

Menominee County Finance Committee  
Minutes of Meeting  
April 16, 2013

**Approved 5.13.13**

The Finance Committee met on April 16, 2013 at 2:00 pm at the Menominee County Administrator's office.

Present at the meeting were Com. Lang, Com. Nelson, Com. Schei, Com. Hafeman, Brian Bousley, & Sherry DuPont

**Also present:** Diane Lesperance

**Call Meeting to order:** Chairperson Nelson called the meeting to order at 2:00 P.M.

**Roll Call:** Roll call was taken; all Finance Commissioners present

**Agenda** was approved by Com. Hafeman and supported by Com. Schei. 4/0

**Previous Meeting minutes:** July 31, 2012 – moved to approve by Com. Lang and supported by Com. Hafeman to approve the minutes as written. 4/0

**Public Comment:** None

**Business:**

- a. **2013/14 Budget timeline:** Bousley explained that the budget packets were handed out to the department heads on April 5<sup>th</sup>. **May 3<sup>rd</sup>** we'll receive the packets back from the department heads. I will meet with any departments between May 6<sup>th</sup> & 17<sup>th</sup> to discuss any changes. **June 19<sup>th</sup>** we'll meet again as the finance committee will review the budget. **June 24<sup>th</sup>** we'll have the first draft ready for the Finance committee. **July 9<sup>th</sup>**, finance committee presents to the full board. From there, on **July 23<sup>rd</sup>** we'll have public input and time to receive any written/verbal comments from the public. **August 27<sup>th</sup>** Public input (2<sup>nd</sup>). **September 10<sup>th</sup>** Public Hearing on the 2013/14 Budget and final budget submitted to the County Board. **September 24<sup>th</sup>** the County Board will approve the final budget for 2013/14. NOTE: additional finance committee meetings will be scheduled throughout the process as needed. **Nelson:** So the department heads will have them back to you on May 3<sup>rd</sup>? **Bousley:** Yes. **Schei** asked what the budget packet contains. A packet was handed out and the process explained. **Lang** asked about the budget hearing. The budget hearing agenda **MUST** be published six days before the hearing. We will allow two weeks for public input prior to the public hearing. **Schei:** May 7<sup>th</sup> & 8<sup>th</sup> Com. Schei will be out of town. Nelson asked if Diane can be allowed to speak during the meeting if she has any input. It was agreed by all Commissioners to allow Diane to speak.
- b. **2013/14 Budget Discussion: Brian:** When we put this budget together, we need to address any issues we need to take care of and get those out of the way before we crunch any numbers. MERS was discussed, Three way Road projects, GIS mapping. We need to prioritize what we want to do. A budget (current budget) was sent to the Coms. from Brian. **Hafeman** questions the budget. Road patrol was over by \$34,671.

