

CALHOUN COUNTY
PROCEEDINGS OF THE
BOARD OF COMMISSIONERS

July 21, 2005

The Regular Session of the Calhoun County Board of Commissioners convened at 7:05 p.m. in the Commissioners' Meeting Room, Marshall County Building, 315 West Green Street, Marshall, Michigan.

Roll call: Present: Comrs. Bolger, Miller, Moore, Segal, Solis, Strowbridge and Todd.

INVOCATION AND PLEDGE OF ALLEGIANCE:

A Moment of Personal Prayer was observed; followed by the Pledge of Allegiance, led by Comr. Todd.

APPROVAL OF AGENDA/ADDENDUM:

“Motion by Comr. Segal, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the July 21, 2005 agenda and addendum, as amended, with deletion of Item 12.A. (1) - Prisoner Transport and Lodging Agreement Amendment No. 2.”

Voice Vote: Motion CARRIED

APPROVAL OF MINUTES:

“Motion by Comr. Todd, supported by Comr. Bolger, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the June 2, 2005 and the June 16, 2005 minutes as presented.”

Voice Vote: Motion CARRIED

SPECIAL ORDER OF BUSINESS:

2004 County Audit Presentation

Rehmann Robson Engagement Principal David Fisher advised that the report reflects a clean opinion of the county's FY 2004 financial statements without exception or qualifications. Mr. Fisher stated that the audit includes the Road Commission and the Board of Public Works in the new GASB No. 34 format.

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Mr. Fisher addressed General Fund revenues and expenditures pointing out that there had been an excess of \$538,442 in revenues over expenditures, which left an ending fund balance of \$3,661,293 available for carry over. Mr. Fisher advised that the fund balance amounts to approximately 10 percent of total operations, which is within the county's policy of keeping 8 to 12 percent.

Mr. Fisher addressed economic factors and next year's budget, advising that over the past ten years revenues have exceeded expenses six times and expenses have exceeded revenues four times; further that over the ten year period the General Fund fund balance has increased by a little over \$1.2 Million. Mr. Fisher continued that the rate of increase in taxable value of real and personal property is increasing by less than three percent per year, where it had been as high as six to eight percent; further, general and health insurance premiums continue to increase.

Mr. Fisher addressed the General Fund Summary and excess expenditures of \$885,128 over revenues, advising that the overage had been projected to top \$110,000; therefore, the budget came out better as a result of some fees coming in higher within the Clerk's Office and the Sheriff Department.

Mr. Fisher advised that there is still \$2.3 Million in the General Fund fund balance of which \$2,081,000 is unreserved. Mr. Fisher stated that the fund balance is 7.5 percent of the total budget which is above a minimum fund balance.

Mr. Fisher addressed the other funds, advising of the following fund balances: Health Department \$180,800, Senior Millage \$579,841, Revenue Sharing Reserve \$4,249,508, Child Care \$47,371, and Other Governmental Funds \$2,229,001. Mr. Fisher further addressed the Enterprise Funds consisting of the Medical Care Facility, reflecting total net assets at the end of the year in the amount of \$8,792,127; the Delinquent Tax Revolving Fund with total year end assets of \$16,841,437; and Other Enterprise Funds with net year end assets of \$281,498. Mr. Fisher also addressed the Single Audit advising that there were no questioned costs or any expenditures recommended for disallowance. Mr. Fisher advised that total federal awards amounted to \$6,259,112.

Mr. Fisher recommended that the county adopt a credit card policy setting forth specified safeguards in accordance with the provisions of Public Act 266 of 1995, that the county work with the Board of Park Trustees to determine ways of eliminating the \$65,579 deficit of 1999 or 2000 when the Board of Park Trustees operated a museum in Battle Creek; and that the County Treasurer be the office receiving checks from the state and other governmental units rather than receipt by various departments to enhance internal controls in the area of centralized cash receipts.

Comr. Moore inquired whether Mr. Fisher had discovered any evidence of credit card misuse. Mr. Fisher responded No.

County Administrator/Controller Greg Purcell advised that Administration has had internal discussions and wish to move away from credit cards and in August shall provide a policy recommending procurement cards with perimeters placed upon the purchases.

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Administrative Services Director Bradley Wilcox advised that the Purchasing Policy Review Workshop has been looking at procurement cards which will expedite payments to vendors, and intends to address use of the procurement cards versus credit cards within one policy.

Comr. Moore inquired regarding the issue of cash flow between procurement cards and credit cards. Mr. Wilcox explained that the procurement cards shall be for small purchases which he does not believe shall limit cash flow.

Mr. Purcell advised regarding the Parks Fund deficit, that the Board Chairman and he met with Road Commission staff to discuss the debt and the Road Commission, through a sale of property, shall be able to eliminate \$30,000 to \$35,000 of the deficit and Administration shall continue to work with the Road Commission to pay off the remainder.

