

Menominee County Finance Committee  
Minutes of Meeting  
July 9, 2013

\*\*\*\*\*Approved 8/12/13\*\*\*\*\*

The Finance Committee met on July 9, 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

**Call Meeting to order:** Chairperson Nelson called the meeting to order at 9:00 A.M.

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

**Agenda** was approved by Com. Hafeman and supported by Com. Schei. Bousley adds one more budget amendment. The library received another anonymous donation for \$500.00. Moved by Hafeman to approve the agenda as amended, seconded by Schei. Motion approved 4/0

**Previous Meeting minutes:** June 24, 2013 – moved by Com. Hafeman and supported by Com. Lang to approve the minutes of the June 24<sup>th</sup> Finance Committee meeting. Motion approved 4/0

**Public Comment:** None

**Business:**

- a. **FY 2012/13 Budget Amendments #3:** Bousley addresses the amendments. Two \$500 donations to the library, MMRMA grant for Surveillance System (CH & Jail) \$40,000, and Money received from DocView that needs to be refunded due to it was supposed to pay out to Menominee WI, not MI. \$790. We have to refund DocView for this mistake. Consensus of the committee is to send these amendments to the County Board for approval.
- b. **FY 2013/2014 Budget 2<sup>nd</sup> draft:** Bousley: We currently have a balance of \$465,394. We're looking for \$750,000. Page 6, affordable care act has been postponed we have an additional \$20,000 there. Page 33, Household hazardous waste: this can be postponed for another year, that's \$18,000. Page 42, Road Patrol new line item there is MERS unfunded liability. They'll pay down through the RP millage, \$150,000 from there. Page 54, E911 MERS Unfunded liability, \$100,000 will fund theirs down as well. Because they're funded through the surcharge, they will pay it down through the surcharge. Discussion of the MERS actuarial valuation for 2012. We've gone further in debt...another \$500,000/\$600,000. By us paying down in some areas, it will be a start on cutting the gap. Nelson: What's our process now for switching from defined benefit to confined contribution? Bousley: We're making some progress there. Schei: I don't think the \$750,000 is going to be enough. Hafeman: I was looking at the \$750,000 that we want and the difference between 2011 & 2012 Actuarial values. We increased \$587,000, that's only \$163,000 we're paying down on the liability. Brian: No, that's on top of what we are already paying. Nelson: I'm not in favor to increase anyone's budget. Schei: MSU agreement. We haven't decided on an agreement yet, but you have \$30,000 here for this. We still need to budget this until the board makes a decision on something else. We need to lower all of the money we payout across the board, including MSU. If we need to cut, we

have to do this across the board, or it won't work. Lang: When we signed our last agreement with MSU, we seriously considered severing our relationship with MSU. 4-H was the reason why we kept the agreement. Has anyone thought about the possibility of walking away? Schei: I have. I thought that's where we were going. You're right, 4-H may need to be considered separately. Lang: We should be finding out from the Farmers. How much do they use the MSU today as compared to 10 years ago? Schei: I also have concerns across the board with appropriations. Nelson: Some departments have already made cuts. I've asked about cross coverage. I think it's clear that MERS isn't working out for us. Parks budget: parks in the northern part of the county fund their own parks. County funded library: in MQT they use a millage to fund their library. There's a significant cut in the County treasurer's budget, salaries. What is the difference? DuPont: Last year the part time person was included in the permanent salaries, this year we separated them. Nelson: I received contract info. from Sherry in ref. to the full time employees/hours 40 hrs. per week. But it doesn't say you have to have full time employees. The contract does not tie us to 40 hrs/wk. nowhere in the contract does it tie us to 40 hours/wk. unless I misread that. Brian: that was something that I was going to send to Stoker and get his legal opinion so we don't get into any trouble. Hafeman: Veteran's Service officer – A lot of the service officer can be done by telephone. Brian: He does have a lot of traffic come in. He goes to Hermansville once a month too. We see a lot of volume there. Hafeman: Could we share him with Delta? He's an excellent service officer, regardless of where he's at, he'll do a good job. Nelson: Building code, we're sharing Dan with Delta Co. He's full time there, and part time here. Schei: It's my understanding that Kandace does some of that job. Brian: that's something she's always done. Lang: Act 347, who is responding to this? Brian: Dan Menacher and the fees come to the county. Only Dan's hours have changed, nothing else. Nelson: Paving at the park. That was supposed to come out of this year's budget? Brian: It's out of the building fund...that comes from the general fund. Nelson: We can change that. What is the cost of that project? Brian: We're going with the crushed limestone for now, about \$3,500/4,000. Schei: I took a contractor out there and our recommendation was a couple of loads of pit run and limestone. It may need to be sealed. And possibly a concrete pad where the RV's park. Total appropriations...this is what we should be looking at, it's at \$336,000. Hafeman: I know the health department is doing more than their required services. Nelson: If we don't provide the appropriation, we have to provide the services. It's mandated (unfunded). Menominee Animal Shelter; we give them money AND we pay for services. They've asked for more each year. Look at going back to the original \$1,000. Schei: what is the contingency for? Brian: that's for emergency purposes "if needed" instead of going into the GF for more money. Hafeman: Another thing on there is DAV – That's federally funded through the state. Why are we paying for DAV if it's already funded? Lang: We're not required to pay for that. Commissioners are reminded that the request letters for appropriations are in the drop box on their ipads for their review. Nelson: Phase 2 of the airport project – it won't bring in any money, it'll be tax free. Brian: Yes, But it will bring jobs...and money spent in our county. Once phase 2 is complete, we'll know where we stand. Nelson: since MSU is here, we'll proceed and come back to the budget discussion, all commissioners agree. (10:00 am)

