

CALHOUN COUNTY
PROCEEDINGS OF THE
BOARD OF COMMISSIONERS

December 17, 2009

The Regular Session of the Calhoun County Board of Commissioners convened at 7:02 p.m., Thursday, December 17, 2009 in the Commissioners Meeting Room, County Building, 315 West Green Street, Marshall, Michigan.

Chairman Rae called the meeting to order and requested the Clerk call the roll.

Roll Call: Present: Comrs. Camp, Gerow, Haadsma, Lee, Rae, Rocho and Todd.

Staff Present: Corporation Counsel Richard Lindsey, Jr., County Administrator/Controller Kelli Scott, Finance Director Mark Stuhldreher, Sheriff Allen Byam, Assistant County Administrator Bradley Wilcox, Human Resources Manager Kim Archambault, Budget Analyst Pam Kline, Circuit Court Administrator Jeffrey Albaugh, Prosecutor Susan Mladenoff, Assistant Prosecuting Attorney John Puzzuoli, Community Corrections Manager Roselynn Goff, Water Resources Commissioner Larry Cortright, Emergency Management Coordinator Durk Dunham, Road Commissioner Christopher Vreeland, Road Commissioner Scott Brown, Medical Examiner Dr. Mehmet Ismailoglu, Senior Services Manager Carl Gibson and Deputy Clerk/Board Executive Secretary Mary Lou Barrett.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Invocation was given by Vice Chairman Todd; followed by the Pledge of Allegiance, led by Comr. Lee.

APPROVAL OF AGENDA:

“Motion by Comr. Rocho, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the December 17, 2009 agenda, as amended, to add Item 10.A. - Correction of the amount of the Community Corrections Program Agreement, under Unfinished and Old Business.”

Voice Vote: Motion CARRIED

APPROVAL OF MINUTES:

“Motion by Comr. Lee, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the December 3, 2009 minutes as presented.”

Voice Vote: Motion CARRIED

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CITIZENS' TIME:

Mr. John LaPietra, Marshall resident, requested to be advised what Agenda Item 10.A. pertains to. Chairman Rae advised that Item 10.A. is correction of the amount of the Community Corrections Program Agreement.

Ms. Dorothy Dilsaver, Battle Creek resident; Mr. Dick Fink of the Charitable Union; Assistant Prosecuting Attorney John Puzzuoli; Pastor Doug Nettle; Road Commissioner Christopher Vreeland; Ms. Kathryn LaSepta on behalf of Father Brian Coleman of St. Thomas Episcopal Church; Mrs. Carmen Puzzuoli; Mr. Gary Andrews; Battle Creek resident; Pastor Billie Dalton; and Mr. George Gray, Battle Creek resident, voiced concern regarding the proposed FY 2010 County budget, elimination of positions within the Prosecutor's Office, and a proposed one percent salary increase for non-union employees, and urged the Board's reconsideration.

Community Corrections Manager Roselynn Goff advised that she has been a non-union employee for fourteen years, and that all the staff in the Community Corrections Division are non-union, and that none are overpaid or receive lavish remuneration. Ms. Goff pointed out that the union employees are receiving salary increases and that salary increases for the non-union employees is an issue of fairness.

ELECTED/APPOINTED COUNTY OFFICIALS' COMMENTS:

Road Commission Board Chairman Scott Brown invited Board members to participate in discussion with the Road Commission over the next several months regarding how the road system shall be adjusted due to lack of funding. Mr. Brown advised that the Road Commission must determine whether to reconstruct or turn roads back to gravel. Mr. Brown advised that the township supervisors were invited to a meeting and were advised how many hundreds of miles may be affected. Mr. Brown further advised that January 20 shall be another meeting and that the Road Commission shall be releasing what roads will be affected. Mr. Brown advised that no decisions shall be made at the January 20 meeting, that the Road Commission shall be going into a Board retreat later where the decisions shall be made.

Mr. Brown advised that the Road Commission spent \$2.5 Million this year patching potholes and did no chipping and sealing. Mr. Brown stated that the Road Commission cannot continue to spend its money simply filling potholes as the other roads fail.

Comr. Lee asked Mr. Brown whether he could work with Ms. Scott whereby the Board is aware of the time of the meetings. Mr. Brown responded Yes.

Chairman Rae stated that the Road Commission's present administration came into a terrible situation, coupled by the lack of money from the state. Chairman Rae stated that the Road Commission needs to attempt to get the state gas tax increased.

Comr. Camp thanked Mr. Brown for the communications from the Road Commission. Comr. Camp stated that the supervisors in her district appreciated the Road Commission meeting with them. Comr. Camp encouraged

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the Road Commission to talk with the legislators to reapportion the gas tax, and encouraged the citizens to contact their legislators as well.

