

**MINUTES OF THE
FINANCE COMMITTEE
THURSDAY, AUGUST 6, 2015**

At a meeting of the **Finance Committee**, held Thursday, August 6, 2015, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Miller-Chair, Brown-Vice-Chair, Carabelli, Duzyj, Flynn, Klinefelt, Marino,
Mijac, Sabatini, Sauger, Smith, Tocco and Vosburg.

There being a quorum of the committee present, Chair Miller called the meeting to order at 9:01 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Carabelli, supported Sauger, to adopt the agenda, as presented.
The Motion Carried.

CHAIRMAN'S COMMENTS

Commissioner Miller did not provide comments.

Commissioner Marino introduced Jordan George, a senior at Eisenhower High School and a member of their Leadership Macomb group, who is job-shadowing him for a day.

RECOMMENDATION FROM 8-4-15 GOVERNMENT OPERATIONS COMMITTEE MEETING

Recommendation from Corporation Counsel Re: Case of Jessica Vitale-Yant vs. County of Macomb, et al

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Marino, to recommend that the Board of Commissioners concur in the recommendation of Corporation Counsel concerning the case of Jessica Vitale-Yant vs. County of Macomb, et al; 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: Flynn.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

**RECOMMENDATION FROM 8-5-15 JUSTICE AND PUBLIC SAFETY
COMMITTEE MEETING**

Budget Amendment/Michigan Medical Marijuana Program/Sheriff

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Vosburg, to recommend that the Board of Commissioners concur with the Sheriff's Office's request to increase the calendar grant fund budget allowing the acceptance of Michigan Medical Marijuana Program (M.M.M.P.) grant funds awarded to the Sheriff's Office by the State of Michigan-Department of Licensing and Regulatory Affairs in the amount of \$63,198; the term of this grant is nine months from 1-1-2015 through 9-15-2015; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

**ITEM WAIVED BY INFRASTRUCTURE/ECONOMIC DEVELOPMENT
COMMITTEE CO-CHAIRS**

Utica Remediation and Redevelopment Contracts/OCE

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Marino, to recommend that the Board of Commissioners approve the Brownfield Redevelopment Loan Contract between Michigan Department of Environmental Quality and Macomb County; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Chair Miller determined there were two items: (1) the acceptance of the grant and (2) a reimbursement agreement between the County and General Sports. He indicated the motion made by Commissioner Carabelli would address the acceptance of the CMI grant, but discussion would take place on both items.

Jeff Schroeder from the Planning & Economic Development Department was present to provide more information regarding the Clean Michigan Initiative (CMI) grant through the DEQ and the Utica project.

Corporation Counsel John Schapka and BOC Independent Counsel Scott Smith were on hand to provide clarification and explanation.

Mr. Schroeder also provided an explanation of other cleanup activities and grants related to the project.

The following commissioners spoke: Carabelli, Flynn, Klinefelt and Miller.

A roll call vote was taken on the motion as follows:

Voting Yes were Carabelli, Duzyj, Flynn, Klinefelt, Marino, Mijac, Sabatini, Sauger, Smith, Tocco and Vosburg. There were 11 "Yes" votes.

Voting No was Miller. There was 1 "No" vote.

THE MOTION CARRIED.

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Smith, to recommend that the Board of Commissioners approve the Environmental Response and Reimbursement Agreement between GS Entertainment LLC and Macomb County; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

A roll call vote was taken as follows:

Voting Yes were Carabelli, Duzyj, Flynn, Klinefelt, Marino, Mijac, Sabatini, Sauger, Smith, Tocco and Vosburg. There were 11 "Yes" votes.

Voting No was Miller. There was 1 "No" vote.

THE MOTION CARRIED.

BUDGET AMENDMENT/2015 DEBT SERVICE FUND/FINANCE

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Sauger, supported by Carabelli, to recommend that the Board of Commissioners approve an amendment to the 2015 budget to decrease the General Fund transfer out to the Debt Service Fund in the amount of \$891,805, with corresponding decreases in transfers in from the General Fund and principal and interest expense in the Debt Service Fund; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Steve Smigiel gave an overview of the budget amendment and provided information on the debt service.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

BUDGET AMENDMENT/2015 LIQUOR TAX REVENUE BUDGET/FINANCE

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Flynn, to recommend that the Board of Commissioners approve an amendment to the 2015 liquor tax revenue budget in the General Fund in the amount of \$2,092,255 and increase the General Fund transfer to the Substance Abuse Fund in the amount of \$1,046,127 as a result of revised revenue estimates provided by the State of Michigan; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Mr. Smigiel gave an overview of the funds coming in from the Liquor Tax, details of the state statute and requirements for contributing to substance abuse disorder programs.

