

# **FINANCE, CLAIMS AND ACCOUNTS COMMITTEE MEETING MINUTES**

**July 6, 2017**

A regular meeting of the Chippewa County Board of Commissioners' Finance, Claims and Accounts Committee was held on Thursday, July 6, 2017 at the Chippewa County Courthouse in Sault Ste. Marie, Michigan. Chairman Martin called the meeting to order at 2:02 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, Christine Lundquist, Jim German, Karen Senkus, and Kelly Church

## **Approval of the Agenda**

**It was moved by Commissioner Shackleton, supported by Commissioner Savoie, 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. Administrator German asked several questions regarding the reporting and the charges at the Health Department; specifically in continuing services of non-payers; as on the agenda is to write-off environmental health, public health and SHACC items, covering the past several years. It was noted that Health Care First is still not accurately locking months for the Health Department; and that the Health Department is hopeful to have financials to the Committee by next month.

## **AGENDA ITEMS**

### **Correctional Healthcare Companies (CHC) annual renewal**

The Committee reviewed the renewal from Correctional Healthcare Companies (CHC) for continued inmate healthcare services, continuing October 3, 2017 through October 2, 2018. CHC is seeking a 3.0% rate increase from \$15,886.55 to \$16,363.15 per month (annually \$196,357.80), the 3.0% is consistent with the Consumer Price Index (CPI). Discussion followed.

**It was moved by Commissioner Savoie, supported by Commissioner McLean, to approve and authorize the Correctional Healthcare Companies contract increase of 3.0% for continued inmate healthcare starting October 3, 2017 through October 2, 2018, the monthly rate of \$16,363.15 (\$196,357.80 annually). On a voice vote, the motion CARRIED**

### **Chippewa County Courthouse – Roof Replacement**

The Committee reviewed the Courthouse roof replacement project work from U.P. Engineers & Architects, Inc., including the bid proposals from two companies and recommendation to approve Kaysner Construction's lower bid of \$262,000 to complete the project. If approved UPEA will proceed with the preconstruction meeting and contract signing. Discussion followed, including Commissioner Egan's skepticism regarding the lower price, and he believes through change orders the project will exceed the budgeted amount. Additional savings of \$25,000 could be an option, if the time restraints of the project were not as issue.

**It was moved by Commissioner McLean, supported by Commissioner Savoie, to approve the Courthouse roof replacement bid of \$262,000 to Kaysner Construction, Inc., and to authorize U.P. Engineers & Architects, Inc., to proceed with the project, with the preconstruction meeting and obtaining a signed contract. On a voice vote, the motion CARRIED.**

**FY18 Liquor Tax Funds Request – NorthCare Network**

The Committee reviewed the letter from NorthCare Network, regarding its Substance Use Disorder services in the Upper Peninsula, including prevention, recovery and treatment services in Chippewa County funded with a portion of the liquor tax monies received from the County. NorthCare is seeking a renewal request for FY18 for services, the approved amount from FY17 was \$170,700. Administrator German reminded the Committee about payment formula and proceeds paying for COBO Hall.

**It was moved by Commissioner Egan, supported by Commissioner McLean, to approve and authorize renewal of FY18, for services provided by NorthCare Network and following the Substance Use Disorder services policies. On a voice vote, the motion CARRIED.**

**Release RFQ's**

**Copy Machines (Administrator & Central Dispatch)**

**4G LTE Modems (Law Enforcement)**

The Committee reviewed two RFQ's to be released and seek quotes for two copy machines and for 4G LTE modems.

**It was moved by Commissioner Savoie, supported by Commissioner Shackleton, to approve the release of the RFQ's for Copy Machines (Administrator & Central Dispatch) and for 4G LTE Modems (Law Enforcement). On a voice vote, the motion CARRIED.**

**Health Department**

**Financial Policy 2.02.003 – Agency**

**Administrative Policy 7.01.030 - SHACC**

The Committee reviewed two Health Department policies regarding rates to be charged for services. These two policies will enable the Health Department to establish fees for services set according to the Blue Cross Blue Shield (BC/BS) traditional fee scale in accordance with the proper CPT code fee schedules will be updated annually and when adjusted by BC/BS. These policies cover Public Health Clinics and the Sault Health Adolescent Care Center.

