

AGENDA

BUDGET/AUDIT COMMITTEE

111 S. Michigan Ave., Room 200, Saginaw, MI 48602

Thursday, January 11, 2024 – 4:00 p.m.

Members: Dennis Krafft – Chair, Jack Tany – Vice-Chair, Tracey Slodowski, Rich Spitzer, Christopher Boyd
Others: Finance Director, Treasurer, Civil Counsel, Board Staff, *Media*

- I. Call to Order
- II. Welcome
- III. Correction/Approval of Minutes (***December 7, 2023 - Attached***)
- IV. Public Comment
 - *Speakers limited to 3 minutes*
- V. Agenda
 1. **Tony DePelsMaeker, Maintenance Director, re:**
 - **1-16-11** Requesting approval of up to \$275,000 to be allocated from the Public Improvement Fund for relocation of Circuit Court Probation from 1931 Bagley to 618 Cass Street
 2. **Dennis Borchard, Managing Director, Lacey Ziola, Finance & Benefits Director, Road Commission, and Eric McGlothlin, Dickson Wright PLLC, re:**
 - **1-16-12** Submitting a Resolution requesting Saginaw County issue general limited tax bonds for Road Commission facilities to not exceed the amount of \$17,000,000
 3. **Koren Thurston, Finance Director, and Chris Harrington, Health Director, re:**
 - **1-16-13** - Vendor Transactions Dec. 1 – 31, 2023 \$6,148,923.68

Referred to committee from the December 19, 2023 Board Session:

 - Discussion and approval of the county's General Fund Maintenance of Effort contribution to the Health Department increase of \$199,148 from the current budgeted amount of \$1,600,000
 4. **Honorable Chief Judge Julie A. Gafkay, re:**

Postponed from the December 7, 2023 Budget/Audit Committee:

 - Discussion of hiring the equivalent of two (2) full-time deputies (4 part-time deputies at 20 – 25 hours/week) in Circuit Court (*Information to be provided*)
- VI. Miscellaneous
- VII. Adjournment

MINUTES

BUDGET/AUDIT COMMITTEE

DRAFT

111 S. Michigan Ave., Room 200, Saginaw, MI 48602

Thursday, December 7, 2023 – 4:00 p.m.

Present: Jack Tany – Vice-Chair, Rich Spitzer, Christopher Boyd
Absent: Dennis Krafft – Chair, Tracey Slodowski
Others: Koren Thurston, Bill Smith, Jessica Sargent, Christina Harrington, Tony DePelsMaeker, Brian Keenen-Lechel, Josh Brown, Mark Angliss, Michelle Konecny, Catherine Hicks and Suzy Koeplinger

- I. Call to Order ---**Tany at 4:02 p.m.**
- II. Welcome
- III. Correction/Approval of Minutes (**November 9, 2023**)
---**Moved by Boyd, seconded by Spitzer, to approve. Motion carried.**
- IV. Public Comment ---**None**
 - *Speakers limited to 3 minutes*
- V. Agenda
 1. **Koren Thurston, Finance Director, re:**
 - **12-19-8** Submitting the Saginaw County 2022 Cost Allocation Plan, which is used to allocate indirect costs, and the 2022 IT Rate Calculation, which is used to allocate IT services for the 2024 Budget cycle, and requesting approval of the necessary budget adjustment; Further, to approve the county's General Fund Maintenance of Effort contribution to the Health Department in the amount of \$1,799,148 which is an increase of \$199,148 from the current budgeted amount of \$1,600,000
---**Moved by Boyd, seconded by Spitzer, to approve. Motion carried by unanimous roll call vote. (Board Report)**
 - **12-19-13** Vendor Transactions November 1 – 30, 2023 \$13,806,608.32
---**Moved by Spitzer, seconded by Boyd, to approve. Motion carried. (Board Report)**
 2. **Jessica Sargent, Director, Commission on Aging, re:**
 - **12-19-9** Requesting adjustment of its Restricted Funds for Senior Center Activities budget by \$5,500 to reflect revenue collected from the National Energy Foundation for participation in the Consumers Energy Smart Service Program
---**Moved by Boyd, seconded by Spitzer, to approve. Motion carried. (Board Report)**
 3. **Hon. Julie A. Gafkay, 10th Circuit Court Chief Judge, re:**
 - **12-19-10** Requesting approval to increase the Sheriff's Office budget by \$200,000 annually to fund two (2) additional Sheriff Deputy positions to be assigned exclusively to Circuit Court on the 4th floor for security purposes [Request postponed to January]

4. **Christina Harrington, Health Officer, Health Department**, re:
 - **12-19-11** Requesting approval to increase the department's vaccine administration fee and approve new fees to the Health Department's fee schedule
---Moved by Spitzer, seconded by Boyd, to approve. Motion carried. (Board Report)

