

CALHOUN COUNTY
PROCEEDINGS OF THE
BOARD OF COMMISSIONERS

July 5, 2007

The Regular Session of the Calhoun County Board of Commissioners convened at 7:02 p.m., Thursday, July 5, 2007 in the Commissioners Meeting Room, Calhoun County Building, 315 West Green Street, Marshall, Michigan.

Roll Call: Present: Comrs. Arnquist, Bolger, Segal, Solis and Todd. Temporarily Excused: Comrs. Moore and Rae (Arrived at 7:12 p.m.)

INVOCATION AND PLEDGE OF ALLEGIANCE:

A Moment of Silent Prayer was observed for Clerk Norlander's Mother; followed by the Pledge of Allegiance, led by Comr. Arnquist.

APPROVAL OF AGENDA/ADDENDUM:

“Motion by Comr. Solis, supported by Comr. Bolger, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the July 5, 2007 agenda and addendum, as amended, to move Item 11.A. (2) - Request to Create and Fill an Electronic Archivist Position to Item 6.A.”

Voice Vote: Motion CARRIED

ELECTED/APPOINTED COUNTY OFFICIALS' COMMENTS:

Request to Create and Fill an Electronic Archivist Position

Clerk Anne Norlander thanked the Board for the moment of prayer for her Mother.

Clerk Norlander requested the Board approve the position and allow her to hire an electronic archivist. Clerk Norlander advised that the Register of Deeds Office is developing an archival storage area for all county departments and estimated that \$37,000 to \$40,000 could be saved in off site storage fees. Clerk Norlander stated that since 1992 the Clerk's Office has transferred its court records to a storage site at Fort Custer where it costs \$20,000 a year in storage and retrieval costs.

Clerk Norlander addressed improvements provided through the Technology Fund; e.g., a public terminal in the

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lobby of the Circuit Court Clerk's Office, two scanners, a printer and three computers for the archival area, twenty-nine flat screen monitors, shelving and Register of Deeds records conversion. Clerk Norlander pointed out that the 19 inch flat screen monitors replaced the 17 inch monitors, which have been distributed to Mr. Wilcox to provide to other departments at his discretion.

Clerk Norlander advised that the Technology Fund shall pay for the position this year and then shall split the expense, with the General Fund paying \$20,000.

Res. 99-2007

“Motion by Comr. Moore, supported by Comr. Bolger, adopt the following: Resolved by the Calhoun County Board of Commissioners grant the Clerk-Register's request to create and fill an Electronic Archivist position to provide services to all county departments, (Salary Grade D), with the entire cost of the position coming from the Register of Deeds' Technology Fund in 2007 and with future funding to be split between the Technology Fund and the General Fund with the General Fund contributing a maximum of \$20,000 annually.”

Comr. Rae inquired how many years the position shall be funded. Clerk Norlander responded “For perpetuity,” advising that the position is more of a records maintenance position and estimated that conversion shall take 15 to 20 years.

Comr. Solis stated that the position is to assist all county departments, and questioned how that shall be accomplished. Clerk Norlander advised that she has sent an email to each department to acquire information regarding their records and that sometime this Summer shall invite them to view the document system. Comr. Solis inquired whether the Clerk's Office utilizes a different system. Clerk Norlander responded yes, however, advised that the vendor has stated that the Clerk's system is compatible with the other systems.

Comr. Solis addressed the \$20,000 to be expended from the General Fund, advising that as Chairman of the Budget Committee, without knowing what the 2008 budget will look like, the position's funding shall be dependent upon what the budget numbers show.

Comr. Moore stated that he believes an archivist would provide for greater efficiency and would perhaps save the taxpayers money. Comr. Moore stated that he hopes that the other departments shall take advantage of the position. Comr. Rae stated that he is pleased with the proposal.

Comr. Arnquist noted the proposed salary, and advised that she is aware of some high school graduates and some individuals with master degrees that could do the work for that salary. Comr. Arnquist pointed out that once the position is filled on a permanent basis, the county shall have another employee, and requested the option of utilizing a document storage/retrieval company be considered.

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Clerk Norlander pointed out that each year there will be new documents requiring imaging, and advised that just within the Clerk's Office there are boxes piled from the floor to the ceiling; further, pointed out that the Probate Court has started imaging their records and estimates it taking 15 to 20 years.