Prosecutor Susan Mladenoff addressed the proposed FY 2010 county budget, advising that the Prosecutor's Office has had a number of budget and staff reductions over the past five years. Prosecutor Mladenoff stated that when she was advised to reduce the Office's budget by \$240,000, she had no choice other than to eliminate staff to attain that amount of reduction. Prosecutor Mladenoff addressed the requirements of the Office, advising that support staff is low, therefore, there was no room to cut within the support staff; further, pointed out that one position has remained vacant since July. Prosecutor Mladenoff stated that one position elimination is an Investigator within the Bad Check Program, for which the Office attained restitution; however, the Program has been eliminated as the Office must provide its mandated services. Prosecutor Mladenoff advised that also being eliminated is service on prevention boards; i.e. truancy in elementary schools, as the Office will not have the manpower to attend the meetings. Prosecutor Mladenoff addressed the number of violent crimes which the Office cannot cover the cases adequately as they should be. Prosecutor Mladenoff advised that if she determines a month from now that she cannot provide the services that are mandated, she will be back before the Board for more funding to do her job which the Board is required to fund.

Comr. Haadsma requested to read a communication from Judge Harter. Chairman Rae ruled that Agenda Item 7. is for elected/appointed county officials' comments, not presentation of communications. Chairman Rae suggested Commissioner Haadsma provide copies of the communication to Board members. Road Commissioner Vreeland offered to read the communication into the record. Chairman Rae responded no, that he had made his ruling.

CONSENT AGENDA:

Res. 202-2009

“Motion by Comr. Rocho, supported by Comr. Gerow, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the following December 17, 2009 Consent Agenda as presented:

A. Petitions, Communications, Reports:

- (1) Resolution received from Antrim County requesting that the Michigan Senate introduce legislation that mirrors the bills introduced by the Michigan House providing an alternative funding plan for the Pure Michigan Program calling for a \$2.50 tax on car rentals at major airports. (Received and placed on file)

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- (2) Resolutions received from Alger County {1} urging the Governor to sign the Higher Education budget as passed by the Legislature, {2} requesting legislation requiring the State of Michigan and the State of Wisconsin to allow transfer of fire fighter training credentials, {3} supporting merit curriculum adjustments to support career and technical education, {4} supporting the Back Forty Joint Venture for the Hubbay Minerals/Aquila Resources Project, and {5} opposing the MIWater Ballot Initiative. (Received and placed on file)

- (3) Notice of public hearings scheduled for December 15, 2009 regarding granting an Obsolete Property Rehabilitation District Certificate to Covance, Inc., the Brownfield Plan for proposed Lot 35 Project, Brownfield Redevelopment Authority Site #9, and granting an Industrial Facility Exemption Certificate to Covance, Inc. received from Battle Creek City. (Received and placed on file, with copies remitted to Deputy Equalization Director John Hippensteel)

B. Resolutions:

- (1) Calhoun County Economic Development Corporation Appointment
(Term Expires December 31, 2015)
 - {a} Mark Montross

- (2) Calhoun County Metropolitan Planning Commission Appointment
(Term Expires December 31, 2012)
 - {a} Robert Bolton

- (3) Local Emergency Planning Committee Appointments
 - {a} David Schmidt
 - {b} Jeannette Glen
 - {c} Michael Lewis"

Voice Vote: Motion CARRIED

UNFINISHED AND OLD BUSINESS:

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Correction of Community Corrections Program Agreement Amount

County Administrator/Controller Kelli Scott advised that the Agreement was approved December 3, however, that the amount needs to be corrected from \$330,279.38, the total amount allocated for residential services beds, not the granted amount as the residential services allocation is not distributed or administered directly by the county and is not part of the contract. The correct amount should be \$214,689.

Res. 203-2009

“Motion by Comr. Lee, supported by Comr. Rocho, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the FY 2010 Community Corrections Plan, and Drunk Driver Jail Reduction and Community Treatment Program Agreement between the State of Michigan Department of Corrections and Calhoun County in the corrected amount of \$214,689 for the period of October 1, 2009 through September 30, 2010; further, authorize the Board Chairman to execute said Agreement on behalf of Calhoun County.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

PETITIONS AND NEW BUSINESS:

Governor’s Discretionary Grant Award Acceptance Authorization

Ms. Scott advised that the state grant in the amount of \$43,585 was awarded to the Juvenile Home to assist at-risk youth.

Res. 204-2009

“Motion by Comr. Haadsma, supported by Comr. Todd, adopt the following: Resolved by the Calhoun County Board of Commissioners authorize the Calhoun County Juvenile Home to accept the Governor’s Discretionary Grant Award in the amount of \$43,585.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

Albion Community Foundation Youth Services Council Grant Award Acceptance Authorization

Res. 205-2009

“Motion by Comr. Haadsma, supported by Comr. Rocho, adopt the following: Resolved by the Calhoun County Board of Commissioners authorize the Calhoun County Juvenile Home to accept the Albion Community Foundation Youth Services Council Grant Award in the amount

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of \$250, and authorize the Juvenile Home Director to execute the Grant Agreement between the Albion Community Foundation and the Calhoun County Juvenile Home.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

FY 2010 Survey and Remonumentation Program Grant Application

Ms. Scott advised that Program is in its seventeenth of a proposed twenty year program. The budget for the 2010 program totals \$99,794 which includes \$10,000 in county matching funds.

Planning Consultant Jennifer Bomba advised that the Program is just over seventy percent completed. Ms. Bomba stated that 2013 is the end of the Program, however, that she has heard that the Program may be extended.

