

Menominee County Finance Committee  
Minutes of Meeting  
08/07/2017

\*\*\*\*\***APPROVED 9.6.17**\*\*\*\*\*

The Finance Committee met on August 7, 2017 at 8:00 A.M. at the Menominee County Annex, Stephenson.

Others present at the meeting were Nancy Douglas, Diane Lesperance, Richard Sexton, Mike Lyons, Marc Kleiman and Charlene Peterson

**Call Meeting to order:** Com. Hafeman called the meeting to order at 8:00 A.M.

**Pledge of allegiance:** was recited by all.

**Roll Call:** All Finance Com. Commissioners are present.

**Approval of Agenda:** a motion by Com. Schei and supported by Com. Gramola to approve the agenda as written. Motion approved 4/0.

**Previous Meeting minutes:** 7.17.2017 Com. Gromala made a motion to approve minutes and supported by Com. Nelson, motion carried 4/0.

**Public Comment:** **Nancy Douglas** - Menominee Business Development Corporation was organized in 1995 as a partnership between Menominee City, Menominee County and Chamber of Commerce. Early in 2000, both Marinette and Menominee Chambers merged. However, both cities and Marinette County decided that they wanted to do economic development on their own respective sides of the river. So, Mayor Krah, Brian Neumeier and Stephenson National Bank put together an organization called Menominee Business Development Corporation done with an agreement and resolution by two entities (Menominee City, Menominee County) plus the private sector consisting of volunteers and funders. Once the resolutions passed, this entity filed for IRS charter organization status as 501C3 Organization (MBDC). For 22 years, funding has remained the same \$20,000 city, \$20,000 County and \$22,000 raised by the private sector. I'm explaining this so you understand how we came about, and how we are funded. I know you are in the midst of finalizing your 2017/18 budget and am once again asking for the \$20,000 funding from the county.

**Department Head/Elected Official Reports: None**

**Business Items**

- a. **2017/18 Budget Discussion** - Items that have been changed on the budget since the August 3, 2017 meeting are as follows:
  - a. All 2% increase in salaries have been removed – with the exception of Sup. Unit District court and Indigent Attorney, increase is in current contract that expires 9/30/18.
  - b. PPT-Loss Rev (101-000-573) Reduced from \$200,000 to \$107,612
  - c. Commissioners Conferences (101-101-859) Reduced from \$3000 to \$2000
  - d. Other Legislative (101-103-802) From \$5000 to \$10,000
  - e. (101-103-851) From \$3000 to \$2000
  - f. (101-103-807.01) From \$5000 to \$1000
  - g. (101-103-998.05) From \$25,000 to \$30,000
  - h. Circuit Court (101-131-970) From \$35,552 to \$0 (wait for grant to enter)
  - i. Probate Court (101-148-727) From \$1000 to \$1800
  - j. (101-148-729) From \$800 to \$650
  - k. (101-148-802) From \$150 to \$1200
  - l. (101-148-804) From \$100 to \$200
  - m. (101-148-805) From \$100 to \$0

- n. (101-148-806) From \$150 to \$500
- o. (101-148-860) From \$1500 to \$800
- p. (101-148-931) From \$350 to \$250
- q. (101-148-970) From \$0 to \$2500
- r. Building & Grounds (101-256-970.05) From \$13,500 to \$0 (carry over if not done)
- s. (101-256-970.08) From \$60,000 to \$0
- t. (101-256-970.09) From \$13,500 to \$0
- u. (101-256-970.10) From \$10,000 to \$0
- v. (101-256-970.12) From \$8,000 to \$0
- w. (101-256-980.02) From \$7,000 to \$5,000
- x. Prosecuting Attorney (101-267) Removed 2<sup>nd</sup> Asst. PA position
- y. (101-267-970.00) From \$0 to \$2000 (Laptop Computer)
- z. Sheriff Department (101-301-970.00) From \$52,000 to \$26,000
- aa. Airport (216-585-970.02) From \$300,000 to \$100,000 (Cap Outlay, Bldg. Upgrade)
- bb. E911 (266-325-970.04) From \$581,703 to \$0
- cc. (266-325-970.05) From \$55,000 to \$0