Mr. Purcell advised regarding centralization of cash receipts, that the new financial policy shall primarily affect the Health Department. Mr. Purcell stated that Mr. Latham has advised the Department that the funding can still be spread between the various programs with the money coming directly to the Treasurer.

Special Tribute to Chip Ousley

Chairman Miller read and presented the following tribute to Mr. Ousley.

Res. 117-2005

“Motion by Comr. Solis, supported by Comr. Bolger, resolved by the Calhoun County Board of Commissioners approve the following tribute:

WHEREAS, CHIP OUSLEY shall be leaving Calhoun County’s employ as the Board of Commissioners’ Video Technician after Six {6} Years, as he and his wife are relocating to Lexington, Kentucky; and

WHEREAS, Chip began video taping the Commission meetings at the age of fifteen, and continued his employ with the County while completing high school and after graduation; and

WHEREAS, Chip will be missed by all that came to know him during his tenure with the county.

NOW, THEREFORE, BE IT RESOLVED, by the Calhoun County Board of Commissioners that **CHIP OUSLEY** is hereby honored and thanked for his many years of dedicated service to this Board in preserving Calhoun County’s history for its citizens We offer Chip and his wife our best wishes for a happy and prosperous future in their new location.”

Voice Vote: Motion CARRIED

CONSENT AGENDA:

Res. 118-2005

“Motion by Comr. Segal, supported by Comr. Bolger, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the following July 21, 2005 Consent Agenda as presented:

A. Petitions, Communications, Reports:

- (1) Resolutions received from Osceola County { 1 } opposing Senate Bill No. 150 and House Bill No. 4507 {Building Officials and Inspectors Registration Act Amendments}, and {2} urging Michigan’s Legislative bodies to amend Public Act No. 451 to provide counties with the option of waiving soil erosion and sedimentation oversight for projects that require a Department of Environmental Quality and/or Corps of Engineers permit. (Referred to the Legislative Liaisons, with a copy of {2} remitted to Solid Waste Specialist Tiffany Seymour)
- (2) Resolutions received from Lake County {1} petitioning the State to protect children’s services in the community, {2} opposing budget reductions to MI Choice, and {3} opposing partial PILT payments by the State. (Referred to the Legislative Liaisons, with a copy of {1} remitted to Summit Pointe C.E.O. Ervin Brinker and a copy of {2} remitted to Senior Services Director Angela Wiseley)
- (3) Copy of a communication remitted to Mark and Kevin Klingaman, Tekonsha residents, received from the Michigan Department of Agriculture requesting their completed Manure Management System Plan and addressing expansion requirements. (Received and placed on file, with a copy remitted to Environmental Health Director Ted Havens)
- (4) Copy of a communication remitted to Mr. and Mrs. Todd Madsen, Battle Creek residents, received from the Michigan Department of Agriculture advising that corrective action taken has abated the complaint against their equine facility. (Received and placed on file, with a copy remitted to Environmental Health Director Ted Havens and Manure Management Specialist Natalie Rector)
- (5) Copy of a communication remitted to Ms. Diane Wright, Battle Creek resident, received from the Michigan Department of Agriculture advising that a final inspection of her sheep and poultry facility shall be conducted on August 3,

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2005. (Received and placed on file, with a copy remitted to Environmental Health Director Ted Havens, Manure Management Specialist Natalie Rector and Drain Commissioner Blaine VanSickle)

- (6) Resolution received from Bay County supporting Senate Bill No. 842 and House Bill No. 1696 {Employee Free Choice Act}. (Referred to the Legislative Liaisons)
- (7) Second Quarter Out-of-State Travel Waivers Report”

Voice Vote: Motion CARRIED

PETITIONS AND NEW BUSINESS:

County Administrator/Controller’s Report

County Fleet Fueling Services Bid Award

Mr. Purcell stated that bid award is recommended to Great Lakes Fuels in the estimated amount of \$270,000.

Mr. Wilcox advised that fuel services shall be provided to approximately 60 vehicles with the majority being Sheriff Department and Road Patrol vehicles. Mr. Wilcox stated that area of service coverage, 24/7 access, billing and reporting capabilities, fueling procedures and fuel costs were factors evaluated. Mr. Wilcox advised that the county shall acquire the fuel at five cents a gallon above Great Lakes Fuels’ cost.

Res. 119-2005

“Motion by Comr. Segal, supported by Comr. Strowbridge, adopt the following: Resolved by the Calhoun County Board of Commissioners award the three-year {3} bid {RFP#108-05} for provision of Calhoun County fleet fueling services to Great Lakes Fuels, Inc. of Battle Creek, Michigan in the estimated amount of \$270,000; further, authorize the Board Chairman to execute a three-year Agreement with Great Lakes Fuels, Inc. for an estimated amount of \$270,000 on behalf of Calhoun County.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

2005 Salaries and Fringes Budget Adjustments

Finance Director James Latham stated that the adjustments are required because of a clerical error made by the Finance Department. The Department overstated the salaries within the Assistant Prosecuting Attorney Association’s contract. Mr. Latham continued that there is also some differences in the County Administrator business unit. Mr. Latham advised that the total of \$28,560 will be used to eliminate some of the carryover use

of the Fund Balance and increase of the Contingency Fund.

