

FINANCE WAYS & MEANS COMMITTEE
DRAFT MEETING MINUTES
Tuesday, April 9, 2024 – 9:30 a.m.
Howard Male Conference Room/Zoom Room

Commissioners Present: John Kozlowski, Chair
Burt Francisco, Vice Chair
William LaHaie
Jesse Osmer, absent (zoom)
Robin Lalonde
Bill Peterson, excused (zoom)
Brenda Fournier
Travis Konarzewski

Others Present: Keri Bertrand, County Clerk
Kim Ludlow, County Treasurer
Jennifer Mathis, Interim County Administrator/HR Specialist
Lynn Bunting, Board Assistant
Sheriff Erik Smith
Ted Somers, Equalization Director
Kim Elkie, 911/EM Director
Steve Smigelski, Airport Manager (zoom)
Rachel Smolinski, City Manager
Janelle Mott, Juvenile Officer (zoom)
Phil Heimerl, True North Radio (zoom)
Mandy Smith, Chief Deputy Register of Deeds (zoom)
Jessica Kendziorski, Deputy Register of Deeds (zoom)
Al Rapson, 911/EM Assistant Director (zoom)
Mark Herman, Huron Engineering
Becky Rivard, Huron Engineering
Duane Jennings
Wes Wilder, Maintenance Superintendent
Nicki Janish, Home Improvement Director
Fire Chief Rob Edmonds
Marcia Martin, Friend of the Court Director
Cindy Cebula, Chief Deputy Treasurer (zoom)
Debra Greenacre, Library Director (zoom)
Jessica Luther, Assistant Library Director (zoom)
Christie Williams, Deputy Clerk (zoom)
Amy Cell, Consultant, Talent Agency
Bhavya Tummala, Assistant Consultant, Talent Agency

CALL TO ORDER

Finance Chair Burt Francisco called the meeting to order at 9:30 a.m.

ROLL CALL

Roll call vote was taken: All committee members present except Commissioner Bill Peterson, excused and Commissioner Jesse Osmer, absent.

PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA

ADOPT AGENDA

Moved by Commissioner Lalonde and supported by Commissioner LaHaie to approve the agenda with the following additions: 1) Commissioner Brenda Fournier – District Health Department #4 Appropriation, and 2) Commissioner John Kozlowski – Discussion on M32 Parcels. Motion carried.

BILLS TO PAY

INFORMATION ITEM: County Clerk Keri Bertrand presented the bills to pay for approval.

	SUBMITTED:	APPROVED:
General Funds & Other Funds	\$ 127,775.08	\$ 127,775.08

Moved by Commissioner LaHaie and supported by Commissioner Lalonde to approve to pay the bills as submitted. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

INFORMATION ITEM: 911/EM Director Kim Elkie presented a budget adjustment request reporting that no funds were allocated for overtime in 2024 and for retention bonus to meet obligations with the funds coming from the ambulance millage. Director Elkie informed the board that monies were budgeted in 2023 (\$20,000 County share) and the radio project was not completed until 2024 due to needing state approval for the radios to be programmed.

Moved by Commissioner Konarzewski and supported by Commissioner LaHaie to approve the below action item as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #2: ACTION ITEM #2: The Committee recommends approval of the 911/EM Director request to move a total of \$53,500 from the 911 Fund Balance with no impact on the General Fund and put into the following line items:

- 261-325-708.000 Dispatcher Overtime of \$50,000**
- 261-325-714.001 Retention Bonus of \$3,500**

INFORMATION ITEM: City Manager Rachel Smolinski presented the Northeast Michigan Materials Management Authority (NMMMA) Recycling Funding request to support the annual Clean Up Day and Electronics Day for 2024. Rachel informed the board that the surcharge funds are only for recycling, and they have been doing fundraising for these two events and estimates the expense cost for the events will be \$25,000. Rachel reported that any funds left over from the Clean Up Day will go towards the Electronics Day event. Treasurer Ludlow informed the board that monies are not budgeted for 2024 and recommends if the board wishes to take funds from the contingency line item could do so as there is a balance of \$19,000 in that fund. Discussion and recommendation to take funds from the Contingency Fund line item and put into the General Fund to support the NMMMA Clean Up Day and Electronics Day for 2024.

Moved by Commissioner Konarzewski and supported by Commissioner LaHaie to approve the below action item as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #3: The Committee recommends approval to support the annual Countywide Clean Up Day and Electronics Day for Northeast Michigan Materials Management Authority in the amount of \$5,000 with monies to come from the 2024 budgeted Contingency Fund line item #101-941-955.000 and put into the General Fund line item #101-704.959.002 (Community Development Appropriation to Outside Organization) as presented.

