"Menominee – Where the best of Michigan Begins"

MENOMINEE COUNTY BOARD OF COMMISSIONERS

Menominee County Courthouse
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Menominee, MI 49858

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MENOMINEE COUNTY FINANCE COMMITTEE

~A QUORUM OF THE BOARD MAYBE PRESENT~

DATE: Tuesday ~ May 19, 2015
TIME: 8:30 AM
PLACE: Menominee County Annex Building~ Stephenson, Michigan

******AGENDA*****

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Approval of Agenda
5. Approval of Previous Minutes
6. Public Comment (limited to 5 minutes on agenda items only)
7. Business
   a. Budget Amendments
   b. MERS Funding
   c. Building Fund
   d. 2014/2015 Capital Projects
   e. 2015/2016 Budget Discussion
8. Public Comment (limited to 5 minutes)
9. Commissioner Comment (limited to 5 minutes)
10. Adjournment

Charlie Meintz – Chairperson *Larry Schei – Vice Chairperson*

Bill Cech James Furlong Ray Williams Bernie Lang Gerald Piche Jan Hafeman John Nelson

Menominee County Finance Committee
Minutes of Meeting
April 23, 2015

**********DRAFT**********

The Finance Committee met on April 23, 2015 at 8:00 AM at the Menominee County Courthouse, Administrative Office.

Present at the meeting were Coms. Hafeman, Cech and Schei, and Nelson, Brian Bousley

Others present:

Call Meeting to order: Chairperson Nelson called the meeting to order at 8:00 AM.

Pledge of Allegiance: The Pledge of Allegiance was recited

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

Agenda was approved by Com. Hafeman and supported by Com. Cech as written. Motion approved 4/0.

Previous Meeting minutes: Com. Hafeman approves, Com. Cech supports previous minutes from February 19, 2015 were approved as submitted. 4/0

Public Comment: None

Business:

a. **Budget Amendments 2014/2015 (8-9):** We only had one this quarter, we just need to make the amendment in the budget. Com. Hafeman approves, Com. Schei supports. We approved the additional funding of $9,737 as a full board. Bousley: I recommend we move it from the General Fund to the MSU E budget. All commissioners approve.
Full time 4-H person – We're looking at the next couple of years it will be a lot more than $20,000. Nelson: the future will come up when we discuss this again for those budgets. We have options, we can take $20,000 from the general fund or we can look at other departments that are underspent. Our general fund last year, we had about $300,000 that we didn't spend. Bousley: Projection for the general fund balance at year end of this year is around $200,000. If every dept. stays within budget, then we're ok. Hafeman: Has MSU traditionally given a 3% increase, is that what this is based on? Because we give a 2% increase. Nelson: If you remember, Paul said that they (MSU) eat the increase. They take that onto their shoulders, not us. The additional funding of the 3% would come from MSU. Bousley: John is right when we look at the budget for the next few years, MSU will need to come back to explain any increases. Hafeman: But our MSU fund has been coming out of

the General Fund. We have money left over to maybe put into the building fund. Schei: the building fund, we need to do that. That was the direction of the board. My concern is, OK we're doing this this year the $20,000 plus $9,737, but he's projecting out the increases for the next two years which we're not going to talk about right now. Once we commit to this year in good faith, we can't turn around and cut it in half next year. My thinking is, we have to make sure this increase is each year, not automatic. Nelson: Next year, we'll have to see how the numbers come in and then make some cuts, if need be. We can't promise anything for any department for next year. Schei: I'm not in favor of expanding this each year. Nelson: The question now is, do we want to take the $20,000 from the General fund? Com. Hafeman moves to take the funds from the general fund, Com. Schei supports. This will go to the full board for approval. Cech: Did I hear correctly that there may be some negotiation in the $20,000 fee? Bousley: In this one, it may not be the full $20,000. Schei: The $20,000 is that coming out of the first entry, not including fringe benefits, operating and travel? Nelson: it goes into the fringes, the operating and the travel…all of the above. We'll need tracking on the position, so we know what is paid out.

b. **MSUE MOA funding 4-H full time position:** Also above.

c. **Airport Funding:** Bousley: Everything is still up in the air, it does sound like Marinette is still wanting to pull out. Nelson: I think, until we know for sure, we'll have to look at the whole operating process. I don't know how far we can go until we know. Bousley: We did make a budget amendment removing $10,000 per the request of the TCAC. I will have Stoker look into everything because there may be some federal obligations for Marinette Co. pulling out. Schei: OK the grant process is per grant…and the amount of years of the grant and remaining $ on the grant. Right now the airport operating budget really has only one source of revenue. User fees are mainly hanger rentals, that's not a large input. The main revenue is from fuel sales. It's not a constant though. Their budget isn't over inflated by any means. They only have 1.5 employees working there. There used to be 3 full time employees. The part time manager position is on hold at this time. I don't know how you can estimate revenue at this time, it's too early to tell. Brian and I are going to start the budget process because it has to be turned over to the county by July first and there's no one to do it. The Interim Manager is familiar with the expenses, but not sure if he's capable to do a budget by himself at this point. Marinette voted 11-0 and authorized Mattison to move faster because things weren't happening. Nelson: I suggest you talk to Stoker. Then we can determine what has to be done within the budget. Chec: We know there's controversy. Are there other business opportunities on the horizon that are holding back because of the controversy we share with Marinette? Bousley: There are some options. Hafeman: Are we still going to have the same people coming in from the WI area that we used to with the airport funding? Schei: in order to increase revenue and generate more income, you have to look at "why aren't people coming here". We have to look at what will it take to bring more business.

d. **Deficit Elimination plan ending 9/30/2014:** Bousley: the general fund went up 326,000. These are the special revenue funds. Special Child care, we found out last year that they cut the funds for the grant. We did fix it this year. This is for the intensive worker. That person keeps the kids out of placement (for the most part). Even if we had two kids placed, it

would really hurt us. Bay Pines is up to $330 per day…Nelson: its $100,000 to place one child for a year (9-12 mos.). Judge Hupy has done a real good job keeping kids out of placement. We're saving money by not placing the children…due to this position.

Remonumentation: That's a state grant too. If we put money into it, then we get money back down the road. That was a peer group that needed to be done at the very end.

Law Library: That's taken care of too…we MUST maintain a law library per the state. We do share some with Dickinson Co. too…so some of the costs that they incur, we have to pay too.

Nelson: what this means is that, by line item, we overspent. So we have to show the state that we balanced it. We wouldn't have known timely, because it all shows up after the budget process. Schei: What does the auditor say to this? Bousley: A lot of times the auditor comes in and does the year-end adjustments. We don't know the final numbers until the very end…when the audit comes back. Nelson: So what we have to do is move it forward to the board showing the $ coming from the general fund. Hafeman: and this does not include our pension liabilities? Bousley: No, that won't kick in until the next budget. We made some approvals to pay off some divisions. When MERS tells us what we owe for the accelerated plan, that will probably come from the $ we have in the bank. Nelson: We recommend the CB approve the resolution, Com. Hafeman moves, Com. Schei supports to recommend we send the resolution to the full board showing the deficit coming from the general fund.

Public Comment: None

Commissioner Comment: Com. Nelson thanks everyone for being here. Look forward to the Budget process coming in May.

Adjourn: Moved by Com. Hafeman supported by Com. Cech to adjourn the meeting at 8:35 A.M. Motion approved 4/0.