

"Menominee – Where the best of Michigan begins"

MENOMINEE COUNTY BOARD OF COMMISSIONERS

*Menominee County Courthouse
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Menominee, Michigan 49858-3000*

*Brian R. Bousley - County Administrator
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MENOMINEE COUNTY FINANCE COMMITTEE MEETING

~ A QUORUM OF THE BOARD MAY BE PRESENT~

DATE: Monday ~ June 24, 2013
TIME: 9:00 AM
PLACE: Menominee County Courthouse ~ Administrative Office

*****AGENDA*****

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Approval of Agenda
5. Approval of Previous Minutes
June 17, 2013
6. Public Comment *(Statements, not debate; limited to 5 minutes per person on agenda items only)*
7. Business
 - a. FY 2013/14 Budget to the Committee for discussion
8. Public Comment
9. Commissioner Comment
10. Adjournment

*Bernie Lang Charlie Meintz - Chairperson Larry Schei - Vice Chairperson James Furlong
Doug Krienke John Nelson Chris Plutchak Gerald Piche Jan Hafeman*

Menominee County Finance Committee
Minutes of Meeting
June 17, 2013

*****Draft*****

The Finance Committee met on June 17, 2013 at 9:00 am at the Menominee County Administrator's office.

Present at the meeting were Com. Lang, Com. Nelson, Com. Schei, Com. Hafeman, Brian Bousley, & Sherry DuPont

Also present: Diane Lesperance, Pat Cheski, Doug Krienke & Marc Kleiman

Call Meeting to order: Chairperson Nelson called the meeting to order at 9:00 A.M.

Roll Call: Roll call was taken; all finance commissioners are present.

Agenda was approved by Com. Hafeman and supported by Com. Schei. Motion approved 4/0

Previous Meeting minutes: May 13, 2013 – moved to approve by Com. Schei and supported by Com. Lang to approve the minutes correcting “also present” remove Tom Cheski and add Charlene Peterson. Motion approved 4/0

Public Comment: None

Business:

- a. **Budget Amendments #2 for FY 2012/13:** Brian: We have three amendments to be approved. 1. Hannahville Grant-Sheriff Dept.- Vests and In car cameras 2. Emergency Management – accessories for the Polaris Ranger –homeland security grant 3. \$34,507 – Road Patrol to replace the K-9 Tahoe. These are all Grants, no matching. We have to add another amendment in. Veteran's service – software was supposed to be paid for by the state. He'd like to move \$399 to his membership/subscr. from his travel acct. to pay this. Motion by Com. Lang supported by com. Hafeman to allow the amendment. Lang: Do we ever acknowledge Hannahville for their grants, or say thank you? Brian: Yes whatever dept. receives the grant sends a letter thanking them for their grants. Nelson: I think we should acknowledge them at the next county board meeting also. Motion approved 4/0
- b. **Review of Budget expenditures for FY 2012/13:** Brian: I haven't had a chance to go through them because of the “lag” created by the new software. I went through what I could. It looks like everything based on the bottom line so far is ok. Judge Hupy's, Legal acct. is high. Otherwise all is ok as far as bottom line numbers. A few line items need to be changed, but most are on track. Schei, you'll have that finalized soon? Nelson: The budget expenditures haven't been updated since we last met.
- c. **Appropriations & Capital Outlay requests – 2013/14 Budget:** Brain: If you look at the list. This is everything that has been requested for appropriations. Looking through this, there are some changes from last year. Airport is not requesting capital outlay this year. Health Dept. remains the same; Fair board remains the same. Rescue squads –