INFORMATION ITEM: Finance Chair Francisco presented a PTO payout request for Register of Deeds Chief Deputy for approval requestion some information about this request. Interim County Administrator/HR Specialist Jennifer Mathis reported that Many has 130 hours March 6 and continues to accrue PTO. Clerk Bertrand reported

that she reviewed a PTO payout the first pay after she was appointed. Discussion on PTO payouts for employees that leave and employees that stay and move to a different position. Interim County Administrator/HR Specialist Mathis informed the board that once an employee puts in a two week notice they will receive 50% of their PTO balance and that elected officials do not receive PTO.

Moved by Commissioner Kozlowski and supported by Commissioner Fournier to approve the below action item as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #4: The Committee recommends approval to pay any remaining PTO time not used as of July 1, 2024 be paid to Register of Deeds Chief Deputy Mandy Smith in the event Mandy Smith is appointed Register of Deeds effective July 1, 2024 as presented.

INFORMATION ITEM: Equalization Director Ted Somers presented the 2024 Equalization Report and Resolution #24-08 for approval and gave an update on the report and read Resolution #24-08 for the record.

**RESOLUTION #24-08
TO ADOPT THE 2024 COUNTY EQUALIZATION REPORT
AS SUBMITTED:**

WHEREAS, the Equalization Department has examined the assessment rolls of the 8 Townships and 1 City within Alpena County to determine whether the real and personal property in the respective Townships and City has been equally and uniformly assessed; and

WHEREAS, based on this examination and studies it conducted, the Equalization Department has prepared and presented to the County Board of Commissioners the attached 2024 Equalization Report; and

WHEREAS, said Equalization Report presents recommended County equalized valuations for each of the 8 Townships and 1 City within the County; and

WHEREAS, the recommended County equalized valuations were determined by adding to or deducting from the assessed valuations of taxable property in the 8 Townships and 1 City within the County an amount which represents true cash value.

NOW, THEREFORE BE IT RESOLVED, that the Alpena County Board of Commissioners accepts and adopts the recommended County equalized valuations presented in the 2024 Equalization Report prepared by the Alpena County Equalization Department for a total 2024 equalized valuation of real and personal property of \$1,658,518,724 with the breakdown of equalized valuation by property classification as follows:

Agricultural Real Property	\$113,900,700
Commercial Real Property	\$154,770,900
Industrial Real Property	\$48,836,900
Residential Real Property	\$1,258,176,100
Timber Cut-over Real Property	\$0
Developmental Real Property	\$0

Total Real Property	<u>\$1,575,684,600</u>
Total Personal Property	<u>\$82,834,124</u>
Total Real and Personal Property	<u>\$1,658,518,724</u>

BE IT FURTHER RESOLVED, that the Alpena County Board Chairperson and the County Clerk are authorized to sign the report; further, that the County Equalization Director is authorized to represent Alpena County at both preliminary and final State Equalization sessions, if deemed necessary.

Moved by Commissioner Kozlowski and supported by Commissioner LaHaie to approve the 2024 Equalization Report and adopt Resolution #24-08 as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

INFORMATION ITEM: Home Improvement Director Nicki Janish presented the MSHDA Grant Application for the Michigan Neighborhood Program for the Alpena County Home Improvement Program for approval. Nicki reported the grants help assist low-income homeowners to rehabilitate their homes and is working on a MI Hope Program through MSHDA as well for energy efficiency. Commissioner Kozlowski requested that Nicki present at a Full Board meeting give an update on what the Home Improvement Program has done and continues to do and what the grant monies have accomplished so that the community can see and appreciate all that she is doing to help the community.

Moved by Commissioner LaHaie and supported by Commissioner Fournier to approve the below action item as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #7: The Committee recommends approval of the MSHDA MI Neighborhood Program Grant Application for the Alpena County Home Improvement Program in the amount of \$400,000 with no County match for Rehabilitation Activities and to authorize the Chairman of the Board to sign all pertaining documents as presented. This has Grant Review Committee approval.

INFORMATION ITEM: Maintenance Superintendent Wes Wilder presented the request to purchase Lawn Equipment from Ginop Sales for approval. Wes reported that it was hard to find quotes locally for this type of equipment. Wes reported that he will put the old equipment out for bids if Ginop will not accept it as trade in which he will check on the trade in value first and inform the board if he recommends trading the old piece of equipment in or put out for bids.

