

**PROCEEDINGS OF THE  
BOARD OF COMMISSIONERS**

December 3, 2015

1. CALL TO ORDER/ROLL CALL

The Regular Session of the Calhoun County Board of Commissioners convened at 7:00 p.m., Thursday, December 3, 2015 in the Commissioners' Meeting Room, County Building, Marshall, MI.

Chair King called the meeting to order and requested the Deputy Clerk call the roll.

Present: Comrs. Reynolds, Haadsma, Frisbie, King, VanSickle and Bearman

Excused: Comr. Dunn

Staff Present: County Administrator/Controller Kelli Scott, Assistant County Administrator Brad Wilcox, Human Resource Director Kim Archambault, Corporation Counsel Richard Lindsey and Deputy Clerk Chris McComb

2 and 3. INVOCATION AND PLEDGE OF ALLEGIANCE

A moment of silence was held followed by Comr. Frisbie leading the Pledge of Allegiance.

4. APPROVAL OF AGENDA

"Moved Comr. Bearman, second by Comr. Reynolds to approve the agenda of the December 3, 2015 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion **CARRIED**.

5. APPROVAL OF MINUTES

A. Minutes of the November 19, 2015 Regular Session

"Moved Comr. VanSickle, second by Comr. Reynolds to approve the minutes of the November 19, 2015 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion **CARRIED**.

6. CITIZENS' TIME

Creighton Burrows, Marengo Township, voiced his complaints regarding the condition of his road, and asked who determines whether a road is primary or secondary.

7. ELECTED/APPOINTED COUNTY OFFICIALS' COMMENTS

Road Department Managing Director Christopher Bolt introduced Director of Operations Doug Steffen. He addressed Mr. Burrows' complaints, stating they took them very seriously and Steffen would reach out to him. He announced the Road Department had received two grants, one for \$791,500 for the 21 Mile Road Bridge over Rice Creek and \$645,500 for the bridge at 28 ½ Mile. He explained that these grants offered 95% funding, with the County paying for engineering and oversight.

Director of Operations Doug Steffen introduced himself, telling the Commissioners about his background. He stated the new plow trucks had started to arrive and the busy construction season had come to a close, and so they were working on plans for next year.

Sheriff Matt Saxton stated this was his third December in attendance for budget approval night. He thanked the Budget Committee and the Administrative staff for working with his staff so diligently.

Prosecutor Dave Gilbert also thanked everyone for their work on the budget.

8. SPECIAL ORDER OF BUSINESS

There was none.

9. CONSENT AGENDA

A. Petitions, Communications, Reports

1. Bay County Resolution 2015-230 (Sky Lantern Ban)
2. Bay County Resolution 2015-231 (Support Senate Bills 437 and 438)
3. Bay County Resolution 2015-252 (Opposition to the Trans-Pacific Partnership)

B. Resolutions

1. Board of Health Reappointment  
(Term to Expire December 31, 2018)

{a} Mary Jo Byrne

Res. 191-2015

“Moved Comr. Bearman, second by Comr. VanSickle to approve the Consent Agenda of the December 3, 2015 Regular Session of the Calhoun County Board of Commissioners as presented.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

10. SPECIAL COMMITTEE/ WORKSHOP/BOARD REPORTS

There were none.

11. UNFINISHED AND OLD BUSINESS

There were none.

12. NEW BUSINESS AND COUNTY ADMINISTRATOR’S REPORT

A. County Administrator/Controller’s Report

B. New Business

1. 2016 Blue Cross Blue Shield Agreements

Administrator/Controller Kelli Scott stated this was an annual renewal of the Administrative Agreement with Blue Cross Blue Shield. She stated we are self-insured, we pay our own claims and Blue Cross Blue Shield administers the claims for us. She explained that we negotiate rates through our benefits consultant.

HR Director Kim Archambault stated this was similar to ones signed in the past, with minor changes to the administrative services agreement. She explained it also included the Schedule A, which states next year’s rates for Blue Cross Blue Shield, the administrative fee and stop loss. She stated there was a slight increase of about 1 1/2% in administrative fees for 2016 and our stop loss did go up significantly by 15.9%. She stated that overall our benefit rates all came down. She stated we were asking for approval of these agreements and the schedules that go along with the agreement that would cover us from January 1, 2016 through Dec 31, 2016. She noted costs were budgeted for 2016 to be down 3% overall.

Res. 192-2015

“Motion by Comr. Frisbie, second by Comr. Reynolds to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the 2016 Blue Cross Blue Shield Agreements as presented and authorizes the Board Chair to sign the attached documents.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

## 2. Cigna Contracts for Employee Life and Disability Insurance

Administrator/Controller Kelli Scott stated this request was to approve contracts with Cigna that were competitively bid. She stressed the value of having benefits consultant, a HR Director like Kim (Archambault) and an Internal Benefits Committee that represents a cross section of our employees. She stated this was our continued effort to control compensation costs while offering quality benefits to attract and retain good employees. She stated this was for our critical illness and accident plan, as well as long term disability and voluntary benefits for our employees.

