

Commissioner Minutes of November 8, 2016

The Gladwin County Board of Commissioners met in Regular Session on Tuesday, November 8, 2016. The meeting was called to order at 9:00 a.m. by Chairman Walters. The Pledge of Allegiance was recited and a short prayer was given. Roll call found all Commissioners present.

There were no changes or additions to the agenda. *Motion by Commissioner Smith, supported by Commissioner Aultman, to proceed with the consent agenda as prepared. Ayes carried, motion passed.*

The **cash balances** were then read by Commissioner Birgel. *General Fund - \$1,143,711.88.*

Public Comments: None at this time.

Chairman Walters then commented on the 2017 Remonumentation Program and the grant application that needs to be received by the Board. *Motion by Commissioner Hinman, supported by Commissioner Smith, to accept the grant as prepared. Ayes carried, motion passed.*

Kim Halis, Equalization Director, presented the resolution in support of the L-4029 and Apportionment Report. Discussion on Drain assessments that were certified on the 2015 assessment totals. *Motion by Commissioner Birgel, supported by Commissioner Aultman, to adopt the Apportionment Report and the amended L-4029 that reflects the levy of .5 mil on the EMS millage. Roll call vote as follows: Hinman – yes, Walters – yes, Aultman -yes, Smith – yes, Birgel – yes. 5 yes, 0 no. Ayes carried, resolution 2016-018 declared adopted.*

Finance Matters – Commissioner Birgel:

1. The billing for overages on color and black & white copies from MOS will be changed from quarterly to yearly. This will not change the billing for the lease payment and is expected to save money. *Motion by Commissioner Birgel, supported by Commissioner Smith, to allow the Chairman to sign the new contract upon presentation if needed. Ayes carried, motion passed.*
2. The County Clerk has requested permission to attend her quarterly conference in Bay City December 4- 7th. Registration fees are \$50.00 will lodging of \$207.90 for the three nights. Total fees to be paid from 101-215-860.000 once approved. *Motion by Commissioner Birgel, supported by Commissioner Hinman, to allow the Clerk to attend the conference as requested. Ayes carried, motion passed.*
3. Bob Evans, Drain Commissioner, has submitted a request to the committee for payment of his dues for the Council of Local Government. The committee has no recommendation at this time. Discussion. *Motion by Commissioner Smith, supported by Commissioner Aultman, to not pay the dues as requested. Ayes carried, motion passed.*
4. Rick Ghent, Maintenance Director, has requested the following transfer within his department. \$1600.00 from 101-265-933.000 and going to: 101-265-935.000 - \$800.00101-265-935.001 - \$800.00. *Motion by Commissioner Birgel, supported by Commissioner Hinman, to allow the Clerk to make the transfer as requested. Ayes carried, motion passed.*
5. Karee Barlow, 911 Ass't Administrator, has requested a payout of 56.75 hours of unused PTO time per her union contract. *Motion by Commissioner Birgel, supported by*

Commissioner Smith, to allow the Clerk to pay Ms. Barlow \$1,207.07 from 101-422-703.001 as requested. Ayes carried, motion passed.

The Board then took a short recess to allow the Clerk to handle an election issue. 9:15 – 9:24 a.m.

6. The millage fund for MSU is due a refund of an appropriation to General Fund for 2015. The department did not spend their entire budget amount, and since they are operated solely on millage funding, a total of \$3980.16 is due back to the 205 fund. *Motion by Commissioner Birgel, supported by Commissioner Smith, to allow the Treasurer to transfer the funds as outlined. Ayes carried, motion passed.*
7. Cathy Roehrs, Treasurer's Office, has submitted her letter for retirement at the end of the year. With this retirement, Ms. Roehrs is entitled to payout for vacation time and accrued time on the books according to her union contract. *Motion by Commissioner Birgel, supported by Commissioner Aultman, to allow the Clerk to make the payment to Ms. Roehrs at the end of the year, upon retirement. Ayes carried, motion passed.*
8. Securus Technologies has given Gladwin County their "signing bonus" for contract services. These funds can only be used for upgrades, or purchases authorized at the Sheriff Department. Undersheriff Hartwell has requested that the funds be deposited into the 286 (Jail Telephone) fund for use by the end of the year. *Motion by Commissioner Birgel, supported by Commissioner Smith, to allow the funds to be deposited for use into the 286 fund. Ayes carried, motion passed.*
9. The bids have been opened for the vehicles that were listed for sale. The highest bids are as follows:

| | | |
|---------------------------|------------------------------|-----------------------|
| | 1993 Dodge Truck | |
| \$1,026.00 to Joe Greaves | | 2011 Crown Victoria – |
| Black | \$1,507.00 to Chicago Motors | 2011 Crown |
| Victoria – Silver | \$1,707.00 to Chicago Motors | 1996 |
| GMC Yukon | \$652.00 to Kris Shell | |

