

FINANCE, CLAIMS AND ACCOUNTS COMMITTEE MEETING MINUTES

June 15, 2016

A regular meeting of the Chippewa County Board of Commissioners' Finance, Claims and Accounts Committee was held on Wednesday, June 15, 2016 at the Chippewa County Courthouse in Sault Ste. Marie, Michigan. Chairman Martin called the meeting to order at 11:05 a.m. with a quorum present.

MEMBERS PRESENT: Jim Martin, Scott Shackleton and Rudy Johnson

MEMBERS ABSENT: Don McLean and Conor Egan

OTHERS PRESENT: Phil Wolf, Margie Hank, Bill Karr, Sharon Kennedy; Jim German and Kelly Church

Approval of the Agenda

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to add Item 7-9 Revised DB Adoption Agreements and Revised Hybrid Agreements for name changing only and to approve the agenda as amended. On a voice vote, the motion CARRIED.

Public Comment

No public comment was offered.

PRESENTATION – FY2015 Audit Phil Wolf, Anderson, Tackman & Company. PLC

The Financial Statements of Chippewa County; including the governmental activities, business activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information for the year ended December 31, 2015, were presented by Anderson, Tackman & Company's CPA Phil Wolf. Mr. Wolf presented and reviewed documents included in the annual audit report and explained the purpose of each. He discussed changes to the audit report that have been implemented and those that will be implemented over the next year. Mr. Wolf went over the long-term and short-term Statement of Revenues, Expenditures and Changes in the Fund Balance. Mr. Wolf presented and reviewed the general fund balance sheet, a number of graphs. It was also noted that there are no deficiencies or material weaknesses, and that an unmodified opinion which is the highest level of review. Mr. Wolf reminded the Committee, that the Internal Controls are set by the Board of Commissioners, through the establishment of policies and procedures, and how important it is to follow through with them. Mr. Wolf also provided charts regarding assets, revenues, expenditures, fund balance and DTRF, with prior year comparisons. Discussion with questions and answer followed.

Correspondence and Informational Items

The Committee received the monthly Treasurer's Investment report, the monthly travel report, the monthly Visa billing statement, EUP Hospice Services 2% Funding award notice, the Public Hearing notice for Truth in Taxation and the FY2017 Budget Development Schedule.

AGENDA ITEMS

2015 Audit – Accept, Approve & Authorize Distribution

The Committee took action on the FY2015 Audit presented by Anderson, Tackman & Company's Phil Wolf.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to accept and approve the FY2015 Audit as presented, and distribute where necessary. On a voice vote, the motion CARRIED.

2016 Survey and Remonumentation Grant \$89,698 – Approve & Authorize

The 2016 Survey and Remonumentation Grant is \$89,698, which the County puts an additional \$15,000 towards the program. The breakdown of the Grant includes \$13,811.55 for William L. Karr, P.S., Northwoods Land Surveying – A Sidock Company to oversee administration of the contract; \$23,800 for Rogers Land Surveying to complete 17 corners; \$63,000 for Northwoods Land Surveying – A Sidock Company to complete 45 corners, and Peer Review agreements for Professional Surveyors, (\$525 per year): Jeff Davis, P.S. Great Lakes Surveying; Neil Hill, P.S. Mackinac Country Land Surveying, Erik Lewicki, P.S. Foresight LLC Professional Land Surveys, Larry Rogers, P.S. Rogers Land Surveying; Keith Waters P.S. retired and Lawrence Weinreis, P.S. MDOT– all the documents need to be approved and authorized for signature by the Commission.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to approve and authorize signatures on the 2016 Survey and Remonumentation Grant for \$89,698. On a voice vote, the motion CARRIED.

It was moved by Commissioner Johnson, seconded by Commissioner Shackleton, to approve William L. Karr, P.S. (Northwoods Land Surveying – A Sidock Company) to oversee administration of the contract in the amount of \$13,811.55. On a voice vote, the motion CARRIED.

It was moved by Commissioner Johnson, seconded by Commissioner Shackleton, to approve two Monumentation contracts one for \$23,800 for 17 corners to Rogers Land Surveying and another for \$63,000 for 45 corners to Northwoods Land Surveying – A Sidock Company. On a voice vote, the motion CARRIED.

It was moved by Commissioner Johnson, seconded by Commissioner Shackleton, to approve the Peer Review Agreements for Professional Surveyors at \$525 per year for the following Surveyors: Jeff Davis, Great Lakes Surveying; Neil Hill, Mackinac Country Land Surveying; Erik Lewicki, Foresight LLC Professional Land Surveys; Larry Rogers, Rogers Land Surveying; Keith Waters, retired and Lawrence Weinreis, Michigan Department of Transportation. On a voice vote, the motion CARRIED.

Elected Officials Benefits – Surveyor & Drain Commissioner Health Coverage – Discussion only

The Committee took no action on a lengthy discussion on the positions of the County Surveyor and the County Drain Commissioner's receiving health care benefits, as the positions are seen as part-time elected positions. As the Board of Commissioners benefits (elected and considered part-time) and the CCRC (appointed and considered part-time), the health benefits have been eliminated as of January 2017. The Committee made it clear this discussion was based on fiduciary responsibility. Elimination of the Drain Commissioner position was also discussed, as the duties can potentially be assigned to the Surveyor or the Road Commission.

