

Menominee County Finance Committee
Minutes of Meeting
June 24, 2013

*****Approved 7/9/2013*****

The Finance Committee met on June 24, 2013 at 9:00 AM at the Menominee County Administrator's office. Due to public attendance, we moved this meeting to Courtroom B.

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

Also present: Diane Lesperance, Pat Cheski, Doug Krienke, Marc Kleiman, Ken Connors, Gary Eichhorn, Jerry Piche, others.

Call Meeting to order: Chairperson Nelson called the meeting to order at 9:08 A.M.

Roll Call: Roll call was taken; all finance commissioners are present.

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

Previous Meeting minutes: June 17, 2013 – moved to approve by Com. Hafeman and supported by Com. Lang to approve the minutes correcting “page 5 – change July 24th to June 24th for the next meeting date”. Motion approved 4/0

Public Comment: Gary Eichhorn – Questioned if the commissioners received a list of non-essential county employees yet.

Business:

- a. **FY 2013/14 Budget to the Committee for discussion:** Nelson: This budget draft has a \$320,000 surplus. We still don't have anything from MERS. We don't have info. about what is required by law. Hafeman: Has there been any progress with the unions and the defined contributions? Nelson: I see that the Sheriff Dept. budget is up \$170,000 from 2 years ago. Hafeman: I notice the board of coms. budget is up, partly because of the “Explorer Solutions” line item. Coms. would like to recess to allow Brian to finish up some other business before the meeting. All concur. Recess at 9:16 AM.
9:35 session resumes: Brian: the budget is \$304,000 right now...but there was a mistake on page 8. Travel was put in at 18,000 it should be only 1,800. Hafeman: What jobs are mandated and what are not. Brian: Basically what we got from everyone. We need an investigator, but it is not mandated. Things that are not mandated, we do to receive other revenues to operate. Animal Control came up. As a county we are obligated to provide animal control. But the Sheriff Dept. does not have to provide it. We have a corrections officer who does animal control and other things. This comes out of the jail fund. Nelson: I don't know if we have an Undersheriff requirement. I really need to have specific information in order to get to our \$750,000 goal. I would not recommend changing the tax structure. We won't ask the tax payers for more money. Lang: Because we have a county wide animal control ordinance, are we obligated to specify some degree of animal control? Brian: Yes. Schei: When you ask for a legal opinion, do we need to have a list of all of these items and then have our legal counsel identify each one individually? We talked about

