

FINANCE, CLAIMS AND ACCOUNTS COMMITTEE MEETING MINUTES

October 6, 2017

A regular meeting of the Chippewa County Board of Commissioners' Finance, Claims and Accounts Committee was held on Thursday, October 5, 2017 at the Chippewa County Courthouse in Sault Ste. Marie, Michigan. Chairman Martin called the meeting to order at 5:30 p.m. with a quorum present.

MEMBERS PRESENT: Jim Martin, Scott Shackleton, Don McLean, Conor Egan and Bobby Savoie

MEMBERS ABSENT: None

OTHERS PRESENT: Lana Forrest, Karen Senkus, Vince Babcock, Don Wilson, Jennifer France, Lee Brown, Jim German and Kelly Church

Approval of the Agenda

It was moved by Commissioner McLean, supported by Commissioner Shackleton, to approve the agenda as presented. On a voice vote, the motion CARRIED.

Public Comment

No public comment was offered.

Correspondence and Informational Items

The Committee received the Treasurer's Investment report, the monthly travel report, the monthly Visa billing statement, and reports from the Health Departments billing systems (Carefacts and Health Care First).

AGENDA ITEMS

Blue Cross Blue Shield 2018 Renewal

Administrator German addressed the Committee regarding the 2018 renewal with 44North, as previously disclosed to the Committee the renewal originally would have 3.1% overall increase; but that after meeting with 44North there is potential option to allow a savings of up to \$284,578.20 based on the current projection. Prior to approving moving forward with 44North for FY2018; the Committee discussed another local agent who would like the opportunity to provide a health care proposal. Through the discussion the Commissioners indicated that the services of 44North is not an issue; their rates and services are good, it is being able to give the other local agent a time table of when they can offer the County a proposal(RFP).

It was moved by Commissioner McLean, supported by Commissioner Shackleton, to move forward with 44North for FY2018 renewal and to address the proposal (RFP) in April 2018. On a voice vote, the motion CARRIED.

44North's Vince Babcock addressed the Committee on the renewal options for FY18, as well as, the savings over the past six years of 4.8 million, if the County would have left health care the same as 2013. The proposed 2018 Community Blue renewal with no changes has an estimated cost of \$3,745,18.20 (a 3.1% overall increase); with the option of specialty drugs being handled via 44North patient advocate and not within our Group policy, unless necessary the County's renewal would be a 4.73% savings at \$3,460,600.08. Several questions regarding the change in specialty drugs were covered.

It was moved by Commissioner Shackleton, supported by Commissioner Egan, to approve the FY2018 Community Blue renewal Prescription Carve Out 2 – Exclude Specialty Drugs option; with an estimated savings of 4.73%, total estimated cost of \$3,460,600.08; with specialty drugs excluded from the group coverage but not from the employee. On a voice vote, the motion CARRIED.

Health Department

Needle Exchange Program proposal

Health Officer Karen Senkus addressed the Committee regarding a proposal of implementing a needle exchange program in Chippewa County, as the Health Department has been contacted by MDHHS and NorthCare with potential funding available. This request for consideration of needle exchange has been spurred by high rates of Hepatitis C in Chippewa County, as we are 4th highest in the state. Needle exchanges are “harm reduction” programs and designed to prevent the spread of disease by keeping used needles from being re-used, shared and inappropriately discarded. Ms. Senkus presented a proposed budget of approximately \$104,382.46 for a mobile unit, as funding is available to begin the process of exploring and planning for a program. MDHHS has selected CCHD for a pilot needle exchange program, to see if health departments have more of an impact than community or grass-roots programs. The Committee had many questions including where the law enforcement of Chippewa County stood on the on the potential program, and were told at prior meetings that law enforcement was split, but would try to work with the Health Department. Conversation of this being an enabling program was discussed. Personnel, hours of activity and potential collaborations with Luce and Mackinac Counties and the local tribal governments were another topic. Committee members discussed their opinions at length of going back and forth on the issue and doing their own research on the matter; realizing that these are real everyday people and that we have a chance to reduce the health risk to everyone in the County.

