

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
November 12, 2008**

The regular meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson Linda Socha at 9:30 a.m.

Roll called and a quorum present.

PRESENT: Commissioners Socha, Makima, Redmond, Mushlock, Page, Wallace and Bolinger

ABSENT: None

Commissioner Bolinger gave the invocation and Commissioner Wallace led the Pledge of Allegiance.

Administrator Overton said Items 11 C & D on the agenda both should be 2009-2011, not 2008-2010. Commissioner Redmond requested the addition of Planning Commission Appointment and Fair Board Appointments to the agenda under Item 9 Committee Reports.

Motion by Commissioner Makima, seconded by Commissioner Mushlock, to approve the agenda as amended. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Bolinger, seconded by Commissioner Wallace, to approve the consent agenda consisting of the following items:

- A. Approve Monthly Finance Claims – Finance = \$15,538.50; Prepays = \$914,997.58
- B. Budget Adjustments – Inter-budget Transfers from carried forward fund equity totaling \$2,030, \$30.00 to 101-691-852.00 for telephone and \$2,000 to 101-228-977-03 for a laptop for Finance Department; Inter-budget Transfer in the amount of \$11.00 from 101-335-719.00 to 101-335-747.09 and Inter-budget Transfer in the amount of \$1,000 from 283-823-863.20 to 283-823-706.06; Raise Revenues and Expenditures for \$1,000 for Drug Forfeiture Activities and in the amount of \$500 for Equipment/New
- C. Housing Department Bids
 1. Project H-07-275 Bid Recommendation – Bid by Hoveys Construction of \$12,115Project
 2. H-07-277 Bid Recommendation – Bid by Hoveys Construction of \$18,427 and Bid by Jerry's Plumbing & Heating of \$1,745 Total Bid \$20,172
- D. Correspondence:
 1. Antrim County Resolution Opposing House Bill 6080 & Supporting House Bill 5892
 2. Lake County Resolution Opposing Right-to-Work State
 3. Lake County Resolution Regarding 9-1-1 Telephone Surcharges
 4. Ottawa County Resolution Opposing House Joint Resolution III/Senate Joint Resolution P
 5. Correspondence from Joseph Hefele, Onaway City Manager Re: Cheboygan-Alpena Trail
 6. Correspondence from Village of Wolverine Regarding Ice Skating Program
- E. Minutes:
 1. Commissioners Finance/Business Meeting of October 14, 2008 and Committee of the Whole Meeting of October 28, 2008
 2. North Country Community Mental Health Board – September 18, 2008
 3. Health Board – September 15, 2008
 4. C.C.E. 9-1-1 Board of Directors Meeting of July 16, 2008 and August 28, 2008 Director's Report of October 15, 2008; and FY 2009 Proposed Budget
 5. Cheboygan County Fair Board – October 6, 2008
 6. Cheboygan County Road Commission – October 23, 2008
 7. Cheboygan City Council – 9/23/08 and October 14, 2008
 8. Planning Commission Minutes – September 3, 2008, September 17, 2008 & September 22, 2008
 9. ZBA – September 24, 2008
 7. Planning Commission Minutes – August 6, 2008

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance/Business Meeting – November 12, 2008

CITIZENS COMMENTS – None

SCHEDULED VISITORS – None

FINANCE DIRECTOR'S REPORT - Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ended September 30, 2008. She reported total year-to-date revenue of \$6,212,770.13 versus \$6,451,126.32 last year at that time. Ms. Kortz reported expenditures year-to-date of \$7,175,705.60, or 64.90% of budget, compared to \$6,868,052.33 last year as of the end of September. She reviewed the Fund Balance quarterly report and Summary of General Fund Expenses by Category, which also is a quarterly report; and distributed the Quarterly Budget Amendment Report for the First Three Quarters of 2008.

COMMITTEE REPORTS

Commissioner Redmond presented recommendations from the Board Appointments & Procedures Committee. .

