes of September 27, 2016 with the noted change. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Carl Muscott, a citizen of Tuscarora Township, addressed the Board regarding the Board's discussion of comparable salaries and wages as being in line with comparable services and treatment. Mr. Muscott stated his concern with the Planning and Zoning Department practices regarding unequal treatment and application of the law.

BOARD MEMBER COMMENTS

Commissioner Gouine asked Commissioner Gauthier about why some of the Farmer's Market vendors go downtown under the pavilion and the others go to the Walgreen's parking lot. Commissioner Gauthier

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stated that the Main Street Project Committee meets Tuesday Morning at 9 AM and encouraged them to attend and they have been trying to figure out how to get the Farmer's Market indoors when the weather gets cold and he stated that he doesn't know why they are in two different locations.

Commissioner Brown commented that a lot goes into the process of making salary and wage recommendations. Commissioner Brown commented that one thing that went into determining the Sheriff's recommended wage was that he gave up a 2% raise two years ago in a declining year and now that has been taken into consideration. Commissioner Brown also noted that the Board unanimously supported the recommended wages for union employees and that there should be the same support behind raises for non-union employees.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to adjourn to the call of the Chairperson. Meeting adjourned at 11:22 AM.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Peter Redmond
Chairperson