Comr. Arnquist stated that perhaps the Purchasing Division should put out a request for proposals for a team to come in and perform the work more quickly. Clerk Norlander stated that there will still be the need for the other auxiliary services; further, pointed out that the salary of \$10.82 an hour is minuscule.

Comr. Arnquist inquired whether anyone has checked to determine the expense of having a company handle the work. Clerk Norlander responded that the departments do not even know what records are stored where. Clerk Norlander stated that she believes the position is the smoothest way to handle the imaging process.

County Administrator/Controller Greg Purcell stated that he believes imaging is clearly the right way to go and concurred with the Clerk's proposal.

Comr. Todd inquired regarding the start date for the position. Mr. Purcell responded that with the Board's approval tonight, the Clerk can request the Human Resource Department to post the position. Asst. County Administrator Wendee Woods stated that the position shall be filled as soon as possible, and that a person could start as early as two weeks.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

SPECIAL ORDER OF BUSINESS:

Special Tribute to Mary Delamarter

Chairwoman Segal read, and accompanied by Senior Millage Allocation Committee Chairman Solis, presented the following tribute to Ms. Delamarter.

Res. 100-2007

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

The Calhoun County Senior Millage Allocation Committee and Board of Commissioners wish to thank Mary for her years of service with the Senior Millage Allocation Committee. Mary has served as a committee member on the Senior Millage Allocation Committee since 2001.

During her service on the committee she has been a strong supporter of services for seniors in Calhoun County that enable seniors to remain in their homes. Mary thank you for:

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- Always bringing forth the needs and concerns of seniors in your community
- Always giving your expertise to The Senior Millage Allocation Committee
- Always giving a well thought out response and strong leadership
- Serving on the Access Subcommittee

You have been a faithful volunteer, generously giving of your time and knowledge to serve the senior citizens of Calhoun County. The members of the Senior Millage Allocation Committee as well as the Senior Citizens of Calhoun County have greatly benefitted from your years of service.”

Voice Vote: Motion CARRIED

Ms. Delamarter stated that she has enjoyed serving on the Committee and shall miss it.

FY 2006 County Audit Presentation

Mr. Purcell advised that the audit has been submitted to the state in accordance with the end of June deadline.

Rehmann Robson Principal David Fisher advised that the Comprehensive Annual Financial Report has been submitted to the Government Finance Officers Association, and stated that he is confident that Calhoun County shall receive the Certificate of Achievement for Excellence in Financial Reporting again this year.

Mr. Fisher advised that the report reflects a clean opinion of the county’s FY 2006 financial statements without exception or qualifications. Mr. Fisher addressed the financial highlights listed under Management’s Discussion and Analysis, advising that the assets of the county exceeded its liabilities at the close of the year by \$71.7 Million, of which \$13.2 Million may be used to meet the county’s ongoing obligations. The county’s total net assets increased by \$6.4 Million during 2006. Mr. Fisher further advised that the General Fund had an increase to its fund balance of \$961,835 for 2006; and that the unreserved fund balance for the General Fund was \$2,912,949 at the end of the year, or approximately 9.45 percent of total General Fund expenditures.

Mr. Purcell advised that the county has a policy of maintaining an unreserved fund balance of 8 to 12 percent.

Mr. Fisher addressed the Revenue Sharing Reserve Fund summary, advising that the fund balance is \$9,767,852 which he anticipates shall last until 2010; further, pointed out that the other governmental fund balances have been increasing.

Mr. Fisher also addressed the Single Audit advising that there were no questionable costs or any expenditures recommended for disallowance. Mr. Fisher advised that total federal awards amounted to \$6,666,250, spent primarily by the Health Department and the Friend of the Court.

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Mr. Fisher advised that within the Firm's management letter is a comment regarding use of credit cards. Mr. Fisher stated that the county's purchasing policy establishes guidelines for their use and that it does not appear as though the credit cards currently be used were issued under the policy and appear to have been issued without the specific approval of the Board of Commissioners, as required by the policy and state law. Mr. Fisher continued that the policy requires the use of purchase orders for small purchases over \$500, however, that there were certain credit card purchases made in excess of \$500 in violation of the policy. Mr. Fisher further stated that the policy does not currently address the timing of payments on credit card statements, and that during the audit the Firm noted that credit cards were not being paid in a timely manner and that finance charges, including interest and late fees, were incurred. Mr. Fisher recommended the county review its policy to ensure that it meets all state requirements and that the policy is followed by all county departments. Mr. Fisher advised that he is aware that the county intends to go to a purchasing card system that shall have the necessary regulations in place.

