

FINANCE COMMITTEE
April 18, 2018
Minutes

Members Present: Grebner, Louney, Crenshaw, Koenig (arrived at 6:02 p.m.), Tennis, Anthony, and Schafer

Members Absent: None

Others Present: Sheriff Scott Wriggelsworth, Treasurer Eric Schertzing, Jill Rhode, Bill Conklin, Deb Fett, Alan Fox, Tim Morgan, Melissa Buzzard, Bonnie Toskey, Gordon Love, Tim Dolehanty, Teri Morton, Tim St. Andrew, Aaron Sarver, Travis Parsons, Doug Stover, Michael Townsend, Lindsey LaForte, and others

The meeting was called to order by Chairperson Grebner at 6:01 p.m. in Conference Room D & E of the Human Services Building, 5303 South Cedar Street, Lansing, Michigan.

Approval of the April 4, 2018 Minutes

WITHOUT OBJECTION, CHAIRPERSON GREBNER RECOGNIZED THAT THE APRIL 4, 2018 FINANCE COMMITTEE MEETING MINUTES WERE APPROVED AS PRESENTED.

Commissioner Koenig arrived at 6:02 p.m.

Additions to the Agenda –

7. Parks Department
 - d2. Resolution to Authorize a Trails and Parks Millage Funded Contract for Delhi Township for Engineering and Planning for the Holt to Mason Trail

Substitutions –

5. Law & Courts Committee – Resolution to Submit to the Electorate a Special Millage Question for a Justice Complex and Treatment Programming
7. Parks Department
 - d. Resolution to Authorize Additional Contracts for Trails and Parks Millage Applications for Meridian Charter Township
11. Controller/Administrator's Office
 - a. Resolution Authorizing Adjustments to the 2018 Ingham County Budget

12. Human Resources
 - b. Resolution to Approve Reclassification Requests for the ICEA – Professional County Employees (*Materials to be Distributed at Meeting*)
 - c. Attorney Client (*Closed Session*)

Removed –

7. Parks Department
 - b. Resolution to Authorize an Addendum to the Residential Lease Agreement for the Lake Lansing Park South Rental House

Limited Public Comment

None.

MOVED BY COMM. SCHAFFER, SUPPORTED BY COMM. TENNIS, TO APPROVE A CONSENT AGENDA CONSISTING OF THE FOLLOWING ACTION ITEMS:

2. Sheriff's Office – Resolution to Accept Dataworks as a Sole Source Vendor and to Purchase Two Mobile Identification Units
3. Circuit Court – Resolution to Authorize Project Change Request #2 for the Statement of Work Entered into with Imagesoft Corporation Pursuant to Resolution #16-276 and an Analysis by Equivant of the Case Initiation and Auto Docketing Processes
4. Animal Control – Resolution to Accept a Bissell Pet Foundation Empty the Shelters Free Adoption Grant
6. Equalization/Tax Mapping
 - b. Resolution Designating County Representatives at State Tax Commission Hearings
7. Parks Department
 - a. Resolution to Authorize a Contract with L. J. Trumble Builders, LLC
 - c. Resolution to Authorize a Contract with Rowe Professional Services Company
 - e. Resolution Revising the Parks Department Shelter Fee Waiver Policy
8. Innovation and Technology Department – Resolution to Approve the Renewal of the Dell Compellent Support Agreement
9. Road Department
 - a. Resolution to Approve Proposed 2018 Ingham County Bridge Funding Applications
 - b. Resolution to Authorize the Purchase of 2018-2021 Seasonal Requirements of Processed Road Gravels, Crushed Aggregates, and 2NS Sand

10. Potter Park Zoo
 - a. Resolution to Amend Resolution #17-066 Visitor Incentive Programs at Potter Park Zoo
 - b. Resolution to Authorize a Film Policy at Potter Park Zoo

11. Controller/Administrator's Office
 - b. Resolution to Accept the 2019 – 2023 Strategic Plan

12. Human Resources
 - a. Resolution to Approve a Collective Bargaining Agreement with the Capital City Labor Program, Inc – 911 Non-Supervisory Unit
 - b. Resolution to Approve Reclassification Requests for the ICEA – Professional County Employees (*Materials to be Distributed at Meeting*)

THE MOTION CARRIED UNANIMOUSLY.

