

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS**  
**Board Planning Session**  
**March 26, 2015**

The Board Planning Session of the Cheboygan County Board of Commissioners was called to order at Audie's Restaurant in Mackinaw City by Chairperson Pete Redmond at 9:05 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.

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

**CITIZENS COMMENTS** - None

**BOARD MATTERS FOR DISCUSSION**

John Amrhein, MSU Extension Government and Public Policy Educator, acted as the facilitator for the session.

A brief review of the county vision and mission statements and the current goals for the county was done. No changes were made. Administrator Lawson explained that individual department goals are included in the county's annual budget.

Administrator Lawson stated Act 388 of 1974 is the act that the county's EDC was formed to do bonding projects. He said the act has a lot of power, but can be controlled by the appointees to the EDC. The County EDC did develop a plan a few years ago. The County participates with organizations such as NLEA and NEMCOG to provide economic development information, however, their capacity stops. The county has not established how they should integrate into the governor's economic development regional initiative. John Amrhein said now day's economics is regional, rather than locally as it once was. He said historically an EDC was created, but did not receive direction from the Board of Commissioners. Administrator Lawson said the board needs to decide what direction they would like to go. Discussion on who is on County EDC in addition to the appointees, Commissioners Brown, Allor and Matelski. The EDC in the past did not have money to work with. Commissioner Redmond said the general public sees economic development as an increase in good jobs. Administrator Lawson said it is difficult for government to control private industries. Mr. Amrhein said he heard talk of direction for the EDC board but also need to give direction to county staff.

The following items were identified as a result of general discussion on Economic Development:

- New Meijer coming to Cheboygan; Assisted- living; Inland waterways potential;
- EDC re-established years ago and not given direction by board; Established under Act 388 of 1974; EDC is to be encourager of business not creator;
- Past – no money to work with; Need for medical care; Assistance for start-ups;
- Not to use county dollars directly for private enterprise

The EDC should serve as a resource, collaborate with other groups, develop a plan, provide a source of ideas and report results with regular communications to the county board.

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Administrator Lawson said staff would use available tools and determine what should be kept in place.

Commissioner Allor pointed out with the Governor's collaboration Cheboygan County is part of the Northeast region, but seems to identify more with the Northwest region. Commissioner Redmond asked if the Board would like to pursue joining with the Northwest COG but remaining with NEMCOG. Emmet County belongs to both. Administrator Lawson said it would put a positive effect on the County as one moving forward. Chairperson Redmond asked the administrator to put together information on joining the Northwest COG.

Commissioner Allor said sometimes she has concerns with NEMCOG's lists of things going on when in fact a good percentage of the items on the list have never been in existence. Administrator Lawson said he is on the NEMCOG board and those type organizations are basically grant funded and need to maintain lists of any potential project even those only remotely possible.

Commissioner Gauthier noted the Boards/Committees book shows that the three commissioners on the EDC are liaisons. Chairperson Redmond said that is not correct, the three commissioners on the EDC are active voting members. Commissioner Allor said one thing she would not like the EDC to do would be to focus on requesting county dollars for private enterprise. Commissioner Wallace pointed out that the NLEA and NEMCOG does do that indirectly however.

Commissioner Wallace suggested the board look at the internal organization in the county as the Administrator's time is limited since he took on human resources duties. Administrator Lawson as to a Human Resource Director position, there's a delicate balance between resources we have and what we can afford to have. He said he has always been conservative in these types of matters. He said the county has had a couple of HR Directors and when the last one left, we decided not to replace that position. He said he has to meet expectations and HR really serves the departments and employees. He said he has not received any sense negativity from the employee regarding the lack of a separate HR person. Commissioner Brown said with changes to health care and in looking at county policies, the mission and vision statements, and other things, he feels that Human Resources is an important position. He sees it more as an investment. Commissioner Allor said she agrees with Commissioner Brown. She said Obamacare has resulted in a lot of changes to health insurance and health care. Administrator Lawson said he looks towards legal counsel or Blue Cross agents for their expertise when need be. He advised the Board that the County currently does not have the correct structure for employee evaluations in place at this time. Administrator Lawson said he works whatever time it takes to do the job. Commissioner Wallace said he brought this position up because of the additional work taken on by for 9-1-1 and EOC. Discussion held. Chairperson Redmond asked for consensus of the board whether information should be gathered for a HR position. Commissioner Allor suggested a possible part time position. Mr. Amrhein asked if perhaps the county could share a HR position with another county. Administrator Lawson said he appreciates the conversation but feels that at this time he can continue to handle HR issues that may arise. Chairman Redmond stated a HR position would remain on hold.

