

Finance Committee

"Committee of the Whole"

Laura Stanek - Chairman

Ed Boettcher – Alternate

Minutes

February 8, 2016

Members: Laura Stanek, Mike Crawford, Karen Bargy, Ed Boettcher, Dave Heeres,
Chuck Johnson, Christian Marcus, Bryan Smith, Bob Wilson

Members absent: None

Others: Pete Garwood, Deb Haydell, Janet Koch

1. The meeting was called to order at 9:00 a.m. by Chair Laura Stanek.

2. Public Comment

None.

3. Claims and Accounts

Motion by Karen Bargy, seconded by Chuck Johnson, to recommend the Board of Commissioners approve the Claims and Accounts in the amount of \$320,501.35.

Motion carried – unanimous.

4. Recommendations from Other Committees

Health & Public Safety

Ms. Bargy noted that the budget for Antrim County Transportation was due at the State of Michigan on March 1, 2016.

Motion by Karen Bargy, seconded by Christian Marcus, to recommend the Board of Commissioners approve the proposed 2017 budget for Antrim County Transportation.

Motion carried – unanimous.

Buildings, Lands & Infrastructure (BLI)

Pete Garwood, County Administrator, said the remonumentation grant amount from the State of Michigan is budgeted before the actual grant amount is released. The change in the actual grant amount was reflected in the motion from the BLI Committee meeting.

Motion by Chuck Johnson, seconded by Bryan Smith, that the Board of Commissioners approve the following 2016 budget amendments:

- **101000-000-575.000: Revenue be reduced by \$15,179, changing from \$46,529 to \$31,350**
- **101000-278-802.000: Contractual Services be reduced by \$15,250, changing from \$44,000 to \$28,750.**

Motion carried – unanimous.

Administration & County Services

Referring to a motion proposed from the Admin. Committee, Ms. Stanek and Deb Haydell, County Accountant, said with the Board of Commissioner's (BOC's) existing budget resolutions, it was not necessary to rescind the motion for the Clerk I position. Mr. Boettcher said the proposed position would require certifications and would include supervisory responsibilities.

Mr. Garwood said the proposed position would require a Level II certification and, within 18 months, a Level III certification. Mr. Garwood said the proposed position's salary was 1.06% higher than the available comparable counties, which was in line with the practice of keeping County wages and salaries within 2% of wages and salaries in comparable counties.

Motion by Ed Boettcher, seconded by Dave Heeres, to recommend the Board of Commissioners identify the funds for an Assistant Equalization Director at a first year cost of \$52,527.67.

Motion by Bob Wilson to table until the next Finance Committee meeting. **After a discussion of the tabling procedure, Ms. Stanek said the topic would be taken up at the upcoming Board of Commissioners meeting on February 11.**

5. Accountant's Financial Information

Revenue and Expenditure Report – December 31, 2015

Ms. Haydell said the \$250,000 request from Mancelona Water and Sewer Authority had been budgeted in 2015, but had not yet been paid out. Ms. Bargy asked what other accruals could be expected. Ms. Haydell said it was different every year, adding that no capital outlays were unrecorded.

Revenue and Expenditure Report – January 31, 2016

Ms. Haydell indicated that revenue and expenditures should be at approximately 8.47% at the end of January. Ms. Haydell said any revenues or expenditures outside of the 8.47% for the fiscal year had been explained on page 7 of the agenda packets.

2015 Year End Budget Amendments

Ms. Haydell said that, as requested at the Board of Commissioner's meeting on December 10, 2015, she had attached details regarding the 2015 year end budget amendments to the agenda packets.

COA Fund 297 Transfer to General Fund

Motion by Mike Crawford, seconded by Christian Marcus, to recommend the Board of Commissioners approve that the County Accountant post funds from COA Fund 297 to the 2015 General Fund 101 for the amount of \$106,463.00. Motion carried – unanimous.

2016 Budget Amendments Transfer Capital Outlay 901 to Capital Outlay Computer 902

Ms. Haydell said the motion will separate computer purchases into a different department from the rest of the capital outlay. She will assign line items for the different departments.

Motion by Bryan Smith, seconded by Chuck Johnson, to recommend the Board of Commissioners approve that the County Accountant post a 2016 budget amendment transfer from General Fund Capital Outlay 901 for the amount of \$15,882.84 to the new Department, Capital Outlay Computers 902, with amounts for each individual corresponding department to the sum of \$15,882.84. Motion carried – unanimous.

2016 Budget Amendments General Fund and Other Funds (Wages, Salary & Corresponding Benefit Increases)

Ms. Haydell said that past practice has been to take wage increases out of contingency line item, adding that \$350,000 was approved in October for the 2016 contingency budget (#101000-895-999.000). Ms. Haydell told the Committee that Worker's Compensation rates vary by department.

Motion by Chuck Johnson, seconded by Bryan Smith, to recommend the Board of Commissioners approve that the County Accountant post 2016 budget amendments to the 2016 General Fund budget by increasing the wage, salary, and corresponding benefit line items in each departmental budget in the amount of \$169,028 to be transferred from the Contingencies Cost Center, Special Projects 101000-895-999.000.

