

Menominee County Finance Committee
Minutes of Meeting
7/3/2018

*****Approved 8.13.18*****

The Finance Committee met on July 3, 2018 at 8:30 AM at the Menominee County Administration office.

Others present at the meeting were Sherry DuPont, Diane Lesperance, Marc Kleiman

Call Meeting to order: Com. Hafeman called the meeting to order at 8:30 A.M.

Pledge of allegiance: was recited by all.

Roll Call: Finance Commissioners present (Hafeman, Gromala, Nelson) Com. Meintz is excused.

Approval of Agenda motion by Com. Nelson and supported by Com. Gromala to approve the agenda as written. Motion approved 3/0.

Previous Meeting minutes: Minutes from 6.13.18 are not yet available.

Public Comment: None

Department Head/Elected Official Reports: Diane Lesperance: Jason is meeting with all of the department heads this year and I really appreciate that this year. It's a good idea that he talks with the department heads and goes over each line item.

Business Items

- a. **2017/18 Budget amendments #2 – (#30-41)** – DuPont, most of these are just routine amendments, a lot of Hannahville 2% Grants.

Budget amendment #2 - (30-41)				
30	4/17/2018	Grant award came in less than budgeted	\$ (583.00)	286-000-539.00
			\$ (534.00)	286-301-706.00
			\$ (34.00)	286-301-715.00
			\$ (15.00)	286-301-715.01
31	4/17/2018	Grant is being used for straight time & training	\$ (1,845.00)	286-301-706.00
		Originally budgeted for OT only	\$ 1,607.00	286-301-704.00
			\$ 26.00	286-301-715.00
			\$ 12.00	286-301-715.01
			\$ 200.00	286-301-881.00
32	4/24/2018	Deficit Elimination Plan for 2016/17 BY	\$ 49,887.00	292-000-699.01
			\$ 42.00	286-000-699.00
		DONE PER AUDITORS	\$ 49,887.00	101-999-999.03
			\$ 42.00	101-999-999.21
33	5/21/2018	Hannahville Grant for Computer Aided Dispatch	\$ 6,500.00	266-000-441.03
		Software & License	\$ 6,500.00	266-325-970.03
34	5/18/2018	Hannahville Grants received for picnic tables,	\$ 8,000.00	208-000-441.01
		4-H bldg rewire, and handicapped camping	\$ 2,500.00	208-000-441.01
		Remaining Balance of \$7415 to be transferred	\$ 5,234.00	208-000-441.01
		in from Fund Balance		
			\$ 11,615.00	208-751-970.00
			\$ 6,300.00	208-751-970.00
			\$ 5,234.00	208-751-970.00
35	5/21/2018	Lawn Mower Purchase for Parks - Approved by	\$ 7,399.00	208-751-940.00
		CB on 3/13/18. To be transferred in from Park		
		Fund Balance		
36	5/18/2018	GIS Web Host - Coleman Engineering	\$ 5,000.00	101-103-851.08
		To be transferred from GF Fund Balance		
37	5/30/2018	Hannahville Grant received for Tahoe Replacement	\$ 35,968.00	101-000-441.02
			\$ 35,968.00	101-301-934.03
38	5/30/2018	HIC 2% Grant - Road Patrol - Trauma Kits & Radios	\$ 5,178.00	205-000-441.00
			\$ 5,178.00	205-315-934.03
39	5/21/2018	EMS - Hannahville grant for radio	\$ 2,241.00	101-000-441.04
			\$ 2,241.00	101-426-934.02
40	6/29/2018	911 - Radio Console Grant	\$ (10,000.00)	266-000-441.04
		These funds were on the non-lapsing carry over		
		spreadsheet. I did a BA moving the funds into this		
		budget year. They should not have been		
		budgeted also.		
41	6/29/2018	Liability Insurance - increase in ins. costs	\$ 6,950.00	101-103-831.00

Com. Hafeman, I spoke about putting \$70,000 into Corrections from the General fund. That will be coming. **Com. Nelson** agreed \$74,500 for the overtime account in Corrections. **Com. Hafeman**: And also the \$30,000 from the general fund to the indigent contract for this year; Due to the newly approved budget for the indigent attorneys. **DuPont**, and all of the pay increases will come for an amendment. They are now all moved to the new pay increases per the contracts. So we'll be doing the budget amendment to accommodate those increases. It's not going to look

good. **Com. Nelson** agreed.