Administrator Lawson addressed succession planning. He said organizations don't have a lot of time to talk about this, but a lot of baby boomers are retiring. He said he has a strong philosophy to give people opportunities for advancement. This was done in construction code. Currently the equalization director has discussed a possible change to work on a contract type basis. One of the department's employees will become a Level II soon and then working towards Level III, but that is a four years process. He also noted that recruiting seems to becoming more common and says how he views this is to try to retain first and lose second. He typically lets board members know when these situations arise. He said he is looking for direction from the board on how to proceed in these types of situations. Cheboygan County's benefits are better than many others, but looking at wage comparable we are somewhat behind.

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Chairperson Redmond addressed a request from the Finance Director Kari Kortz to increase her salary. Ms. Kortz has had an offer of employment from someone outside of the area. He said Kari is very active in all facets of finance including CCE 9-1-1. Ms. Kortz provided rationale, based on comparable positions in Emmet and Otsego counties identifying a pay range of \$80,500 to \$85,000, with \$83,300 being the mid-point. Her current salary is \$71,957. Administrator Lawson's recommendation was to set the wage at \$81,000 and extend Ms. Kortz current contract to 2018. Commissioner Brown referred to 2014 when Ms. Kortz salary was increased considerably, hours increased from 35 to 40 and assistant county administrator was added to her title, stating that was not a raise, but an increase in hours. Administrator Lawson said that all positions in Emmet County have moved over the last year. Ms. Kortz explained that in 2014 the additional duties of assistant administrator were used to sell the five hour raise. She stated that numbers speak to her. Commissioner Gauthier asked if she would be satisfied with the administrator's recommendation of \$81,000. She said she has not said she would reject that, but she would have to weigh it out. She stated she just wants to know she is being paid fairly, and feels \$81,000 is a little below fair but is not refusing it.

**Motion** by Commissioner Matelski, seconded by Commissioner Brown, to increase the salary for the Assistant County Administrator/Finance Director Kari Kortz to \$83,300 and to extend current Employment Agreement through 2018. Discussion held. Commissioner Redmond thanked Administrator Lawson for his recommendation and the work put in to this matter. Administrator Lawson commented that pay equity has its effects on all areas of the organization. He said it will definitely have an effect on morale in the building. He said he feels anyone that has ever worked with him knows he is concerned with this. A roll call vote was taken. Motion carried with 6 yes, 1 no (Gouine), and 0 absent. Commissioner Wallace said that people need to know that Kari's responsibilities are a little different than most.

Administrator Lawson said he and the Finance Director have been discussing Drug Court and the Basic Childcare Grant and have reviewed the checks and balances. A request will be made to place these on the Pre-Paid list.

Commissioner Allor noted that in Roscommon County \$90,000 per year rent is paid for three buildings the Senior Citizens rent from County in Roscommon. In Cheboygan they rent the two building for \$1. Administrator Lawson said we own the buildings and in the past they have done changes to buildings. The only revenue source is the senior millage. If we raised the rent it would come from the millage.

Commissioner Brown said this county is lacking in regards to parks and recreations compared to other counties in our region. He heard Emmet County has a revenue stream from parks in the county. He said the county should be looking for revenue so as not to have to depend on tax dollars only.

Administrator Lawson said if we are looking from a financial aspect, both the marina and fairgrounds are recreational and are a cost to us that will be substantial. Discussion held on the county property on the south end of Mullett Lake.

Commissioner Redmond said he does not want to lose sight of addressing multiple facility needs on the list of goals.

Commissioner Gauthier said he would like to see an impact on the improvement of access of health care in the county and some impact on the safety projects of Line 5 running through the Straits. We need to be aware of the devastating impact a spill would have in the Straits.

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**Motion** by Commissioner Allor, seconded by Commissioner Gouine, to adjourn to the call of the Chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 2:40 P.M.

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Mary Ellen Tryban  
Clerk/Register of Deeds

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Pete Redmond  
Chairperson