THE MOTION TO APPROVE THE ITEMS ON THE CONSENT AGENDA CARRIED UNANIMOUSLY.

1. Presentation – Pre-Audit Communication

Jill Rhode, Financial Services Director, stated that every year the auditors came before the Committee at the start of the audit to provide expectations of the audit.

Tim St. Andrew, Plante & Moran Assurance Senior Manager, stated that he was the Manager of the Audit and was accompanied by Aaron Sarver, In-Charge Auditor. He further stated that they had just started the audits but at the end of the audit, they would deliver a finance statement and a single audit of the County's Federal grants.

Mr. St. Andrew stated that the Committee members should have received a pre-audit letter explaining the scope of the audit. He further stated that they expected this audit to take about three to four weeks.

Mr. St. Andrew stated that was referring to page 2 of the letter, which showed the financial risks including cash and investment completeness, employee compensation expense, grant expenditures and more. He further stated that Governmental Accounting Standards Board (GASB) 74 was a new accounting standard that the County was required to implement this year concerning County retiree health care liability.

Mr. St. Andrew stated that they not only examined the financial numbers, but also audited the County's accounting procedures and controls. He further stated that page 3 of the letter solicited feedback from the Board of Commissioners for any concerns or questions they might have had.

Commissioner Anthony asked how long Plante & Moran had contracted with the County.

Mr. St. Andrews stated that this was the fourth year Plante & Moran had contracted with the County.

Commissioner Anthony asked when the auditors came back with their report, if they could compare year-to-year and report on areas where there had been concerns in past audits.

Mr. St. Andrews stated that it was possible to provide those details in their report.

Commissioner Anthony asked if other issues might be part of the report, such as Human Resources separation of duty.

Mr. St. Andrews stated that was correct.

Commissioner Tennis asked about GASB changes a few years ago concerning retiree health care liability.

Mr. St. Andrews stated that in 2009, there was a change known as GASB 45 which required different information than was being required today.

Commissioner Tennis stated that perhaps he was remembering incorrectly.

Mr. St. Andrews stated that there were changes to the pension reporting 3 years ago.

Commissioner Tennis stated that he was probably thinking of that change to pension reporting.

Ms. Rhode stated that there was already a substantial liability due to underfunding.

5. Law & Courts Committee – Resolution to Submit to the Electorate a Special Millage Question for a Justice Complex and Treatment Programming

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. ANTHONY, TO APPROVE THE RESOLUTION.

Commissioner Crenshaw stated that the Law & Courts Committee had been working very hard on this issue. He further stated that this combined the 55th District Court, the Sheriff's Office, the County Jail, and the Circuit Court currently housed in the Historical Courthouse.

Chairperson Grebner asked about changes that had been made in the Law & Courts Committee, specifically about the change to the title of the millage question.

Commissioner Crenshaw stated that there had been debate about adding the correctional programming portion, because part of this millage would go toward correction treatment funding and it was thought to be a selling point of the millage.

Chairperson Grebner stated that he did not think that the extra four words in the title helped. He stated that as a political consultant, he thought a shorter title was better.

Commissioner Crenshaw stated that there was concern that people would not know that this millage included more than just law enforcement.

Chairperson Grebner stated that the text of the question explained that well. He further stated that he had a strange view of ballot proposals and that he had three tests of a ballot proposal: if it was legal if adopted; if the millage would pass and how would the language help get it passed; and, finally, if the language prevented the County from doing anything it needed to do.

Chairperson Grebner stated that if they applied his test to the millage language, making the title shorter would not affect anything, but it allowed people get to the text faster and the text was very good and what mattered. He further stated that he strongly suggested taking those four words out of the title.

Commissioner Tennis stated that he was not on the Law & Courts Committee, so he was not privy to this discussion and he could understand why the Committee had chosen to change the title, but he valued Chairperson Grebner's thoughts on this.

