

SCHOOLCRAFT COUNTY BOARD OF COMMISSIONERS

The Schoolcraft County Board of Commissioners / Audit Finance Committee met on Thursday, July 25, 2013 in the District Courtroom of the Schoolcraft County Building, City of Manistique, Michigan, commencing at 7:00 p.m. Chairperson Allen Grimm called the meeting to order at 7:00 p.m. The roll was called with the following members present and/or absent:

Present: Chairperson Allen Grimm
Vice-Chairperson Daniel J. LaFoilie
Commissioner Craig Reiter
Commissioner Sue Cameron
Commissioner Gerald L. Zellar
Schoolcraft County Clerk Daniel R. McKinney

Absent: None.

Also present: Schoolcraft County Treasurer Julie Roscioli.

Chairperson Allen Grimm led the Schoolcraft County Board of Commissioners and the members of the audience in the Pledge of Allegiance to the Flag of the United States of America.

It was moved by Commissioner Zellar and was seconded by Commissioner Cameron to approve the minutes of the July 16, 2013 meeting of the Schoolcraft County Board of Commissioners. The motion carried by unanimous aye vote of the Board members present. [Copies of minutes are available at the Office of the Schoolcraft County Clerk.]

Chairperson Allen Grimm asked if there were any additions, deletions or corrections to the printed agenda. Commissioners asked that Consultant Agreement for Medical Care Facility, David Maddox Start Date as magistrate, and Schoolcraft Memorial Hospital Board Appointment be added to the Agenda under "New Business". **It was moved** by Commissioner LaFoilie and was seconded by Commissioner Cameron to approve the amended agenda. The motion carried by unanimous aye vote of the Board members present.

"Public Hearings": None.

"Brief Public Comment": None.

"Old and Unfinished Business": Commissioner LaFoilie gave an update to the Board regarding Medical Care Facility stating that we have met with the MCF Board to try to establish where we stand and what the need is going forward. Commissioner LaFoilie said we need to look at the worst case scenario. He said we need to make sure MCF is sustainable. Commissioner LaFoilie noted that Michigan Association of Counties and UPCAP have made recommendations to bring in a current Medical Care Facility Director and a former director as consultants. Commissioner LaFoilie said we asked Mr. Hubbard and the MCF Board to bring in a second set of eyes to look at things and they have agreed. The consultants will be in next week he said, and MAC will pay one-half of any costs associated with this. Commissioner LaFoilie said Mr. Hubbard had established numbers going forward, but then indicated that these were not correct. Commissioner

LaFoilie said we believe that the need could be \$50,000.00 to \$75,000.00 per months, but we need to know for sure. Commissioner LaFoilie said we believe that MCF is not sustainable without a millage and or significant cuts. The consultants will help with developing hard numbers. If it was a bank that was being asked for money, they would want to know it is sustainable and so should we, he said. Commissioner LaFoilie said we were initially told that MCF would need money on October first, and then we got a phone call this week and were told that they would need money the second pay period in August. We were also told that they would need to give the state 30 day notice of closure so our timeline is very short now. Commissioner LaFoilie said we have two scenarios; to let the facility fail in which case the county could still be on the hook for retirement and unemployment, or just give them money. Commissioner LaFoilie said he believes neither scenario is worthy, and he feels we should establish some stipulations in a cash flow agreement if the Board decides to go that route. Commissioner LaFoilie said for instance we could ask for all financial information and staff changes. There was discussion. **It was moved by** Commissioner Zellar and was seconded by Commissioner Reiter to talk to Mr. Boyd and ask his advice. The motion carried by a unanimous aye vote of all members present.

No further "Old and Unfinished Business".

Under "New Business": It was moved by Commissioner LaFoilie and was seconded by Commissioner Reiter to approve the Budget Schedule for FY 2014. The motion carried by a unanimous aye vote of all members present.

Further under "New Business": It was moved by Commissioner Cameron and was seconded by Commissioner Reiter to authorize a budget adjustment for per diems for Commissioner District #3 and #5. The motion carried by a unanimous aye vote of all members present.

Further under "New Business": Schoolcraft County Clerk Dan McKinney said in working on the budget for FY 2014, the Finance Committee notice that revenues for Hangar Fees are low. The Committee suggested looking into accounting of this revenue through the Treasurer's Office. Mr. McKinney said he spoke with Jim Hursey and Jim said they are collecting from all six pilots who store their planes at the Airport. Mr. Hursey said some pilots pay annually and if they do they get one month rental free. Commissioners agreed that the Airport Committee will look into this matter.

Further under "New Business": Schoolcraft County Treasurer Julie Roscioli informed the Board that we have an opportunity to refinance the Debt Bonds for the DHS Building Addition and get lower rates which would save approximately \$47,000.00 over the next eight or nine years.

Julie said the way the rental agreement with the State of Michigan is structured the savings would be a benefit of the state. Julie said Dan McKinney communicated with the State of Michigan and they have agreed to split the savings equally with Schoolcraft County. **It was moved by** Commissioner LaFoilie and was seconded by Commissioner Zellar to authorize the Chairperson to sign the resolution to move forward with refinancing the Debt Bond reduction for the DHS Building. The motion carried by a unanimous aye vote of all members present.

Further under “New Business”: It was moved by Commissioner LaFoilie and was seconded by Commissioner Cameron to authorize the Chairperson to sign the Consultant Agreement for Schoolcraft County Medical Care Facility. The motion carried by a unanimous aye vote of all members present.