Mr. Purcell advised that the Budget Committee has discussed the use of purchase cards rather than credit cards, and that Mr. Wilcox is in the process of acquiring those cards. Mr. Purcell stated that the credit cards shall be rescinded and that this shall be accomplished prior to the end of the year.

Comr. Rae asked Mr. Fisher whether it would be to the county's advantage to have a mid-year audit conducted. Mr. Fisher responded that there would be additional expense for a mid-year audit, however, that a mid-year audit would be very good as far as monitoring financial results. Comr. Rae requested a cost estimate for conducting a mid-year audit. Mr. Fisher responded "Approximately 50 to 75 percent of the single audit cost, or \$3,500."

Comr. Todd inquired whether the county incurred any penalties for credit card purchases over \$500. Mr. Purcell responded no, however, advised that there were some late charges. Comr. Solis advised that the purchasing cards are designed to limit what is purchased and purchase amount limits can be established.

Mr. Purcell advised that a mid-year audit of the Clerk's Office was conducted this year, and that Administration has discussed with Rehmann Robson the possibility of doing that elsewhere.

Comr. Solis addressed the parks deficit, stating that there are concerns regarding how long the deficit should exist or whether there should be a deficit elimination plan. Mr. Fisher advised that the deficit has existed since 1999, and that the county filed a deficit elimination plan with the state. Mr. Fisher stated that the plan needs to be revisited because there has been an increase to that deficit for the golf course operation.

Road Commission Managing Director Dennis Randolph stated that the Road Commission got out of the golf course operation at the V.A. Mr. Randolph advised that the Road Commission has been working to establish a sticker program or gate fee program at the parks and is working on some proposals to establish a fee schedule for next year. Mr. Randolph further advised that the Road Commission shall also be having some funds coming in from the Renaissance Faire and is "looking at growing" that Faire. Mr. Randolph advised that he has a meeting July 18 with the Administrator and shall be discussing some funds within another fund. Mr. Randolph

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continued that the Road Commission is currently only cutting the grass in the parks to keep the fund deficit from becoming worse.

Comr. Solis inquired whether Mr. Randolph has any projections of how long it will take to eliminate the deficit. Mr. Randolph responded that it is contingent upon the discussion with Mr. Purcell on July 18.

Comr. Bolger stated that he would like to see a list of prohibited purchases. Mr. Fisher advised that he can provide a listing of what is allowed and what is not. Comr. Bolger requested that the Finance Department and the Budget Committee provide a specific list of prohibited purchases to the departments this year.

Comr. Moore inquired whether Mr. Fisher is aware of any counties that partner to conduct internal audits. Mr. Fisher responded no, however, advised that the schools are discussing sharing services.

Ms. Woods stated that Rehmann Robson was hired to review cash receipting and reporting procedures for the Clerk's Office, and advised that the information shall be shared with all departments probably next week.

Comr. Todd inquired whether the credit card late charges were assessed to the departments. Mr. Purcell responded Yes.

Res. 101-2007

“Motion by Comr. Rae, supported by Comr. Solis, adopt the following: Resolved by the Calhoun County Board of Commissioners accept the Calhoun County Audit for the year ending December 31, 2006 as presented.”

Voice Vote: Motion CARRIED

Special Tribute to the United States Air Force Band of Flight

Chairwoman Segal advised that the tribute shall be presented to the Band when the Band comes to Battle Creek Friday night for a performance.

Res. 102-2007

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

WHEREAS, it is with great pleasure that we join with our fellow citizens in welcoming the United States Air Force Band of Flight, under the direction of Lieutenant Colonel Alan Sierichs, to Calhoun County; and

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WHEREAS, the Band of Flight is one of the oldest bands in the United States Air Force, having been activated on September 24, 1942 at Patterson Field, OH - which later became Wright-Patterson AFB – as the 361st Army Air Force Band. Over the years the band was re-designated three times before becoming the Air Force Band of Flight in 1991; and

WHEREAS, the purpose of the band is to support the global Air Force mission in war and peace by fostering our national heritage and by providing professional musical products and services for official military, recruiting, and community relations events; and

