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VICE-CHAIRPERSON
RYAN SEBOLT

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FINANCE COMMITTEE
MARK GREBNER, CHAIR
THOMAS MORGAN
TODD TENNIS
BRYAN CRENSHAW
MARK POLSDOFER
RANDY SCHAFER
RANDY MAIVILLE

INGHAM COUNTY BOARD OF COMMISSIONERS
P.O. Box 319, Mason, Michigan 48854 Telephone (517) 676-7200 Fax (517) 676-7264

THE FINANCE COMMITTEE WILL MEET ON WEDNESDAY, SEPTEMBER 11, 2019
AT 6:00 P.M., IN THE PERSONNEL CONFERENCE ROOM (D & E), HUMAN SERVICES
BUILDING, 5303 S. CEDAR, LANSING.

Agenda

Call to Order
Approval of the [August 21, 2019](#) Minutes
Additions to the Agenda
Limited Public Comment

1. [Overview](#) of Liaison Committee Recommendations
2. Review and Action on Law & Courts Committee Recommendations
3. Review and Action on Human Services Committee Recommendations
4. Review and Action on County Services Committee Recommendations
5. Action to Incorporate Strategic Planning Initiative Funds into Recommended Budget
6. Adoption of Finance Recommended Budget

Announcements
Public Comment
Adjournment

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OR SET TO MUTE OR VIBRATE TO AVOID
DISRUPTION DURING THE MEETING**

The County of Ingham will provide necessary reasonable auxiliary aids and services, such as interpreters for the hearing impaired and audio tapes of printed materials being considered at the meeting for the visually impaired, for individuals with disabilities at the meeting upon five (5) working days notice to the County of Ingham. Individuals with disabilities requiring auxiliary aids or services should contact the County of Ingham in writing or by calling the following: Ingham County Board of Commissioners, P.O. Box 319, Mason, MI 48854 Phone: (517) 676-7200. A quorum of the Board of Commissioners may be in attendance at this meeting. Meeting information is also available on line at www.ingham.org.

FINANCE COMMITTEE
August 21, 2019
Draft Minutes

Members Present: Grebner, Crenshaw, Maiville, Morgan (arrived at 6:01 p.m.), Polsdofer, Schafer, and Tennis (left at 6:17 p.m.).

Members Absent: None.

Others Present: Steven Babinchak, Tim Dolehanty, Alan Fox, Bill Brickey, Tim St. Andrew, Bill Conklin, Rick Terrill, Tim Morgan, Melissa Buzzard, Michael Townsend, Beth Foster, and others.

The meeting was called to order by Chairperson Grebner at 6:00 p.m. in Conference Room D & E of the Human Services Building, 5303 South Cedar Street, Lansing, Michigan.

Approval of the July 17, 2019 Minutes

WITHOUT OBJECTION, CHAIRPERSON GREBNER STATED THE JULY 17, 2019 MEETING MINUTES WERE APPROVED AS PRESENTED. Absent: Commissioner Morgan.

Additions to the Agenda

Substitutes –

6. Equalization Department – Resolution Appointing William E. Fowler as Acting County Grant Administrator for the 2019 Ingham County Remonumentation Project
7. Health Department
 - i. Resolution to Extend the Lease Agreement for 1115 S. Pennsylvania Ave

Limited Public Comment

None.

Commissioner Morgan arrived at 6:01 p.m.

MOVED BY COMM. SCHAFER, SUPPORTED BY COMM. MAIVILLE, TO APPROVE A CONSENT AGENDA CONSISTING OF THE FOLLOWING ACTION ITEMS:

2. Animal Control – Resolution to Authorize the Purchase of a New Mobile Adoptions Transport Vehicle
3. Facilities Department
 - b. Resolution to Authorize an Agreement with Vidcom Solutions for the Access Control at Multiple Ingham County Facilities