Com. Nelson moved to send the amendments to the CB for approval; **Com. Gromala** supported. 3/0 vote.

b. **MERS Amortization per 2016 Annual Actuarial Report – Jason Carviou:** When we were up at the conference at the casino, I was told that they yearly reports would be ready by the first part of July. So that should be coming. **Com. Nelson:** it's actually two years behind. I wish they would get us a true cash value, which they are not doing. We only get the actuarial value. It makes a big difference because it's more underfunded than it presents...by probably a couple of million. I asked to have this put on the agenda, and I do every time. We have some deficits and I'm gonna ask the sheriff department for \$150,000 to put in for road patrol this year. Well I hope the board does. We need to that within catching range because they're short funded in that right now. Two years ago they did put in \$500,000, which was really a blessing, but they're still short funded. The problem we run into is 911 is substantially short funded. So now we have to give even more general funds. We should catch that up because each year that gap is going to fall further behind now. That is off of surcharge, we don't have any money. I would like to recommend this year that we cover those short falls through the budget process. So what do you want to do with MERS this year? **Com. Hafeman:** Is that paid quarterly or how? **DuPont:** I believe it's monthly. If we could put in a certain percentage monthly and put it into the superfund that won't calculate into the payment, it would be over and above. **Com. Nelson,** well that's why they lump it. It doesn't make a difference, it's still coming from the general fund. **DuPont:** if you look at the MERS handout I gave to you; this is the breakdown (by division) of the yearly amount to budget for the upcoming year. Minimum monthly payments are in the chart and I have a yearly total written on the right side. That total is \$852,348 for the upcoming budget. Discussion ensues as to previous county board decisions on additions of divisions. **Com. Nelson:** This board took care of the tough part by closing the divisions, but we have a problem. The employees should never have to worry about their retirement. We made that promise, and we have to pay for it. We have a lot of money to put out for 911 to get the system right. **Com. Hafemen:** If we were to go to a 911 millage, how would that affect this? **Com. Nelson:** any millage you collect would go to 911, just like road patrol. So you have the surcharge and the millage, so you're tapping the people twice for it. Our state tax dollars, the money we contribute to the state, 80% of 911 in Negaunee is funded by the state. We already pay for 911 there. And then we pay for it again to have the service here. That's my frustration, we can't have those state tax dollars distributed back to us to do with what we want, it stays there. A millage of about .4 would get us about \$300,000. That'll allow us to get caught up with MERS and the salary increases for the next few years. **DuPont:** and we're having issues there, still, with hiring and retaining employees. We hire them on and they move on to other places. So it's a continual hiring process there. That's causing a lot of overtime in his budget, he's way over in there. **Com. Nelson,** so a millage of \$300,000 would take care of the issues with 911 and even help pay for the GIS maintenance, which they can use. I don't support millages at all, but if the board wants to make it whole, that's the way to do it. You can't tap into the general fund to pay for operations and then again to pay off MERS. **Jason:** Going back the hard question, John addressed, where the money comes from, you look at the revenue coming in, that'll cover our operating expenses and it'll be tight as it is. You're talking about taking the money from the general fund for MERS. I think the board needs to look at a target amount that you want to keep the general fund at for our reserves in case of emergencies so then you can know anything over that target is what we can put toward MERS. But you don't want to bring your general fund down too far either. John encourages Jason to set up an appointment with Diane to go over the funds. **Nelson:** you're going to be looking at some major upgrades at the jail in the near future. So there's going to be some significant costs...probably looking at another millage.