It was moved by Commissioner McLean, supported by Commissioner Egan, to approve moving forward with a mobile Needle Exchange Program for Chippewa County, provided by the Chippewa County Health Department, as presented. On a voice vote, the motion CARRIED (4-1 Commissioner Savoie voting nay).

Commissioner Shackleton excused himself from the meeting at 6:24 p.m.

MERS – Michigan Works – MEDC Grant monies

Administrator German reviewed the EUP Employment & Training Consortium (Chippewa, Luce and Mackinac Counties) unfunded liability issue due to the transition of Michigan Works (formally EUP Employment and training Consortium) to Upward Talent Council. The Committee was asked to approve the ‘Withdrawal Agreement’ between Chippewa County and Municipal Employees’ Retirement System of Michigan (“MERS”) which has been reviewed by Attorney Steve Cannello, with changes made to the Future Employer Liability section. Chippewa County has received an \$800,000 MEDC grant for the unfunded liability portion of the MERS Division 12 participants. Administration German will also seek a Memorandum of Understanding with both Mackinac and Luce Counties for any future liabilities that may arise.

It was moved by Commissioner Savoie, supported by Commissioner McLean, to approve the ‘Withdrawal Agreement’ as amended between Chippewa County and MERS, pertaining to the Division 12 participants of Michigan Works (formally EUP Employment & Training Consortium); and to accept the MEDC grant monies for the outstanding unfunded liabilities and for the Administrator to negotiate MOU with Mackinac and Luce Counties for any future liabilities. On a voice vote, the motion CARRIED.

MERS – County additional \$200,000.00

The Committee reviewed financial options for a lump sum payment of \$200,000 from FY2016 fund balance that has been authorized to be sent to MERS to help lower the overall unfunded liability of the County's retirement divisions.

It was moved by Commissioner Savoie, supported by Commissioner McLean, to apply the funds towards the County's UAL to help reduce our 2019 contributions. On a voice vote, the motion CARRIED.

MERS – Policy 314 OPEB Health Care Retirement Vehicle & Annual Contribution

The Committee received revised Policy 314 – which simplifies the annual contribution to the OPEB Health Care Retirement Vehicle; annually in October the County Treasurer will send \$500,000 from the DTRF, plus or minus 90% of the earnings from the prior year based on the financial statement (audit). This year's contribution based on the new policy is \$417,805.02.

It was moved by Commissioner McLean, supported by Commissioner Savoie, to approve Policy 314 – OPEB Health Care Retirement Vehicle, as amended, and to authorize \$417,805.02 payment to MERS from the DTRF for the Health Care Retirement Vehicle. On a voice vote, the motion CARRIED.

Bid Summaries Snowplowing

Snow Plowing & Removal – County Buildings & Animal Shelter

The Committee reviewed the one bid received from snow plowing and removal.

It was moved by Commissioner McLean, supported by Commissioner Egan to approve the bids from Norris Contracting for snow plowing and removal at the Animal Shelter Parking Lot in the amount of \$2,500.00 and the City/County Building Parking Lot (8 space lot) in the amount of \$1,200.00. On a voice vote, the motion CARRIED.

It was moved by Commissioner McLean, supported by Commissioner Egan, to seek additional quotes and to authorize Administration to approve the low quote for the Courthouse Lot (32 spaces); as the bid did not meet specifications. On a voice vote, the motion CARRIED.

Snow Plowing at 911 Center

The Committee reviewed the one bid received from snow plowing at the Central Dispatch.

It was moved by Commissioner Egan, supported by Commissioner McLean, to approve the bid from Frontier Contracting LLC in the amount of \$3,800.00 for snow plowing. On a voice vote, the motion CARRIED.