Res. 206-2009

“Motion by Comr. Rocho, supported by Comr. Haadsma, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the FY 2010 Survey and Remonumentation Program Grant Application in the amount of \$89,794 of state funding and \$10,000 of county match, for a total amount of \$99,794; and authorize the Grant Administrator and County Representative to execute and remit said Grant Application to the Michigan Department of Energy, Labor & Economic Growth, Office of Land Survey and Remonumentation, on behalf of Calhoun County.”

Comr. Camp inquired whether the project shall be completed by 2013. Ms. Bomba responded “Probably not.” Ms. Bomba stated that the state allocation has diminished; further, that there used to be a fund balance built into the program, however, it was taken away. Comr. Rocho requested Ms. Bomba provide a summary report that provides the work completed. Ms. Bomba responded that she can have it available by next week.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

2008 Michigan Citizen Corps Grant Program Intergovernmental Funding Agreement

Emergency Management Coordinator Durk Dunham advised that negotiation by the District Board with the state resulted in a seventy percent funding increase from 2007. Mr. Dunham stated that there is no match requirement and that the state funding provides training and equipment for the C.E.R.T. Program.

Res. 207-2009

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“Motion by Comr. Lee, supported by Comr. Haadsma, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the 2008 Michigan Citizen Corps Program Intergovernmental Funding Agreement between the County of Van Buren and the County of Calhoun for the period of October 1, 2009 through September 30, 2010; further, authorize the Board Chairman to execute said Agreement on behalf of Calhoun County.”

Comr. Camp disclosed that she is a member of C.E.R.T.

Voice Vote: Motion CARRIED

Video Arraignment M.M.R.M.A. Risk Avoidance Program Grant Award Acceptance

Ms. Scott advised that the Michigan Municipal Risk Management Authority has awarded a grant in the amount of \$10,000 to assist in funding the video arraignment project to reduce the county’s liability risk. Ms. Scott advised that the total cost of the project is \$21,000 and that the remaining \$11,000 will be paid from the Building and Grounds budget.

Res. 208-2009

“Motion by Comr. Haadsma, supported by Comr. Lee, adopt the following: Resolved by the Calhoun County Board of Commissioners authorize the Assistant County Administrator to accept the Risk Avoidance Program Grant Award in the amount of \$10,000 from the Michigan Municipal Risk Management Authority to assist in funding the Video Arraignment Project linking the Sheriff Department and the Calhoun County Juvenile Home to the Circuit Court hearing rooms.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

FY 2009 Final Budget Adjustments

Ms. Scott stated that the adjustments are to match actual expenditures and revenues within the special revenue funds.

Res. 209-2009

“Motion by Comr. Rocho, supported by Comr. Haadsma, adopt the following: Resolved by the Calhoun County Board of Commissioners approve the FY 2009 Final budget adjustments for the Revenue Sharing Reserve Fund and DHS General Assistance Fund totaling \$51,750 and \$110,000 respectively, as presented by the Finance Director.”

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Roll call vote: Yes - 7 Motion CARRIED Unanimously

FY 2010 County Budget Adoption

Ms. Scott addressed the general appropriations resolution, advising that this year a new fee revenue schedule and a staff allocation report are attached. Ms. Scott advised that the resolution does not officially eliminate any position, however, several are not funded but are still authorized and will remain vacant if the funding is not available. Ms. Scott stated that 528.145 FTEs are authorized, however, only 509.57 FTEs are funded. Ms. Scott advised that the General Fund is \$40 Million which is a four percent decrease. Ms. Scott advised that the budget includes a one percent salary increase for all non-union positions, and that the Administration's strategy is to continue to work on health insurance costs. Ms. Scott stated that not providing the one percent increase would only save the county \$44,000 which would not save one of the positions being eliminated. Ms. Scott pointed out that 400 of the county's 500 employees work within the courts, the Sheriff Department and the Prosecutor's Office, and that it is impossible to avoid funding reductions that do not affect those three areas. Ms. Scott stated that she has heard from no department head indicating that they would not accept a salary increase to save any position. Ms. Scott continued that the budget presented is similar to the budget presented December 3, with additional reductions within the Prosecutor's Office, the Clerk's Office, the Sheriff Department and District Court.

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

WHEREAS, the provisions of the Uniform Budgeting and Accounting Act for Local Government, MCLA 141.121, et. seq., requires that each unit of local government adopt a balanced budget for all required funds; and

WHEREAS, the Calhoun County Budget Committee and Board of Commissioners (“Board”) have reviewed the 2010 Administrator/Controller Recommended II budget and budget requests for 2010 from the various departments, agencies, offices and activities, including the courts, which by law the Board must finance or assist in financing; and

WHEREAS, the Board has taken into consideration the fact that there are certain required functions of County Government or operations which must be budgeted at a serviceable level in order to provide statutorily and constitutionally required services and programs; and

WHEREAS, the Board has determined the maximum authorized 2010 millage rate and estimates the property tax revenue generated to be as follows:

General Operating	5.3779 mills	\$18,028,870
Medical Care Facility	.2482 mills	\$ 869,710
Senior Services	.7452 mills	\$ 2,678,949

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AND WHEREAS, the Board shall order that money raised by taxation, within statutory and charter limitations, to be paid into the funds of the local unit; and

WHEREAS, the Board has reviewed the Recommended Budget for 2010 and believes the same to contain funds sufficient to finance all mandatory County-funded services at or beyond a serviceable level.