**It was moved by Commissioner Mclean, supported by Commissioner Egan, to approve Financial Policy 2.02.003 – Agency and Administrative Policy 7.01.030 – SHACC as presented: with fees for services to be associated with the BC/BS CPT code; and adjusted accordingly. On a voice vote, the motion CARRIED.**

**Authorize Health Officer as Authorizing Official for grant work**

The Committee received and reviewed a requested from Health Officer Karen Senkus, asking the she be designated as the authorizing official for Chippewa County Health Department. This designation would allow for her to submit annual work plans and budgets with the state's E-Grants systems, as well as, allowing her to issue Letters of Intent to apply for grant funding on a continual basis. Awarded fund will be brought to the Board of Commissioners to approve and authorize.

**It was moved by Commissioner McLean, supported by Commissioners Egan, to authorize the Health Officer as the authorized official to allow for submittal of work plans and budgets within the state's E-gram system and to allow for issuing of Letter of Intent to apply for grant funding on a continual basis; with the understanding that all grant awards will be subject to the Board of Commissioners approval and authorization. On a voice vote, the motion CARRIED.**

**Health Department - Approve & Accept Michigan Health Fund Grant \$10,000.00**

The Committee reviewed a grant award letter and grant agreement from the Community Foundation of the Upper Peninsula and its Michigan Health Grant Fund Committee awarding the Chippewa County Health Department \$10,000.00 for its "Resilient Youth, Strong Future" program.

**It was moved by Commissioner McLean, supported by Commissioner Savoie, to approve and accept receipt of funds from the Community Foundation of the Upper Peninsula and its Michigan Health Grant Fund Committee awarding the Chippewa County Health Department \$10,000.00 for its "Resilient Youth, Strong Future" program. On a voice vote, the motion CARRIED.**

**Health Department - Health Messenger system**

The Committee received a request to purchase a new automated phone call reminder system for the Health Department's Personal Health programs. The current system server is failing and Teletask is being phased out by its company. The new Health Messenger system is internet based, with additional features and provides a cost savings to the Health Department of approximately \$1,220.24 in the first year and \$1,470.24 in the subsequent years.

**It was moved by Commissioner Egan, supported by Commissioner McLean, to approve the purchase of the Health Messenger program at a price not to exceed \$1,550.00; which will provide a savings to the Health Department. On a voice vote, the motion CARRIED.**

**Health Department Write-offs**

The Committee received and reviewed the first of annual write-offs for Environmental Health, SHACC (including dental) and Public Health, noting that this first year is a multiple-year write-off for these programs, as previously the write-offs were not followed up on after being presented to the Board of Health. This request includes write-offs totaling \$11,019.01 (Environmental Health \$6,984.25, Public Health \$3,279.35 and SHACC including dental \$755.41); and establishes a policy for future write-offs to be provided each November to the Finance Committee for review and approval. All items will be written-off by the Health Department; although items above \$100 will be sent to collections. It was also noted that \$1,292.00 was not written off in EH as the businesses are still in business and payment is being sought with the possibility of ceasing services in the future, if possible in order to collect the outstanding debt. Discussion followed, with questions regarding the SHACC and its area of service.

**It was moved by Commissioner McLean, supported by Commissioner Egan, to approve the write-offs as presented totaling \$11,019.01 (Environmental Health \$6,984.25, Public Health \$3,279.35 and SHACC including dental \$755.41); and for the Health Department to follow the new procedure providing the write-off's annually in November. 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 June bills and payroll as follow: the general claims totaling \$374,525.73, other fund claims \$782,576.34, payroll \$459,894.05, Health Department claims \$282,133.63 and Health Department payroll \$352,132.54; total claims \$2,251,262.29 and vouchers H-1 through H-331. On a voice vote, the motion CARRIED.

**Audit Amendments – Beginning Fund Balances to Audit**

The Committee reviewed the beginning fund balances based on the FYE 12/31/16 audit.

It was moved by Commissioner Egan, supported by Commissioner Savoie, to approve the beginning fund balances as presented from the FY2016 Audit. On a voice vote, the motion was CARRIED. (See attached)

**Budget Amendments**

The Committee reviewed the budget amendments, having several questions regarding the necessity for the required deficit plan, as Gabridge & Company during its audit presentation, noted to the County that the page 17 negative balance in unassigned that ‘nothing’s wrong’ that it was just governmental accounting (GASB 54); the negative is due to prepaids, which will be handled differently in the future. The deficit elimination plan resolution will be acted on during Regular session and the sent to the Department of Treasury for approval; with-out approval this will effect the County’s State Revenue Sharing. Discussion followed.

It was moved by Commissioner McLean, supported by Commissioner Egan, to approve the budget amendments as presented. On a voice vote, the motion was CARRIED. (See attached)

It was further moved by Commissioner McLean, supported by Commissioner Egan, to have Administration review the Auditor’s contract to see if there is an opt-out clause of the three year contract. On a voice vote, the motion CARRIED.