Motion carried – unanimous.

Ms. Haydell said the “Other Fund” wage, salary, and benefits did not come out of the general fund’s contingency, that they needed to come out of the respective fund balances. Ms. Bary asked if the funds had enough in their fund balances; Ms. Haydell said they did.

Motion by Dave Heeres, seconded by Bryan Smith, to recommend the Board of Commissioners approve that the County Accountant post 2016 budget amendments by increasing the wage, salary, and corresponding benefit line items; Fund 249 Construction Code in the amount of \$1,594, Fund 259-911 Training in the amount of \$270, Fund 261-911 Operating in the amount of \$24,535, Fund 279 Snowmobile Grant in the amount of \$816, Fund 297 Commission on Aging in the amount of \$7,148, and Fund 581 Antrim County Airport in the amount of \$2,687 with the corresponding decrease in the fund balance of each of these funds. Motion carried – unanimous.

Ms. Haydell said the October motion to approve the contract for Equalization Director had not included a budget amendment and asked that the Committee now make that recommendation. Mr. Garwood added that in October there had still been an expectation that a full time Equalization Director would be hired.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Board of Commissioners make the following budget transfers in the Equalization Department 257; to transfer \$62,733 from line item 702.000 to line item 802.000 and to transfer \$17,267 from 716.000 and 716.008 to 802.000. Motion carried – unanimous.

6. Mancelona Simulcast Proposal

Jessica Spindler from TeleRad was not able to attend the meeting. Sheriff Dan Bean said he had not expected a decision on the project at the Finance meeting, but he was trying to move forward as quickly as possible. Ms. Bary said since the 911 Board was not meeting until March, that it was more appropriate to postpone the presentation to the next Finance meeting.

It was the consensus of the Committee to postpone TeleRad’s presentation to the March Finance meeting.

7. Various Matters

Ms. Bary asked about the lease between the County and the Department of Health & Human Services (DHHS). Mr. Garwood said a new State law states that a building use charge cannot be a part of the lease agreement; this will result in a reduction of lease revenues to the County. Depreciation can be used, but as DHHS has been in building over 20 years, there is not much depreciation left.

The State has issued a request for proposal (RFP) and expects the County to express their interest by submitting a proposal for the DHHS lease. Mr. Garwood said he was working on that proposal, for which the deadline is Friday, February 12, 2016. The RFP requires that the DHHS office be within 10 miles of the County seat and that 6016 square feet be available to be leased.

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He added that the State is asking for a lease amount that doesn't change in 10 years. However, based on past discussion at the Board of Commissioner's meetings, he intends to submit a proposal that continues to use the cost allocation process to calculate the lease amount. He added that Kent County is using the same method, but that few counties are still renting to the State. Mr. Garwood said that North Country Community Mental Health (CMH) leases 7,200 square feet from the County, DHHS leases 6,025 square feet. The CMH lease will be renegotiated in 2017. Mr. Wilson called upon his fellow commissioners to keep the DHHS within the County Building.

Ms. Bargy asked about the cost of Maximus who provides cost allocation information to the County; Ms. Haydell said it was \$5800 per year. Mr. Garwood said cost allocation was used for CMH, DHHS, and Building Dept. and for anything else that requires an operating cost. He added that without a cost allocation plan, there would be little to base a lease cost upon.

Mr. Garwood said that, in the past, he'd been directed to base the lease on actual costs to the County; if the Board felt differently, he would need to know immediately. Ms. Stanek said to continue with the reductions to which the County is legally bound. It was the consensus of the Committee to continue using actual costs based on the cost allocation plan.

Park Study Group Appointments

Mr. Garwood said the recommendation from BLI in December had been the following: "that the Board of Commissioners appoint the Barnes Park Manager, the Operator of Dams, and a representative from the Administration Department to the coordinating group, and extend an invitation to the County Forester, the County Soil Erosion Control Officer, the GRNA Executive Director, and a representative from the Glacial Hills Recreation Board to participate in the group, with the intent of making a recommendation regarding a group coordinator to the Administration Committee, and any other suggestions."

Ms. Bargy said the BOC needs to have a discussion about the park study by Mr. Stone. Mr. Smith, the BOC liaison to the Antrim Conservation District, said the District will be at the March BOC meeting to discuss their plans. Ms. Bargy said she was not convinced that anything needs to be done about the parks; that the study didn't present any specific problems.

Nifty Thrifty

Mr. Crawford said he and Judy Parliament, the director of the Commission on Aging, had met with representatives from the Ellsworth-based Good Samaritan and the Kalkaska Area Interfaith Resources (KAIR). Both groups are 501(c)3 organizations and both would be willing to assist with the creation of a 501(c)3 as the umbrella organization for Nifty Thrifty.

Mr. Crawford noted that KAIR has 28 volunteers that work 2 days per week and does not pay health insurance to its employees. He suggested that the County might want to consider a multi-year contract with a new 501(c)3 to lease the building where Nifty Thrifty currently operates.

Committees

The Finance Committee discussed the Committee meeting dates and times.

8. Public Comment

None.

The meeting was adjourned at 10:34 a.m.