**Brian** explains that was because the millage didn't take effect until Dec. of the current year budget. Prior to that the county had to supplement the Road Patrol. The corrective action plan to the state would be to follow the budget, and they will take care of their own deficit. **Nelson**, I thought the county had to fund this? The county board runs the millage (not the sheriff dept.), thus the county board is responsible to pay the overage. **Nelson**: I've asked several times and you told me to speak to the sheriff dept. There were no written handouts for the road patrol millage, was there? Kenny did a PowerPoint a couple of times. Was there a hard copy anywhere? Flyer was not accurate. The cost showed \$52,000/year. The intent is and always will be, the current employees we have will receive in full what we promised them. There is no plan to change any current employee retirement program. **Hafeman**: I understand that we can't by law change that and I wouldn't want to, because that's what they were promised. **Nelson**: Be sure the current employees are thanked for their hard work. We aren't changing anything for them. Road patrol contribution should be much higher than right now. They never went to MERS to find out what we would have to pay. That wasn't added into the millage. What can we do to come up with a reasonable amount of money within the next 10 years to fund our current employees to 100% within MERS? We can do this...whatever is NOT required by law (any programs) would be the first area where we need to cut. What do we pay that is not required by law? We need to come up with a plan. We can't continue taking giant steps backward. **Lang**: What's the plan? We put the employees on a freeze, until we are able to convince them to go to a defined contribution. **Nelson**: No the current employees stay where they are, only new employees will go to a defined contribution. **Lang**: But the current employees have to agree to this. What happens if they don't agree? **Nelson**: then the hiring freeze stays in force. **Lang**: but you can only hold the freeze so long, then you start not being able to provide services. **Nelson**: While in the building today, people asked me if we're going to a 35 hr. workweek. That may be in the future. Do we have to fund the airport or is this something we can share with the City. Do we have to fund the County Library at the current rate? Do we down the road ask for a millage to fund the Library? **Schei**: What about the smaller appropriated amounts? Do we have to fund them? Like the Fair, Rainbow house, Animal Shelter, etc. **Nelson**: Are we funding employees that we are not legally mandated to fund? **Lang**: We are not required by law to provide a library. What it boils down to is, do you have the political courage to shut down the library or is it just a matter of you and your constituents? **Nelson**: Yes I am willing to take the political risk. But these are cuts that we first need to identify as what is available. I'm only using the Library as an example...this doesn't mean I don't want to fund the library. Today is a talking point, to start. **Lang**: I don't see how we can come up with 7.5 million dollars. **Nelson**: well, the cuts. It's about \$700,000 for about 11 years. 10% of our budget needs to be cut to pay the \$700,000. We need to pay this amount yearly to catch up. A 35 hr. work week would save about \$200,000 per year. **Bousley**: If MERS is the thing we want to attack (the unfunded liabilities), then we need to decide how many years we want to take to pay this back. **Nelson**: Our flexibility remains with the positions that aren't required by law. **Schei**: so you're looking at things like Parks too? **Hafeman**: Our Library, how much are we paying out for that? What about considering a virtual library as opposed to hard copy library. **Lang**: What about we make a deal with Spies library? **Nelson**: Contract for economic development. We provide \$20,000 to them every year, where is the contract? **Schei**: Is it possible to share the Veteran's Service Office? **Nelson**: Just to find out what we owe within the Road Patrol, it's going to cost us \$2,200 for MERS to break it apart. Brian when you have your department head meetings, ask them if there is anything that they can see where cuts can be made. **Nelson**: Discuss IT concerns. Would it be cheaper to

have an IT person on the payroll? **Lang:** I would be interested in learning what Ray LaMarche may have to say about the concerns we have, and his ideas of how we can save some money in the County. **Schei:** We need to set a minimum on how much we need to save for the unfunded MERS in the upcoming budget. We need a goal... what's our goal? \$500,000? One Million? Lets set a figure, on what we need. We can't just say we work toward some imaginary thing that's never going to happen. **Nelson:** If we set a goal at \$500,000 and Brian is able to reach that amount, we're done. But if we have Brian give us all the essential services, we may need to cut a multitude of things. (To Brian) do you know what jobs are essential in the county right now, which we must have by law? **Schei:** We asked Brian to get that for us, we don't have that yet. **DuPont:** What happens if everyone agrees to the defined contribution? Will there be a flat rate retirement from MERS entered into each division to pay off each division? **Brian:** If all divisions are closed, yes. **DuPont:** Well then MERS will give us the figures we need to pay each year to pay it off within 15 years. **Lang:** In terms of employees, Menominee County eliminated 13 employees within the past ten years. How much more can we cut before we take away services? Our targets have been pretty vague today, we're going to have to start getting specific. **Hafeman:** That's why we'd like the department heads to do their math first. **Schei:** I'm against getting an IT person full time. Keep UES in, no matter what the cost. **Nelson:** Travel, there are questions about credit cards. Maybe we should look at this. **Schei:** Maybe we should have employees use their own credit card. Eliminate the County Credit card. **Diane:** Then we won't get the tax exemption, you have to use the County credit card for that or they won't credit the tax. **Lang:** Is there really abuse of the card, or are you concerned of the potential of abuse? **Nelson:** It's not even abuse. If you pay out of your own pocket, chances are you'll pay less than if you use a credit card. **Schei:** Why don't you just put a freeze on travel?

- c. **Schedule Next meeting:** The next department head meeting is on May 3, 2013. Let's set it up for Monday May 13<sup>th</sup>, 2013 at 9:00 AM.

**Public Comment:** None

**Commissioner Comment:** None

**Adjournment:** Moved by Com. Lang seconded by Com. Schei to adjourn at 4:02 P.M. Motion approved 4/0.