**Committee/Chairperson Comments**

Commissioner Egan talked briefly about the USCG inspection hold-up during the holiday weekend, which cost valuable time to visitors to the area, and revenue to businesses that count on the tourist season.

Commissioner McLean announced the purchase of a mobile stairway by the Chippewa County EDC, which in the past were rented; with funds being provided from EDC and the SOM.


Administrator German addressed the Committee regarding the Fire & Ambulance Renewal millage, and the proposed Jail maintenance/operational millage, noting that it would cost the County \$40,000 this year to have the questions posed; and there is still enough time to run the questions next year. Commissioner Savoie noted he was in favor of the jail building maintenance only, by adding operational (personnel) adds unnecessary liability; to what is needed for the building. Commissioner Egan noted that staffing in needed. Discussion followed.

**Adjourn**

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

Chairman Martin declared the meeting adjourned at 2:54 p.m.

  
Kelly J. Church, Recorder

  
Jim Martin, Chairman

7/10/2017		Chippewa County			
		Budget Amendments			
		Beginning Fund Balances			
			Original Budget	Amended Budget	Change
101-000-390-000			3,759,455.00	4,180,779.22	421,324.22
145-000-390-000			12,203.00	25,574.54	13,371.54
152-000-390-000			81,818.00	73,209.32	(8,608.68)
166-000-390-000			150.00	150.00	0.00
208-000-390-000			0.00	14,685.83	14,685.83
210-000-390-000			618.00	949.23	331.23
211-000-390-000			78,053.00	89,654.11	11,601.11
215-000-390-000			90,485.00	116,284.97	25,799.97
216-000-390-000			6,655.00	5,439.92	(1,215.08)
225-000-390-000			683,375.00	704,482.31	21,107.31
226-000-390-000			196,673.00	104,673.02	(91,999.98)
229-000-390-000			39,925.00	64,744.34	24,819.34
230-000-390-000			181,129.00	132,323.90	(48,805.10)
232-000-390-000			103,080.00	81,179.78	(21,900.22)
235-000-390-000			71.00	0.00	(71.00)
255-000-390-000			1,238.00	473.83	(764.17)
256-000-390-000			81,363.00	94,009.43	12,646.43
258-000-390-000			28,113.00	28,625.88	512.88
259-000-390-000			5,792.00	5,151.72	(640.28)
263-000-390-000			7,342.00	17,392.57	10,050.57
264-000-390-000			28,155.00	29,319.83	1,164.83
266-000-390-000			10,897.00	10,422.27	(474.73)
267-000-390-000			20,539.00	23,557.88	3,018.88
268-000-390-000			5,595.00	6,595.11	1,000.11
269-000-390-000			2,339.00	1,522.24	(816.76)

		Chippewa County		
		Budget Amendments		
		Beginning Fund Balances		
		Original Budget	Amended Budget	Change
272-000-390-000		1,273.00	1,391.41	118.41
274-000-390-000		7,651.00	8,092.61	441.61
282-000-390-000		124,958.00	163,642.45	38,684.45
285-000-390-000		75,651.00	125,130.76	49,479.76
287-000-390-000		1,158.00	1,158.33	0.33
291-000-390-000		65,084.00	48,903.72	(16,180.28)
294-000-390-000		2,673.00	0.00	(2,673.00)
363-000-390-000		34,600.00	34,600.00	0.00
368-000-390-000		0.00	0.00	0.00
472-000-390-000		7,503.00	7,502.75	(0.25)

7/10/2017		Chippewa County							
		Budget Amendments							
Revenue			Original Budget	Amended Budget	Change	Description			
211-000-699-210	Office Emergency Service	Transfer In	158,383.00	122,304.40	(36,078.60)	Reclassify Transfer Deficit Plan			
212-000-699-210	911 Emergency	Transfer In	5,382.66	41,461.66	36,079.00	Reclassify Transfer Deficit Plan			
Expenditures									
101-865-701-000	General Fund	Insurance	240,000.00	265,000.00	25,000.00	Increased Expenses			
101-878-701-000	General Fund	Legal	10,000.00	35,000.00	25,000.00	Increased Expenses			
101-886-701-000	General Fund	Cost Allocation Plan	4,000.00	7,500.00	3,500.00	Prior Year Billed This Year			
210-000-999-211	County Ambulance	Transfer Out	158,383.40	122,304.40	(36,079.00)	Reclassify Transfer Deficit Plan			
210-000-999-212	County Ambulance	Transfer Out	5,382.66	41,461.66	36,079.00	Reclassify Transfer Deficit Plan			