- c. **MSU memorandum of agreement – Dr. Thomas Coon, Director of MSU**  
**Extension;** - The first week in Nov. we (With Dr. Kostin, Dean) will be out in the UP. Dr. Coon speaks of the reductions with extension budgets. MOA with Menominee County. Agriculture has become very technological. Our experts need to be able to manage the programs. Specific agents work with specific areas. We created a pool of funds so the educators can where they're needed. The counties said they were interested in these areas the most. 4-H, agric., nutrition, community development; and are willing to provide office space, support staff, and operating costs. One half time 4-H coordinator is \$31,000. The

cost for the educators to travel to all counties is estimated at .30 per capita in the 2010 census for the educator. Warren Schauer will be located primarily in Menominee County. We'd like to add another educator, but to do that, we need space. What we have here is not adequate space. Schei: It's my recommendation, out of the money we were paying you, I would recommend a 25% reduction, which has nothing to do with 4-H. Hafeman: I agree, what we're paying for and what we're getting, is more than what we should be paying. Dr. Coon: you need to look at how many people are being served in Menominee County (level of involvement). Not if there's a full time educator in the county at all times. Bernie: How many people do we serve; I think the question is, how will you to provide a service to us? We have to spend our money in the most expeditious way, I'm not convinced MSU is the answer for us. Dr. Coon: The youth involved in 4-H in MI are twice as likely to go on for higher education. Doug Brahee will be putting together an annual report, a summary of the services provided within the past year. Nelson: Menominee County is the largest agriculture county. Dr. Coon: I think what we need to be accountable for is the amount of time spent for services, not the amount of time someone is sitting at a desk in Stephenson. Some services with us will be by webinar, or on the website, not always at the farm. Schei: Thank Dr. Coon for his presentation and answering our questions. Curran: County support staff for MSU, District 1. We've been without an educator for 27 months. We were fortunate that Dr. Erdman still did educating in Menominee County when he became a district coordinator. It's very hard to get educators set up to train in Menominee County. We need an Ag. agent in the county, not six hours away. We need an educator in our county. I couldn't get an educator from our own state for tree pruning education. I had to call Marinette to have one train in Menominee County. Dr. Coon: We lost 60% of our staff.

**Back to the budget.** Nelson: Road patrol cut (MERS unfunded), really isn't a cut. We're gonna be short in the RP budget. I don't think we should be paying for activities related to road patrol from the General Fund. Schei: I was expecting more cuts in this draft. Hafeman: I don't know if we need that much for an emergency...contingency fund. Bousley: That can be removed, no problem. Schei: We could look at deferring capital projects that aren't mandatory for another year till we see where we're gonna go with MERS. Hafeman: I agree to a point. We can't go across the board on this. Some is necessary, like computers. Bousley: We did cut out all of the capital outlay, with the exception of those needing new computers. Schei: We have to provide safety, so the security issues should still be in there.

**Public Comment:** Gary Anderson: One of the reasons why you're having problems is because of previous boards not doing their jobs. You're gonna have to cut programs. I think you have to make cuts across the board and have the departments come in to prove why they need what they requested. Airport has gone from \$125,000/year down to \$60,000/year. Behind the scene politics didn't allow us to provide a farming contract. I think the airport should be a fixed based operation. The airport should be self-sustained.

**Commissioner Comment:** Schei: Is it possible for the airport to become self-sufficient? I'm against spending any more money for development and/or studies until we see some concrete results. I stand firm on the MSU recommendation. Security is number one. You asked Brian for a list of mandated services. I haven't seen that yet. Nelson: I don't think we're there yet. Lang: Everything that we cut will have resistance. Hafeman: The airport should be self-funded. Maybe it's time to be turned over to a private airport. Or a co-operative airport owned by the people who are there. I'd like to see MSU extension provide better services in this area before we put any more money into it. Nelson: Library, we need to look at ways of funding things and what taxpayers are willing to fund. We're going in the right direction for the budget.

**Adjournment:** Moved by Com. Schei seconded by Com. Hafeman to adjourn at 10:58 A.M. Motion approved 4/0.