Motion by Commissioner Birgel, supported by Commissioner Aultman, to allow these vehicles to be sold to the highest bidder, as listed, and the funds deposited as follows: \$1,678.00 for the truck and Yukon to be deposited into the Drug Forfeiture Fund. \$3,214.00 to be deposited into General Fund under "sale of fixed assets – vehicles". Ayes carried, motion passed.

Commissioner Reports by District –

Commissioner Hinman reported:

- On working through the budget process with Commissioner Birgel on recommendations for staff reductions. Discussion. Commissioner Smith inquired as to the process and if the committee had sat down with each department yet and what the justifications for the cuts were. Commissioner Hinman responded that they have met with each department other than the Courts and explained that the reductions are needed due to health care increases, IT costs and pension funds due to MERS. Commissioner Hinman continued to explain that if the reductions are approved today, that will not mean that they are final and that the committee will continue to work on the budget for review before the Board in December. Discussion. Commissioner Birgel stated that there are several areas that are still being worked on and the committee has yet to meet with the Clerk and Treasurer to review expenses and revenues. Discussion. *Motion by Commissioner Hinman, supported by Commissioner Birgel, to reduce the following positions effective January 1, 2017:*
 - County Clerk – 1 full time, 1 part time
 - Construction Codes – 1 full time
 - Sheriff Department – no replacement hiring upon retirement or vacancy.
 - Register of Deeds – Part Time to 20 hours/week

Prosecutor – no reductions, hire Part Time Assistant to be paid for by IV-E funding.

Emergency Management – no changes

Treasurer – 1 part time

Veterans – hire 1 part time employee. The Board Secretary commented that there may be grant funds available for this position.

Maintenance – no changes

Animal Control – no change

Equalization – hire 1 contractual employee

The Clerk spoke on the impact of the reductions in her office and the revenue that is available to assist with funding. Chris Waugh spoke on the staffing levels in the County Clerk's Office. Chairman Walters stated he would like to see other figures before a final decision is made. Discussion. Roll call vote as follows: Walters – yes, Aultman – yes, Smith -no, Birgel - yes, Hinman – yes. 4 yes, 1 no. Ayes carried, **motion passed.**

- That Jackie Morgan with USDA will be meeting with the Board on November 17th at 11:00 a.m.
- That he was not able to attend the last Board meeting.
- On the Township meetings beginning tomorrow night.

Commissioner Smith reported:

- On attending the DATA meeting on November 2nd, noting the following information: The committee has reviewed the phone service options for the County, noting service from Radio North will require all new phones and service through Spectrum does not require new phones, but will be 120 days to establish service. The committee has determined that they are not ready to start service with a new vendor at this time, and will continue service on a month to month basis with CMC. Discussion on the condition of our current phones.
- On the “barracuda reports” that were released to social media and the letter of response on the issue from IT Right. Commissioner Smith read the letter “for the record” (see attached letter). The committee discussed the possibility of the including in the Board Rules that no IT reports are to be released to the public or on social media unless Board approved. Discussion. Commissioner Birgel then read a letter from Seth Ludwig “for the record” (see attached second letter) that he believes contradicts the original findings by IT Right. There were extended exchange of conversation between Commissioner Smith and Commissioner Birgel on the topic. Chairman Walters commented that he believes that the websites that are causing issues should be shut down and not for employee use. Further discussion. *Motion by Commissioner Hinman, supported by Commissioner Smith, to allow the DATA committee to authorize IT Right to “shut down” the websites that are not of county use with the exceptions of certain departments that require access.* Discussion. Ayes carried, **motion passed.** Undersheriff Hartwell commented that this nothing but a “measurement contest” and it makes us look like dummies. There are a lot of good employees that work here and this process makes all employees look bad. The DATA committee needs to review the reports for issues and meet with the Department Heads if needed. Chris Waugh commented that she appreciated the review of these reports and compared the process to her former position.

Commissioner Aultman reported:

- That all Townships are doing well.