Res. 120-2005

“Motion by Comr. Moore, supported by Comr. Segal, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the 2005 Budget Adjustments (ATTACHMENT A) as presented by the Finance Director.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

Second Quarter Staff Vacancies/S & A Savings Budget Adjustments

Mr. Purcell stated that the adjustments are savings from the departments to meet budget requirements. Mr. Purcell advised that \$99,896 had been saved in the first quarter.

Mr. Latham stated that the adjustments total \$123,195 and with the first quarter savings of \$99,896 totals \$223,091, which is only \$1,909 short of Administration’s annual goal of \$225,000.

Mr. Purcell advised that all of the affected departments are aware of and concur with the transfers.

Res. 121-2005

“Motion by Comr. Solis, supported by Comr. Segal, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the 2005 Budget Adjustments (ATTACHMENT B) as presented by the Finance Director.”

Comr. Bolger thanked Administration and the department heads and officials for assisting in keeping the budget balanced.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

June 2005 Financial Statements

Mr. Purcell stated that the report appears to be good news, however, pointed out that there are areas of concern. Mr. Purcell advised that the 2006 Budget Committee shall be meeting tomorrow morning at 7:30 a.m.

Mr. Latham reported that the contribution to the General Fund fund balance for the first six months is \$709,000 more than for the same period in 2004; however, that jail bed rental revenue is under budget as the local population has been over 400. Mr. Latham pointed out that the local population has to be maintained at 350 to 375 in order to rent beds, and that each day the beds are not available the county loses \$50 per bed per day. Mr. Purcell advised that jail bed revenue is already \$143,000 short of projections and could result in a year end shortfall of \$300,000. Mr. Latham advised that the 2006 Budget Committee shall be addressing this issue

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tomorrow.

Mr. Latham further advised that child care costs continue to increase and that Administration has met with Family Independence Agency representatives to discuss the issue, and a lot of this cost is out of their control. Mr. Latham reported that the child care expense could be \$100,000 more than projected by the end of year. Mr. Latham also reported that the Clerk's fees are down \$8,000 from the year before.

CITIZENS' TIME:

Mr. Gardy Berezonsky, Marengo Township resident, advised that he attended a Road Commission meeting yesterday and that at the meeting the Road Commission discussed placing surveillance cameras along Beckley Road to monitor traffic in the left turn lanes. Mr. Berezonsky stated that he is opposed to "Big Brother" watching him and requested the Board investigate as he believes that it shall be a waste of taxpayer's money.

COMMISSIONERS' TIME:

Comr. Todd thanked the Board Chairman and Mr. Purcell for dining with him in Battle Creek.

Comr. Todd advised that in today's newspaper he noted that there shall probably be another bakery locating in Battle Creek, and extended his appreciation to individuals in Battle Creek who are attempting to bring in new businesses.

Comr. Todd thanked Mr. Ousley for his commitment to the Commission in attending and taping the Board meetings.

Comr. Todd reported that he attended a Battle Creek Area Transportation Study meeting and enjoys working with the members.

Comr. Todd reminded residents that July 29 is the BRAC visit and that T-shirts in support of the Air National Guard base can be acquired at Christman ScreenPrint on Dickman Road.

Comr. Todd thanked the Kellogg Foundation for the Kids Gala Day.

CLAIMS PAYABLE LISTINGS:

Res. 122-2005

"Motion by Comr. Segal, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners approve payment of the list of claims against the county in the total amount of \$159,990.59 for the week of July 5, 2005; further, approve payment of the list of claims against the county in the total amount of \$1,054,462.85 for the week of July 13, 2005; and finally, approve payment of the list of claims against the county in

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the total amount of \$218,185.60 for the week of July 14, 2005.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

ANNOUNCEMENTS:

Comr. Bolger announced that Friday, July 22 through Saturday, July 23 is the Relay For Life at the Calhoun County Fairgrounds and invited everyone to attend.

Chairman Miller announced that Friday night is the Calhoun County employees’ Devil Rays night; further, that Saturday at 1:00 p.m. at the Hope Church of the Nazarene at 901 West Michigan in Urbandale is the Youthbuild event. Chairman Miller further advised that Friday, July 29 at noon at Western Michigan University College of Aviation is the BRAC Rally.

Chairman Miller announced that the Canoe on the Kzoo on Goguac Lake is on Tuesday, August 2 at 5:00 p.m.

Comr. Todd announced that this Saturday from noon to 3:00 p.m. the Emanuel Covenant Church is celebrating 17 years of God’s faithful and there will be a fun fair for the kids. Comr. Todd advised that the Church gives gym shoes to children in the community, and this year has doubled the number given out last year. Comr. Todd encouraged everyone to attend.

RECESS:

The meeting recessed at 7:57 p.m. at the call of the Chair.

mlb