Further under “New Business”: Commissioner LaFoilie said he has heard that there has been talk of the start date for David Maddox working as Magistrate has been moved up. Commissioner LaFoilie noted that the Board has not acted on this, nor have they received a request to do so. Commissioner LaFoilie said if they have a request they should bring it to the Board. **It was moved by** Commissioner LaFoilie and was seconded by Commissioner Zellar to keep the start date for David Maddox to begin working as Magistrate as August 12, 2013. The motion carried by a unanimous aye vote of all members present.

Further under “New Business”: It was moved by Commissioner Reiter and was seconded by Commissioner LaFoilie to appoint Ernie Krueger as a member of the Schoolcraft Memorial Hospital Board to replace Jack LaRose with a term ending date of 12-31-14. The motion carried by a unanimous aye vote of all members present. Commissioner Zellar said he would like to thank Mr. LaRose for his years of service.

No further “New Business”.

Under Committee and Department Reports, the following matters were heard:

Commissioner Sue Cameron: Attended the Transit Meeting where they talked about the millage. Attended the Hospital Board Meeting and they have formed an ad hoc committee to look into possible cuts to address financial issues.

Commissioner Daniel J. LaFoilie: Will be attending the LMAS Board Meeting Monday and they will be talking about Luce County Health Department purchasing the building from Luce County. Commissioner LaFoilie said he is opposed to this and would like the Board’s input. **It was moved by** Commissioner LaFoilie and was seconded by Commissioner Zellar to object to

the purchase of the Luce County Health Department Building by LMAS. The motion carried by a unanimous aye vote of all members present.

Commissioner Craig Reiter: Noted that Craig Kelso attended the Gulliver Lake Association Meeting and read the consultants report stating that the dam should have the crack patched. Attended the OEC Meeting where they reviewed the plan. Attended the 911 meeting where they discussed batteries for radio and the 911 Board made the recommendation to buy these batteries with 911 funds. **It was moved by** Commissioner Reiter and was seconded by Commissioner Zellar to replace batteries for radios using 911 funds and have 911 follow the usual voucher process. The motion carried by a unanimous aye vote of all members present. Commissioner Reiter also noted that the VA Counselor Vicki Stewart has submitted her letter of resignation and he thanked her for her years of service.

Commissioner Gerald Zellar: No report.

Commissioner Allen Grimm: Noted that VA Counselor Vicki Stewart has requested from the Board what the starting salary and benefits would be for the new VA Counselor. **It was moved by** Commissioner LaFoilie and was seconded by Commissioner Cameron to maintain the current salary and benefits for the VA Counselor and to waive the 10% salary reduction. The motion carried by a unanimous aye vote of all members present. Commissioner Grimm also noted that Bonnie Toskey has sent a letter to the Board outlining how to sever the relationship with the Housing Commission if the Board chooses to do so. Commissioner Grimm said he would like to forward a copy of this letter to Dixie Anderson. **It was moved by** Commissioner LaFoilie and was seconded by Commissioner Reiter to forward a copy of Bonnie Toskey's letter to Dixie Anderson, Housing Commission Director. The motion carried by a unanimous aye vote of all members present. Commissioner Grimm further noted that there was a mercury spill in Manistique and Emergency Manager Bob Berbohn was involved in helping to handle the process.

Announcements and Notices: None.

Public Comment: Dale Dufour of Manistique stated that Commissioners should not work for nothing. He also stated that Medical Care facility is like a baseball team. If the team is doing poorly you don't fire the players, you fire the manager.

Communications: Commissioner LaFoilie congratulated Lynn Norton on being named Folk Fest Hero for 2013.

No further "Communications".

Audit Finance Chairperson Daniel J. LaFoilie called the Audit Finance Meeting to order at 8:15 P.M.

Purchase Requisitions: It was moved by Commissioner Zellar and was seconded by Commissioner Reiter to approve a purchase requisition from District Court in the amount of \$207.00 for envelopes. The motion carried by a unanimous aye vote of all members present.

It was moved by Commissioner Grimm and was seconded by Commissioner Cameron to approve a purchase requisition from the Sheriff's Department in the amount of \$215.00 plus shipping for pepper spray. The motion carried by a unanimous aye vote of all members present.

It was moved by Commissioner Reiter and was seconded by Commissioner Cameron to approve a purchase requisition from the Treasurer's Office in the amount of \$299.33 for registration and lodging for a conference to be paid out of the Foreclosure Fund. The motion carried by a unanimous aye vote of all members present.

It was moved by Commissioner Zellar and was seconded by Commissioner Reiter to approve budget adjustments numbered 264-13 through 304-13, inclusive. The motion carried by unanimous aye vote of the Board members present.

It was moved by Commissioner Grimm and was seconded by Commissioner Zellar to approve the claims and vouchers numbered 5913 through 6020, inclusive, excluding a voucher for a hat for the Undersheriff and one for liability insurance for the Senior Center. The motion carried by unanimous aye vote of the Board members present.

It was moved by Commissioner Zellar and was seconded by Commissioner Cameron to adjourn the Meeting of the Schoolcraft County Board of Commissioners. The motion carried by a unanimous aye vote of all members present.
The meeting was adjourned at 8:25 P.M.

Allen Grimm
Chairperson County Board

Daniel J. LaFoilie, Sr.
Audit Finance Chairperson County Board

Daniel R. McKinney, County Clerk