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. KOENIG, TO AMEND THE RESOLUTION AS FOLLOWS:

**~~JUSTICE COMPLEX AND CORRECTIONAL PROGRAMMING MILLAGE~~
QUESTION**

Commissioner Schafer asked about including the word "Complex" in the millage title.

Chairperson Grebner stated that he did not want that word included. He further stated that he wanted people to ignore the title and move quickly to the text because that was what was compelling.

Commissioner Schafer stated that the Law & Courts Committee had a lot of discussions on programming and had wanted to highlight it. He further stated that he agreed with Commissioner Tennis.

Discussion.

THE MOTION TO AMEND THE RESOLUTION CARRIED UNANIMOUSLY.

MOVED BY COMM. KOENIG TO AMEND THE RESOLUTION AS FOLLOWS:

Ingham, Michigan be increased by up to 85/100 (0.8500) of one (1) mill, 0.85 per thousand dollars of state taxable valuation, for a period of twenty (20) years (2018-2037) inclusive? If approved and levied in full, this Millage will raise an estimated \$6,207,147 in the first calendar year of the levy, based on state taxable valuation.

THIS WAS CONSIDERED A FRIENDLY AMENDMENT.

Discussion.

Commissioner Schafer asked Ms. Morton about the total amount of the millage.

Teri Morton, Deputy Controller, stated that it came to just under \$6 million per year and was rounded up.

Commissioner Schafer stated that it would be a total of about \$124 million over 20 years which should be plenty of money to build a facility.

Ms. Morton stated that \$30 million of the total was debt service.

Chairperson Grebner stated that with the equalization increase, there may be additional money brought in but there are always unknown costs.

Ms. Morton stated that there was always the option to not levy the total amount.

Chairperson Grebner stated that he was going to round the number up in order to cover unforeseen costs, but it appeared that Law & Courts Committee already had done that.

Discussion.

MOVED BY COMM. ANTHONY TO AMEND THE RESOLUTION AS FOLLOWS:

BE IT FURTHER RESOLVED, that in order to maximize efficiency, there will be shared common space at the new facility, and scheduling of all shared common space will be performed by the Controller or designee.

THIS WAS CONSIDERED A FRIENDLY AMENDMENT.

Commissioner Anthony asked someone could explain what that clause meant.

Commissioner Crenshaw stated that this language was added because of Judge Boyd's concerns for a space for jury space.

Commissioner Anthony asked if that clause was needed in the actual millage question.

Commissioner Crenshaw stated that it was needed in order to please the judicial branch.

Discussion.

THE MOTION TO APPROVE THE RESOLUTION, AS AMENDED, CARRIED UNANIMOUSLY.

6. Equalization/Tax Mapping
 - a. Resolution to Adopt the 2018 County Equalization Report as Submitted with the Accompanying Statements (*Report to be Distributed at Meeting*)

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. SCHAFFER, TO APPROVE THE RESOLUTION.

Doug Stover, Equalization Director, reviewed the equalization report.

THE MOTION CARRIED UNANIMOUSLY.

7. Parks Department
 - d. Resolution to Authorize Additional Contracts for Trails and Parks Millage Applications for Meridian Charter Township

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. TENNIS, TO APPROVE THE RESOLUTION.

Commissioner Tennis asked why the resolution had been split into two resolutions.

Commissioner Koenig stated that the Meridian Charter Township trail project had been mixed in with the Delhi Township RAM II project. She further stated that because the Delhi Charter Township trail project was changing to focus on the Holt-to-Mason trail project, the Human Services Committee had decided it would be easiest to have two separate resolutions.

Chairperson Grebner stated that he did not prioritize either project, but he wanted to move forward on funding projects faster. He further stated that the main point he had tried to make was that there were a lot of funds available for the Trail and Parks Millage.

Chairperson Grebner stated that there was no liquidity problem for the Trails and Parks Millage project. He further asked what the total amount of funding for this project.

Tim Morgan, Parks Department Director, stated that Meridian Charter Township would receive \$975,000.

Discussion.