Moved by Commissioner LaHaie and supported by Commissioner Lalonde to approve the below action item as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #8: The Committee recommends approval to purchase a Kubota lawnmower and attachments from Ginop Sales in the amount of \$46,000.00 to be paid from line item 402-234-980.201 (Maintenance Department Aging Equipment) as presented. The replacement of this equipment is budgeted for 2024.

INFORMATION ITEM: Debra Greenacre, Library Director & Jessica Luther, Assistant Director presented (on zoom) for the approval of the Ballot Language for Library Millage and to adopt Resolution #24-09. Director Greenacre gave an update reporting they need a new roof, air conditioning unit, boilers, and help cover payroll/benefits for staff for the library. Discussion on Veterans Millage that recently passed along with an Ambulance Millage coming up for renewal and the commissioners shared their concerns and asked if they had a backup plan if the millage does not pass and Director Greenacre reported they did not. Commissioner Lalonde read Resolution #24-09 for the record.

**RESOLUTION #24-09
APPROVING BALLOT LANGUAGE
FOR LIBRARY MILLAGE**

WHEREAS, Alpena County (“County”) has the powers granted by 1851 Act 156, including the authority to levy a tax to raise funds permitted and authorized by law, and the authority to levy a tax for library purposes pursuant to the County Libraries Act, 1917 PA 138; and

WHEREAS, the County previously placed a proposal on the ballot to provide funds for local public library service in Alpena County; and

WHEREAS, voters previously approved a renewal of .75 mill (rolled back to .7462 mill when it was last levied in 2023) mill for ten years to fund library service in Alpena County and that millage expired in 2023; and

WHEREAS, the Library Board determines that it is in the best interests and welfare of Alpena County and its residents that revenue be authorized for the purpose of funding library service; and

WHEREAS, the Library Board desires to request voters approve a millage of .90 mill, of which .7462 mill is a renewal of the millage that expired I 2023 and .1538 mill is new additional millage, subject to applicable Headlee rollbacks, for a period of ten (10) years, beginning with the 2024 levy; and

WHEREAS, the Library Board has determined that placing the millage request on the ballot at the August 6, 2024 election is in the best interests of the health, safety and welfare of the County residents;

NOW THEREFORE BE IT RESOLVED, that the Alpena County Board of Commissioners hereby adopts Resolution #24-09 approving the ballot language for the Library millage.

Moved by Commissioner Konarzewski and supported by Commissioner Kozlowski to recommend approving the ballot language for the Library Millage and adopt Resolution #24-09 as presented. Roll call vote was taken: AYES: Commissioners Kozlowski and Francisco. NAYS: Commissioners LaHaie, Lalonde, Fournier, and Konarzewski. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion failed.

COUNTY TREASURER

INFORMATION ITEM: County Treasurer Kim Ludlow presented the monthly report for March 2024 reporting the Budgets should be at 24.66 for March, Revenues are at 17.46% (2023 at 16.66%) and Expenses are at 24.89% (2023 at 26.67%). Moved by Commissioner Fournier and supported by Commissioner Lalonde to approve receiving and filing of the monthly Treasurer’s Report for March 2024 as presented. Motion carried.

INFORMATION ITEM: Treasurer Ludlow presented the first quarter budget adjustments summary for 2024 for review and approval. Treasurer Ludlow reported though the expenses are increased the county is moving in the right direction.

Moved by Commissioner Fournier and supported by Commissioner Lalonde to approve the below action item as presented. Motion carried. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

ACTION ITEM #10: The Committee recommends approval of the Summary of the First Quarter Budget Adjustments for 2024 as presented.

INFORMATION ITEM: Treasurer Ludlow reported the auditors recommended that the budgeted revenues and expenditures advancing funds to Fund 276 Home Improvement for Grant Expenditures from the General Fund need to be moved to the Balance Sheet as “Due To/Due From’s”. Treasurer Ludlow reported that the Housing Fund needed funds to pay for the grant expenditures then gets reimbursed and once funds received provided funds back to the General Fund and the auditors informed her that this is not revenue and recommended to take out of the budget and place on the balance sheet; this is an equal amount.