NOW, THEREFORE, BE IT RESOLVED, that the 2010 Calhoun County Budget, dated December 17, 2009 and as set forth in the attached documents, is hereby adopted on an account group level for the General Fund and all Special Revenue Funds, subject to all County policies regarding the expenditure of funds and the conditions set forth in this Resolution. The Administrator/Controller shall monitor each fund on an activity and an account group basis and also provide appropriate interim financial reports; and

BE IT FURTHER RESOLVED, #1 that no budget transfer to or from personnel services, fringe benefits, supplies, other services and charges, or capital outlay account groups shall occur unless in accordance with Board Policy #275 and only after approval by the County Administrator/Controller; and

BE IT FURTHER RESOLVED, #2 that any increase in wages or salaries, above those set forth in the salary wage schedule, or a newly created position, shall be made only by resolution or motion of the Board of Commissioners; and

BE IT FURTHER RESOLVED, #3 that it is the responsibility of every Department Head/Elected Official to ensure that spending within each account group within each business unit does not exceed the amount appropriated. In turn, the County Administrator/Controller will oversee this operation and will expect to be informed by the Department Head/Elected Official of any anticipated budget variances; and

BE IT FURTHER RESOLVED, #4 that unspent balances of previously authorized capital improvements or construction projects not completed by 12/31/2009 are hereby reappropriated for 2010. Any such carry-forwards will be presented to the Board of Commissioners as an informational item at a future meeting; and

BE IT FURTHER RESOLVED, #5 that all Judges, County Elected Officials and County Department Heads shall abide by the Purchasing and Budget Policies, as adopted and amended from time to time by this Board, for all purchases made with funds appropriated by the Board of Commissioners and that these budgeted funds are appropriated contingent upon compliance with the Purchasing and Budget Policies, and the County Clerk shall not be authorized to make payment of any claims not in compliance with such Purchasing Policies and monies so budgeted;

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and

BE IT FURTHER RESOLVED, #6 that the attached Fee Schedule (EXHIBIT A) is hereby established to be effective as noted; and

BE IT FURTHER RESOLVED, #7 that the attached Position Allocation Schedule (EXHIBIT B) is hereby established to be effective as noted and shall limit the number of employees who can be employed and no funds are appropriated for any positions not on said schedule; further, that certain positions on said schedule which are supported in whole or in part by a grant, cost sharing or other source of outside funding, are only approved contingent upon the County receiving the budgeted revenues and, if not received, shall be considered eliminated; and

BE IT FURTHER RESOLVED, #8 that this budget includes wage increases of 1% for 2010 for non-union employees, County-wide Elected Officials, and County Commissioners, and that wage increases for employee groups with contracts that have not been settled as of December 7, 2009 are not yet determined; and

BE IT FURTHER RESOLVED, #9 that all Judges, County Elected Officials and County Department Heads will hold any vacant position vacancy that occurs during the 2010 fiscal year open for the appropriate duration of time to properly compensate for vacation and/or sick payouts to insure budgetary savings are achieved, provided that the Judges and Elected Officials can still perform their mandated functions at a serviceable level; and

BE IT FINALLY RESOLVED, #10 that the Administrator/Controller is authorized to make reductions in any department each time a substantial reduction is made in Federal, State and local funds. The affected department head shall promptly make the necessary layoffs and advise those affected by the service that those services are being discontinued as a result of reductions in Federal and/or State funding.”

Res. 210-2009

“Substitute Motion by Comr. Camp, supported by Comr. Haadsma, adopt the following: Resolved by the Calhoun County Board of Commissioners table adoption of the FY 2010 County budget because the four Commissioners not members of the Budget Committee need to fully engage in the budget process, and schedule a Special Session to discuss the budget.”

Comr. Camp thanked Administration for their good work, however, stated that she believes if all of the Commissioners were allowed to participate in the budget process, it would have been a great job. Comr. Camp expressed appreciation to Prosecutor Mladenoff for her comments.

Comr. Camp advised that she is not aware of what the department heads said in the Budget Committee

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meetings, however, that throughout the budget process she has been asking questions and receiving documentation, however, did not have the benefit of discussion with the Committee members. Comr. Camp stated that she believes there should be more Commissioner engagement in the budget process. Comr. Camp stated that she does not agree with the 6.6 percent cut; further, pointed out that the Board approved three union contracts with salary raises. Comr. Camp advised that she kept asking where the money was going to come from.

Comr. Camp stated that she does not feel that those Commissioners not on the Budget Committee have been involved in the process; questioning how those not on the Committee can be engaged and ask any questions if the Committee minutes are provided two or three weeks after the meetings.

Comr. Camp addressed the Committee of the Whole meetings, pointing out that although the presentation was interesting, there was no interaction between the members of the Board; further, that no line item budget was provided. The Board did not discuss eliminating travel, etc. Comr. Camp further pointed out that at the budget hearing the public was not given the opportunity to review a line item budget. Comr. Camp stated that she would like a budget that is based upon reality.