**Com. Hafeman** – started discussions on the budget with Page 12. Stated they did approve the 25% pay increase for the County Administrator position, however, questioned the need for the \$2000 for a new desk in the Administrator’s office. **Com. Schei** – questioned no money for overtime in budget for admin. **Sherry** – there is normally no overtime in admin dept., however, it was added to the budget for me. **Com. Schei** – so when you go back to your position of admin asst. you’re saying there won’t be a need for overtime, then? **Sherry** – no, there is no overtime in admin. Any OT accumulated from going to meetings and other things would be used as comp. time. **Com. Hafeman** – I don’t feel there is an essential need for a new desk. **Sherry** - if you haven’t visited the office lately, it is not functional. Anyone coming to talk to the Administrator would be looking at the back of the computer screen. It’s not functional, need more desk space - move CPU and printer in another area to have more work space and be able to move screen over in order to see visitors. **Com. Schei** – I believe it is something we need to keep in the budget. **Com. Nelson** – I thought we discussed removing all non-essential items. **Com. Hafeman** – yes and as non-essential, I feel the desk should be removed. It may be inconvenient but there is no need for it at this time. **Com. Gramola** – I agree with Com. Schei and Sherry on this, but in order to trim the budget, it should be dropped at this time. **Com. Nelson** – I want to revisit the Administrator’s salary increasing by 25% - \$20,000. **Com. Hafeman** – I feel \$95,000 is too high, a 5% or even 10% increase seems more reasonable. This would give a range of salary based on knowledge and experience. **Com. Schei** – the consulting firm will be looking over our requirements for an administrator and they may have some salary recommendations, also. But, you have to remember, you get what you pay for – but I can compromise and leave it as is, for now. **Com. Gramola** – we should wait until CB tomorrow when a consulting firm is voted on, but feels 5% increase would be on the low end of what it is now is reasonable for the right person. I’d rather see it on high end now and reduce it later than have to add to the budget later. **Com. Schei** – I have another compromise, we already have a very knowledgeable person in the position, there are some areas where some training would be helpful (grant writing, etc.), so, why don’t we spend money from the 2016/17 budget for this training – at least until we figure out what we going to do. I also recommend we leave salary as it for now at \$75,915, until we know what we are doing after the 1<sup>st</sup> of the year. **Com. Hafeman** – I agree. **Sherry** – so we’re leaving it at \$75,915, then? **Com. Hafeman** – yes. **Com. Schei** – what is the request from Equalization. **Sherry** – a request by Peggy for office furniture, per Com. Nelson, to replace items. **Com. Nelson** – those were considered more wish list items. **Com. Schei** – that’s basically considered non-essential items. **Com. Nelson** – absolutely, definitely non-essential (more of a safety issue, that’s all). **Com. Hafeman** – take it out then. **Com. Hafeman** – moving on to the Annex, an issue involving a color copier. It seems that one person @ MSU is making numerous color copies at an exorbitant cost. **Com. Schei** – Is it stated somewhere in their contract that they have to have a color copier? **Sherry** – We have to provide equipment, but it doesn’t state anything about a color copier. There are none at the courthouse. **Com. Nelson** – it’s not a “safety issue”, it’s more of a “cosmetic issue” – so if we’re going to cut “safety issues”, we can definitely cut “cosmetic” issues. Let’s just replace it with a black/white copier. **Com. Hafeman** – right! **Com. Nelson** – can we get by leaving it at \$2200? **Sherry** – Yes. **Com. Hafeman** – that brings us to Brownfield Authority, budgeting at total of \$1000 toward this. **Charlene** – the money that has been budgeted hasn’t been used for at least the last 3 years. So much is being handled through the DEQ, let it run through the state rather than the county. We haven’t seen anything come in for them. I’m not saying