Motion for Commissioner Redmond, supported by Commissioner Mushlock to accept the Board Appointments & Procedures Committee's recommendation to include the three judges in the increase of term life insurance from \$15,000 to \$25,000 as previously approved for other elected officials. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Wallace, to accept the Board Appointments & Procedures Committee's recommendation to reappoint Allen VanSlembrouck to a three year term on the Cheboygan County Department of Human Services Board commencing November 1, 2008 through October 31, 2011. An application was received for this position and will be kept on file. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Mushlock, to accept the Board Appointments & Procedures Committee's recommendation to the reappoint Stuart Bartlett and Keith Moore to the Cheboygan County Planning Commission for terms commencing November 1, 2008 through October 31, 2011. Chairperson Socha pointed out that Moore represents the school board position. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Makima, to accept the Board Appointments & Procedures Committee's recommendation to appoint Rebecca Behm to the Cheboygan County Planning Commission for a term commencing November 1, 2008 through October 31, 2011. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Wallace, to accept the Board Appointments & Procedures Committee's recommendation to reappoint Brenda Archambo to the Cheboygan County Economic Development Corporation for a term commencing November 1, 2008 through October 31, 2014. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Mushlock, to accept the Board Appointments & Procedures Committee's recommendation and the recommendation of the Cheboygan County Fair Board to appoint Kim Pappas and reappoint Dan Frazier, Buddy Ormsbee, Chuck Robiadek, and Beth Buhr to the Cheboygan County Fair Board for three-year terms commencing December 1, 2008 through November 30, 2011. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Bolinger reported attending the Nunda, Walker, Wilmot and Ellis Township Board meetings, the RC&D meeting in Grayling, the Michigan Northern Counties meeting, the Health Board meeting, the NEMCOG meeting Hillman and the LEPC meeting.

Commissioner Mushlock attended the Inverness and Mullett Township Board meetings and the Fair Board meeting. She reported Inverness Township is proceeding with construction of a new fire hall.

Finance/Business Meeting – November 12, 2008

Commissioner Page reported that the Humane Society is still working on a building expansion proposal. He also attended the Aloha and Grant Township Board meetings. He said the Northern Michigan Broadband Cooperative will be interviewing for an executive director. He also said the Cheboygan County Internet Committee met and are considering a proposal from Cherry Capital.

Commissioner Makima reported attending the Board Appointments & Procedures meeting, the Fair Board meeting, the Cheboygan City Council meeting and a MDOT meeting in Indian River. He said any road work after 2009 looks dim, including Mackinaw Avenue in Cheboygan. Discussion held on repair and maintenance of roads.

Commissioner Wallace said a CCE dispatcher will be featured on Discovery's Investigation program on November 19th.

Commissioner Socha attended a CCE meeting, a SANE meeting, the LEPC meeting and the Burt Township Board meeting. She said SANE has Kathy Abbot reviewing the by-laws and organizational papers for possible inconsistencies and also researching the need for a SANE Prosecutor. Discussion was held on SANE and drug abuse in general. She also attended an Economic Development class on Community Situational Analysis and Community Power Structure sponsored by MSUE.

OLD BUSINESS

Equalization Director Joe Lavender presented an amended 2008 Millage Resolution, an amended 2008 Apportionment Report and an amended Tax Resolution. These amendments were required to add ambulance millage and Vanderbilt School millage which will be levied in December.

Motion by Commissioner Redmond, seconded by Commissioner Bolinger, to adopt the following resolution:

**Resolution 08-024
AMENDED 2008 MILLAGE RATE RESOLUTION**

WHEREAS, Cheboygan County has the authority to levy its own maximum allowable millage rate of 6.3922 mills distributed as follows: 5.6592 mills for General County Operations, .4830 mills for Senior Citizens Operations and .2500 mills for Ambulance Authority Operations, and,

WHEREAS, the Cheboygan County Board of Commissioners adopted its 2008 Millage Rate Resolution, being Resolution 08-020, at its annual meeting on October 14, 2008; and,

WHEREAS, the electors of Cheboygan County approved a millage request for the purpose of ambulance authority operations at the November 4, 2008 general election; and,

WHEREAS, Section 36(5) of the General Property Tax Act, being MCL 211.36(5), provides that after a millage is certified following approval at the November general election, the board of commissioners shall amend its direction for the spread of millages; and,

WHEREAS, the Cheboygan County Board of Commissioners, therefore, desires to amend its direction for the spread of millage with this Amended 2008 Millage Rate Resolution; and,

WHEREAS, it has been determined that to maintain basic county services, it will be necessary to levy the maximum allowable rate of 6.3922 mills; and,

WHEREAS, notice of the public hearing was given, and a public hearing was held as the County Budget Hearing;

NOW THEREFORE BE IT RESOLVED, that the County of Cheboygan shall levy the maximum allowable millage of 6.3922 for 2008.

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Bolinger, to adopt the Amended 2008 Cheboygan County Apportionment Report (Copy on File in County Clerk's Office) as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance/Business Meeting – November 12, 2008

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to adopt the following resolution:

Amended Resolution 08-025 TAX RESOLUTION

BE IT HEREBY RESOLVED, that there be raised by taxation and that the Cheboygan County Board of Commissioners are hereby authorized and directed to spread upon the several assessment rolls and tax rolls of the County: County Tax, Township Tax, School Tax and any special taxes in the amounts as adopted by the County Board of Commissioners in the Amended 2008 Apportionment Report. An amount of the above mentioned taxes not to exceed the schedule of millage as determined by the Apportionment Report adopted by the Cheboygan County Board of Commissioners at their annual meeting held on October 14 2008, and the Amended Apportionment Report adopted by the Cheboygan County Board of Commissioners at their regular meeting held on November 12th 2008.