5. **Tony DePelsMaeker, Maintenance, Lt. Mark Przybylski, Office of Emergency Management**, re:
 - **12-19-12** Requesting approval to increase the FY 2024 Budget by \$30,000 (total of \$60,000) to replace the panic alarms in the Courthouse, upgrade the emergency notification system with ALERTUS, and add analytic functionality to a portion of the Courthouse security cameras
---Mr. DePelsMaeker and the Finance Director advised there are other projects coming in under budget and those funds will be reallocated to cover, and no additional funds are needed for this project. (No Action)

6. Miscellaneous ***---None***
7. Adjournment ***---Moved by Boyd, seconded by Spitzer, to adjourn. Motion carried; time being 5:02 p.m.***

Respectfully Submitted,
Jack Tany, Committee Vice-Chair
Suzy Koeplinger, Committee Clerk

BUDGET AUDIT

1-16-11

December 21, 2023

Chairman Christopher Boyd
Saginaw County Board of Commissioners
111 S. Michigan Ave.
Saginaw, MI 48602

Dear Chairman Boyd:

I am requesting to be placed on the January 11, 2024, Budget/Audit Committee agenda to discuss the possible relocation of Circuit Court Probation from 1931 Bagley to 618 Cass Street (Old Sheriff Administration). I have worked with several Contractors, Kelly Suppes, IT staff, Pinnacle Design and Circuit Court Probation staff over the past several months coming up with solutions to accommodate their needs. The renovations include: construction renovations, electrical upgrades, cabling upgrades, plumbing and HVAC, paint, carpet, VOIP phones, used cubical workstations and portable wall panels to divide larger offices. We have received various budgetary proposals and expect the total costs to not exceed \$275,000.

I am asking for funds to be allocated from the Public Improvement Fund or recommendation from our Finance Director, Koren Thurston. If funds are approved, we intend to solicit more competitive bids and expect to come under budget.

If the Circuit Court Probation recommended move is approved by the Board there will be additional savings in the normal operating budget which will include telephone expenses, snow plowing, mowing, building repair and maintenance. The Bagley Street facility is in need of major renovations over the next year to keep the building operational.

I will be available along with IT and Circuit Court Probation staff to discuss the recommended move and renovations. If you should have any questions prior to the meeting, please feel free to contact me @ (989) 758-2333.

Sincerely,



Anthony DePelsmaeker, Maintenance Director

RECEIVED
SAGINAW COUNTY
BOARD OF COMMISSIONERS
2024 JAN - 2 P 2:28

618 Cass Remodel - BUDGET PRICES

Vendor	Service	Budget Quotes
RC Hendrick	Renovations	\$20,000.00
Dependable Painting Co.	Paint	\$30,000.00
Leddy Electric	Electrical	\$10,000.00
Remer Plumbing	Plumbing & HVAC	\$72,000.00
Northeastern Paint	Flooring, LVT and Carpet	\$35,000.00
Pinnacle Design	Portable Wall Panels (to Divide Offices)	\$16,000.00
Pinnacle Design	Used 10 Workspace Cubicals w/ Installation	\$15,000.00
BSB	Phones/VOIP	\$21,000.00
IT	Cabling (Upgrade to Cat 6)	\$45,000.00
*Contingency	Moving/Miscellaneous	\$11,000.00
TOTAL:		\$275,000.00

**Security Cameras/Access Readers - Time & Material as needed through D/A Central

BUDGET AUDIT



Saginaw County Road Commission

COMMISSIONERS

Todd Hare
Chairperson

Richard H. Crannell, P.E.
Vice Chairperson

John Sangster
Member

Deb Kestner
Member

Ed Wasmiller
Member

Sarah Gross
Board Secretary
Administrative Assistant
(989) 399-3775

ADMINISTRATION

Dennis L. Borchard
Managing Director
(989) 399-3772

Daniel Armentrout, P.E.
Director of Engineering
Deputy Managing Director
(989) 399-3761

Lacey Ziola
Dir. of Finance & Benefits
(989) 399-3759

Steve Gradowski
I.T. Manager
(989) 399-3778

Daniel T. Medina
Director of Maintenance
(989) 399-3773

Rob Hudec
Maintenance
Superintendent
(989) 399-3755

OTHER SERVICES

Permit/Safety Officer
Haley Christensen
(989) 399-3751

Service Requests
(989) 752-6140

ADDRESS
3020 Sheridan
Saginaw, MI 48601

PHONE NUMBER
(989) 752-6140

FAX NUMBER
(989) 752-8934

WEB SITE
www.scrs-mi.org

January 3, 2024

Saginaw County Board of Commissioners
Budget/Audit Committee
111 S. Michigan Ave.
Saginaw, MI 48602

Commissioners:

Enclosed please find our agenda request item for the Budget/Audit Committee meeting to be held on January 11, 2024.

We are requesting the recommendation of the Budget/Audit Committee to approve and advance our request to the County Board of Commissioners for final approval of the attached resolution to issue general obligation limited tax bonds for Road Commissions Facilities to not exceed the amount of \$17,000,000.