- c. Resolution to Authorize a One Year Contract Extension with Capitol Walk Parking LLC, for the Parking Spaces Located at Lenawee and Chestnut in Lansing
 - d. Resolution to Authorize a Contract Renewal with Clean Investments Inc. for Janitorial Services at New Hope
 - e. Resolution to Authorize a Purchase Order to be Issued to Jimmerson Roofing for the Replacement of the Drain Commissioners Pole Barn Roof
 - f. Resolution to Authorize an Agreement with Roger Donaldson AIA for Architectural Services for the Renovation of Three Additional Offices on the Second Floor of the Human Services Building
 - g. Resolution to Authorize an Agreement with Superior Electric of Lansing Inc. for the Replacement of the Uninterrupted Power System at the Mason Historical Courthouse
4. 9-1-1 Dispatch Center – Resolution for the Renewal and Extension of the Technical Services Agreement with Word Systems, Inc.
6. Equalization Department – Resolution Appointing William E. Fowler as Acting County Grant Administrator for the 2019 Ingham County Remonumentation Project
7. Health Department
- a. Resolution to Authorize an Agreement with Comcast for Public Education Advertising about Lead
 - b. Resolution to Authorize an Agreement with Michigan Community Health Workers Alliance
 - c. Resolution to Authorize an Agreement with Open-MSU
 - d. Resolution to Accept an Award through National Maternal and Child Oral Health Resource Center at Georgetown University
 - e. Resolution to Authorize an Agreement with the Inline Group for Provider Recruiting
 - f. Resolution to Amend the Pediatric Physician Agreement with MSU CHM
 - g. Resolution to Amend the Pediatric Physician Agreement with MSU COM
 - h. Resolution to Authorize an Amendment to Resolution #19-247
 - j. Resolution to Authorize an Agreement with West Interactive Services
8. Potter Park Zoo – Resolution to Accept a Monetary Donation from the Potter Park Zoological Society
9. Road Department
- a. Resolution to Authorize an Oil and Gas Lease Agreement for the Property Located on Kipp Road
 - b. Resolution to Approve a Second Party Agreement with the Michigan Department of Transportation (MDOT) and a Third Party Agreement with Delhi Charter Township in Relation to a Federally Funded Safe Routes to School Project for the Holt Public School District
10. Human Resources Department
- a. Resolution Certifying Representatives for the MERS 2019 Retirement Conference
 - b. Resolution Amending and Restating the Ingham County Deferred Compensation Plan

11. Innovation and Technology Department
 - a. Resolution to Approve the Renewal of the Informacast Support Subscription
 - b. Resolution to Approve Renewal of PACC/PAAM Licensing and Support
12. Controller/Administrator's Office – Resolution to Approve the Mid-Michigan Health Insurance Consortium Municipal Cooperation Agreement

THE MOTION CARRIED UNANIMOUSLY.

THE MOTION TO APPROVE THE ITEMS ON THE CONSENT AGENDA CARRIED UNANIMOUSLY.

The items on the agenda were reordered to discuss the action items first.

3. Facilities Department
 - a. Resolution to Authorize an Agreement with ICS Holdings LLC to Lease Space for the 9-1-1 Center's Public Safety Radio System Replacement Project

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. MAIVILLE, TO APPROVE THE RESOLUTION.

Commissioner Schafer stated that he wanted to disclose that his son previously rented the property in question. He further stated that he was not a broker and did not benefit in any way.

Discussion.

Chairperson Grebner stated that this was an example of the essence of his ethics policy.

Discussion.

THE MOTION TO APPROVE THE RESOLUTION CARRIED UNANIMOUSLY.

5. Parks Department – Resolution Declaring that a Fifth Round of Applications for the Trails and Parks Millage Funds will be Taken Beginning August 28, 2019

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. CRENSHAW, TO APPROVE THE RESOLUTION.

Commissioner Schafer asked if the millage helped to provide water access.

Melissa Buzzard, Trails and Parks Millage Program Coordinator, stated that future access to the Red Cedar had been discussed with the City of Williamston but there were no set plans yet.

Commissioner Schafer stated that at some point the Parks Department should consider access for people to launch.

Ms. Buzzard stated that the Parks Department had already looked at sites in consideration of future planning for that.

Ms. Buzzard stated that she had time to review the resolution and that she wanted to add language that encouraged grant applications from any community interested in applying.

Discussion.

Commissioner Tennis proposed the following amendment:

BE IT FURTHER RESOLVED, that a fifth round of applications will be taken beginning August 28, 2019, set at a \$2.5 million dollar cap, with no required match: \$750,000 for small shovel ready projects up to a limit of \$125,000, with the remaining \$1,750,000 be for proposals for any community for future planning.

BE IT FURTHER RESOLVED that the Board of Commissioners will consider all grant applications, even if they are not shovel ready or include future planning.

BE IT FURTHER RESOLVED, that application forms and scoring criteria will be reviewed and approved by the Board of Commissioners prior to the sixth round.

This was considered a friendly amendment.

THE MOTION TO APPROVE THE RESOLUTION, AS AMENDED, CARRIED UNANIMOUSLY.

7. Health Department
 - i. Resolution to Extend the Lease Agreement for 1115 S. Pennsylvania Ave

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. MAIVILLE, TO APPROVE THE RESOLUTION.

Commissioner Crenshaw asked if there were any properties looked at within the vicinity of Willow Plaza.