- On the appointment of a new Clerk at Billings Township after Dan Zurich's resignation. The Board is also working on two special road assessments.
- That Bentley Township has purchased a new "used" firetruck.
- That Secord Township also has purchased a new firetruck.
- On the election of a new Supervisor and Clerk in Bourret Township today.
- That Grim Township will have a new Clerk.
- On the EDC meeting on October 12th, noting Harmony Nowlin from Consumers introduced her replacement, Kelly Pieloch. That Chemical Bank has merged with Talmar Bank and the Comerica Bank branch in Beaverton will be closing in April 2017.
- That she attended the Airport meeting on October 13th, commenting that the funding for the new hanger project has been delayed and the land clearing project for farming went well.
- On the MAC meeting, noting a presentation from a broadcasting company who will be expanding to cover more area in Michigan. They also reviewed a legislative update that will make 17 year olds eligible for juvenile classification and the use of windmills.
- That she has attended two Finance meetings.
- On the Mental Health meeting on the 24th, commenting on a new program called CETA, which helps to make people more social for employment opportunities. They also reviewed the audit and the Director was considered for an increase.
- That she attended the Mid-Michigan Health meeting on October 26th, which was recognition night for the staff. Emergency preparedness was discussed in the event of a disaster and Dr. Morse gave the monthly report that acknowledged October as Mental Health awareness month.
- On the Mid Michigan Community Action Agency meeting, commenting that they are wrapping up their fiscal year.
- That she attended the Michigan Works meeting on the 28th in West Branch, noting the Director received a four year contract renewal and a COLA raise. The grant received and the programs for 2017 were reviewed.
- On attending the EmCOG meeting on November 4th in Caro. They discussed projects in other counties to connect trails and the grants available. The hazardous mitigation plans will be adopted and the agency is willing to provide a letter of support to the County on the USDA application for funding.

Commissioner Aultman then voiced concern on raises given in other areas when there are reductions of staff happening at the county level.

Commissioner Birgel reported:

- That the current vision plan offered to the County employees will not be available at the first of the year. The agents for the County have found a comparable plan with the same benefits. *Motion by Commissioner Birgel, supported by Commissioner Aultman, to approve the new plan coverage and to allow the Chairman to sign the enrollment paperwork if needed. Ayes carried, motion passed.* Commissioner Birgel commented that he is still waiting on the prescription changes and that the matter will be tabled until more information is received.
- That the Board has been working with MMRMA on the coverage for the Sports Complex. The building and the contents are being covered, but the coverage is not extended to any liability coverage.
- That all is going well at Grout Township.

Comments from the Chairman:

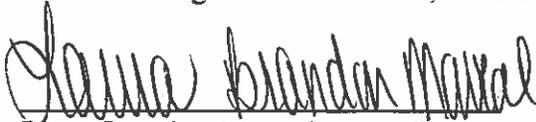
- Encourages everyone to get out and vote today.
- That he plans to attend the Veteran's service on Friday at 11:00.
- On the Veterans meeting scheduled for this afternoon.
- That he was unable to attend the Gladwin City meeting due to other commitments.
- That there will be a Sage Township meeting on Wednesday; however, he will be unable to attend.
- That his grandson will be receiving a Dean's Award.

Commissioner Smith stated the Tobacco River Rifle Club will have their sight in days November 10-14 from 9 a.m. to 5 p.m.

Public Comments – Christy VanTiem, County Treasurer, commented on the outside vendor KCI that can be used for the printing of tax bills. Five townships and two cities are interested in using their service.

*Motion by Commissioner Hinman, supported by Commissioner Smith, to receive and file various correspondence and reports. Ayes carried, **motion passed.***

*Motion by Commissioner Aultman, supported by Commissioner Hinman, to adjourn. Ayes carried, **motion passed.** Meeting adjourned at 10:45 a.m., until the next regular Board meeting on November 22, 2016 at 9:00 a.m., unless otherwise ordered.*



Laura Brandon-Maveal
County Clerk



Terry Walters
Chairman

November 3, 2016

Commissioner Sharron Smith
Gladwin County Board of Commissioners
401 West Cedar Avenue
Gladwin, MI

Commissioner Smith,

At the Data Committee meeting of Gladwin County held November 2, 2016 Caleb Eifert and I were made aware of a serious breach of Gladwin County's network security. Various portions of a Barracuda Webfilter report were posted on social media. By posting the information anyone may see the following:

- I.P. addresses related to Gladwin County's data network
- Internal usernames related to Gladwin County's data network.