this at the last three meetings. Can we say we'll have this list at the next meeting. Nelson: Brian do you see a way we can get to that number? Brian: We do have some money in the DTRF fund. Nelson: We're not going to take anything from savings. That doesn't fix anything. Is there a reason why the Obama care was put into the other legislative budget. Brian: Yes, because if we need it, we don't want to come back and ask for more money later. Nelson: can we correct that to read "Affordable Health Care Act". Nelson: Have you talked to the Library to see if we have any excess money there. Brian: There is some money there from last year, and there may be a little left over this year too. Nelson: I do want input from the department heads. This effects their staff. There's got to be some cuts there. If they can't come up with it on their own, we'll have to do it for them. I need to know what positions are required, is it done elsewhere, and can we afford them? Hafeman: Capital outlay? Can those be cut? Brian: Yes, and some appropriations can be cut. Nelson: Credit Cards, I don't think that's a good system for us. Mandated meetings/travel: I don't know what's required. Lang: you think the credit cards are costing the county more money. Nelson: Yes. Brian: The credit card would be more of a policy change. Nelson: Travel, what is mandated what is not? Brian: Some training is, some is not. I'll have to bring this up to the department heads. Nelson: Added fuel costs...is everything being billed to the right departments? Is any additional work associated to road patrol being charged against the road patrol? Lang: If that's an accountability issue, I agree with it. Nelson: Shouldn't we bill to the right department. Lang: Shouldn't the clerk right now be billed to the county board? There's plenty of things that overlap. Hafeman: Example, if a dept. is billed for copies, they're going to be more responsible about what they ask for. Like Kenny Marks and the brochure, would he have done that if he didn't think he had money for it? Lang: I think our first step in this committee is to establish the seriousness of the MERS deficit. I think it's important, but I think we're over playing the seriousness of it. Nelson: At the end of 11 years, we went from 1.5 to 7.5 million dollars (in the deficit). The deficit is becoming greater. Lang: if there's extra money in the budget, put it toward the MERS deficit, but as far as cutting services to the bone, I disagree with that. Hafeman: Bernie, our deficit is growing and growing. Nelson: Our costs keep going up and the revenue has a minimal increase. I don't know how this problem self corrects. Lang: If there is money in the budget, put it toward MERS, but to cut employees down to 35 hrs/wk or to eliminate positions in departments, I don't agree with that. Nelson: Every employee in this county deserves what was offered them. We promised them something. It isn't my fault if we can't fulfill the retirement they deserve. I want to at least try. Schei: when you brought up the 320,000 surplus this year and next year we have another 320,000. So we have 640,000 estimated, depending on revenues. Nelson: No that's not the way. It's each year, not the combined total years. Brian, when we switch, how much more will our retirement go up? Brian: If we switch to the defined contribution, what will happen, when an employee retires with us, then all costs to that employee are gone. Defined benefit, we have to pay off within the next 15 years. Nelson: 2008-10 the stock markets pushed us back with bad investments. If we think one year at a time, we're never going to get anywhere. Hafeman: The state is going to ask us for a plan to pay off the unfunded liabilities. I'd rather be on top of this than behind it. Nelson: Can we agree we'd like to see higher numbers? Can we at least agree that we look at a budget that Brian gives us with reductions to assess the impact on the county? Lang: Where are we with converting to the defined contribution? Brian: Unions are not willing to do anything right now. He wants to investigate it a bit. The BA wants our best offer cause this is the only one we're gonna get. Lang: So how long is this hiring freeze going to stay in effect? Nelson: Until we get this taken care of...until the next contract, I don't know. Lang: It could be never. Nelson: That's not my problem. Lang: I disagree with enforcing a hiring freeze month after month. Nelson: So you don't see any light at the end of the tunnel Brian? Brian: Yes I do. Schei: We haven't decided what we're going to do

with MSU yet and there's \$38,000 in this budget for that MOU. Nelson: If you have a budget with more cuts, be sure we all get it before the meeting. Lang: I have some questions about appropriations, why is there no appropriation for building code. Brian: Because it's been self-funded for the last couple of years. Lang: Animal shelter, they requested \$5,000...that's double from last year. Rescue Squads – Why so much? Brian: they send letters of request, these are only the requested amounts. Nelson: Brian bring back personal recommendations on the appropriated amounts, show both what is requested and what you recommend. Lang: Law Library, are we designating funds for an individual to maintain the books? Brian: No, Sherry takes care of making sure any books received are placed into the law library. Hafeman: Veterans Services – How much of his budget is coming from the state? Brian: That's all on us, no money is from the state. Hafeman: Can we get Mike into the state service officers program? It's not mandated to have a County Veterans' Service officer. Brian: I'll talk to Mike about this. Schei: LEIN, what is this? They are asking for \$3000 more this year. Brian: This is the law enforcement, background/criminal record check software. Nelson: are there any LEIN records that they can generate a revenue off of? Brian: Let me look into that one.

Public Comment: None

Commissioner Comment: Hafeman: Road Patrol – I'm wondering where they can cut to make their budget come out more even. The Sheriff dept. – as a big budget, we need to look more closely at. Also, appropriations need to be looked at. Brian: Don't forget this is a draft – we have to present it to the County Board on July 9th. Nelson: does a balanced budget mean...Brian: It means we don't have a deficit. Nelson: But when we owe for retirement, isn't that a deficit? Brian: No that's not considered a deficit when setting up the budget on a yearly basis. Nelson: to Brian, you will give the finance committee a budget with the proposed cuts. When's our next meeting? Brian: I have presented a balanced budget to the board. I can introduce this to the whole board. Can we meet before the county board meeting? **July 9th at 9:00 AM.** Nelson: Brian, provide us with a budget that can show not just requests, but show exactly where we're at.

Adjournment: Moved by Com. Hafeman seconded by Com. Lang to adjourn at 10:45 A.M. Motion approved 4/0.