

**MINUTES OF THE
FINANCE COMMITTEE
TUESDAY, NOVEMBER 22, 2011**

At a **special** meeting of the **Finance Committee**, held Tuesday, November 22, 2011, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Carabelli, DiMaria, Flynn, Frascchetti, Miller, Sabatini,
Sauger, Smith, Tocco and Vosburg.

Absent and excused were Gralewski and Mocerri.

There being a quorum of the committee present, Chair Brown called the meeting to order at 9:08 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by DiMaria, supported by Carabelli, to adopt the agenda, as amended (to include #4a, Executive Session to Discuss Labor Negotiations). **The Motion Carried.**

PUBLIC PARTICIPATION

Dana Lazechko, 35861 Harvard Road, New Baltimore

EXECUTIVE SESSION TO DISCUSS LABOR NEGOTIATIONS

MOTION

A motion was made by DiMaria, supported by Sauger, to enter into Executive Session for the purpose of discussing labor negotiations. **The Motion Carried.**

In accordance with the motion, committee entered Executive Session at 9:14 a.m., with it concluding at 9:27 a.m.

MOTION

A motion was made by Vosburg, supported by Flynn, to suspend the rules to add an Executive Session to discuss an attorney/client privileged correspondence from Independent Counsel dated November 11, 2011. **The Motion Carried.**

**EXECUTIVE SESSION TO DISCUSS ATTORNEY/CLIENT PRIVILEGED
CORRESPONDENCE FROM INDEPENDENT COUNSEL**

MOTION

A motion was made by Vosburg, supported by Carabelli, to enter into Executive Session for the purpose of discussing an attorney/client privileged memorandum from Independent Counsel dated November 21, 2011.

A roll call vote was taken as follows:

Voting Yes were Carabelli, DiMaria, Flynn, Frascchetti, Sabatini, Sauger, Smith, Tocco, Vosburg, Miller and Brown. There were 11 "Yes" votes.

The Motion Carried.

In accordance with the motion, committee entered Executive Session at 9:30 a.m., with it concluding at 10:03 a.m.

**REPORT FROM AUDITING FIRM, REHMANN ROBSON, TO DISCUSS
ACCOUNTING ERROR RELATED TO THE REIMBURSEMENT OF FUNDS
FROM THE MACOMB HEALTH PLAN**

Pete Provenzano gave an overview of the accounting error regarding reimbursement of funds from the Macomb Health Plan. Distributed was a chart that explained the flow of money and what occurred for Fiscal Year ending September 30, 2011, as well as a spreadsheet that described the error beginning in 2005.

The following commissioners spoke: Carabelli, Flynn, Tocco, DiMaria, Miller and Sabatini.

Mark Sherhart from Rehmann Robson described their auditing process and spoke about how the error will be corrected.

The following commissioners spoke: Brown, Carabelli, Sabatini, Tocco and Flynn.

COMMITTEE RECOMMENDATION - MOTION

A MOTION WAS MADE BY MILLER, SUPPORTED BY CARABELLI, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE CANCELLATION OF THE CONTRACT WITH REHMANN ROBSON AND THAT AN RFP BE SENT OUT AND THE CONTRACT BE BROUGHT BEFORE THE BOARD OF COMMISSIONERS FOR APPROVAL; FURTHER, A COPY OF THIS BOARD OF COMMISSIONERS' ACTION IS DIRECTED TO BE DELIVERED FORTHWITH TO THE OFFICE OF THE COUNTY EXECUTIVE.

The following commissioners spoke: Miller, Frascchetti and Tocco.

Commissioners Miller and Carabelli offered a substitute motion:

SUBSTITUTE COMMITTEE RECOMMENDATION - MOTION

A MOTION WAS MADE BY MILLER, SUPPORTED BY CARABELLI, TO REQUEST THE OFFICE OF COUNTY EXECUTIVE TO EXPLORE CANCELLATION OF THE CONTRACT WITH THE AUDITING FIRM, REHMANN ROBSON, AND PUTTING OUT AN RFP FOR A NEW AUDITING FIRM, AND THAT THE CONTRACT COME BEFORE THE BOARD OF COMMISSIONERS FOR APPROVAL; FURTHER, A COPY OF THIS BOARD OF COMMISSIONERS' ACTION IS DIRECTED TO BE DELIVERED FORTHWITH TO THE OFFICE OF THE COUNTY EXECUTIVE.

The following commissioner spoke: Frascchetti.

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

VOTING YES WERE CARABELLI, DiMARIA, FLYNN, SABATINI, SAUGER, TOCCO, MILLER AND BROWN. THERE WERE 8 "YES" VOTES.

VOTING NO WAS FRASCHETTI. THERE WAS 1 "NO" VOTE.

THE MOTION CARRIED.

(Note: under New Business later in the meeting, this motion was referred to the Audit Committee.)

DISCUSSION ON MACOMB COUNTY BUDGET FOR YEARS ENDING 2012 AND 2013

Pete Provenzano provided a brief overview and noted that since discussions on the budget began, they have been able to eliminate the budget gap and there is a budget surplus of approximately \$48,000.

The following commissioners spoke: Carabelli, Flynn, Tocco, Miller and Frascchetti.

Commissioner Flynn requested an updated list of the positions within this recommended budget and the salary range for each.

ADOPTION OF PURCHASING ORDINANCE

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY MILLER, SUPPORTED BY FLYNN, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT THE PURCHASING ORDINANCE (#7); FURTHER, A COPY OF THIS BOARD OF COMMISSIONERS' ACTION IS DIRECTED TO BE DELIVERED FORTHWITH TO THE OFFICE OF THE COUNTY EXECUTIVE.

The following commissioner spoke: Smith.

Commissioner Miller offered the following friendly amendments: Section 2.2 should be 2.1. Authority and Duties, and "B. Duties" should now read: In accordance with this Ordinance, and subject to the supervision of the County Executive and the Finance Department Director, the Purchasing Manager shall:.

The following commissioners spoke: Smith, Brown, Carabelli, Frascetti, Miller and Flynn.

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

VOTING YES WERE CARABELLI, DiMARIA, FLYNN, FRASCHETTI, SMITH, TOCCO, VOSBURG AND MILLER. THERE WERE 8 "YES" VOTES.

VOTING NO WAS BROWN. THERE WAS 1 "NO" VOTE.

THE MOTION CARRIED.

NEW BUSINESS

Commissioner Miller referred to the motion made earlier in the meeting regarding the cancellation of the contract with Rehmann Robson and said the Charter indicates that this recommendation should come from the Audit Committee so he requested that the motion be referred to the Audit Committee. There were no objections.

ADJOURNMENT

MOTION

A motion was made by DiMaria, supported by Carabelli, to adjourn the meeting at 12:18 p.m. **The Motion Carried.**

**Corinne Bedard
Committee Reporter**