

Commissioner Minutes of July 28, 2009

The Gladwin County Board of Commissioners met in Regular Session July 28, 2009. The meeting was called to order at 9:00 a.m. by Chairman Whittington. The Pledge of Allegiance was recited. Roll call found all Commissioners present.

Agenda – There were no corrections or additions to the agenda.

The **Regular minutes July 14, 2009** were then considered. *Motion by Commissioner Carl, supported by Commissioner Walters, to approve the minutes as presented. Ayes carried, motion passed.* Commissioner Carl noted that the Clerk would be bringing General Ledger balances to each Board meeting so that the Board know what the cash balances are before making any voting decisions to spend money.

Commissioner Carl then made comment that he believes there needs to be a reading of the **General Ledger Cash Balances** at the beginning of each meeting. Commissioner Carl believes that this information would serve as beneficial to the Board before spending money, or approving purchases, at each Board meeting. Discussion. *Motion by Commissioner Carl, supported by Commissioner Posey, to have the Clerk read the General Ledger cash balances, for the record, at the beginning of each Board meeting. Ayes carried, motion passed.*

The **semi-monthly Finance report totaling \$71,439.35** was then considered for payment. *Motion by Commissioner Reid, supported by Commissioner Posey, to approve the bills for payment as presented. Ayes carried, motion passed.*

Public Comments –

Lt. Partridge, State Police – Homeland Security Division, came before the Board to express his condolences in the passing of Bob DUBY. Lt. Partridge then asked the Board to be expedient in the filling of their Emergency Management Director, and offered his assistance in the hiring process, and in the interim work process. Discussion. Lt. Partridge voiced his concern to get the most qualified person under Act 390. Discussion. Commissioner Carl asked if PA 390 was the guideline by which the State would hire an Emergency Management Director. Lt. Partridge stated that PA 390 is not a requirement to hire, but a great guideline.

Frank Starkweather, EDC, came before the Board with a brief update of EDC activities. Mr. Starkweather thanked the Board for appointing Bev Przystas and Bruce Guy to the committee, stating that they hold great promise. Mr. Starkweather commented that the next issue of bullets will be out in the next week.

Lt. Partridge then passed out copies of ACT 390 for the review of the Board. Discussion on hiring, assigning a wage, and what fringes would be available to the applicants. The Board decided to review the wage and fringe options for the Director's position at the Committee of the Whole meeting at 1:00 p.m.

Jan Stewart, Solid Waste, expressed her disappointment to the Board in their unwillingness to participate in, and contribute to, the collection of Household Hazardous Waste items with the City of Gladwin. Discussion.

Nila Frei, Beaverton City Mayor, spoke on the grant approval from USDA for Dam repairs.

Laura Flach, County Clerk's Office, made a presentation on the **MERS proposal for handling of post employment health benefits as required under GASB** and reported in our 2008 audit. MERS will handle the accounting and investments at a cost of 46/100 of \$1.00 to the County. The County has the options on when and how much to set aside into this fund. Options for funding were discussed. Mrs. Flach then presented the Board with a resolution for consideration to establish the fund with MERS. *Motion by Commissioner Rhode, supported by Commissioner Walters, to accept the resolution by MERS to establish the fund for compliancy under GASB requirements.* Roll call vote as follows: Walters – yes, Carl – yes, Rhode – yes, Reid- yes, Posey – yes, Smith – no, Whittington – yes. 6 yes, 1 no. (Commissioner Smith voting no because she wished to have time to read the resolution before voting.) **Ayes carried, resolution 2009-022 declared adopted.**

Chairman Whittington noted that because of time constraints he would not be reviewing each piece of his correspondence, and that each Board member had a copy for their review.

Committee Reports –

Commissioner Smith reported:

- On attending a special Library Board meeting July 13, 2009 where renovation of Arena building was approved. Renovation work has started.
- That she attended Tobacco Township meeting on July 13, 2009.
- That a report was sent in her absence to Beaverton City regular meeting on Monday, July 20, 2009.
 - a. Reports were received from Mike Hargrave about the airport and Karen Blatt about the leadership program that begins September 4, 2009.
 - b. There will also be a junior leadership program offered this year.
 - c. The Council denied the request from the Gladwin County EDC for \$500.00 and this included a letter of explanation to the EDC Director.
 - d. Thanks were given to the Boy Scouts for cleaning up Ross Lake Park after the July 4th celebration.
 - e. Revisited the Fire Board purchase of property on M-18 from Dave Lang for the construction of a new fire hall. Motion made and Council approved the purchase.