WHEREAS, the Air Force Band of Flight and its various ensembles perform a wide variety of music ranging from classical to rock, to rhythm and blues and travel nearly 100,000 miles and perform over 500 times each year for military and civilian audiences throughout the Midwest and eastern portions of the United States; and

WHEREAS, throughout its 65-year history the band has performed for presidents, vice presidents, and numerous heads of state and has been an integral part of numerous special events including the final tribute to Michigan’s own President Gerald R. Ford as he was laid to rest earlier this year in Grand Rapids; and

WHEREAS, in recognition of its contribution to our nation and to the mission of the United States Air Force, the band of Flight has been awarded four Air Force Outstanding Unit Award Citations, the Air Force Organizational Excellence Award, and numerous civilian honors including being chosen as a two-time recipient of the Colonel George S. Howard Citation of Musical Excellence for Military Concert Bands presented by the John Philip Sousa Foundation.

NOW, THEREFORE, BE IT RESOLVED, that the Calhoun County Board of Commissioners is proud to welcome Lt. Col. Sierichs and the members of the United States Air Force Band of Flight to Calhoun County and applaud them for carrying on the finest traditions of the United States Air Force and for serving as exemplary ambassadors of the United States of America and its citizens.”

Voice Vote: Motion CARRIED

CONSENT AGENDA:

Chairwoman Segal addressed Item B.(3) - Road Commission Workshop Creation/Appointments, advising that the Workshop shall review any potential impacts of moving to a five-member Road Commission.

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Comr. Moore inquired whether the Workshop is an extension of the Road Commission Composition Workshop. Chairwoman Segal responded that the Workshop is new.

Res. 103-2007

“Motion by Comr. Solis, supported by Comr. Arnquist, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the following July 5, 2007 Consent Agenda as presented:

A. Petitions, Communications, Reports:

- (1) Resolution received from Antrim County supporting Senate Bill Nos. 410 and 411 {Emergency Telephone Service Enabling Act Amendment}. (Referred to the Legislative Liaisons, with a copy remitted to Emergency Telephone District Board Chairman Allen Byam)
- (2) Resolutions received from Lake County (1) urging the Federal Government to maintain current federal funding and the Michigan legislature to hold counties harmless for any losses as a result of legislative action, (2) opposing House Bill No. 4398 {State Mandated Bidding of Governmental Projects}, (3) urging the Michigan legislature to freeze taxable values on residential properties, (4) supporting Senate Bill Nos. 410 and 411 {Emergency Telephone Service Enabling Act Amendment}, and (5) supporting prepaid wireless communication services and wireless 9-1-1 emergency service fees and surcharges. (Referred to the Legislative Liaisons, with a copy of (2) remitted to Administrative Services Director Bradley Wilcox, a copy of (3) remitted to Equalization Director David Jager, and a copy of (4 and 5) remitted to Emergency Telephone District Board Chairman Allen Byam)
- (3) Notice of a public hearing scheduled for June 19, 2007 regarding granting an Industrial Facilities Exemption Certificate to EPI Printers, Inc. received from Battle Creek City. (Received and placed on file, with a copy remitted to Equalization Director David Jager)
- (4) Kalamazoo RESA Tax Levy received from the Kalamazoo Regional Educational Service Agency. (Received and placed on file, with a copy remitted to Equalization Director David Jager)

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- (5) FY 2005 Calhoun County Fiscal Distress Indicators received from the Michigan Department of Treasury. (Received and placed on file, with a copy remitted to the Board of Commissioners)

B. Resolutions:

- (1) County of Calhoun Land Bank Authority Board of Directors Appointment
(Term Expires November 30, 2008)

- {a} James Demarest (Replacing Ann Armstrong)

- (2) Criminal Justice System Workshop Appointments
(Terms Expire December 31, 2008)

- {a} Allen Garbrecht
 - {b} Kimberly Luther (Replacing Laraine VanLopik)
 - {c} Greg Purcell
 - {d} Jeffrey Albaugh
 - {e} John Holmes
 - {f} Michelle Hill
 - {g} Trina McGaffigan
 - {h} Gary Reed
 - {i} Michael Boltz
 - {j} Allen Byam
 - {k} Marshall Weeks
 - {l} John Hallacy

- (3) Road Commission Workshop Creation/Appointments

- {a} Eusebio Solis
 - {b} Jase Bolger
 - {c} Mike Rae

Voice Vote: Motion CARRIED

PETITIONS AND NEW BUSINESS:

County Administrator/Controller's Report

Foreclosed Properties First Right of Refusal

Mr. Purcell advised that the county has the first right of refusal of any properties remaining after the state, and there are no appropriate properties which the county can use for public purposes.