HR Director Kim Archambault stated we have been with a different carrier, UNUM, for the last three years and we are coming up on the end of our rate agreement, and so it was time to market and bid these services out. She stated we reviewed a lot of proposals, the Benefits Committee narrowed it down to three finalists, and then it was narrowed down to select Cigna. She stated we believe this will be a positive change, as it will create better customer service as well as cost savings of about \$49,000.

### Res. 193-2015

“Moved Comr. Reynolds, second by Comr. Frisbie to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the contracts with Cigna as presented and authorizes the Board Chair to sign the attached documents.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

## 3. Discovery Benefits Contracts

Administrator/Controller stated this item relates to the contracts for oversight of our health savings account provided to employees in conjunction with our high deductible insurance plan and then also our flexible health savings account for medical, and child care expenses, as well as COBRA plans for retirees to retain County insurance at their own expense. She stated we are recommending a change from our current carriers, InfiniSource and Fifth Third Bank.

HR Director Kim Archambault stated we had this marketed through our benefit consultant through a bid process. She explained that we did have this separated out for each line item but we were able to get a slight discount by bundling them all together. She noted that we will save about \$2,200 per year.

### Res. 194-2015

“Moved Comr. Bearman, second by Comr. VanSickle to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the contracts with Discovery Benefits as presented and authorizes the Board Chair to sign the attached documents.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

#### 4. Purchase of MERS Generic Service Credit

Administrator/Controller Scott stated this request was similar to an approval requested last month. She stated that any time one of our employees wishes to purchase additional service credit from our defined benefit fund overseen by Municipal Employees Retirement System (MERS), Board of Commissioners approval is required by MERS even though this does not have a financial impact on the county or the plan, because it is entirely at the employee's expense.

##### Res. 195-2015

"Moved Comr. Frisbie, second by Comr. Reynolds to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the purchasing of Municipal Employee Retirement System Generic Service Credit by David Treat as presented."

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

#### 5. Approval of Policy #362 Retiree Health

Administrator/Controller Scott stated this presented two important points. She stated the first was that we are continuing to review policies, whether it be to react to issues or be proactive. She stated we have been talking for a few years about the growing need to revisit strategies around retiree benefits. She stated that over the past few years we have done early retirement incentive programs to try to encourage people to retire when they want to and in a way that creates financial savings for the county for the long term. She stated this is another strategy that is different from an early retirement and is meant to better align our policy on how we allow retirees to access the county's health insurance plan and rates with the parameters that they currently have for eligibility to retire under the pension plan. She stated that we have different criteria in our pension plans to retire than what is in the health policy. She stated this revision to correlate with the health policy better aligns strategies and make it less confusing than the old tiered system. She stated we streamlined administrative process, and made a better process to help employees. She stated this was better for the county and the employees and an all-around good HR strategy. She commended Kim (Archambault) for her leadership. She stated that over the last few months we got input from our union leaders, Department Heads and Elected Officials that helped shape the policy. She noted this applies to anyone retiring after January 1.

HR Director Kim Archambault stated this was vetted through a lot of people over a lot of time.

##### Res. 196-2015

"Moved Comr. Reynolds, second by Comr. Bearman to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the addition of Policy #362 Retiree Health as presented."

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

6. Storage Building Construction RFB#120A-15

Administrator/Controller Scott stated this was a bid award for a construction contract to build storage building on the Marshall County Building property in conjunction with demolishing the old jail. She stated Brad (Wilcox) oversaw the bid process.

Assistant County Administrator Brad Wilcox stated this was for a 40x80 storage building and it has been in the planning phase for a number of years and had always been deferred due to budget considerations. He stated that with the demolition of the old jail, we now have issues we need to address with having a storage building. He stated they were still working with CM Contracting on some winter premium issues but he was hoping to come in under \$200,000.

Res. 197-2015

“Moved Comr. Frisbie, second by Comr. Reynolds to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the construction contract with CM Contracting, Inc. for a project to build a storage building on the property of the Calhoun County Building in Marshall as presented.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

7. Dust Control Services Contract

Administrator/Controller Scott stated this item deals with the Road Department through joint purchasing with Jackson County, overseen by Brad (Wilcox). She stated this was for dust control services for both counties for a three year period with the incumbent, who is a local contractor.

Assistant County Administrator Brad Wilcox stated we were happy to recommend a local contractor providing a competitive price. He noted that in the past we have only bid for Calhoun County but this includes Jackson County as well.

Res. 198-2015

“Moved Comr. Haadsma, second by Comr. Reynolds to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the contract with Michigan Mineral to provide dust control services for a three year period in an annual amount estimated at \$150,000.”