Bid Summaries Copiers

Public Defenders Copier

The Committee reviewed the bid summary for the purchase of multifunction copier/printer/scanner/fax machine with long-term maintenance. All bids met specifications and the local vendor's preference was reviewed prior to authorization.

It was moved Commissioner McLean, supported by Commissioner Savoie, to approve the low bid of \$3,709.00 from Image Maker Inc./Xerox to purchase one Xerox B7035 Versalink Multifunction copier; with .0065 per click maintenance costs. On a voice vote, the motion CARRIED.

Courthouse Main Copier (High Volume)

The Committee reviewed the bid summary for the purchase or lease of one high volume copier with long-term maintenance for the Courthouse. All bids met specifications.

It was moved by Commissioner Egan, supported by Commissioner Savoie, to approve the low bid of \$5,027.08 from National Office Products to purchase one Konica Minolta Bizhub 458 Digital Copier; with .007 per click maintenance costs. On a voice vote, the motion CARRIED.

County Policies

No. 230 Sick Leave and Sickness and Accident Insurance Benefit; No. 232 Vacation Leave (Non-union Employees); No. 233 Other Leave Time; No. 301 Annual Budget Development; No. 310 Accounts Payable; No. 313 Fund Balance Policies as Required by GASB 54; No. 315 Use of County Credit Cards; No. 321 Transfers and Supplemental Appropriations; No. 341 Fixed Assets Management; No. 410 Travel and Business Expenses and No. 322 (new) Uniform Guidance Policies and Procedures Federal Awards Administration – Chippewa County

The Committee received several policies as a result of Audit Finding 2016-001 – Written Procedures Required by OMB's Uniform grant Guidance, Immaterial noncompliance which requires written procedures covering: financial management systems, cash management, payments, allowable costs, period of performance, federal timekeeping, matching or cost sharing

It was moved by Commissioner McLean, supported by Commissioner Egan, to approve the updated, amended and new policies as presented including policies Nos. 230, 232, 233, 301, 310, 313, 315, 321, 341, 410 and 322. On a voice vote, the motion CARRIED.

Courthouse Building & Grounds

Roof Update

Administrator German notified the Committee that the roof project has been completed and it was finished under budget, with only one \$2,000 change order. The total bid was \$262,000 (original bid) plus \$2,000 change order, in which \$300,000 was budgeted for the project.

Handicapped Entrance Sidewalk/Heat mats

The Committee was given a brief update of the soon to be single-point of entry for both the County Building and the Courthouse. Administrator German sought a quote to repair the handicapped entrance, specifically the heat mats which have sections that are no longer working. Mr. German discussed the added project, including the need to have the County's purchasing policy waived, if the Committee were to approve the project.

It was moved by Commissioner Savoie, supported by Commissioner McLean, to approve the quote from Kaysner Construction not to exceed \$25,000 for the handicapped entrance heat mats and to correct a trip hazard at the south end of the Courthouse. On a voice vote, the motion CARRIED.

Public Defender

Michigan Indigent Defense Commission Compliance Plan

Public Defender Jennifer France addressed the Committee regarding Act 93 of 2013 which created the Michigan Indigent defense commissioner and to provide for its powers and duties; to provide indigent defendants in criminal cases with effective assistance of counsel; to provide standards for the appointment of legal counsel; to provide for and limit certain causes of actions; and to provide for certain appropriations and grants. The application is due in November. The Committee had several questions, including wanting to table the Compliance Plan until after the budget process and to possibly seek an outside independent legal opinion on the matter. The Committee was concerned with the mandates attached to the Plan, and the long term liability of

hiring any new staff, which is proposed in the plan. It was noted that the County's Prosecutor had reviewed the MIDC Compliance Plan Workbook and indicated there were no issues. Discussion followed.

It was moved by Commissioner Egan, supported by Commissioner McLean, to approve the Michigan Indigent Defense Commission Plan Workbook, as presented and to meet with the compliance of Act 93 of 2013. On a voice vote, the motion CARRIED.