Moved by Commissioner Konarzewski and supported by Commissioner Kozlowski approval to move the budgeted revenues/expenditures for Fund 276 Home Improvement and General Fund for Grant Expenditures to “**Due To/Due From**” on the Balance Sheets. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

INFORMATION ITEM: Commissioner Brenda Fournier presented the District Health Department #4 Appropriation for discussion. Treasurer Ludlow reported that during the 2024 budget process discussion was made to reduce the 2024 appropriation to DHD#4 by \$100,000 to save money and decided not to charge rent of \$100,000 for the health department and to reduce the appropriation by \$100,000. The 2023 appropriation was \$227,047.00 so it was reduced to \$127,047.00 and did not budget District Health Department Lease revenue into Fund 246 District Health Building Fund. Therefore, the 2024 County Appropriation to District Health Department should have been \$246,864.00 and not \$227,047.00. The total rent should have been \$133,746.60 not the \$100,000 that the appropriation was reduced by. Once the budgeted appropriation to District Health Department is reduced, then adjustments will be made to the monthly appropriation for the balance of 2024.

Moved by Commissioner Fournier and supported by Commissioner Konarzewski approval to reduce the 2024 Budgeted Appropriation to District Health Department #101-969-995.007 from \$127,047.00 to \$113,118.00. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

MOTION TO RISE & REPORT

Moved by Commissioner Lalonde and supported by Commissioner LaHaie to rise and report. Motion carried.

DISCUSSION ON M32 PARCELS

Board Chair John Kozlowski presented the discussion on the M32 parcels reporting last week he met with Mark Herman of Huron Engineering, Becky Rivard of Huron Engineering, and MDOT on the concerns MDOT has regarding the road for the M32 parcels and Chair Kozlowski sent out an updated email and map to the board for review. Chair Kozlowski reported that the county is not in a position to put in a \$280,000 estimated cost to put a road in. Discussion on two access points on front M32 to all properties and accept point on Airport Rd, access through parking lots, will need language in the deeds, road in back for utilities that MDOT will need to sign off on it, and possible shared use agreement on Lot 5 and 6 and Duane Jennings reported he was alright with that. Chair Kozlowski reported he recommends moving forward with Duane Jennings, MDOT, and Ryan Brege of the Road Commission through Ryan stated that the road Commission does not want ownership of the road. Discussion with MDOT on right of way, utilities not in there yet, a water line need to access all properties, easement left for utilities that can be removed and put utilities on M32 with township (water service) and city (sanitary service) and MDOT needs to know if the county is good with entrance points discussion. Moved by Commissioner Konarzewski and supported by Commissioner Fournier to approve the proposed changes of the access points on Airport Rd and M32 for the M32 parcels as presented in diagrams (attachment #1). Motion carried.

CONSENT CALENDAR

Chairman Kozlowski presented the Minutes and Board Actions from the following meetings for board approval.

- A) **Approval of the Official Proceedings of the Alpena County Board of Commissioners**
Regular Session – March 26, 2024 (*Minutes only)

Budget Committee Workshop – March 26, 2024 (*Minutes only)

Moved by Commissioner Lalonde and supported by Commissioner LaHaie to approve the Consent Calendar which includes actions as listed above and filing of all reports as presented. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

BOARD POLL: DISTRICT COURT FLOORING

Board Chair Kozlowski presented the Board POLL: District Court Flooring for action in the minutes as this board poll was previously approved. Moved by Commissioner Francisco and supported by Commissioner Fournier to approve the below Poll Action Item #1 as approved by Board Poll with the following Roll call vote that was taken during the Board Poll: AYES: Commissioners LaHaie, Osmer, Lalonde, Peterson, Fournier, Konarzewski, Francisco, and Kozlowski. NAYS: None. Motion carried.

POLL ACTION ITEM #1: Recommendation to approve the replacement of flooring in the District Court offices up to the amount of \$16,693.00 from Young's Flooring and to be paid out of the Building and Grounds Fund line item 631-265-975.069 District Court Flooring.

DISCUSSION ON NMMMA LEASE AGREEMENT CHANGES

Board Chair Kozlowski presented the discussion on the NMMMA Lease Agreement Changes request reporting that he spoke with the attorney regarding the proposed changes and stated the following: 1) Rent for 30 years - value of property good for 30 years then review appraisal value what rent would be then, 2) Section & Add clause “if rules not followed need term of default” normally put in contracts, and 3) Under termination: requires 30 to 120 days, keep at 30 days. Discussion and recommendation to update recommended changes and send to NMMMA so the board can review. City Manager Smolinski noted that the next NMMMA Board meeting will be held on April 18, 2024.