Administrator Travel – Approve

U.P. Administrator's meeting was held on May 26 & 27, 2016, Administrator German, sought e-mail verification approving the travel prior to the meeting and we just need formal action for the records.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to formally approve the Administrator's travel to Marquette for the U. P. Administrator's meeting, which had prior e-mail approval from the Board of Commissioners. On a voice vote, the motion CARRIED.

2014 Stonegarden Equipment Purchase Request – Approve

The Committee reviewed a requested from Director Michelle Robbins, to purchase 2 Motorola APEX 600 portable radios, utilizing 2014 Operation Stonegarden Grant monies, at the cost of \$3,926.03 per radio from Elcom Systems, which is using the State of Michigan contract bid pricing.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to approve the purchase of two (2) Motorola APEX 600 portable radios, from 2014 Operation Stonegarden Grant monies, at the cost of \$7,852.06 from Elcom Systems, which is based on State of Michigan contract bid price. On a voice vote, the motion was CARRIED.

Approve Quotations from Positive Energy and waive County Purchasing Policy

The Committee was updated on the continued progress on the Energy Optimization with Positive Energy for the County Building, Courthouse, Animal Control and Central Dispatch switching to LED lighting, the job has been broken down into several smaller jobs. The Committee reviewed the Jail Exterior Lighting (parking areas), for these lights there is a four-year return based on the monthly estimated savings provided, once the twenty-seven lights are upgraded, with a \$1,150.80 rebate potential.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the quote for the Chippewa County Jail Exterior Lighting from Positive Energy at the cost of \$12,129.00, with an approximate four year return on the change, with an estimated rebate of \$1,150.80, and to waive the County Purchasing Policy. On a voice vote, the motion was CARRIED.

Inmate Health Care Contract – Select & Approve

Annually the Committee makes a decision regarding renewal of an Administrative Services Contract with BC/BS for the Chippewa County Inmates' facility, professional and prescription drugs coverage, plus an 11% administration fee. Medical Liaison Tuori and Lt. Stanaway have been working with Correctional Healthcare Companies (CHC) to provide a quote, to order, and administer all pharmacy for Chippewa County with an annual pharmacy cap of \$25,000. All medication costs over the cap would be the expense of Chippewa County. Any annual savings of less than the \$25,000.00 cap would be split 50%/50% between Chippewa County and CHC, with a \$3,000 Administration fee. The other services are believed to already be covered by the *Fourth Amendment to the Agreement for Inmate Health Care Services at Chippewa County, Michigan* which is in effect until October 2, 2016. The benefits of switching to CHC includes lower liability as the inmates coverage stops the minute they are released instead of midnight of their release date; the County will also be reimbursed for unused medications, as blister packs will now be used and elimination of some clerical duties, which will allow for more inmate clinic visits with the nurse. It was noted that although we hope this is a savings, we cannot be sure until some time has passed and the services are rendered.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to approve the Price Quote from CHC for Inmate Medical; Services at Chippewa County; adding an additional \$2,333.33 per month to the current contract effective July 1, 2016. All terms of the current Agreement, including CHC to order, and administer all pharmacy for Chippewa County with an annual pharmacy cap of \$25,000. All medication costs over the cap would be the expense of Chippewa County. Any annual savings of less than the \$25,000.00 cap would be split 50%/50% between Chippewa County and CHC, with a \$3,000 Administration fee. On a voice vote, the motion was CARRIED.

2016 Tax Rate Request – Review & Forward to Full Board – no motion needed

The Committee reviewed the rates and resolution for the Regular Board meeting and the Public Hearing that will be held on Thursday, June 16, 2016 at 5:30 p.m.

Revised DB Adoption Agreements and Revised Hybrid Agreements as follows – for name changing purposes only – Approve

The Committee was updated on the requested name changes of the Divisions for MERS, making it easier to determine which entity is which.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the revised DB Adoption Agreements and the Revised Hybrid Agreements name changes for the Divisions as follows:

For County Divisions:

- 1 – County AFSCME -closed
- 2 – County Corrections -closed
- 16 – County Non-Union - closed
- 20 – County Sheriff Road - closed
- HA – County Sheriff Road new hires
- HB – County Corrections new hires after 5/1/10
- HC – County Non-Union new hires after 5/1/10
- HF – County AFSCME new hires after 4/1/12

For Health Department

- 11 – HD Health Department -closed
- 15 – HD Non-Union -closed
- HD – HD Teamsters after 4/1/11
- HE – HD Non-Union after 4/1/11

For Employment Training

- 12 – no change

For Economic Development Corporation

- 13 – EDC General - closed
- 17 – EDC General after 12/1/13.

On a voice vote, the motion was CARRIED.

FINANCE

Claims and Accounts

The Committee reviewed the bills and payroll presented for approval.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to recommend the approval of May bills and payroll as follow: the general claims totaling \$210,128.48, other fund claims \$320,810.83, payroll \$460,283.34, Health Department claims \$472,139.23; total claims \$1,463,361.88 and vouchers H-1 through H-266. On a voice vote, the motion CARRIED.

Committee and Chairman's Comments

The Chairman and Committee briefly discussed the part-time retiree benefits again and the proposed Medicare Advantage program that was presented to the employee and retirees at meetings held on June 6th.

Adjourn

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to adjourn the meeting.

Chairman Martin declared the meeting adjourned at 12:40 p.m.


Kelly J. Church, Recorder


Jim Martin, Chairman