Comr. Haadsma advised that he supports tabling the budget because he is confused with some of the data. Comr. Haadsma addressed the amount of savings should 129 non-union employees not be granted the one percent salary increase, advising that when he does the math the amount is \$67,080. Ms. Scott advised that \$44,000 is General Fund positions and \$24,000 is Non-General Fund positions.

Comr. Haadsma pointed out that the amount of the Board's policy regarding fund balance is between 8 to 12 percent, advising that the perimeter of 13 percent was not discussed. Ms. Scott concurred, advising that between 8 to 12 percent is the perimeter established by the Board, that 13 percent is the Department of Treasury's percentage to measure fiscal health; further, pointed out that bond rating agencies look at the fund balance and that 15 percent has been quoted by the Michigan Government Finance Officers as the lower threshold.

Comr. Lee advised that he is opposed to tabling the budget as he has faith in the Budget Committee.

Comr. Camp pointed out that the appropriations resolution provides a one percent salary increase for Commissioners. Chairman Rae advised that all the Board members that he has talked with have indicated that they will not accept the raise. Comr. Camp advised that she has not had that discussion with other Board members. Ms. Scott advised that the appropriations resolution would require amendment to exclude the Commissioners from receiving the one percent salary increase.

Comr. Camp voiced concern that the new fee schedule which has been attached to the budget has been addressed separately in the past, and that the fee schedule has just been presented today. Comr. Camp stated that she is uncomfortable attaching the fees to the budget.

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Comr. Rocho inquired whether Commissioners have the individual option regarding whether to accept or reject the salary increase or whether all the Commissioners must oppose the increase. Ms. Scott responded that the salary increase could be approved, and that Commissioners not wishing to accept the increase could reimburse the county. Comr. Rocho inquired whether the Board has seen the fee schedule prior to tonight. Finance Director Mark Stuhldreher advised that the schedule was presented at the public hearing.

Comr. Haadsma stated that any declaration from Chairman Rae to him regarding accepting/declining a salary increase is a news flash to him.

Roll call vote on Substitute Resolution 210-2009:

Yes - 2 (Comrs. Camp and Haadsma)

No - 5 (Comrs. Lee, Rae, Rocho, Todd and Gerow)

Motion DEFEATED

Res. 210-A-2009

“Substitute Motion by Comr. Haadsma, supported by Comr. Camp, adopt the following: Resolved by the Calhoun County Board of Commissioners adopt the FY 2010 County Budget with elimination of the one percent (1%) salary increase to non-union employees, and modification of the General Fund fund balance from 9.75 percent to 9.6 percent to be reallocated to the Calhoun County Prosecutor Office’s budget.”

Comr. Haadsma read a communication from Assistant Prosecuting Attorney Mike Jaconette addressing the detrimental impact of further funding reduction to the Prosecutor’s Office and imploring the Board to retain the two positions to be eliminated.

Comr. Rocho advised that the budget information was shared and the process has been more open than in previous years. Chairman Rae concurred, stating that he does not appreciate being castigated as callous in the budget decisions. Chairman Rae advised that Committee members spent innumerable hours going over the department budgets, and now to suddenly have an attack on the process is baloney. Chairman Rae again advised that all the Commissioners that he spoke with indicated that they would not accept the one percent salary increase. Chairman Rae stated that he is “floored” by some of the stuff that has come out.

Comr. Camp stated that her questions regarding the process are not new and that she hopes that the process can be changed for next year.

Roll call vote on Substitute Resolution 210-A-2009:

Yes - 1 (Comr. Haadsma)

No - 6 (Comrs. Rae, Rocho, Todd, Camp, Gerow and Lee)

Motion DEFEATED

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Res. 210-B-2009

“Substitute Motion by Comr. Haadsma, supported by Comr. Gerow, adopt the following: Resolved by the Calhoun County Board of Commissioners amend the FY 2010 County Budget, to eliminate the one percent (1%) salary increase proposed for the County Commissioners.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

Comr. Haadsma read a communication from Ms. Garrin, Marshall Township resident, addressing position eliminations within the Prosecutor’s Office. Comr. Haadsma again requested to read Judge Harter’s communication. Chairman Rae again upheld his previous ruling.

Res. 210-C-2009

“Motion by Comr. Todd, supported by Comr. Rocho, resolved by the Calhoun County Board of Commissioners adopt the following, as amended:

WHEREAS, the provisions of the Uniform Budgeting and Accounting Act for Local Government, MCLA 141.121, et. seq., requires that each unit of local government adopt a balanced budget for all required funds; and

WHEREAS, the Calhoun County Budget Committee and Board of Commissioners (“Board”) have reviewed the 2010 Administrator/Controller Recommended II budget and budget requests for 2010 from the various departments, agencies, offices and activities, including the courts, which by law the Board must finance or assist in financing; and

WHEREAS, the Board has taken into consideration the fact that there are certain required functions of County Government or operations which must be budgeted at a serviceable level in order to provide statutorily and constitutionally required services and programs; and

WHEREAS, the Board has determined the maximum authorized 2010 millage rate and estimates the property tax revenue generated to be as follows:

General Operating	5.3779 mills	\$18,028,870
Medical Care Facility	.2482 mills	\$ 869,710
Senior Services	.7452 mills	\$ 2,678,949

AND WHEREAS, the Board shall order that money raised by taxation, within statutory and charter limitations, to be paid into the funds of the local unit; and

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WHEREAS, the Board has reviewed the Recommended Budget for 2010 and believes the same to contain funds sufficient to finance all mandatory County-funded services at or beyond a serviceable level.