- f. There is a new Council member from Ward 2, Doreen Ullom.
- g. The City is grateful for the support of Sgt. Timothy David in his “return home.”

Commissioner Smith noted that she had an excellent time while shooting in Minnesota and had set another record.

Commissioner Walters reported:

- On attending the Lake Improvement Board meeting on the 22nd.
- On Veteran Affairs, noting that Ginny Grant was working with the family of Tim David and the Department of Defense. The Forgotten Eagles would be at the Memorial on August 5th at 1:00 p.m. The County lost two more Veterans: Keith Gilbert, Gladwin City – WWII and Larry Parsons, Tobacco Township – Korean War.
- That he was unable to make his Township meetings because he has been busy with Emergency Management. Commissioner Walters has communicated this with his Townships, noting that they have been very understanding.

Commissioner Carl reported:

- On attending the Bourret Township meeting on the 14th.
- On the Gladwin Township meeting on the 15th.
- On attending the Building and Grounds meeting on the 16th.
- On the Finance meetings on the 23rd and 24th.

Commissioner Carl then excused himself from the meeting.

Commissioner Posey had no report due to the fact she had no scheduled meetings in the past two weeks.

Commissioner Reid reported:

- On attending the Secord Township meeting on the 15th, noting that a proposed noise ordinance was reviewed.
- On attending and being a part of Bob Duby’s funeral on the 16th, commenting that Bob had a great ability in the way he ran the program.
- On attending the Public Safety meeting on the 22nd. Discussion on grant prospects to fund ORV education, ORV contact for questions, and providing service to Secord Township to assist with their noise ordinance.
- On the Buckeye Township meeting on the 22nd, noting that mosquito spraying was discussed.

Commissioner Reid then commented on the bids for the **sale of two marine boats** that was handled at the last Board meeting. Commissioner Reid received a phone call stating that the bids could have been compromised, and that he would like to see them re-

advertised for sale. Discussion. *Motion by Commissioner Reid, supported by Commissioner Carl, to re-advertise the two boats for sale. Ayes carried, motion passed.*

Commissioner Reid then expressed concern over comments made on the Building and Grounds committee's decision to paint the Animal Shelter. Commissioner Reid commented that donation money was used to pay a large portion of the cost and that if individuals have questions, or concerns, that he would urge them to contact him so that issues can be discussed.

The bids were then opened for **the Bolens lawn tractor that was for sale**. The bids were opened as followed: Walt Kennedy - \$527.00 Albert Hall - \$115.00 John Stenger - \$217.50 G&D Feeds - \$300.00 Linda Chaffee - \$200.02 Chris Shell - \$302.00. *Motion by Commissioner Smith, supported by Commissioner Reid, to sell the tractor to Walt Kennedy for \$527.00. Ayes carried, motion passed.*

Commissioner Rhode reported:

- On a grievance filed by the Corrections Officer unit for retro pay. Mr. Borousho does not believe that it is an issue, and should be denied based on the timeliness of the grievance. Discussion. *Motion by Commissioner Reid, supported by Commissioner Smith, to pay the retro pay as requested in the grievance.* Roll call vote as follows: Carl – absent, Rhode – no, Reid – yes, Posey – yes, Smith – yes, Whittington – no, Walters – no. 3 yes, 3 no. **Tie vote, motion fails.**
- On a matter that came up after the Finance meeting. Commissioner Rhode asked that County Clerk, Laura Brandon-Maveal explain. Mrs. Maveal explained that the Sheriff's Department was asking for a "**Palm Live Scan Device**" that is a Federal requirement and costs \$16,000.00. If purchased by September 15, 2009, 100% of the cost will be reimbursed by the State. Discussion. *Motion by Commissioner Rhode, supported by Commissioner Reid, to approve the purchase of the "Palm Print Device" as requested. Ayes carried, motion passed.*
- On attending the Gladwin Township meeting on the 15th.
- On the Public Safety meeting on the 16th.
- On attending the East Michigan Counsel of Government meeting on the 17th and the reduction of 2010 dues by \$550.00.
- On attending the Gladwin City Counsel meeting on the 20th, noting that the City is disappointed in the County's non-participation in the hazardous waste collection.
- On the MAC meeting held in Grayling on the 20th, noting several topics of discussion.
- On the Gladwin County Health and Human Services Board meeting held on the 21st, noting that there are a lot of things going on and brochures are available for the Board to review.
- On the Central Michigan Health Finance meeting in Mt. Pleasant on the 22nd.
- On attending the Finance meetings on the 23rd and 24th.
- That there will be a Uniform Addressing presentation on the 30th.