Treasurer Ann Petredean stated that the right of refusal shall be an annual item of business. Treasurer Petredean reported that this year foreclosures were up by 600 properties, and that the Office foreclosed on 25 more properties this year. Ms. Petredean advised that of the foreclosures, 68 are vacant lots, 47 have buildings; and that of those properties with buildings, approximately 37 are vacant. Ms. Petredean stated that the Office does not know of those properties with people living in them, how many are rental properties. Ms. Petredean advised that 5 buildings will be demolished. Ms. Petredean reported that the public auction of remaining properties shall be conducted September 5.

Ms. Petredean reported that the Harvard Industries property has asbestos and chemical contamination, and the Environmental Protection Agency (E.P.A.) has been in and Mr. Bartlett showed them Dalrymple School which also has asbestos. The E.P.A. is submitting a grant application to clean up both properties.

Res. 104-2007

“Motion by Comr. Rae, supported by Comr. Moore, resolved by the Calhoun County Board of Commissioners adopt the following:

WHEREAS, Public Act 123 of 1999 changed the way delinquent taxes are collected and disposed of, and has allowed County Treasurers to administer the entire foreclosure process themselves; and

WHEREAS, the Board of Commissioners realize the importance that tax reverted properties be disposed of in a coordinated manner that will foster economic growth and eliminate blight within our communities; and

WHEREAS, the Calhoun County Land Bank Authority has certain powers and duties under the Land Bank Fast Track Act of 2003, of which includes the ability to purchase certain properties from the County Treasurer for the minimum bid amount so that it may remove these properties from the auction process and dispose of them in a more systematic process; and

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WHEREAS, the County has a “First Right of Refusal” on any property left over after the State of Michigan’s and the local units’ “First Right of Refusal” and deems that no property could be used by the County for public use.

THEREFORE, BE IT RESOLVED, that the County declines all properties left available that have been foreclosed upon by the Calhoun County Treasurer and hereby grants the County’s “First Right of Refusal” to the Calhoun County Land Bank Authority.”

Comr. Arnquist questioned the property with a minimum bid of \$769,152.22. Ms. Petredean advised that the property is Harvard Industries which has 68 acres, a garage, and a park. Ms. Petredean advised that the park shall be turned over to Albion City.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

FY 2006-2007 Health Department Budget Adjustments

Mr. Purcell advised that the Board of Health approved the adjustments at their June 18 meeting.

Health Officer Dottie-Kay Bowersox stated that the adjustments are mainly “housekeeping” items to make sure the budget is in-line with actual expenditures.

Res. 105-2007

“Motion by Comr. Rae, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the FY 2006-2007 Health Department budget adjustments as recommended by the Board of Health.”

Chairwoman Segal stated that the agenda information provided is difficult to understand, and requested that future adjustments identify the programs and explain why the adjustments are required.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

CITIZENS’ TIME:

A representative of the Silver Leaf Renaissance Faire addressed the parks deficit, advising that last year the Faire brought in \$218,000 and that every year the attendance increases. The representative advised that two new events have been added and a campground is being built, which shall be turned over to the Park Trustees.

The representative advised that May 2 Silver Leaf submitted its development plan to the Road Commission, and offered to present the plan to the Board and present the organization’s budget plan for the next five years.

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Mr. Gardy Berezonsky, Marengo Township resident, reported that the Board of Health conducted a meeting at which he believes a quorum was not present.

COMMISSIONERS' TIME:

Chairwoman Segal announced that the Silver Leaf Renaissance Faire “kicks off” this week in Kimball Pines Park.

CLAIMS PAYABLE LISTINGS:

Res. 106-2007

“Motion by Comr. Rae, 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 \$311,288.87 for the week of June 19, 2007; further, approve payment of the list of claims against the county in the total amount of \$900,435.45 for the week of June 26, 2007.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

ADJOURNMENT:

The meeting adjourned at 8:44 p.m. at the call of the Chair.

mlb