

Menominee County Finance Committee
Minutes of Meeting
06/1/2017

*****Approved 6.19.17*****

The Finance Committee met on June 1, 2017 at 8:30 AM at the Menominee County Administration Office

Others present at the meeting were Sherry DuPont, Diane Lesperance, Jodie Barrette, Marc Kleiman, Brian Barrette, and Peggy Schroud

Call Meeting to order: Com. Nelson called the meeting to order at 8:32 A.M.

Pledge of allegiance: was recited by all.

Roll Call: All Finance Com. Commissioners are present.

Approval of Agenda motion by Com. Gromala and supported by Com. Cech to approve the agenda as written. Motion approved 4/0.

Previous Meeting minutes: 4.13.2017 Motion to approve minutes Com. Gromala and second by Com. Cech. Motion carried 4/0

Public Comment: None

Department Head/Elected Official Reports: Peggy Schroud 2017 taxable value as of 5/23/17 is \$766,839,435 in the budget \$5,187,223 however this number doesn't show the taxes yet to collect for the year which would be \$5,413,492. This is a good thing, probably due to the increase in ATC. Millage rate will stay the same at 7.0612

Business Items

- a. **2016/17 Budget Amendments (#7) Sherry** One Hannahville grant of \$19,972, this is in and out accounts that that will go into, this is under Road Patrol. 911, we created a new account and moved \$900 into it. That was for uniforms. Taking from the travel account, creating a new one and putting it into the new. Sheriff department received an anonymous donation of \$10,000 to be used for vests for the reserve deputies. That will be put into a donation account. \$1500 CPL fund will go from equipment to travel. **John Marc**, would you explain that a bit as Steve wasn't on the board when that happened. **Marc** The state changed the requirements for the concealed weapons permit, used to be done by the gun board and the money went in the general fund, \$26 on new applicants, \$36 on renewals. When they changed it to us issuing the license now, they set up a separate fund where those monies go specifically into that, not into the general fund. It is used to purchase equipment and pay for travel to training sessions. **Sherry** Three more Hannahville grants, one was the bookmobile for \$10,000. One for the 911 console for \$10,000 and the last one for \$1200 for Emergency Services for phone systems at the

EOC, which is in the Menominee ISD building. The EMS grant...there are 4 others that are listed that are coming from our non-lapsing carry over accounts, those accounts don't show anywhere. These are accounts that should be used by the next year. A lot of these are being carried over and over, we need to get rid of them. Auditor told Jessie to put them into the general fund so they can be spent. The one for Emergency Services has been spent, so the money will be going into the general fund to cover what Rich has already spent. (\$879) Jail emergency exit is being worked on this year, \$7,500 will be used in this budget year. The flower donation was \$370. Years back when 1st got video teleconferencing equipment, it was set up in roll-over account, then ended up getting a grant thru the circuit courts and never did use all the money in that account. It has been used now to put the equipment in the vestibule, cameras, computers, etc. So we are putting it into the general fund \$22,962. **John** suggest we have a motion to bring all these ammendments to the board for approvals. Larry S. makes the motion, Steve seconds, motions carries 4/0.

b. 2017/18 Budget discussion Sherry Where we are at this time with the budget.....BS&A is not going to let us do the budget at this point in time because when we rolled over the previous accounts into the system, it was done manually. We don't have any tables in there that can grab peoples pay scales from year to year, they are not in the system. It can be done, it's going to take some time. HR has to work together by pulling these amounts/accounts, they aren't in there. Joann and Sherry will have to get this input. Can't be done overnight, so, will have to continue on with the spreadsheets that have been used in the past. Tables can be created and working together with HR to make sure pay systems don't change will take some time. **Peggy** Is the goal to eventually as department head be able to look at our budgets? **Sherry** They haven't been set up that way, but yes, that is the goal. BS&A can do a lot of things that we are not doing. Dept. heads are supposed to pay bill right from their desk, timesheets can be done, many things can be added as we get used to the system. **Diane** BS&A just had training for taxes, training at Delta. Maybe BS&A could give some training in the UP, shared training. It would be nice to get a bit familiar with it and then ask for training on what we know we need. Also, Michigan is putting out a new chart of account, **Larry** Is it possible for BS&A to put out for departments reports? **Sherry** That can be done now, Jessie sends out to department heads every month. **John** Line item issue has to be closer, be within 2-3%. Biggest liability is MERS by far. 2013 a 2.93 mill loss according to Terra, last year was an 11% gain after putting in 1.6 mill. Terra will be coming in June to meet with board on this. **Larry** In order to get to the 80%, they have extended the number of years to pay it off, if you wish. **John** Have to budget MERS 5 years in future because of the changes, etc. MERS sent a resolution, new hire, in defined contributions, if they switch departments/jobs after they went to defined, no longer stay in defined, if they switched divisions. With the resolution, it will apply to everyone, which means higher retirements. Elected officials would affect most because of the wages. **Sherry** So basically, someone in a division, vested, and then move to non-union elected position, the previous division will no longer apply. **John** Because of the cost, I struggle tremendously with moving this resolution. This is a board decision. **Bill** clarifies what was previously discussed, and wants to know how it changes. No longer defined benefits? **Sherry** No, when you change divisions and move into a new position you also have to change the MERS program for yourself. **Bill**