Lang: for quite some time we didn't appropriate to some rescue squads because they didn't provide us with financial records. Are they sending this now? Any money that we appropriate has to be in exchange for a service provided. I just wonder if we have contracts with these organizations. Nelson: There are a few that we have to provide, that's Northpointe and Public Health. Nelson: It has to be a tangible service, not for donations. Hafeman: Can you tell me why the DAV gets money. They're funded by the government. Do we have to fund that? Brian: We don't have to fund any except the Health Dept. and Northpointe. Nelson: Do we have a contract with the animal shelter to cover the animals when they are picked up? Nelson: So they're asking for a donation. Lang: don't we have an agreement to pay for impounded animals. Brian: Yes we do. That's budgeted separately. This is in addition to that. Lang: the city of Menominee doesn't have an animal control officer. The county has to provide animal control to the city. Do we get paid for this by the city, or do we have some kind of agreement with them? Brian: No, there is a county wide ordinance that says we have to provide animal control services in the county. The Cities are included. Schei: Does that include animal damage? Brian: It's such an old ordinance, I'd have to look. Nelson: we should discuss updating the ordinance at an executive committee meeting. Schei: Just to reaffirm everything is the same as the year before? Brian: No some are the same. Brian goes through the changes. It should be a little bit of a decrease from last year. Nelson: Rescue squads, you have Marinette and Hermansville. Lang: It's called ERS (Emergency Rescue Squad), I was on that squad for 14 years. They have a boundary, half of that boundary is on this side of the river. Nelson: They charge the individual for that service. Lang: The local rescue squads do not. Mid County and Faithorn, if you've got insurance and you use their services, they'll bill you because your ins. will pay it. Nelson: But this one doesn't (ERS). Lang: No the local EMS does not do that. Nelson: why would we pay for a service that can be billed to insurance? Lang: We're not. Nelson: What's the \$5,000 for? Lang: That's peanuts. Nelson: that's a lot of peanuts. Nelson: How many clients are served by them? Schei: Hermansville is about half the population, if they're asking for half as much money... Nelson: About 80% of the calls in Hermansville go to Pinecrest, and Pinecrest is owned by the county. Lang: I think Faithorn deserves a donation. Nelson: I think Hermansville should be funded by the tri-counties because of their clientele. Hafeman: Pinecrest doesn't pay Hermansville, but they do pay Faithorn. For that reason, Faithorn is doing most of the service for Pinecrest. Nelson: Hermansville is asking specifically for equipment. DuPont: Faithorn sends a letter, but they don't ask for anything specific. They do send in their financials. In the past we've put \$1000 in for each rescue squad, whether they've asked for more or not. Lang: What about Harris Twp. Do they still have a rescue squad? Kleiman: No. The fire dept. is still there, but not rescue squad. This will be removed for future budgets. **Capital outlay**: County Clerk, two computers. Nelson: Will they be able to be integrated. Brian: This is strictly the work station, the hardware. Hafeman: can they be integrated? Schei: It depends on what kind of software is used whether they can be integrated or not. Marc: one of the computers I need to replace is the elections computer. It's strictly used for elections. The other I requested just in case one crashes. ROD two are for replacement in the vault. Brian: Prosecuting Attorney's request: This is mostly for the bullet proofing (security) of the PA's office. Some is already budgeted in the current budget (\$4,000). Nelson: I think the PA's office has GOT to be done! We need to make it as safe as we can. Brian: Family/Probate court: they're asking for workstations/chairs/computers/printers/court seals... the workstations are the desks (not computers). The explanation is the staff all have their back to the door, when someone walks in, they may not have an immediate chance to turn around (on the phone or computer)...that may be too late. Nelson: We need security instead of furniture. It

would be cheaper if we take the same approach as what is budgeted for the service windows at the treasurer's, clerks' and PA's office. See if that works better. I'm more concerned about the security of the employees now, then I am about other issues. Check with the judge and see if this may work.

The commissioners recess briefly for a tour of the Probate court office. Nelson: If we can throw \$20,000 to Economic Development, I'm sure I can secure our employees in four offices for \$15,000.