NOW, THEREFORE, BE IT RESOLVED, that the 2010 Calhoun County Budget, dated December 17, 2009 and as set forth in the attached documents, is hereby adopted on an account group level for the General Fund and all Special Revenue Funds, subject to all County policies regarding the expenditure of funds and the conditions set forth in this Resolution. The Administrator/Controller shall monitor each fund on an activity and an account group basis and also provide appropriate interim financial reports; and

BE IT FURTHER RESOLVED, #1 that no budget transfer to or from personnel services, fringe benefits, supplies, other services and charges, or capital outlay account groups shall occur unless in accordance with Board Policy #275 and only after approval by the County Administrator/Controller; and

BE IT FURTHER RESOLVED, #2 that any increase in wages or salaries, above those set forth in the salary wage schedule, or a newly created position, shall be made only by resolution or motion of the Board of Commissioners; and

BE IT FURTHER RESOLVED, #3 that it is the responsibility of every Department Head/Elected Official to ensure that spending within each account group within each business unit does not exceed the amount appropriated. In turn, the County Administrator/Controller will oversee this operation and will expect to be informed by the Department Head/Elected Official of any anticipated budget variances; and

BE IT FURTHER RESOLVED, #4 that unspent balances of previously authorized capital improvements or construction projects not completed by 12/31/2009 are hereby reappropriated for 2010. Any such carry-forwards will be presented to the Board of Commissioners as an informational item at a future meeting; and

BE IT FURTHER RESOLVED, #5 that all Judges, County Elected Officials and County Department Heads shall abide by the Purchasing and Budget Policies, as adopted and amended from time to time by this Board, for all purchases made with funds appropriated by the Board of Commissioners and that these budgeted funds are appropriated contingent upon compliance with the Purchasing and Budget Policies, and the County Clerk shall not be authorized to make payment of any claims not in compliance with such Purchasing Policies and monies so budgeted; and

BE IT FURTHER RESOLVED, #6 that the attached Fee Schedule (EXHIBIT A) is hereby established to be effective as noted; and

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BE IT FURTHER RESOLVED, #7 that the attached Position Allocation Schedule (EXHIBIT B) is hereby established to be effective as noted and shall limit the number of employees who can be employed and no funds are appropriated for any positions not on said schedule; further, that certain positions on said schedule which are supported in whole or in part by a grant, cost sharing or other source of outside funding, are only approved contingent upon the County receiving the budgeted revenues and, if not received, shall be considered eliminated; and

BE IT FURTHER RESOLVED, #8 that this budget includes wage increases of 1% for 2010 for non-union employees and County-wide Elected Officials, excluding County Commissioners, and that wage increases for employee groups with contracts that have not been settled as of December 7, 2009 are not yet determined; and

BE IT FURTHER RESOLVED, #9 that all Judges, County Elected Officials and County Department Heads will hold any vacant position vacancy that occurs during the 2010 fiscal year open for the appropriate duration of time to properly compensate for vacation and/or sick payouts to insure budgetary savings are achieved, provided that the Judges and Elected Officials can still perform their mandated functions at a serviceable level; and

BE IT FINALLY RESOLVED, #10 that the Administrator/Controller is authorized to make reductions in any department each time a substantial reduction is made in Federal, State and local funds. The affected department head shall promptly make the necessary layoffs and advise those affected by the service that those services are being discontinued as a result of reductions in Federal and/or State funding.”

Roll call vote: Yes - 5 (Comrs. Todd, Gerow, Lee, Rae and Rocho)
No - 2 (Comrs. Camp and Haadsma)
Motion CARRIED

November 2009 Financial Statements

Received.

Amendment of County Policy No. 340 - Employee Benefits

Ms. Scott advised that the amendment is required to modify the health insurance section and buy up costs to be paid by the employees.

Res. 211-2009

“Motion by Comr. Rocho, supported by Comr. Haadsma, adopt the following: Resolved by the Calhoun County Board of Commissioners approve amendment of County Policy No. 340 -

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Employee Benefits, as recommended by the Human Resources Manager.”