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

NEW BUSINESS

Straits Regional Ride Director Mike Couture presented a Specialized Services Operating Assistance Program Third Party Contract between Cheboygan County and the Cheboygan County Council on Aging. He said the contract serves as the mechanism to pass through the MDOT funds awarded to the County of Cheboygan for operating assistance to the CCOA which operates as a 501(c)3 and is a standard yearly boiler plate contract which was reviewed by civil counsel last year.

Motion by Commissioner Makima, seconded by Commissioner Bolinger, to approve the Specialized Services Operating Assistance Program Third Party Contract # 2007-0191/2101/53 between Cheboygan County and the Cheboygan County Council on Aging and authorize the chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Overton presented the Cheboygan County Continuum of Care Planning Document for 2009/2010, which allows access to the Emergency Shelter Grant (ESG) funding each year. This funding opportunity brings \$31,100 direct service dollars and \$7,500 coordinating expense dollars into Cheboygan County at no cost or match.

Motion by Commissioner Makima, seconded by Commissioner Redmond, to allow the Board Chairperson to sign the 2009/2010 Continuum of Care Planning Document allowing the Salvation Army of Cheboygan County to access the 2009/2010 Emergency Shelter Grant dollars allocated to the County by MSHDA. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz said three bids were received for audit services for 2009-2011. Rehmann Robinson bids were \$38,200 for each of the three years; Anderson, Tackman & Company bid for 2009 was \$22,000, 2010 was \$23,000, and 2011 was \$24,000; and Smith & Klaczkiwicz bid \$21,350 for 2009; \$23,000 for 2010 and \$24,650 for 2011. The bid from Anderson, Tackman & Company was recommended.

Motion by Commissioner Redmond, seconded by Commissioner Bolinger, to award the three-year (2009-2011) audit services bid to Anderson, Tackman & Company, PLC in the total amount of \$69,000 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Overton said the three year Civil Counsel agreement expires December 31, 2008. The county issued a request for proposal in September and received four proposals. The lower bidder was Young, Graham, Elsenheimer & Wendling, PC. Mr. Overton said he would recommend awarding the bid to the lower bidder and also recommend that the County continue with the Fixed Plus (Option 2) retainer pricing plan. The other bidders were Anthony M. Damiano; Cummings, McClorey, Davis & Acho, PLC; and the MacArthur Law Firm. The bid for Young, Graham, Elsenheimer & Wendling was: 2009 monthly retainer - \$4,000 (range \$130 - \$140); 2010 monthly retainer - \$4,250 (range \$135 - \$145); and 2011 monthly retainer \$4,500 (range \$140 - \$150). Commissioner Page asked how this was weighed comparing with local bidders. Discussion was held. Chairperson Socha said Young, Graham, Elsenheimer & Wendling's bids have always been all inclusive, they have extensive expertise in planning

Finance/Business Meeting – November 12, 2008

and zoning issues, and the depth of the staff is beneficial. Commissioner Page said with changes in the Prosecutor's office and the SANE prosecutor, perhaps a one year contract should be considered.

Motion by Commissioner Wallace, seconded by Commissioner Mushlock, to approve the three year (2009-2011), Fixed Plus (Option 2) retainer plan agreement with Young, Graham, Elsenheimer & Wendling, PC, and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Page) and 0 absent.

Finance Director Kari Kortz presented the Byrne Grant for approval. She said the Byrne Memorial Formula Grant Program is an annual grant and is matched by SANE. These funds are used to offset some of the cost of the SANE Prosecutor's expense. She said Finance has reviewed the grant materials. Chairperson Socha said the federal funding goes towards the SANE prosecutor's salary and had been fully funded by the grant at one time.

Motion by Commissioner Mushlock, seconded by Commissioner Bolinger, to authorize grant acceptance for the Byrne Grant and execution by the County Chairperson. Motion carried with 7 yes, 0 no and 0 absent.

Undersheriff Mike Newman said Wheeler Motors desires to replace the current Cheboygan County Sheriff Department DARE vehicle. He said Wheelers has been sponsoring the vehicle since 2004 at no cost to the county. He said the vehicle would be covered by the existing MMRMA insurance and routine maintenance covered within the existing Sheriff Department vehicle maintenance budget. Undersheriff Newman said he would like to recognize Wheeler Motors for their contributions. Chairperson Socha agreed and stated Tony & Roberta Matelski should be recognized also.