Commissioner Tennis stated that a suitable location on the north side had not yet been found for the youth clinic. He further state that this was a temporary solution until they were able to find a long-term site.

Commissioner Crenshaw stated that he knew a lot of clinic clientele came from that area and while he was okay with this as a solution in the short-term, he hoped a site could be found on the north side.

Commissioner Maiville how far apart the leased property was from the Willow property.

Commissioner Crenshaw stated that it was probably seven to eight miles.

Commissioner Tennis stated that it was probably more like three to four miles. He further stated that they just needed to find the right match long-term.

Commissioner Grebner stated that there was good public transit in the area of the leased property.

THE MOTION TO APPROVE THE RESOLUTION CARRIED UNANIMOUSLY.

Commissioner Tennis left at 6:17 p.m.

1. Financial Services – Presentation of the Audit and Financial Statements

Steven Babinchak, Financial Services Director, along with Bill Brickey and Tim St. Andrew of Plante Moran, gave a presentation of the audit and financial statements.

Commissioner Crenshaw stated that the auditors mentioned that finding number three, that bank accounts were not reconciled to the County's general ledger on a timely basis, was a problem that has been repeated for many years. He asked what the true problem was for this to be repeated so many times.

Commissioner Crenshaw asked if the bank reconciliations were the responsibility of the Treasurer.

Mr. St. Andrew stated that in some cases outside departments were responsible for the reconciliation but that he would not speak to whether it was the Treasurer's Office or Financial Service's responsibility to follow up with those departments.

Mr. Babinchak stated that most County departments had their own bank accounts and they received the statements. He further stated that in some cases departments had the staffing to do bank reconciliation while some relied on central accounting to do it for them.

Mr. Babinchak stated that in the past there was no capacity for the Treasury to pick up and do the bank reconciliations for those who were failing to do so on time. He further stated that that has been resolved because Treasury had accountant on staff now.

Mr. Babinchak stated that, in addition, it was now policy that there was a worksheet that was published every month that shows exactly where they were with all the different bank accounts. He further stated that it was reviewed first by Treasury and then by Financial Services.

Mr. Babinchak stated that Treasury would step in for those who got too far behind and would bill the department for doing the work on their behalf.

Commissioner Crenshaw asked if the policy stated that the reconciliations must be done within a certain amount of time.

Mr. Babinchak stated that reconciliations must be done by the thirtieth of the month following the bank record.

Commissioner Crenshaw asked when bank records usually came in.

Mr. Babinchak stated that online records were usually available next day and paper copies were usually within three days.

Commissioner Crenshaw stated that the thirtieth was too long of a window and that there needed to be a shorter timeline. He further stated that he thought reconciliation needed to be done by the fifteenth of the month so it did not get put off.

Mr. Babinchak stated that he did not believe that issue would be repeated this year. He further stated that he believed that the biggest issue was with the Court and that they were the latest.

Mr. St. Andrew stated that the Court was not caught up on bank reconciliations and that would be addressed later in the presentation. He further stated that he thought the key was the collaboration between Treasury and Financial Services with the ultimate goal of having the bank reconciliations reconciled to the general County ledger.

Mr. Babinchak stated that he drafted a standardized reconciliation form that he submitted to all departments to use that included proof against the general ledger.

Chairperson Grebner asked how many distinct reconciliations there were each month.

Alan Fox, Chief Deputy Treasurer, stated that there were sixty.

Chairperson Grebner asked how many were a problem.

Mr. Babinchak stated that none were a problem right now.

Mr. Fox stated that problems by department tended to change over time as staff changed over time. He further stated that in the case of Circuit Court, this year's biggest offender, people had to be retrained.

Mr. Babinchak stated that he and the Treasurer had discussed the possibility of working towards eliminating many of the checking accounts and using the Treasury as a central depository but that would take some time.

Commissioner Crenshaw stated that he would push to have a deadline of the fifteenth of the month. He further stated that moving forward staff needed to be trained to do it on a timely basis and that it was unacceptable for this to continue to be an issue.

Mr. Babinchak stated that many larger organizations are able to centralize the function but he did not think that would happen here.

Commissioner Crenshaw asked if the elected offices were not having issues.

Mr. Babinchak stated that some of those have had problems.

Chairperson Grebner stated that he was not sure that the law provided that elected officials have their own accounts. He further stated that the County might be permitting more dispersed control than they were required to by law.

Chairperson Grebner stated that over time he thought the County should try to have uniform systems that all work.

Mr. St. Andrew continued the presentation.

Chairperson Grebner asked how many employees had vendor privileges who should not have had them.