to take it out, but the amount seems too high for something we haven't used. **Com. Schei** – so, let's cut it in half, then. **Com. Hafeman** – right. **Sherry** – so I'll put \$250 in each account, instead of \$500. **Com. Schei** – yes. **Com. Hafeman** – Now, Veterans Affairs, he's budgeting for a new desk? **Sherry** – I'm not sure if it's for a new desk. I am sure he needs to furnish the new office in the 9<sup>th</sup> Street building. He needs some chairs, end tables and maybe a coffee table. He needs to have somewhere for people to sit and wait to see him. **Com. Nelson** – is this something that is essential or can we see what's available through the county. **Com. Schei** – we need to fund chairs, whether budgeted or not. People need to be able to sit while waiting to see him. Or find something somewhere in the county that can be used. **Com. Nelson** – we've had surplus equipment available before, let's try to make use of that. **Com. Schei** – I think we should leave it as is. **Com. Gramola** – I think we look at and make use of what's available out there and maybe reduce it to \$1000. **Com. Hafeman** – we can do that! **Com. Schei** – I agree with Steve, let's do that and reduce it. **Com. Hafeman** – let's take a 15 min. break- 9:51am. Ok, let's resume where we left off – 10:01am - starting with Economic Development. We budgeted \$20,000, but we haven't seen much of it lately. Except maybe the South end of the county. **Com. Schei** – I'm getting it from my constituents - *why we aren't promoting the county more. Is there going to be more ED that can be seen in the future?* We have many businesses (that want to remain anonymous) willing to help and contribute, as it will benefit both the county and the businesses. The other thing I want to mention is that this is not a personality thing, it's about what should get done and what will be done. **Nancy** – The biggest tourist attraction in Menominee County, right now, is the casino and they have a big advertising budget. Other counties have Visitors Bureaus that are funded, we don't have those entities, yet. I'm working with the Michigan Department of Agriculture (for rural development) at least once a month to come up with new projects. There are some grant moneys available but we have to have projects in order to utilize them. I'm doing what I can and would love to do more. I've reached out to the Township Supervisors for project ideas, with no response. The programs I work with are with the State of Michigan. They all start with the private sector requesting them. Unless they ask, we cannot generate other projects. **Com. Nelson** – There's a lot of money that was spent on the Airport. The issues are not up for discussion, I'm just telling you what issues I have. I've seen \$0 spent on tourism or on Visitors bureaus. **Nancy** – Can I just explain the airport funding? The airport was done in 3 phases. The first phase was covered by a Government grant (to help rural airports grow). It was 100% funded - in the amount of \$40,000. Phase II came about after a joint meeting of the Marinette County and Menominee County board. After which it was a unanimous vote by, both counties, to fund Phase II in the amount of \$80,000. Phase III the Airport Committee met with both county boards and it was agreed the pay for Phase III for \$40,000. The board made the decision to spend this money not the MBDC. John's right about other counties tourists bureaus, however, those funds come from the private sector. That does not happen in Menominee County, because we are not a tourist based economy. **Com. Gramola** – I do have some issues with Economic Development, but we need to have some form of Economic Development in place. I was elected by District 1 to oversee the county and what Economic Development could be for the whole county. I'm trying to open dialog with some of the people that may help us in creating Economic Development in the northern part of the county. We need to have MBDC provide us with something that shows how the money is spent. **Nancy** - the CB Chairman (or appointed representative) and County Administrator are supplied with this information and asked to keep the board informed on a need to know basis. We have confidentiality issues involved in a lot of these where I have to sign confidentiality agreement before we go into talks regarding Economic Development. Sherry and Larry go to meetings (although Sherry just starting since named interim Co. Admin) and are kept apprised of projects. **Com. Schei** - I think it should stay in the budget. **Com. Gramola** – I agree, there is a need for Economic Development in the county and currently have no other alternative. I also feel we should meet with their entire board of directors to discuss some of these issues- if they can. **Com. Hafeman** – So we're leaving it in then? **Com. Schei** and **Com. Gramola** – yes. **Sherry** – we are leaving it in? **Com. Hafeman** – yes. **Com. Hafeman** – Well, that's almost it, any other concerns on the budget as it stands? Oh, E911 we need to discuss. **Com. Nelson** – those retiring from E911, where does that money come from – was it budgeted? **Sherry** – that money was taken from the fund balance for this year's 2 retirees. Next year, we have \$15,000 budgeted for retirement. Now, I've taken out the console and furniture, we talked about, and they are now \$104,000 to the good. There is nothing budgeted in the general fund for E-911. **Com. Nelson** – good! You are setting aside ½ for the console in next year's general fund, right? **Sherry** – No, I have not. I can do that under Other Legislative?! So, am I putting it back in? **Com. Schei** – Shouldn't that be a CB decision? We can recommend all day long, but the CB has the final decision. **Com. Nelson** – We show the CB the budget with our recommendations of what we feel should be cut, the CB will make their decision from our recommendations. **Com. Schei** – May I speak? -John, why don't you just pull out airport funding completely and send MDOT a letter stating that we're not funding the

airport. This would bring it closer to a balance budget. Why should we be the only one funding the airport. Let other people take responsibility (the city and Marinette) to pick up the slack in funding the airport. **Com. Gramola** – the city benefits from it, they also profit from it. **Com. Hafeman** – should we vote on it? **Sherry** – I can work it in to other accounts to balance the budget, should I do that? There are other accounts that monies can be taken from to balance the budget. These accounts don't show up on this report. Do you want me to do some of the things I just said? **Com. Nelson & Com. Hafeman** – yes, go ahead! **Com. Schei** – has any/all departments contributed to what they need for the budget. I think the next meeting should be at the courthouse to give department heads a chance to speak. John, I know it's a long drive for you to the courthouse, but you knew that when you were elected. We need to give department heads a chance to speak. They normally don't have the opportunity to attend these meetings. **Com. Hafeman** – the next meeting August 14, 2017 at 8:30am at the courthouse.

Recommended changes/removal from August 7, 2017 meeting are as follows:

- a) Administration (101-172-970.00) Office Furniture - Remove to \$0
- b) Administrator (101-172-704.00) Leave salary as is - \$75,915
- c) Equalization (101-257-970.00) Office Furniture – Remove to \$0
- d) Annex (101-261-942.00) Copier – From \$4000 to \$2200
- e) Brownfield Authority (101-402-710) From \$500 to \$250
- f) (101-402-755) From \$500 to \$250
- g) Veterans (101-682-970.00) Office Furniture - From \$2000 to \$1000
- h) E911 (266-325-970.00) Radio Console – Only add ½ of \$581,703
- i) (266-325-970.02) Furniture for Above – Only add ½ of \$55,000
- j) (266-325-970.03) Software for Above – Only add ½ of \$13,000

**Public Comment: Nancy** – Regarding the Airport - The private sector is forming a committee to get a meeting convened that may be able to help. Economic Development, Marinette Development and MDOT - all need to get grant money obligations in full effect. Economic Development has encouraged them to step up.

**Commissioner Comment: Com. Gramola** – The city benefits from the airport. They should give tax dollars back in a form of appropriations.

**Adjournment:** Moved by Com. Schei, supported by Com. Nelson to adjourn the meeting at 11:21 AM. Motion approved 4/0.