Motion by Commissioner Makima, seconded by Commissioner Bolinger, to approve the Cheboygan County Sheriff Department DARE loan vehicle program provided by Wheeler Motors. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Wallace, seconded by Commissioner Page, to recognize the Matelski's contribution to the canine unit and Wheeler Motors for the contribution of the DARE vehicle with letters of appreciation and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Undersheriff Newman requested approval of the Marine Safety Program 2009 Grant Application. This grant funds a portion of the cost of the Marine Safety Department, reimbursement for wages and fringe benefits related to patrol hours worked by the Chief Marine Deputy and the four full-time seasonal Marine Deputies and for the hours worked by the Marine Safety Instructor, at an estimated cost of \$65,284. The grant application also requests reimbursement for patrol vehicle usage, patrol boat usage, materials and supplies and other services related to the operation of the Marine Safety Department at an estimated cost of \$27,655. The grant has been applied for annually and is included in the General Fund budget.

Motion by Commissioner Redmond, seconded by Commissioner Mushlock, to approve the application for the Marine Safety Program 2009 Grant Application and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the Waterways Grant Program Application. She said the total cost of the electrical upgrades at the County Marina based on a preliminary study cost estimate performed by United Design Associates is \$214,647. This grant will fund at least 50% of the emergency electrical repairs needed. If approved, this work will occur prior to opening for the 2009 season. The Harbormaster's request is for 75% funding to maintain an acceptable balance in the restricted fund balance. The local match would be covered by the marina's restricted funds, which would be then greatly depleted.

Motion by Commissioner Page, seconded by Commissioner Bolinger, to approve the application for the Waterways Grant Program application and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Finance/Business Meeting – November 12, 2008

Administrator Overton presented inter-local recycling agreements with Aloha, Koehler and Tuscarora Townships. These three townships voted affirmatively to fully participate in the Cheboygan County Recycling Program. Commissioner Bolinger said he would not support these agreements as his township, Nunda, does not participate in the program.

Motion by Commissioner Redmond, seconded by Commissioner Wallace, to approve the inter-local recycling agreements with Aloha, Koehler and Tuscarora Townships and authorize the Chairperson to sign. Motion carried with 6 yes, 1 no (Commissioner Bolinger) and 0 absent.

2009 BUDGET DISCUSSION

Finance Director Kortz outline changes made to the 2009 budget since the last meeting. The \$75,000 ambulance allocation has been removed and a new fund for the ambulance millage created, the \$5,000 budgeted for a planning session for the board of commissioners has been deleted and put that into a GED program for the jail. The child care fund and SAYPA are still being worked on. In the Waterways budget maintenance was increased by \$500 to match the grant application, the pay schedule is being tweaked with changes to be made in wage and fringe. Chairperson Socha said a SAYPA meeting with the DHS director, school superintendent, the county administrator and finance director has been scheduled.

Community Development Director Steve Schnell presented possible 2009 Budget Deficit Solutions options for the Construction Code Department. Those options were: 1) Reduce Staff, 2) Outsource Inspections, or 3) Fee Increase. Mr. Schnell discussed each option. A chart depicting a fee comparison between Emmet, Charlevoix and Otsego counties was provided. The chart indicated the current fees charged by the Cheboygan County Construction Code Office were extremely low in comparison to the other three counties. Kevan Flory addressed the board. Discussion held. Mr. Flory said he would like to have an outside firm come in to evaluate the Construction Code Department. Commissioner Mushlock questioned the number of occupancy permits that have never been issued. Mr. Schnell said this is a problem that they have been working on. He said timeliness has been a major issue, the new building code has added to this problem as well. The commercial proposed fees are far more fair than the current fees. An outline of the proposed fee changes, a chart of fee comparisons by permit type, a proposed revised fee schedule and a summary of the proposed fee increase were provided.

Motion by Commissioner Page, seconded by Commissioner Redmond, to approve the new fee schedule for the Construction Code Department as presented to be effective January 1, 2009. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Bolinger), 0 absent.

Administrator Overton said SAYPA and child care will be discussed at the November Committee of the Whole Meeting.

CITIZENS COMMENTS – None

BOARD MEMBER COMMENTS – Chairperson Socha said at the last meeting there were questions as to why the Emergency Management budget increased so much. She explained most of the increase was attributed to the assistant position now being hourly, not salaried, and overtime in the event there was a emergency or disaster was figured into the budget.

Motion by Commissioner Makima, seconded by Commissioner Wallace, to adjourn to the call of the Chair. Meeting adjourned at 12:21 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson