

*“Menominee – Where the best of Michigan begins”*

## MENOMINEE COUNTY BOARD OF COMMISSIONERS

*Menominee County Courthouse  
839 10th Avenue  
Menominee, Michigan 49858*

*Brian R. Bousley - County Administrator  
Sherry DuPont - Administrative Assistant  
Telephone: (906) 863-7779 or 863-9648  
Fax: (906) 863-8839*

## MENOMINEE COUNTY FINANCE COMMITTEE

~A QUORUM OF THE BOARD MAYBE PRESENT~

**DATE:** Friday ~ July 8, 2016  
**TIME:** 8:30 AM  
**PLACE:** Menominee County Annex (MSU-E) –Stephenson, MI

### \*\*\*\*\*AGENDA\*\*\*\*\*

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Approval of Agenda
5. Approval of Previous Minutes ~ 6.27.16
6. Public Comment *(limited to 5 minutes on agenda items only)*
7. Department Head/Elected Official Reports *(limited to 10 min.)*
8. Business

a. 2016/17 Budget Discussion

9. Public Comment
10. Commissioner Comment
11. Adjournment

*Bernie Lang    Charlie Meintz - Chairperson    Larry Schei - Vice Chairperson    James Furlong  
Raymond Williams    John Nelson    William Cech    Gerald Piche    Jan Hafeman*

Menominee County Finance Committee  
Minutes of Meeting  
June 27, 2016

\*\*\*\*\***DRAFT**\*\*\*\*\*

The Finance Committee met on June 27, 2016 at 9:00 AM at the Menominee County Library.

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

**Others present:** Krista Marciniak, Charlene Peterson, Amanda Winnicki

**Call Meeting to order:** Chairperson Nelson called the meeting to order at 9:10 AM.

**Pledge of Allegiance:** The Pledge of Allegiance was recited

**Roll Call:** Roll call was taken; All Finance Commissioners were present. (Bousley was absent)

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

**Previous Meeting minutes:** Minutes from 6.20.16 were approved by Com. Hafeman and supported by Com. Schei. Motion approved 4/0. Question from Bill Cech. – Sheriff Grant for the 4 wheeler – it is for specific items.

**Public Comment:** None

**Department Head/Elected Official Reports:** (*limited to 10 min.*) None

**Business:**

- a. **2015/16 Budget Amendment #5 (38-44):** – **Nelson:** Because Brian is not here, I'd like to wait until he comes in to explain these amendments. Schei explained Brian may not be here. He is having vehicle issues. (Sherry's on vacation) and Krista was asked to sit in to record the meeting. Nelson said most of these are grants, so self-explanatory.  
**#38 – Nelson:** Removing "Unfunded liability" adding "DC". RP is a separate fund. It looks like we're transferring to DC for new employees. **Hafeman:** Why transfer \$9,000? (-9,135.00 and +3,601.00).  
**#39 – Nelson:** RAP Grant for the purchase of a Guard 1 plus system. (\$2446.33) – Not sure what the Guard 1 plus system is. It's being put into the Prisoner Board acct. and it's a designated MMRMA grant.  
**#40 – Nelson:** Hannahville Grant for a squad car. It's an in and out process. (\$28,990)  
**#41– Nelson:** Road Patrol, another RAP grant for the squad car, bumper kit. (\$832.5)  
**#42 –** Additional funds spent beyond donations to come from the K-9 designated fund balance account (\$1466.57) **Nelson:** I need to see where that money comes from. I'd like to not support this for now until we see where the money comes from. I thought this was to be from the K-9 fund.  
**#43 – Nelson:** K-9 Donations – Prisoner insert in new vehicle. Amount received for donations (less 1466.75 – fund bal.)  
**#44 –** Other Legislative – building fund for Vestibule project – **Nelson:** we have \$272,000 earmarked for this. We only had \$40,000 in there for the project. Now we've got the bids and we need to add in the bid amt.  
  
**MERS – Nelson:** It appears the numbers we've been seeing all along are the numbers we'll have to pay. When you have money in an acct. and people come back and say you're in good shape. That just means we're not paying our bills. I would rather show physical constraint now and look at paying off debt sooner, rather than to pass it on like we inherited it. Even though we've paid off 3 or 4 divisions, we just got socked again before we got the check out. If we look at contributions VS payout, we're in the black. I think we should