wants to know what is lost, what is gained..... **Sherry** explains how one case would evolve. **Peggy** Is the resolution already in place? **John** No, this is a retroactive after the fact. Wanted to bring it up so that the financial aspect can be looked at so that we can decide. Please look at MERS actuarials. **Peggy** What is the % that the county has to put in? **John** Between 17-22% by division. It depends on division. Even with the % we put in, we fall substantially behind every year. Moving on, I received a proposal from Dickinson County to work with us and do 911 at cost \$500,000. Projected revenues last year was just short of \$700,000. We have capital outlays for 911, new board and other issues. Over and above surcharge \$100,000 a year. **Brian B.** No one has visited him about his budget for 2017/2018. He will have a balanced budget with no additional needed from the county. The question is for the future, one option is consolidation, not for it, but it is an option. Another option is increasing surcharge. Third is a millage. **Larry** Understanding that the county is obligated to have a 911 director, this is mandatory, this is under defined contribution. With the console board, do the other counties have that? **Brian** Dickinson does, Delta is adding it. **John** Would like to have Brian go to Dickinson County, look at 911, pros and cons. **Larry** On the surcharge, is this always going to decrease because of the way phone systems are going? **Brian** This is determined by phone address. **John** We need to look at possibilities that can be a benefit. **Brian** What does the County want? **Diane** Concerned about the service the county will receive. All agree that it would be a disservice if we did not investigate the options. Bill and Steve both offered to go with Brian to investigate. **Sherry** In the meantime we will work on the budget as we have been, with Brian's budget as is. **Larry** Regarding the Airport. People want the Airport kept whatever the cost. We will present a budget with a 20 year capital outlay. **John** Airport is tremendous cost. The budget will have to increase. **Larry** The sponsorship is not in effect. State wants to go ahead with an improvement plan for 10 years. The lawyer says we may not be liable for any money at all if we aren't involved. Obligation period is nearing an end. **Steve** regarding title searches, why can't we present what is already available, why all this searching? **Marc** back in 83-84 there was attorneys opinion on what was prior to that and there is a copy of that. MDOT had said that opinion could be given to another attorney, then do a new opinion including to the present. Will be a 500 page opinion that will have a cost too. MDOT had refused to accept. **John** Please look at what the projected cost will be and we will have to meet before next board meeting. **Larry** airport budget will be flat/balanced. Courtesy van is a piece of junk, we were supposed to get a county vehicle, so will put in budget a courtesy van under capital outlay. Steve mentioned using airport for meetings, our front door situation is not near ADA compliant. This should be in budget also. **John** Economic Development/Explorer Solutions.....received nothing from this. Not in favor of putting this in the budget. Not \$20,000 not one penny. Larry clarified that the contract with Explorer Solutions was done by the Twin county commission. They entered into 3 year contract. This needs to be looked into to see if this can be cancelled. Economic Development does not deal with airport. **John** Give me a budget. **Larry** Are there any projects that need to be added into this budget? **Sherry** All of the phones have to be changed over (VOIP). **John** Next meeting will be June 12, 8:30 a.m., we all have to help Sherry get this done, we can do as well as department heads what we can so she can work on this. **Sherry** Personnel will have to come and talk to

me. Health insurance will have to be looked at too. Larry questions the policy for the courtesy vehicle at the airport.

Public Comment: Jodie Wondering what you are budgeting for salaries. **Sherry** Was planning on going with 2% increase. **John** There are a couple things he wants to look at.

Peggy Larry gave her drawing of airport, and she drew on her program. She thought it had had fibers and pages on it. **Larry** Yes, they have that.

Commissioner Comment: None

Adjournment: Moved by Com.Gromala, supported by Com. Schei to adjourn the meeting at 10:20 AM. Motion approved 4/0.