RESOLUTION #24-11 – COUNTY ADVISORY TAX LIMITATION COMMITTEE

Board Chair Kozlowski presented Resolution #24-11 for approval requesting Equalization Director Ted Somers present a calculation of revenue shortage every year for the County for the past years for review. Equalization Director presented the spreadsheet to show the board the calculation of revenue shortfall for the County from 2000 to 2020 reporting total loss in revenue from 2009 to 2020 was \$2,212,339. Equalization Director noted that between 2010-2013 he cut services in the Equalization Department. Chair Kozlowski reported that after reviewing with the county’s legal attorney Resolution #24-11 was drafted and he read Resolution #24-11 for the record.

2024

ALPENA COUNTY BOARD OF COMMISSIONERS

RESOLUTION #24-11 TO ALTER THE FIXED SEPARATE TAX LIMITATION AND TO CREATE A COUNTY ADVISORY TAX LIMITATION COMMITTEE

WHEREAS, the Property Tax Limitation Act, being Public Act 62 of 1933 (MCL 211.201 *et seq*), (“Public Act 62”) allows for separate tax limitations, and

WHEREAS, the Alpena County voters approved such a separate limitation in 1976; and

WHEREAS, the 3 separate millage limitations have been substantially reduced by State rollback provisions from the levels approved by Alpena County voters on August 3rd, 1976; and

WHEREAS, Board of Commissioners has the authority to initiate a review and vote of the electorate as to the appropriateness of altering the current fixed millage limitations pursuant to Section 5k of Public Act 62 (being MCL 211.205k); and

WHEREAS, that upon resolving to alter the fixed millage limitation, the Board of Commissioners is to then notify persons and bodies having appointive powers under Public Act 62 of the resolution so that a “county advisory tax limitation committee” can be created to review and provide a recommendation as to the County fixed millage limitation.

THEREFORE BE IT RESOLVED, that the Alpena County Board of Commissioners resolves to initiate the statutory procedure to consider altering the existing Alpena County fixed mill separate tax limitations of the county and the townships and the intermediate school district in the county.

BE IT FURTHER RESOLVED, that an Alpena County Advisory Tax Limitation Committee shall be created composed of the following:

The County Treasurer.

The Chairperson of the Ways and Means Committee of the County Board of Commissioners.

The Intermediate School District Superintendent or his representative.

A resident of a municipality within the county having more than a population of 10,000, who shall be selected by the probate judge of the county.

A member not officially connected with or employed by any local or county unit, who shall be selected by the Board of County Commissioners.

A member who shall be a township supervisor and who shall be selected by a majority of the township supervisors in the county.

BE IT FURTHER RESOLVED, that, as required by statute, the County Advisory Tax Limitation Committee shall meet within 10 days of its selection and shall prepare separate tax limitations for the county and the townships and the intermediate school district in the county, aggregating not more than 7.02 mills that the majority of the committee considers will provide for the financial needs of the county, townships, and the intermediate school district.

BE IT FURTHER RESOLVED, that the separate tax limitations shall be promptly transmitted to the County Board of Commissioners and the functions of the County Advisory Tax Limitation Committee shall then cease.

BE IT FURTHER RESOLVED, that the Alpena County Board of Commissioners will then propose a resolution submitting the question of adopting the separate tax limitations prepared by the County Advisor Tax Limitation Committee to a vote of the registered and qualified electors of Alpena County.

Moved by Commissioner Konarzewski and supported by Commissioner Lalonde to adopt Resolution #24-11 to create a County Advisory Tax Limitation Committee to review and provide a recommendation to the County fixed millage limitation. Roll call vote was taken: AYES: Commissioners LaHaie, Lalonde, Fournier, Konarzewski, Kozlowski, and Francisco. NAYS: None. Commissioner Bill Peterson excused and Commissioner Jesse Osmer, absent. Motion carried.

Discussion once the County Advisory Tax Limitation Committee brings a recommendation and Resolution to the board for approval then will need to inform the residents and also put on a ballot for either the August election or November election.

CLOSED SESSION

Board went into closed session to review candidates for the County Administrator position at 11:28 a.m. and opened session at 12:26 p.m. Roll call was taken: Commissioners LaHaie, Lalonde, Fournier, Francisco, Konarzewski, and Kozlowski present.

PUBLIC COMMENT

None.

ADJOURNMENT

Moved by Commissioner LaHaie and supported by Commissioner Lalonde to adjourn the meeting. Motion carried. The meeting was adjourned at 12:27 p.m.

John Kozlowski, Board Chairman

Keri Bertrand, County Clerk

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