Mr. St. Andrew stated that there were two.

Commissioner Crenshaw asked why vendor authorization did not go through the Purchasing Department.

Mr. Babinchak stated that the Purchasing Department was short staffed. He further stated that for employees seeking reimbursement, payments were processed through accounts payable and in order to do that a vendor had to be created in the system.

Mr. Babinchak stated that he put a stop to that as soon as he found out about it. He further stated that Financial Services was going through the permissions of all current employees which was a large project.

Mr. St. Andrew continued the presentation.

Mr. Babinchak stated that there was a meeting coming up with MSHDA and MEDC to organize the process to have a better information flow regarding Land Bank reconciliations.

Chairperson Grebner stated that he was pushing for Land Bank to be brought it under the general purview of the County. He further stated that finding number seven told him that it should not be its own quasi-department managing millions of dollars.

Chairperson Grebner stated that if the Land Bank was an ordinary branch of the County, there would not be this much of this type of discussion.

Discussion.

Chairperson Grebner stated that actual embezzlement from the County has not occurred in approximately forty years. He further stated that if it was possible to do it and you have weak

procedures someone would eventually find a way to create a vendor and leave everyone wondering where all the money went.

Chairperson Grebner stated that it was disturbing that this many weaknesses were found. He further stated that last year the Committee approved sixty thousand dollars in additional funds to pay Plante Moran and asked how much extra it was going to cost this year.

Mr. Brickey stated that there were over one thousand hours incurred on the audit and the fixed fee only covered seven hundred.

Chairperson Grebner stated that that was approximately three hundred hours over what was expected.

Mr. Brickey stated that Plante Moran wanted to be as fair as possible and that they would be putting something together.

Chairperson Grebner asked if the errors were legacy errors.

Mr. Brickey stated that this was a year of lack of understanding of the process. He further stated that he thought they turned up issues that there would not normally have been and that had to do with the previous Financial Services Director doing many things that the new Director came in thinking had been delegated elsewhere.

Commissioner Maiville stated that it was mentioned that one issue was that some employees transferred were found to have kept permissions they no longer needed. He asked if there were processes moving forward to prevent that.

Mr. Babinchak stated Financial Services had been working with Innovation and Technology to create a process.

Commissioner Morgan left the room at 6:51 p.m.

Mr. Babinchak stated that they were working on standardized permissions by job classification that would terminate if an employee left or was transferred and would need to be reissued for a new hire.

Commissioner Maiville stated that it was troubling to have this many findings and that he hoped next year was better.

Commissioner Morgan returned at 6:52 p.m.

Mr. Babinchak stated that his transition was more difficult than he anticipated, with the combination of having started in December and the amount of employee turnover this year. He further stated that Financial Services was creating a clear set of instructions for the department to follow moving forward.

Commissioner Maiville stated that Mr. Babinchak came in December 2018 and was left to pick up the pieces.

Mr. Babinchak stated that it was a tremendous effort to learn things quickly. He further stated that unfortunately there were knowledge gaps, but that those were already fixed.

Commissioner Maiville asked the auditors if they feel more confident moving forward.

Mr. Brickey stated that if the plan was executed they might be able to say that. He further stated that he thought there was an overall lack of understanding of generally accepted accounting rules.

Commissioner Crenshaw how long have the two positions been vacant.

Mr. Babinchak stated that Financial Services had been down at least one person at one time or another but that there eight qualified applicants interviewing next week to fill the positions.

Commissioner Crenshaw and you will ask them if they are aware of the accounting rules.

Mr. Babinchak stated that when he found out that the accounting department was not well trained in what they had it was addressed. He further stated that the two incoming employees would– the other two people will have the required experience and that the questions for the interview process would be more technical in nature than behavioral to help ensure that.

Commissioner Crenshaw asked if there would be training for current employees and how much it would cost.

Mr. Babinchak stated that employees were being trained internally right now. He further stated that there was now a senior accountant who could assist when there were issues.

Mr. Babinchak stated that right now Financial Services was doing whatever they needed to do to get things done. He further stated that he did not expect problems the same sort next year.

Mr. St. Andrew stated that Plante Moran had free resources available.

Commissioner Crenshaw asked if there were approved trainings. He further stated that he did not have the confidence that the County would be in a better spot next year.

Commissioner Crenshaw stated that time needed to be made for staff training, especially if Plante Moran offered it for free.

Mr. Babinchak stated that he would have his staff do training when the department was fully staffed.

Commissioner Crenshaw asked how long the Plante Moran trainings were.

Mr. Brickey stated that they tried to keep them reasonable.