Finance Matters –

1. Mike Brubaker, 911 Director, has requested that three dispatchers be allowed to attend a “Nix the Negativity” training in Midland. Total cost is \$687.00. There are no lodging costs for this training. If approved cost to be paid from 282-000-804.001. Motion by Commissioner Rhode, supported by Commissioner Reid, to approve the training as requested. Ayes carried, motion passed.
2. Denise Hall, Equalization Director, has requested that a receipting error in her office be corrected by the Treasurer. Transfer from 101-000-636.000 to 101-225-802.000 \$10,619.33. Motion by Commissioner Rhode, supported by Commissioner Walters, to transfer the money as corrected. Ayes carried, motion passed.

Public Comments – none at this time.

The Board then continued their discussion on the **Emergency Management position**. Discussion on wages, fringe, and job description, was reviewed for the posting in the paper. The Board put together an **advertisement for the paper** and asked the Clerk to put together three wage and fringe packages for job applicants to consider. Resumes will be due by August 5, 2009 to the Chairman of the Board. *Motion by Commissioner Smith, supported by Commissioner Reid, to approve the advertisement to hire for the Emergency Management Director position. Ayes carried, motion passed.*

Commissioner Walters then noted that the Clare Veteran’s Clinic is open and handling a lot of cases.

Motion by Commissioner Walters, supported by Commissioner Reid, to receive and file various reports. Ayes carried, motion passed.

Motion by Commissioner Walters, supported by Commissioner Posey, to adjourn. Ayes carried, motion passed. Meeting adjourned at 11:05 a.m. until 1:00 p.m. for the Committee of the Whole meeting to discuss the budget.

Committee of the Whole Meeting

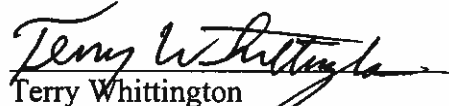
Chairman Whittington called the meeting back to order at 1:00. Commissioner Whittington stated that the purpose of the meeting was to review the first draft of the proposed budget, and that it was strictly a workshop, noting that no final decisions would be made today and there would be no public comments. The meeting was turned over to Commissioner Rhode for discussion of the 2010 budget.

Commissioner Rhode briefed the Board on the collection process of revenues and expenses by each department. Total revenues = \$6,914,285.00 Total Expenses = \$7,333,893.00, leaving a negative balance of \$419,608.00 in General Fund that would need to be balanced by the committee. Commissioner Rhode passed out a list of proposed budget reductions from the budget committee for the Board to review and asked

for the Board to make comment on the list, or to provide the committee with other areas to explore reductions. Many ideas were discussed between the Board and the members of the public in attendance on ways to balance the budget. Chairman Whittington concluded the meeting noting that department head and elected official meetings would be beginning August 4th and that the Commissioners' secretary would be scheduling appointments with the budget committee.

Motion by Commissioner Carl, supported by Commissioner Walters, to adjourn. Ayes carried, **motion passed**. *Meeting adjourned at 1:50 p.m. until August 11, 2009 at 9:00 a.m. unless otherwise ordered.*


Laura Brandon-Maveal


Terry Whittington

**UNIFORM RESOLUTION ADOPTING THE MERS
RETIREE HEALTH FUNDING VEHICLE**
(Excluding Plans Governed by Internal Revenue Code Section 401(h))

WHEREAS, the Municipal Employees' Retirement System ("MERS") Plan Document of 1996, effective October 1, 1996, authorized the Municipal Employees' Retirement Board ("Board") to establish additional programs including but not limited to defined benefit and defined contribution program (MERS Plan Document Section 36(2)(a)); and the Municipal Employees Retirement Act of 1984, Section 36(2)(a) as amended by 1996 PA 220, MCL 38.1536(2)(a);

WHEREAS, the Board has previously authorized MERS' establishment of a retiree health funding vehicle ("RHFV" or "Program"), which a participating municipality or court, or another eligible public employer that is a political subdivision of the State which constitutes a "municipality" under MERS Plan Document Section 2B(4); MCL 38.1502b(2) ("Eligible Employer"), may adopt for its Eligible Employees;

WHEREAS, MERS has been determined by the Internal Revenue Service to be a tax-qualified "governmental plan" and trust under section 401(a) of the Internal Revenue Code of 1986, and all trust assets within MERS reserves are therefore exempt from taxation under Code section 501(a) (IRS Letter of Favorable Determination dated June 15, 2005).