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

## 8. Fiscal Year 2016 Budget and Appropriations

Administrator/Controller Scott stated the final action item for the meeting was the request for the adoption of the Fiscal Year 2016 budget and appropriations resolution. She stated we met the statutory requirement of a public hearing at the November 19 meeting. She stated this was the end of a six month budgeting process. She thanked the Budget Committee, Internal Budget Team, Elected Officials, Judges, Department Heads, Executive Team and Budget Analyst Pam Kline. She stated we started with a \$3.7 million deficit, which was calculated with a rollover budget that included pay increases and other inflationary increases. She stated that with only \$160,000 in new revenue, we had to reduce the number of funded positions slightly and we at the department level we had to focus on managing vacancies. She stated the final budget includes the same budget figures from November. She stated that more important than numbers, is what is contained in some of the other information. She stated we have a cover memo that discusses what our long term forecast looks like and emphasizes that we have thirty-two fewer authorized and funded positions than we had in 2010. Scott highlighted that we increased the contingency next year due to continued concerns with revenue sources and dealing with mid-year shortfalls. She stated this should allow us to maintain our AA credit rating that helps us with rates when issuing bonds. She stated this also does maintain a \$500,000 investment in our Capital Outlay Plan that we can either use for debt service or for capital projects. She stated this budget includes no increased cost to taxpayers. She explained that we still have an expected deficit that started with the recession in 2008 and with property taxes being half of our revenue and the laws that prevent them from drastically increasing, any increase would be limited to an inflationary factor. She stated that in trying to keep good pay and benefits for our employees, we would see an increase in expenditures of about 2% due the normal trend. She stated that would present our gap of 2% in expenditures and 1% in revenue, which is a smaller gap than predicted a few years ago. She reviewed the staffing report and noted that overall we have 1.3 less FTEs funded next year. She stated that in the General Appropriations Resolution that sets in place all of the budgetary controls. Scott pointed out that we adopt the budget on an account group level and not every single line item but we do require our Department Heads to maintain their budget within the account group level. She noted that in staffing resolution the Board is setting wage scales and staffing allocations, it is also required that the appropriation is contingent on Judges, Elected Officials and Department Heads following the County's purchasing and budget policies to be sure everyone was spending under the same rules. She noted the pay increases included are only for non-union employees and Elected Officials, because all other employees covered by union contracts are specified. She stated we were recommending a 1 1/2% pay increase for non-union employees and Elected Officials and a 0% increase for the Board of Commissioners. She stated the last thing to point out was that Department Heads are required to notify if there are negative budget variances expected.

### Res. 199-2015

"Moved Comr. Haadsma, second by Comr. Reynolds to approve the following:  
Resolved the Calhoun County Board of Commissioners does hereby approve the Calhoun County Fiscal Year 2016 Budget and Appropriations as presented."

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

### 13. CITIZEN'S TIME

There were no comments.

### 14. COMMISSIONERS TIME

Comr. Bearman stated the Workforce Development Group had passed along information from the Clemmons Group, the hog producing plant coming in by Homer, would like to do presentations to groups in the Calhoun County area to introduce themselves as they will be hiring.

Comr. Haadsma stated it was nice to get through a budget approval process in the first meeting in December, earlier than in past years, and congratulated Administration for doing great work.

Comr. Reynolds congratulated Circuit Court for an exciting Michigan Adoption Day in which they had six kids adopted.

Comr. King stated there is a new Road Department plow truck parked outside and we were proud to have it and that we found creative ways to pay for it.

Comr. Frisbie stated the budget process was made bearable by Administration, Elected Officials, appointed officials and his fellow Commissioners. He stated it was always a goal to come to a common, balanced budget that doesn't put us at risk and continues to put money away.

Comr. Frisbie read a statement addressing Clerk and Register of Deeds Anne Norlander's comments during the November 19 Board meeting. He agreed with her regarding looking forward to an audit, stating everyone was owed their due process to explain their actions. He read the Automation Fund Statute and requested a full forensic review to bring the matter to conclusion.

### 15. CLAIMS PAYABLE

- A. Calhoun County Payables for November 13 - 25, 2015 and October 2015 PCard purchases in the amount of \$2,595,390.08 and Road Department Claims Payable for November 24, 2015 in the amount of \$879,096.22

#### Res. 190-2015

"Moved Comr. Haadsma, second by Comr. Reynolds to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Calhoun County Claims Payable for November 13 - 25, 2015 and October 2015 PCard purchases in the amount of \$2,595,390.08 and Road Department Claims Payable for November 24, 2015 in the amount of \$879,096.22 as presented."

On a roll call vote, Yes – 6, Excused – 1 (Dunn). Motion **CARRIED**.

### 16. ANNOUNCEMENTS

There were none.

17. ADJOURNMENT

The meeting was adjourned at 7:48 p.m. at the call of the Chair.

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Chairman

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Clerk