The following commissioners spoke: Carabelli and Duzyj.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

BUDGET AMENDMENT/PROPERTY TAX REVENUE/FINANCE

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Vosburg, to recommend that the Board of Commissioners approve a budget amendment to increase property tax revenue in the General Fund in the amount of \$4,035,434 to reflect 2015 taxable values as compiled by the Equalization Department; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Mr. Smigiel gave an overview indicating an increase in property tax revenues; all increases will be folded into the 2015 budget.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

ADOPTION OF PROCLAMATIONS

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Marino, to recommend that the Board of Commissioners adopt the following proclamations:

Commending Chippewa Valley High School Class of 1965 – 50th Anniversary
(offered by Miller) and

Honoring Mount Clemens Public Library – 150th Anniversary (offered by Miller).

THE MOTION CARRIED.

ADOPTION OF RESOLUTIONS

Opposing the Construction of an Underground Nuclear Waste Repository in Ontario, Canada, nor any Other Underground Repository be Constructed in the Great Lakes Basin, in Canada, the United States or any First Nation Property
(offered by Miller)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Marino, supported by Tocco, to recommend that the Board of Commissioners adopt a resolution opposing the construction of an underground Nuclear Waste Repository in Ontario, Canada, nor any Other Underground Repository be Constructed in the Great Lakes Basin, in Canada, the United States or any First Nation Property. **THE MOTION CARRIED.**

Supporting U.S. Senate Bill 1659, Voting Rights Advancement Act (VRAA) of 2015 (offered by Miller)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Flynn, to recommend that the Board of Commissioners adopt a resolution supporting U.S. Senate Bill 1659, Voting Rights Advancement Act (VRAA) of 2015.

A roll call vote was taken as follows:

Voting Yes were Duzyj, Flynn, Klinefelt, Mijac, Miller, Sauger, Smith and Tocco. There were 8 “Yes” votes.

Voting No were Carabelli, Marino, Sabatini and Vosburg. There were 4 “No” votes.

THE MOTION CARRIED.

Supporting MyCare Health Center and Celebration of the 2015 National Health Center Week (offered by Duzyj)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Duzyj, supported by Klinefelt, to recommend that the Board of Commissioners adopt a resolution supporting MyCare Health Center and celebration of the 2015 National Health Center Week. **THE MOTION CARRIED.**

DEPARTMENT BUDGET REVIEW – TREASURER

Finance Director Steve Smigiel summarized the budget for the Treasurer's Office.

Jerry Moffitt, Chief Deputy Treasurer, gave an overview of programs and state statute updates that affect the Treasurer's Office. He also provided more information and justification for the additional position as well as the purchase of chairs which were requested. He also spoke briefly about the STEP program which aims to help keep residents in their homes.

The following commissioner spoke: Flynn.

MOTION

A motion was made by Marino, supported by Carabelli, to receive and file the department budget review for the Treasurer's Office. **The Motion Carried.**

ANNUAL UPDATE – RETIREMENT COMMISSION

Mr. Smigiel gave a presentation which consisted of a general, high-level, historical overview and a basic status update of the pension system.

Michael Holycross, Executive Director and Institutional Consulting Director from Graystone Consulting, summarized the information provided about pension fund performance/rankings and pension funding ratio. He stated that excess performance in prior calendar years and Michigan public fund funding ratio distribution is still in process of being reconciled.

The following commissioners spoke: Duzyj, Sabatini and Marino.

MOTION

A motion was made by Carabelli, supported by Mijac, to receive and file the annual update on the Retirement Commission. **The Motion Carried.**

ANNUAL UPDATE – INTERMEDIATE TRUST BOARD

MOTION

A motion was made by Flynn, supported by Carabelli, to receive and file the information provided by Graystone Consulting on the Pension/Intermediate Retiree Medical Benefits Trust Review dated August, 2015. **The Motion Carried.**

CORRESPONDENCE

No correspondence was provided.

ADJOURNMENT

MOTION

A motion was made by Carabelli, supported by Marino, to adjourn the meeting at 9:58 a.m. **The Motion Carried.**



Corinne Bedard
Committee Reporter