Roll call vote: Yes - 6 (Comrs. Gerow, Haadsma, Lee, Rae, Rocho and Todd)
No - 1 (Comr. Camp)
Motion CARRIED

Resolution Pledging the County’s Full Faith and Credit on the Spectacle Lake & Branches Drain Notes

Res. 212-2009

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

WHEREAS, Act 40, Public Acts of Michigan, 1956, as amended (“Drain Code”) authorizes the Board of Commissioners to adopt a resolution pledging the full faith and credit of the County for the prompt payment of principal and interest on drain notes issued pursuant to law; and

WHEREAS, the Water Resources Commissioner of the County has issued an order authorizing the issuance of drain notes to pay the cost in connection with the construction of improvements to a certain drain in the Township of Albion and Township of Sheridan, Calhoun County, Michigan, designated as the Spectacle Lake & Branches Drain (the “Drain”), serving the area designated as the Spectacle Lake & Branches Drain Drainage District (the “District”); and

WHEREAS, said Note or Notes are designated as SPECTACLE LAKE & BRANCHES DRAIN NOTES, 2009 (the “Notes”) in the aggregate principal amount not to exceed Three Hundred Fifty-Five Thousand and 00/100 Dollars (\$355,000.00), to bear interest at a rate or rates to be hereafter determined but, in any event, not exceeding six percent (6%) per annum maturing serially as hereafter determined; and

WHEREAS, the Drain has been determined to be necessary for the public health and welfare of the County and it is in the best interest of the County that the notes be sold; and

WHEREAS, all proceedings for the construction and financing of said project have been taken under the provisions of the Drain Code (Act 40, Public Acts of Michigan, 1956, as amended) and in order to effect the sale of said Notes authorized by order of the Water Resources Commissioner, it is necessary that payment of principal and interest on said Notes be guaranteed by the County pursuant to and as authorized by the provisions of Section 434, Chapter 18, of Act 40, Public Acts of Michigan, 1956, as amended, herein referred to.

THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CALHOUN:

**Board of Commissioners
December 17, 2009**

1. That pursuant to the authorization contained in Act 40, Public Acts of Michigan, 1956, as amended, in consideration of the public health and welfare of the County of Calhoun and in order to finance successfully the construction of improvements to the drain designated as SPECTACLE LAKE & BRANCHES DRAIN, the Board of Commissioners of the County of Calhoun does hereby irrevocably pledge the full faith and credit of the County of Calhoun for the prompt payment of principal and interest on the SPECTACLE LAKE & BRANCHES DRAIN NOTES, 2009, and does agree that in the event that the property owners or public corporations in the Drainage District shall fail or neglect to account to the Treasurer of the County of Calhoun for the amount of any special assessment installment and interest, when due, then the amount thereof shall be immediately advanced from County funds and the County Treasurer is directed to immediately advance such payment to the extent necessary.
2. That in the event that, pursuant to said pledge of full faith and credit, the County of Calhoun advances out of County funds, all or any part of said installment and interest, it shall be the duty of the County Treasurer, for and on behalf of the County of Calhoun, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the reimbursement of such sums so paid.
3. That the issuance and sale of the Notes is subject to permission being granted therefor by the Department of Treasury of the State of Michigan or an approval being granted by the Department of Treasury, and the County Treasurer is hereby authorized to file an application for approval of the issue with the Michigan Department of Treasury, Municipal Finance Division, if necessary.
4. That all resolutions and parts of resolutions, insofar as the same may be in conflict with the provisions of this Resolution, be and the same are hereby rescinded.”

Water Resources Commissioner Larry Cortright advised that the Drain was established in 1911 and there have been maintenance issues over the years. Mr. Cortright stated that the Board of Determination determined that it would be better to replace the old system.

Roll call vote: Yes - 7 Motion CARRIED Unanimously

Calhoun County Medical Examiner’s Appointment and Contractual Services Agreement

Ms. Scott advised that the county is required to have a Medical Examiner, and that Dr. Ismailoglu has been the county’s previous Medical Examiner. Ms. Scott stated that the Agreement is in the amount of \$97,375 annually and includes all the expenses of that office. Ms. Scott stated that the terms of the Agreement are similar to the previous agreement, however, advised that the Internal Revenue Service audit indicated that the position needs to be a county position, and Administration is working to reclassify the position to a county position.

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Res. 213-2009

“Motion by Comr. Camp, supported by Comr. Lee, adopt the following: Resolved by the Calhoun County Board of Commissioners appoint Dr. Mehmet B. Ismailoglu Calhoun County Medical Examiner, with term to expire December 31, 2013; further, approve the Agreement between the Calhoun County Board of Commissioners and Mehmet B. Ismailoglu for the period of January 1, 2010 through December 31, 2013 in the annual amount of \$97,375, and authorize the Board Chairman to execute said Agreement on behalf of Calhoun County and the Board of Commissioners.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

Resolution Allocating Recovery Zone Facility Bond Volume Cap to the
Calhoun County Economic Development Corporation

Ms. Scott advised that the Corporation met this month and request that the \$14 Million of Facility Bond Volume Cap be allocated to the Corporation to determine the projects to be allocated. Ms. Scott stated that the Corporation is comprised of individuals involved in economic development county-wide and the Corporation shall meet to review the projects, which is the method best recommended by the bond attorneys. Ms. Scott advised that the bonds need to be issued by December 31, 2010, and that if the funding cannot be issued by June 30, the funding shall revert back to the county for reallocation.

Corporation Counsel Richard Lindsey, Jr. advised that the Board will have to appoint two additional members to the Corporation from the area(s) of the project(s).

Comr. Rocho requested that the Board receive a summary report of the projects.