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. TENNIS, TO AMEND THE RESOLUTION AS FOLLOWS:

WHEREAS, Meridian Township increased their match to 25% (\$325,000) and a total ask of \$975,000.00 **to come from the Trails and Parks Millage Fund.** and ~~Delhi Township increased their match to 17% (\$542,544) for a total ask of \$2,824,920.00.~~

THIS WAS CONSIDERED A FRIENDLY AMENDMENT.

THE MOTION TO APPROVE THE RESOLUTION, AS AMENDED, CARRIED UNANIMOUSLY.

7. Parks Department

- d2. Resolution to Authorize a Trails and Parks Millage Funded Contract for Delhi Township for Engineering and Planning for the Holt to Mason Trail

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. CRENSHAW, TO APPROVE THE RESOLUTION.

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. CRENSHAW TO AMEND THE RESOLUTION AS FOLLOWS:

WHEREAS, two communities resubmitted their applications by March 31, 2018; and

~~WHEREAS, Meridian Township increased their match to 25% (\$325,000) and a total ask of \$975,000.00 and Delhi Township increased their match to 17% (\$542,544) for a total ask of \$3,367,464.00; and~~

WHEREAS, a Mannik and Smith report identified construction of the Holt to Mason trail as the second highest priority new trail in the County; and

THIS WAS CONSIDERED A FRIENDLY AMENDMENT.

Chairperson Grebner stated that this let Delhi Charter Township know that this was a serious priority for funding by the Board of Commissioners and they should bring back their proposal as soon as possible for approval.

Commissioner Koenig stated that the resolution stated that they could apply for the funding in August per a long debate in the Human Services Committee.

Discussion.

THE MOTION TO APPROVE THE RESOLUTION, AS AMENDED, CARRIED UNANIMOUSLY.

11. Controller/Administrator's Office

- a. Resolution Authorizing Adjustments to the 2018 Ingham County Budget

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. KOENIG, TO APPROVE THE RESOLUTION.

Chairperson Grebner stated that Mr. Morgan might be interested to know that one of the adjustments was a carry forward of Trails and Parks Millage funding.

Commissioner Crenshaw asked about the reduction from the hotel/motel fund.

Ms. Morton stated that it came from an adjustment with the Fair Capital Improvement Program (CIP) fund.

Commissioner Koenig stated as a response to Chairperson Grebner's comment, that 22 trail millage projects would be starting this fall.

Chairperson Grebner stated that a range of unexpended funds for this millage should be about \$5-6 million and it was up around \$11 million.

Mr. Morgan stated that the minimum contract was two years, but there were some up to three to four years. He further stated that the millage money would be spent as it was allocated.

Chairperson Grebner stated that he would like to see the amount of unexpended funds to be lower.

Discussion.

THE MOTION CARRIED UNANIMOUSLY.

12. Human Resources
 - c. Attorney Client (Closed Session)

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. TENNIS AT 6:59 P.M., TO MOVE THE MEETING INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING ATTORNEY-CLIENT PRIVILEGE.

THE MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE. Absent: None

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. SCHAFER, TO RETURN TO OPEN SESSION AT APPROXIMATELY 7:46 P.M.

THE MOTION CARRIED UNANIMOUSLY.

Announcements

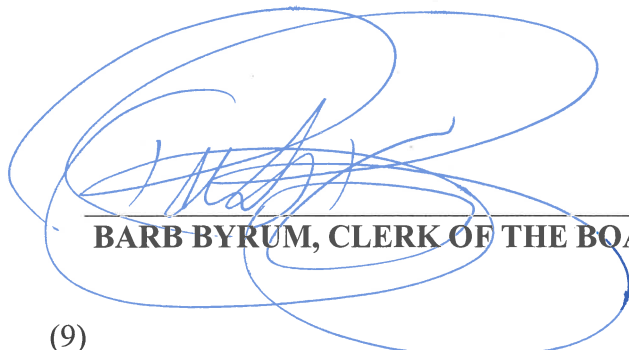
None.

Public Comment

None.

Adjournment

The meeting was adjourned at 7:47 p.m.



BARB BYRUM, CLERK OF THE BOARD