c. **2018/19 County Budget Discussion – Jason:** Revenue’s almost finalized. Shared revenue is not avail. Yet. I went through the line items to get them more in line with where they should be based on a four year average. **Com. Nelson:** According to the projection it’s showing (state website) \$535,900 for State revenue CIP. **Jason:** Expenses, I met with most all departments. I will be comparing number on a four year average. We just need to get the data compiled now. The new account numbers are not available as of yet. These are the numbers we’ve been working with all along. That process will come yet. Indigent defense contract; we’ll be spending more, but with the funds coming from the state it’ll offset the county costs. **Com. Nelson** asks about the child care accounts. **DuPont:** we do get the funding from the state for the juvenile probation officers as we budget. It’s the basic “institutional care” accounts that cause the deficit at year end. It’s completely unpredictable. We never know if there will be kids sent to institutional care or closer to home, or in-home care. The costs there are a huge difference. **Jason:** Bagley tower inspection is scheduled for next week. When they are here we plan to ask them questions about the systems as well. I spoke to Jim Swanson as well, he said he could possibly give us some estimates on the systems and costs related to them. He can’t look at the towers himself, but he can look at the equipment on them. I’m hoping after next week we’ll have a better idea of what this will cost. The main problem at this time is Bagley tower. If that’s not fixed, it causes issues with the other towers north of Bagley. The road commission owns the tower so they’re paying for half of the inspection on the tower. But they have discussed going to the 800 radios and if they go that route, then they wouldn’t be interested in replacing the tower/equipment. **Nelson:** I think we should also look into moving the Cedar River tower. It’s in a bad place. **Jason:** the Bagley tower inspection will cost us \$2,500. We don’t know beyond that. A tower will cost \$40,000 or more...new cabling will also need to be done. Negotiations with the road commission if necessary on placement of equipment. We’ll have another Finance meeting at the end of the month. **Nelson:** Emergency Management, Rich has done a great job and has lobbied for a full time 40 hour/wk person when he retires. The demands of the job are for 40 or more hours per week. We’ll have to look at adding that in. He opts out on ins. so someone new may take the insurance. That’ll increase the budget there some.

Public Comment: Diane, on the \$5,000 on the Web, see if you can negotiate cutting it in half seeing that it still isn’t available to the public yet. Why are we paying maintenance if it’s not done? All they can do is say no. **Jason:** Equalization has had access to this, so it’s being hosted, it’s on their server. **Diane:** Also, dog licenses. We only sell \$2,000 per year in dog licenses. There are so many people paying online, vs in person now days they just forget to get the dog licenses. Most of the townships have a reminder on their tax bill but people just aren’t buying them. Without the ordinance we can’t impose fines. Animal control won’t be enforced if there is no ordinance. Jason will look into getting that ordinance on the top of the piles to get a fresh look at.

Commissioner Comment: Nelson: I went off about the boat launch fees for the trout tournament. It came out wrong. I feel, what’s most important are the kids, any parent that wants to take a child out to fish at our boat launch, should be able to do that free of charge. If it’s between the \$2 and a happy meal for the kids...just allow them the free pass. It’s harder for me to justify when someone comes in with an \$80-100,000 rigs and they say they can’t afford the \$2. In Marc’s office, he hired Tom. I worked with Tom so much and he really never gets any credit. He is really good. He’s so polite and so nice. Prompt, he calls you back. Pinecrest has an open house tonight 2-6 PM. **Com. Gromala,** when I went initially to Pinecrest, I was impressed. You’d have to prove to me that they are not a benefit to our county. They should continue to work on their budget process and find other avenues if they can. If a private company is looking into Pinecrest...a background check should be done on the private facility also.

Adjournment: Moved by Com. Nelson, supported by Com. Hafeman to adjourn the meeting at 9:50 AM. Motion approved 3/0.