WHEREAS, the Board has established a governmental trust under Section 115 of the Internal Revenue Code (the "Trust Fund") to hold the assets of the RHFV, which Trust Fund shall be administered under the discretion of the Board as fiduciary, directly by (or through a combination of) MERS or MERS' duly-appointed Program Administrator;

WHEREAS, 1999 PA 149, the Public Employee Health Care Fund Investment Act, MCL 38.1211 *et seq.* ("PA 149") provides for the creation by a public corporation of a public employee health care fund, and its administration, investment, and management, in order to accumulate funds to provide for the funding of health benefits for retirees and beneficiaries;

WHEREAS, a MERS health care trust fund constitutes a governmental trust established by a public corporation ("municipality") as an Eligible Employer, provided that all such employers shall be the State of Michigan, its political subdivisions, and any public entity the income of which is excluded from gross income under Section 115 of the Internal Revenue Code; provided further, that the health care trust shall not accept assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code;

WHEREAS, the Board acts as investment fiduciary for the pooled assets of each MERS participating municipality and court enrolled in MERS defined benefit programs, Health Care

Savings Program, the Retiree Health Funding Vehicle, and the Investment Services Pool Program, on whose behalf MERS performs all plan administration and investment functions, and such participating municipalities and courts have full membership, representation and voting rights at the Annual Meeting as provided under Plan Section 45; MCL 38.1545.

WHEREAS, the Board also acts as investment fiduciary for those participating employers who are non-MERS participating municipalities and courts that have adopted the MERS Health Care Savings Program, Retiree Health Funding Vehicle, or Investment Service Pool Program, and such entities are not accorded membership, representation or voting rights provided to MERS participating municipalities and courts at the Annual Meeting under Plan Section 45; MCL 38.1545.

WHEREAS, adoption of this Uniform Resolution (the "Uniform Resolution") by the Eligible Employer is necessary and required in order that the benefits available under the MERS Retiree Health Funding Vehicle may be extended;

WHEREAS, this Uniform Resolution has been approved by the Board under the authority of 1996 PA 220, MERS Plan Document Section 36(2)(a), MCL 38.1536(2)(a), declaring that the Board "shall determine . . . and establish" all provisions of the retirement system. The MERS RHFV shall not be implemented with respect to any Eligible Employer unless in strict compliance with the terms and conditions of this Resolution, the Trust Document, and Trust Agreement.

- It is expressly agreed and understood as an integral and nonseverable part of extension or continuation of coverage under this Uniform Resolution Adopting MERS Retiree Health Funding Vehicle that Section 43B of the MERS Plan Document shall not apply to this Uniform Resolution, its administration or interpretation.
- In the event any alteration of the language, terms or conditions stated in this Uniform Resolution Adopting MERS Retiree Health Funding Vehicle is made or occurs, under MERS Plan Document Section 43B or other plan provision or other law, it is expressly recognized that MERS and the Board, as fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty: to administer (or to have administered) the MERS RHFV or its Trust Fund; or to continue administration.

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts the MERS PA 149 Health Care Trust Fund as provided below.

SECTION 1. MERS RHFV PROGRAM

EFFECTIVE July 28, 2009, the MERS Retiree Health Funding Vehicle is hereby adopted by the Gladwin County
(MERS municipality or court or other eligible employer)

CONTRIBUTIONS shall be made only by the Eligible Employer, remitted to MERS by the Eligible Employer, and credited to the Eligible Employer's separate fund within the trust sub-fund for MERS RHFV. As this Plan is funded solely by employer, on a cash or actuarial basis as determined by the employer, there is no requirement for a Participation Agreement establishing the schedule of contributions.

INVESTMENT of funds accumulated and held in the Fund shall be held in a separate reserve and invested on a pooled basis by MERS subject to the Public Employee Retirement System Investment Act ("PERSIA"), 1965 PA 314, as provided by MERS Plan Document Section 39; MCL 38.1539, and PA 149.