By posting such information, network hackers, cyber criminals and those wishing to do damage or harm to the county's data have information to begin network attacks. As I.T. professionals, I. T. Right strives to protect the County's electronic data assets. Blatant exposure to sensitive information only makes it that much more difficult to keep that data safe.

It is recommended that the Gladwin County Board of Commissioners immediately review their network policies and forbid the release of technology and data related information without following State of Michigan F.O.I.A. requirements. It is our belief that under current F.O.I.A. regulations at a minimum the information released should have been redacted and by following Exemption 2: information related solely to the internal personnel rules and practices of an agency, would be denied in its entirety.

If you should have any questions regarding this security breach, please do not hesitate to contact us.

Sincerely,

Paul G. Trinka

CC: Commissioner Hinman
Dan Eggleston
Randy Allen
Caleb Eifert

Commissioner Smith,

My name is Seth Ludwig and I am a cyber security expert for the United States Navy. I have served honorably in the United States Naval Submarine Service for the past 9 years. In that time, I have had the honor of presidential support duty at Camp David in Maryland, and have completed two overseas deployments on board nuclear powered fast-attack submarines. I am a Certified Information Systems Security Professional, Certified Ethical Hacker and a Microsoft Certified Systems Administrator.

I was forwarded a letter from Paul G. Trinka, from I.T. Right, Inc. In that letter, he stated that "a serious breach of Gladwin County's network security" had occurred, and that the security of Gladwin County's network had been compromised.

I have been asked to analyze the information and give my professional opinion as to the effect it may have on the information systems in Gladwin County.

I have reviewed the posting that was created on October 17 VIA Facebook and the associated letter to commissioner Sharon Smith. In my professional opinion four things stand out:

1. The amount of time spent on sites that offer no relevance to county related sites is impressive.
2. The letter from Paul G. Trinka mentions Freedom of Information Act Exception 2 which does not qualify as a guideline for disqualification of disclosing this information. This information has genuine and significant public interest" and therefore exception 2 has no bearing.
3. The IP addresses posted were INTERNAL IP addresses and there is no proven method of exploiting ANY network from the outside by use of an INTERNAL IP address. A compromise such as the one claimed in the posting MUST be done either with an External IP address exploiting flaws in the firewall or VIA an employee accidentally downloading malware or backdoor technology through "drive-by" code on a malicious site.
4. The author of the letter made the statement that this is "Blatant exposure". The only thing exposed in the online posting was the public information on computer usage at the Gladwin County Offices. No secret or confidential information were revealed.

There are three ranges of IP Addressing that have been set aside for INTERNAL use, they are:

192.168.0.0 – 192.168.255.255

172.16.0.0 – 172.31.255.255

10.0.0.0 – 10.255.255.255

As you can see the address 172.16.x.x falls in line with the county's INTERNAL IP range and a million other individuals and companies around the globe use these same addresses. The information that was publicly made available is useless to hackers or anyone else for that matter. The address is for the INTERNAL communication of network connected devices only. This poses no threat to Gladwin County security. The names of the individuals on the usage report does not show their passwords or password hints. The National Institute of Standards has released article SP 800-118 which should be followed and implemented as part of an ongoing standard for the county. As a precaution there should be a policy requiring password changes to be made every 60 days. Passwords should never be shared with staff or the IT department.

Very Respectfully,

ITS2(SS) Seth S. Ludwig

Certified Information Systems Security Professional

Certified Ethical Hacker

Microsoft Certified Systems Administrator

GLADWIN COUNTY
BOARD OF COMMISSIONERS

RESOLUTION # 2016-018

WHEREAS, Public Act 2 of 1968 as amended by Public Act 41 of 1995 required the adoption of a Truth in Budgeting Act; and
WHEREAS, the Truth in Budgeting Act requires the approval of all mills of Ad Valorem property Taxes to be levied and the purpose for same; and

NOW, THEREFORE BE IT RESOLVED that the Gladwin County Board of Commissioners hereby adopts the following millage rate for the winter collection with a total of 4.3600 mills allocated as follows:

| | |
|---------------|--------|
| 911 | 0.7500 |
| DAR | 0.5000 |
| Road & Bridge | 2.0000 |
| E Med | 0.5000 |
| Seniors | 0.5000 |
| MSUE | 0.1100 |

Resolution proposed by Birge

Supported by Autman, and adopted as follows:

Ayes 5 Nays 0 Absent/Abstain 0

I, Laura Brandon-Maveal, Gladwin County Clerk, certify that the above Resolution was adopted at a meeting of the Gladwin County Board of Commissioners on November 8th, 2016.