throw one million into this MERS. **Hafeman:** I think we should. **Schei:** I'm in favor of giving them money now...even though our county board chairman doesn't agree, I think we should pay them the one million \$ sitting there. **Nelson:** What we currently have is a 50/60 year debt. That's how long the system runs for. **Hafeman:** If we end up with the mine in, that'll bring in some revenue. Discussion ensued. **Nelson:** I'll have to ask Brian how much we have in an acct. for MERS. **Com. Hafeman moves to recommend to the County board to send one million dollars to MERS. Com. Schei seconds the motion. Cech** is worried about this amount being sent. How about \$800,000? We don't know how the market will go. **Nelson:** We have a five year smoothing. **Schei:** one way or another we're going to pay it...now or later. **Nelson:** We agreed to do this. This is a risk, but its money we owe regardless. **Hafeman:** It's deciding how to pay it. **Schei:** And when. We went to a five year projection from a ten year projection. We went from 72% funded to 66% funded. It keeps going down every year. **Nelson:** We were never really at 72%. True cash value was 61%. We should also look at 911 and Road Patrol fund balances and pay out some of their MERS too. **Hafeman:** Their special revenue accounts. When they talked about moving 911 to the sheriff dept. that would end the 911 division. **Nelson:** No we'd still pay for the employees. Probably cost neutral, if we're lucky.  
**BACK TO THE VOTE TO: RECOMMEND to transfer one million dollars from the general fund surplus to pay down MERS, all commissioners concur, VOTE 4/0.**

- b. **2016/17 Budget Discussion:** - **Nelson:** Did anyone get any answers from the questions we asked at the last meeting? **Schei:** Sherry did give us a printed copy of the budget and the requests from the other entities for the appropriations. The one we questioned was The Conservation District (Nelson added) and DHS. Did we get more information from them? I haven't see expenditure reports. **Nelson:** We don't get anything back from them on their expenditures, so I am not going to support DHS on this. **Brian is contacted via telephone.** He was asked if there is an expenditure report from DHS. Brian says he has a report of everything that was spent out. K-9, there was an extra \$1467 for the K-9. That was over the money raised for the project. **Bousley:** K-9 has a fund balance. Any money spent over the donations will come from the K-9 fund balance. No money spent from the general fund. **Nelson:** MERS – the numbers seen in the percentages an increases by year. We're going to be up to four Million in five years. Is that for all departments? **Bousley:** Yes, Road and 911 have fund balances that can pay down some of the MERS. **Nelson:** We still need to get justification from Russ on the expenses of DHS. No more questions for Brian.  
**Nelson:** With the rest of the budget, we're still waiting for clarification from the sheriff dept. on that position. The position description has to meet what the person is actually doing. This is about the position that was supposed to collect money and be self-supportive. (to Schei) Is there anything about the airport that would affect the budget right now? **Schei:** No. At the airport committee meeting it was decided to leave everything where it was. So no changes to recommend to the full board. There are four applications that came in by the deadline on Tuesday (for airport lineman). **Hafeman:** employee salaries, why are some at 5% when most should be at a 2% increase. **Nelson:** Part of it is the DMG study. We've had a lot of changes within departments. Cost of positions. There are some step increases in there too. **Schei:** With Brian answering some of our questions; **I'd like to make a recommendation to send budget amendments #5 (38-44) to the full county board for approval/seconded by Com. Hafeman. 4/0 vote.**  
**Nelson:** We had some discussion at the last meeting regarding replacement of the book mobile. I think the cost of the replacement vehicle is about \$200,000. **Winnicki:** With very little research, to replace the vehicle as it stands, would be about \$250,000. With the Library Committee, in the next year we're going to do some research on alternatives and possibilities. Once we see what we can do with the fund money, we'll look at some grants and maybe capital raising. But we don't know what we can replace with the money, we're looking at county money as a percentage of what it's going to take to continue this kind of service. **Nelson:** One of the things we look at, our revenues are flat. Anything that can be done to minimize the cost to the county would be greatly appreciated. **Winnicki:** The budget that I submitted was a reduction of the things I have control of. Our service population/area is spread out much more 'geographically' than others. There are national organizations out there for libraries to gain funds from. **Cech:** (to Winnicki) you were talking about "getting by" with a vehicle considerably smaller than what we have. **Winnicki:** certainly we'd look at a smaller vehicle, cheaper to run, better to utilize and easier to drive. But that would involve switching out and doing our services differently. There won't be as many books on the vehicle. And there are a lot more options for utility vehicles. That's why we'll research options. When we come up with what we like, we can ask for grants at that time. I don't think the county should foot the full bill. **Schei:** John asked me about the airport committee. We're still waiting for MDOT Aero to get our ten year plan in order for us to project our capital outlay for the next ten years, and to finalize our airport layout plan. The County Board has to be on board with

anything that happens out there. Economic Development is the key to keeping/making that airport successful, to come up with offsetting funds to take the burden away from the tax payer. When Marinette pulled out, we assume the full operational expense, that's not grant money. The FAA grant money all goes toward Capital Improvement, not the operation of that airport. Capital outlay is to cover the 5% grant match. **Nelson:** Economic Development: This is my fourth year on the board, we talk about this every year. At some point in time we'd like to see some form of action.

**Nelson:** I think we have to get numbers from the sheriff department about the collections position. **Schei:** at the July 12<sup>th</sup> county board meeting we'll have this budget ready. **Nelson:** Yes but we'll meet again before then to clear some things up.

**Public Comment:** None

**Commissioner Comment:** None

**Adjourn:** Moved by **Com. Hafeman** supported by **Com. Cech** to adjourn the meeting at 10:25 AM. Motion approved 4/0. Krista was thanked for coming to the meeting on such short notice.