- d. **Discussion of the 2013/14 Budget:** Brian: No answer from MERS yet. They said mid to late June, so July. Currently on the preliminary budget, we have a surplus of \$293,046. This is the operation of the entire county. Once we have our revenue and expenses in, this is the bottom line. Nelson: I see based on MERS, we need to cut \$750,000 total including the surplus we currently show, so another \$450,000 just to get close to allow us to pay our bills. We have an indebtedness to MERS of 7.5 mils. We're going to try to pay off our debt in 15 years not 30. If a department has asked for an increase, that's going to be a mistake. Everyone is going to have to suffer on this. That's my own opinion. The current employees will not have to worry about the promises made to them. They are entitled to what we promised to give them. Hafeman: I think with the budget that the state has. They are going to require counties to pay their unfunded liabilities. They are requiring us to set forth a plan. It was in the MAC updates. Nelson: We have a responsibility to take care of business. It's been postponed long enough. Lang: As the economy improves, the situation is going to get resolved. Delta County puts the surplus in their budget toward the payoff of the unfunded MERS. Brian: We need the numbers from MERS to know where we're at. Then if you want to put together a 15 year plan, we'll do it. Nelson: We cannot fund things that are not required. I've asked Brian what's required by law. Nelson: For example: let's say you want to fund the library separate from everything else. The county could ask for a millage to fund the library. It could be done with a .3 to .5 mil to fund it where it is today. Nelson: We don't have to fund the investigator, or the undersheriff. Hafeman: We don't have to fund an Airport. Lang: What about if you ask the people in the county to pass a millage to pay off the unfunded MERS liability. Schei: I can see the Merit in doing that. As a taxpayer personally I don't think this will go over very well. Why should we pay now for something that was mismanaged by the county? It could be an approach to ask for a millage. Nelson: Brian do you have the numbers from each dept.? What are the changes and why? Brian: the big jumps are: Family court, \$25,000, we had to increase the legal acct. (court appointed attorneys); Sheriff Dept. about \$50,000, gas is a big increase, salaries with the 2% inc., they have the most employees. The rest are just little ones, some went down. Compared to last year there's about a \$50,000 difference. Lang: Does he squander any money over there? Brian: Mike keeps a pretty tight fist on everything. Lang: that's what I thought. Nelson: I want to thank Marc and Brian for using a fill behind, that's saving us money. The clerk's office and treasurer's office have some separation of duties, by law. Nelson: My opinion, a 35 hour work week will save us about \$190,000 per year. For our next meeting I'd like to hear, here's what's required, here's what we have to do, here's our options. I'd like to look at a budget that is a little more streamlined. Sheriff Dept. example: can the undersheriff charge some of his time to road patrol, because he spends time working for them. Marc and Diane's office work doing things for road patrol. Those expenses should be charged to road patrol, but we're not billing them. Schei: There's two approaches to cutting a budget, one is to say, flat across the board we're cutting 10%; the other is to go through line by line and try to make a decision whether it's valid or not. Which one are we going to do? Hafeman: I see some things in

the appropriations that can be cut. We still have to look at what “must” be funded. Lang: I feel a little defensive. I’ve been on these previous county boards. We’ve had some very serious dedicated people working hard. These issues keep coming up. When you’re looking at cutting departments, you have to take the politics out of it. This needs to be done strictly on merit. Nelson: Everyone thought the MERS would catch up but it’s ending up destroying us. I ask every board member, when Brian comes to us with ideas or approaches, we’ve asked Brian to do this. If he comes up with something, we need to support him. We’re asking for whatever we get. If there’s a question whether something is mandated or not, please check with the attorneys. Lang: I just want to say, Sherry and Brian have done an excellent job up to this point. And I’m complimenting the board on the way we’re handling the budget, as opposed to the way it was handled in the past. Nelson: I think the four member board is working better than getting nine members on the same page. Schei: I think we’re going in the right direction, it’s going to take some time, and it’s a matter of understanding everything. Hafeman: I agree with having to restrict what we’ve got, we’re going to have to tighten our belts. Nelson: Brian we have a meeting scheduled in July. Brian: We have a finance committee meeting scheduled for July 24th. This is when Sherry and I hand over the budget to the finance committee.

Public Comment: Lesperance: – recently some of the counties have been looking into not honoring the Hedley rollback (amendment) because of all of the unfunded mandates. Local rescue squad, prior to 911 the local people called the rescue squad. When the local rescue squads are called, the hospital also releases a rescue squad and the people are charged (via their ins.) through the Hospital, so the locals can’t. Kleiman: in ref. to the full time employees hours being cut down to 35 hours/week. My concern is that the contracts specifically state full time employees work 40 hours/week. Brian would have to check into this.

Commissioner Comment: Nelson: I had asked Brian to look at the contracts to see if there was a 40 hour requirement in the contracts, my understanding is it wasn’t, but it could be, maybe I misunderstood.

Adjournment: Moved by Com. Hafeman seconded by Com. Schei to adjourn at 10:48 A.M. Motion approved 4/0.