THE ELIGIBLE EMPLOYER shall abide by the terms of MERS RHFV, including all investment, administration, and service agreements, and all applicable provisions of the Code and other law. It is affirmed that no assets from any defined benefit health account established under Section 401(h) of the Internal Revenue Code shall be transferred to, or accepted by, MERS.

SECTION 2. IMPLEMENTATION DIRECTIONS FOR MERS AS RHFV INVESTMENT FIDUCIARY AND TRUSTEE

- (A) The governing body of this Eligible Employer desires that all assets placed in its MERS RHFV (as a sub-fund within all pooled Trust Funds with MERS) be administered by MERS, which shall act as investment fiduciary with all powers provided under Public Employee Retirement System Investment Act, PA 149, all applicable provisions of the Internal Revenue Code and other relevant law.
- (B) The governing body desires, and MERS upon its approval of this Resolution agrees, that all funds accumulated and held in the MERS RHFV Trust Fund shall be invested and managed by MERS within the collective and commingled investment of all funds held in trust for all Eligible Employers.
- (C) All monies in the MERS RHFV Trust Fund (and any earnings thereon, positive or negative) shall be held and invested for the sole purpose of paying health care benefits for the exclusive benefit of "Eligible Employees" who shall constitute "qualified persons" who have retired or separated from employment with the Eligible Employer, and for any expenses of administration, and shall not be used for any other purpose, and shall not be distributed to the State.

(D) The Eligible Employer will fund its MERS RHFV Trust sub-fund to provide funds for health care benefits for "Eligible Employees" who shall constitute "qualified persons." Participation in and any coverage under RHFV shall not constitute nor be construed to constitute an "accrued financial benefit" under Article 9 Section 24 of the Michigan Constitution of 1963, nor shall any contribution method for Eligible Employer funding other than "pay as you go" cash funding be required or imposed, and all benefits, rights, and obligations conferred by or arising under RHFV shall be as provided under the RHFV documents.

(E) The Eligible Employer generically designates the following groups of persons as "Eligible Employees" who shall constitute "qualified persons," to receive retiree health care benefits subsidized under the MERS RHFV trust sub-fund. Groups may include any dependent(s) as specified in your bargaining agreement and/or personnel policy (provide copies of any governing agreement or other policy):

For example "non-union employees

All Full Time Employee's

(F) County Clerk _____ (Use title of official, not name) shall be the Eligible Employer's RHFV Coordinator; **shall direct payment of fund monies for the benefit of the Eligible Employees** identified in (E) under any MERS (or non-MERS) retiree health care benefit program, including, but not limited to, MERS HCSP, or MERS Premier Health; make investment allocations of the Employer's sub-trust fund within MERS-approved portfolios; receive necessary reports, notices, etc.; shall act on behalf of the Eligible Employer; and may delegate any administrative duties relating to the Fund to appropriate departments.

(G) Fees and Expenses for the MERS RHFV are contained in Addendum A to this Resolution.

SECTION 3. EFFECTIVENESS OF THIS RESOLUTION

This Resolution shall have no legal effect until a certified copy of this adopting Resolution shall be filed with MERS, and MERS determines that all necessary requirements under MERS Plan Document Section 36(2)(a), 1999 PA 149 and other relevant laws, and this Resolution have been met. Upon MERS' determination that all necessary documents have been submitted, MERS shall record its formal approval upon this Resolution, and return a copy to the Eligible Employer's RHFV Coordinator as identified above.

In the event an amendatory resolution or other action by the Eligible Employer is required by MERS, such Resolution or action shall be deemed effective as of the date of the initial Resolution or action where concurred in by this governing body and MERS (and the Program Administrator if necessary). Section 54 of the MERS Plan Document shall apply to this Resolution and all acts performed under its authority. The terms and conditions of this Resolution supersede and stand in place of any prior resolution, and its terms are controlling.

I hereby certify that the above is a true copy of the Resolution Adopting the MERS Retiree Health Funding Vehicle adopted at the official meeting held by the governing body of this municipality:

On July 28, 2009

Laura Brandon-Marral
(Signature of authorized official)

Please send MERS fully executed copy of:

1. Retiree Health Funding Vehicle Uniform Resolution
2. Certified minutes stating Governing Body approval; and
3. Union contract language and/or personnel policy

**RECEIVED AND APPROVED BY THE MUNICIPAL EMPLOYEES'
RETIREMENT SYSTEM OF MICHIGAN**

Dated: _____, 20____

(Authorized MERS signatory)