Central Dispatch

2017 Emergency Management Performance Grant

The Committee received and reviewed the 2017 Emergency Management Performance Grant (EMPG); in the amount \$16,094 the allocation covers 35.69% of the program manager's salary and fringe benefits. The FY2017 EMPG program has a 50% cost match (cash or in-kind) requirement. The grant covers 10/1/2016 to 9/30/2017.

It was moved by Commissioner Egan, supported by Commissioner Savoie, to approve and authorize the Emergency Management Performance Grant for the period 10/1/2016 to 9/30/2017, in the amount of \$16,094. On a voice vote, the motion CARRIED.

2018 Work Agreement

The Committee reviewed the FY2018 Emergency Management Performance Grant (EMPG) Work Agreement, which described the requirements of the Local Emergency Coordinator.

It was moved by Commissioner McLean, supported by Commissioner Savoie, to authorize the FY2018 Emergency Management Performance Grant (EMPG) Work Agreement/Quarterly Report. On a voice vote, the motion CARRIED.

Resolution 17-24 Support SB 400 and HB 4651

The Committee reviewed but took no action on Resolution 17-24 which supports amending the funding system for 9-1-1 so that all communication devices that have access to 9-1-1, including prepaid wireless devices, contribute equally to the funding of 9-1-1 operations.

Drug Court contracts 10-1-2017 to 9-30-2018

ML Consultant contract

Redwood Toxicology

Great Lakes Recovery Centers, Inc.

The Committee reviewed three contracts that pertain to 50th Circuit Drug Court Program and fall within the Grant specifications effective 10-1-2017 through 9-30-2018. ML Consultant to provide case management services; Redwood Toxicology for drug screening order by the 50th Circuit Court and Great Lake Recovery Centers, Inc. to provide substance abuse and related counseling services to participants of the Drug Court Program.

It was moved by Commissioner McLean, Supported by Commissioner Egan, to approve the contracts for ML Consultant, Redwood Toxicology and Great Lakes Recovery Centers, Inc., to provide services to participants of the 50th Circuit Court Drug Court Program from 10-1-2017 through 9-30-2018. On a voice vote, the motion CARRIED.

FINANCE - Claims and Accounts

The Committee reviewed the bills and payroll presented for approval.

It was moved by Commissioner Egan, supported by Commissioner Savoie, to recommend the approval of September bills and payroll as follow: the general claims totaling \$172,357.72, other fund claims \$411,073.34, payroll \$665,913.22, Health Department claims \$281,822.44 and Health Department payroll \$218,514.08; total claims \$1,749,680.80 and vouchers H-1 through H-292. On a voice vote, the motion CARRIED.

Budget Amendment

The Committee reviewed an amendment regarding prisoner billing reimbursement.

It was moved by Commissioner Savoie, supported by Commissioner Egan, to approve a budget amendment increasing both 101-000-545.000 (revenue) and 101-229-801.229 (expense) regarding prisoner billing. On a voice vote, the motion CARRIED.

Resolution 17-25 Apportionment of 2017 Millages.

No action was necessary as the Committee reviewed Resolution 17-25 which reviews all the millages requested by the various taxing entities of the County.

Committee/Chairperson Comments

Commissioner McLean addressed the policies, indicating the Committee is relying on Administration to make sure things were in order.

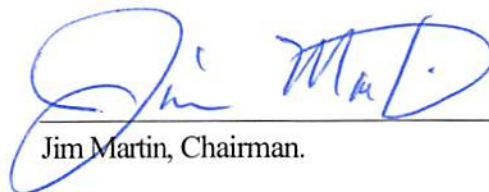
Adjourn

It was moved by Commissioner McLean, supported by Commissioner Egan to adjourn.

Chairman Martin declared the meeting adjourned at 7:11 p.m.



Kelly J. Church, Recorder



Jim Martin, Chairman.