Laura Brandon-Maveal
Laura Brandon-Maveal, Gladwin County Clerk

2016 TAX RATE REQUEST (This form must be completed and submitted on or before September 30, 2016)
MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

This form is issued under MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory. Penalty applies.

Country(ies) Where the Local Government Unit Levies Taxes
Gladwin

2016 Taxable Value of ALL Properties in the Unit as of 5-23-16

940,354,812

Local Government Unit (County, Township, City, Village, K-12 School District, ISD, CC, or ANY Authority such as District Library, DDA, etc.) Requesting Millage Levy
Gladwin County

For LOCAL School Districts: 2016 Taxable Value excluding Principal Residence, Qualified Ag, Qualified Forest, Industrial Personal and Commercial Personal
\$

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec. 211.119. The following tax rates have been authorized for levy on the 2016 tax roll.

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|-------------------|--------------------|------------------|---|--|--|--|---|---------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Source | Purpose of Millage | Date of Election | Millage Authorized by Election, Charter, etc. | 2015 Millage Rate Permanently Reduced by MCL 211.34d "Headlee" | 2016 Current Year HEADLEE Millage Reduction Fraction | 2016 Millage Rate Permanently Reduced by MCL 211.34d "Headlee" | Sec. 211.34 Truth in Assessing or Equalization Millage Rollback | Maximum Allowable Millage Rate* | Millage Requested to be Levied July 1 | Millage Requested to be Levied Dec. 1 | Expiration Date of Millage Authorized |
| Allocated | General Operating | 8/72 | 5.7500 | 4.4052 | 1.0000 | 4.4052 | 1.0000 | 4.4052 | 4.4052 | 4.4052 | |
| Voted | 911 | 8/11 | 0.7500 | 0.7500 | 1.0000 | 0.7500 | 1.0000 | 0.7500 | 0.7500 | 0.7500 | 12-16 |
| Voted | DAR | 8/12 | 0.5000 | 0.5000 | 1.0000 | 0.5000 | 1.0000 | 0.5000 | 0.5000 | 0.5000 | 12-17 |
| Voted | Road & Bridge | 8/12 | 2.0000 | 2.0000 | 1.0000 | 2.0000 | 1.0000 | 2.0000 | 2.0000 | 2.0000 | 12-17 |
| Voted | EMS | 8/12 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 0.5000 | 0.5000 | 12-17 |
| Voted | Seniors | 8/12 | 0.5000 | 0.5000 | 1.0000 | 0.5000 | 1.0000 | 0.5000 | 0.5000 | 0.5000 | 12-17 |
| Voted | MSUE | 11/14 | 0.1100 | 0.1100 | 1.0000 | 0.1100 | 1.0000 | 0.1100 | 0.1100 | 0.1100 | 12-18 |
| Prepared by | Telephone Number | | Title | | Equalization Director | | Date | | | | |
| Kimberly K. Halls | 426-9327 | | | | | | 11/3/2016 | | | | |

Certification: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary, to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34, and for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, MCL 380.121(3).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 3 of 2016 for instructions on completing this section

| X Clerk | Signature | Type Name | Date | Total School District Operating Rates to be Levied (Supp/HH and NH Oper ONLY) | Rate |
|---------------|-----------------------------|----------------------|---------|---|------|
| X Secretary | <i>Laura Brandon-Maveal</i> | Laura Brandon-Maveal | 11-8-16 | For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal | - |
| X Chairperson | <i>Terry L. Walters</i> | Terry L. Walters | | For Commercial Personal | - |
| President | | | | For All Other | - |

*Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. A public hearing and determination is required for an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

** IMPORTANT: See instructions on the reverse side for the correct method of calculating the millage rate in column (5).

Certification Statement

I hereby certify that this Statement Showing Mills Apportioned by the County Board of Commissioners and submitted to the State Tax Commission is a true statement of all ad valorem millages apportioned by the County Board of Commissioners of the

County of Gladwin for the year 2016

Kimberly K. Halis
Signature of County Equalization Director,
Kimberly K. Halis

NOTARIZATION

Laura Brandon-Maveal Notary Public
Gladwin County, Michigan

STATE OF MICHIGAN

Laura Brandon-Maveal
Notary Public - State of Michigan
County of Gladwin } SS
My Commission Expires Jan. 7, 2019
Acting in Gladwin County

Subscribed before me this 8th

Day of November year 2016

My commission expires _____