Res. 214-2009

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

WHEREAS, Division B of the American Recovery and Reinvestment Act of 2009 (the “ARRA”) added sections 1400U-1 through 1400U-3 to the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), to provide for the issuance of Recovery Zone Facility Bonds (the “Recovery Zone Facility Bonds”) by states and local units of government for purposes described in the ARRA; and

WHEREAS, the ARRA provides a national Recovery Zone Facility Bond volume cap of \$15,000,000,000, all to be allocated among the states and suballocated to counties and certain large municipalities; and

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WHEREAS, under the allocation formula determined by the United States Department of the Treasury, the County of Calhoun, Michigan (the "County") has received an allocation of \$14,479,000 of the Recovery Zone Facility Bond volume cap ("Recovery Zone Facility Bond Volume Cap"); and

WHEREAS, the County, in its discretion, is authorized to allocate its Recovery Zone Facility Bond Volume Cap to eligible issuers for eligible costs in any reasonable manner as it shall determine in good faith; and

WHEREAS, on November 5, 2009 Board of County Commissioners designated the entire County as a Recovery Zone within the meaning of 1400U-1(b) of the Internal Revenue Code, as required prior to the issuance of Recovery Zone Facility Bonds; and

WHEREAS, it is the desire of the Board of County Commissioners to allocate its entire \$14,479,000 Recovery Zone Facility Bond Volume Cap to The Economic Development Corporation of the County of Calhoun (the "EDC") for projects to be selected by the EDC.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of County Commissioners hereby allocates its entire \$14,479,000 Recovery Zone Facility Bond Volume Cap to the County for bonds to be issued by the EDC, or any entity designated by the EDC, for the purpose of paying costs to construct or acquire projects to be located within the County as selected by the EDC based upon guidelines to be developed by the EDC. At the discretion of the EDC, project costs can include paying capitalized interest on the bonds proposed to be issued, paying the costs of credit enhancement, if any, and paying the costs of issuance of bonds.

2. This allocation order will not exceed the County's total allocation of Recovery Zone Facility Bond Volume Cap.

3. This allocation shall cease to be effective for any portion of the Recovery Zone Facility Bond Volume Cap which is not used as of July 1, 2010.

4. Within 10 days from the issuance of any bonds making use of the allocation, the EDC, or the designee of the EDC which issued the bonds, shall file a written notice with the County that such bonds were issued and delivered, which written notice shall be accompanied by (1) a copy of the IRS Form 8038, or any successor form, filed with the Internal Revenue Service and (2) an opinion of bond counsel as to tax exempt status of such bonds.

5. All actions of the officers, agents and employees of the County and the EDC that are in conformity with the purposes and intent of this resolution, whether taken heretofore or hereinafter the adoption hereof, are hereby ratified, confirmed and adopted.

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6. All resolutions and parts of resolutions insofar as they conflict with this resolution are hereby rescinded.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

CITIZENS' TIME:

Mr. Steven Mobley, Athens Village resident, commended the Board for not taking a salary increase. Mr. Mobley inquired whether the county has accepted any federal stimulus funding. Chairman Rae advised Mr. Mobley that the issue can be discussed after the meeting.

Road Commissioner Brown stated regarding the roads, that it is one thing to talk about miles of roads, but when they are named it will be personal for a lot of the Board's constituents.

Mr. LaPietra commented that he hopes that the county has enough resources to oil the door to the Chambers.

COMMISSIONERS' TIME:

Comr. Todd stated that budget adoption time is never an easy time for the Board, however, that as Chairman of the Budget Committee he was impressed with the process and the cooperation of the department heads, follow Commissioners and Administration. Comr. Todd extended his support to those employees being laid off and commended the Board for not accepting a salary increase. Comr. Todd wished everyone a Happy Holiday season.

Comr. Haadsma wished everyone a Happy Hanukkah, a Merry Christmas, a Happy New Year and a Happy Kwanza.

Chairman Rae addressed a Detroit Free Press news article regarding Commissioner Rocho's services to protect kids.

CLAIMS PAYABLE LISTING:

Res. 215-2009

“Motion by Comr. Rocho, supported by Comr. Lee, 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 \$1,619,188.98 for the two {2} weeks ending December 9, 2009.”

Roll call vote: Yes - 7 Motion CARRIED Unanimously

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ANNOUNCEMENTS:

Chairman Rae wished everyone a Merry Christmas and a Happy New Year.

CLOSED SESSION:

Res. 216-2009

“Motion by Comr. Rocho, supported by Comr. Camp, adopt the following: Resolved by the Calhoun County Board of Commissioners meet in Closed Session for the purpose of discussing labor negotiations.”

Voice Vote: Motion CARRIED

The Board met in Closed Session commencing at 9:50 p.m. until 10:08 p.m. with County Administrator/Controller Kelli Scott, Corporation Counsel Richard Lindsey, Jr., Human Resources Manager Kim Archambault, Asst. County Administrator Bradley Wilcox and Deputy Clerk/Board Executive Secretary Mary Lou Barrett present.

OPEN SESSION -- ADJOURNMENT:

The meeting convened in Open Session at 10:08 p.m. and adjourned at the call of the Chair.

mlb