Mr. Babinchak stated that most of his people were already working ten hour days and he also did not know if training was in the budget.

Michael Townsend, Budget Director, stated that there was room in the budget to shift around for training, but not for travel.

Commissioner Schafer stated that he thought that compensation packages needed to be addressed.

Mr. Babinchak stated that the two available positions were vacant because people left for other spots in the County that paid more.

Commissioner Schafer stated that he often told people about County job openings but they often ended up finding more lucrative positions elsewhere.

Commissioner Morgan stated that he was piggybacking on what Commissioner Schafer said. He further stated that the Commissioners were told time and time again by Human Resources that positions were appropriately scored/graded but that they obviously were not if they kept having trouble getting the right people in the positions.

Chairperson Grebner stated that the real problem was that the whole schedule was kind of back woods.

Commissioner Morgan stated that he was getting tired of Human Resources saying that positions were scored correctly.

Discussion.

Chairperson Grebner asked if MUNIS was part of the problem or part of the solution.

Mr. Babinchak stated that he believed that his department had a much better understanding of MUNIS now and that in order to fully utilize the functionality some of the background needed to be changed. He further stated that they have had trouble working with MUNIS, as far as having them respond regarding issues as simple as running reports.

Mr. Townsend stated that some MUNIS reports took several hours to run.

Mr. Babinchak stated that there were tickets in with MUNIS that had yet to be resolved.

Chairperson Grebner stated that MUNIS was still substantially part of the problem.

Mr. Babinchak stated that MUNIS was definitely part of the problem. He asked if other counties used MUNIS.

Mr. Brickey stated that Livingston County used MUNIS and that he did not hear the same types of complaints from them. He further stated that he was sure they would be willing to share how they felt about MUNIS.

Chairperson Grebner stated that he was not saying the underlying coding was bad or anything like that, but that the way it was implemented, it sounded like it was a time suck.

Mr. Babinchak said that that was an issue that was identified quickly and that he had asked Plante Moran to do a review of that sort, but that was placed on a backburner. He further stated that his department had undergone training on MUNIS in order to better utilize it, but that there was more to be done.

Chairperson Grebner stated that it would also require reconfiguration, redefinition and changed procedures. He stated that the problem with large software packages was that use continued to evolve after the initial setup.

Chairperson Grebner thanked Mr. Babinchak, Mr. Brickey, and Mr. St. Andrews.

Announcements

None.

Public Comment

Terri Thornberry, 9-1-1 Director, introduced herself.

Chairperson Grebner welcomed her.

Discussion.

Adjournment

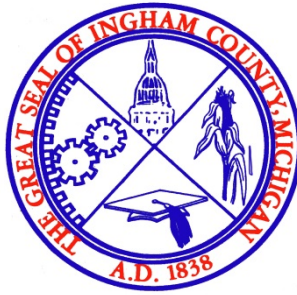
The meeting was adjourned at 7:12 p.m.

OFFICE OF THE INGHAM COUNTY CONTROLLER

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TO: Finance Committee

FROM: Timothy J. Dolehanty, Controller/Administrator

DATE: September 4, 2019

RE: 2020 Controller Recommended Budget

As the Finance Committee finalizes the 2020 budget there are some adjustments that may need to be addressed.

In the County Services Committee recommendation for the Innovation and Technology's positions the Controller's Office notes the total cost of these positions is \$208,331, however, recommends using the general fund cost of \$159,664 for these positions for consideration towards the Strategic Planning Initiative funds. The remaining cost can be appropriated to the appropriate funds if approved for funding.

The Controller's Office offers the recommendation that the two CIP request in the Human Services Committee be brought to the BOC in October for funding in 2019 with the funds coming from contingency.

In review of the Controller Recommended Budget, two adjustments were identified that needed to be changed. One, the Community Mental Health request was shorted and needs to be increased by \$41,689, bringing the corrected total to \$2,112,482. The Community Corrections request has changed and needs to be increased by \$3,569, bringing its corrected total in fund 267 to \$451,335. This results in an increase transfer from the General Fund of \$3,569. The total effect of both of these adjustments result in an increase of the use of fund balance in the General Fund of \$45,258 bringing the total use of fund balance to \$2,035,026. As these are adjustments to the Controller Recommended Budget, we are respectively, requesting an amendment to the CRB to incorporate these changes.

These changes will increase the total Ingham County Budget from \$267,187,745 to \$267,233,003. The general fund will increase from \$87,792,700 to \$87,837,958. I recommend that you incorporate these changes into the 2020 Budget as Recommended by the Finance Committee. Please do not hesitate to contact me if you have any questions.