The Board of County Road Commissioners of Saginaw County on December 12, 2023 approved Resolution NO. 2023-01 "Resolution Requesting Saginaw County Issue General Limited Tab Bons For Road Commission Facilities."

Sincerely,

Dennis Borchard
Managing Director
Saginaw County Road Commission

Lacey Ziola
Director of Finance & Benefits

1-16-24

RECEIVED
SAGINAW COUNTY
BOARD OF COMMISSIONERS
2024 JAN - 3 P 2:36

M E M O R A N D U M

To: Saginaw County
From: Roger Swets
Date: December 29, 2023

RECEIVED
SAGINAW COUNTY
BOARD OF COMMISSIONERS
2024 JAN - 2 P 4:15

Attached with this Memo is a Notice of Intent Resolution for a General Obligation Limited Tax bond issue which is proposed to be issued to finance salt barns and related facilities for the Saginaw County Road Commission (the "Road Commission"). The bonds would be issued as Saginaw County (the "County") general obligation limited tax bonds ("GOLT Bonds") under Act 34, Public Acts of Michigan, 2001, as amended (Act 34). This is the same type of bond and process the County has used of the last number of years to finance its public improvements.

GOLT Bonds require that the County begin the legal process for the issuance of the bonds by the Board of County Commissioners adopting a "notice of intent" resolution and publish the notice attached to the resolution in the local paper. The notice describes the purpose of the bonds and also sets a maximum dollar amount which can be borrowed, which in this case is \$17,000,000. The Road Commission believes the project will come in under this amount, but the limit includes some cushion, in case costs for the project come in higher than expected. The notice also initiates a 45 day period during which registered electors could file a petition asking for an election on the bond issue. It would take the lesser of 10% or 15,000 of the registered electors in the County to file valid petitions for an election to be required. If sufficient petitions are not filed in 45 days, the County Board of Commissioners can proceed with the bond issue by resolution of the board.

The bonds would be issued for the benefit of the Road Commission. The Board of County Road Commissioners has adopted a resolution contractually agreeing to pay the debt service on the bonds. While the bonds are being issued for Road Commission facilities, it is proposed that the County issue the bonds since the Road Commission only has very limited borrowing powers. The Road Commission can issue road notes for road purposes, but these notes are limited to a 10 year maturity and do not pledge the full faith and credit of the County. The Road Commission could also issue an installment purchase agreement, but a Road Commission installment purchase agreement cannot pledge the full faith and credit of the County and would most likely need to be placed with a bank, instead of being sold in the bond market.

MFCI, Inc., the County's financial advisor, has determined that in order to have a successful sale of the obligations for the Road Commission and obtain the best interest rates and terms, it is necessary to pledge the full faith and credit of the County to the bonds and to sell the bonds in a public offering in the bond market. To do this requires the involvement of the County. The issuance of GOLT Bonds by a county is a standard method to finance these types of road commission improvements, commonly used throughout the State of Michigan

MEMO: County of Saginaw
DATE: December 29, 2023
PAGE: 2

We would be pleased to answer any questions you have on this material. To that end, my partner, Eric McGlothlin, will attend the Budget/Audit Committee meeting on January 11, 2024, as I will be out of town on that day. In the meantime, please let us know if you have any questions on this material.

**BOARD OF COUNTY COMMISSIONERS
COUNTY OF SAGINAW
State of Michigan**

Resolution No. _____

**RESOLUTION TO PURCHASE, ACQUIRE, AND CONSTRUCT
CAPITAL IMPROVEMENTS AND TO PUBLISH
NOTICE OF INTENT TO ISSUE MUNICIPAL SECURITIES**

Minutes of a regular meeting of the Board of Commissioners of the County of Saginaw, State of Michigan, held on January 16, 2024, at 5:00 p.m. local time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and supported by Member _____:

WHEREAS, the Board of Commissioners deems it to be in the best interest of the County of Saginaw (the "County") to design, purchase, acquire, and construct certain capital improvements, including without limitation, new Saginaw County Road Commission (the "Road Commission") facilities, including, but not limited to, salt barns, lean to structures and vector dumping areas, together with all related work, facilities, site work, utilities, parking improvements, furnishings, equipment and appurtenances and related facilities necessary or incidental thereto and such other capital improvements the Road Commission shall determine to make, and to pay the costs of issuance of municipal securities (the "Improvements") and to finance the Improvements by the issuance of municipal securities which pledge the County's limited tax general obligation pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"); and

WHEREAS, the Road Commission has adopted a resolution by which the Road Commission agrees to pay the debt service on the municipal securities; and

WHEREAS, the County through the Road Commission may proceed to acquire the Improvements prior to the issuance of the municipal securities; and

WHEREAS, the County through the Road Commission may incur substantial capital expenditures for the Improvements prior to the issuance of the municipal securities and desires to be reimbursed for such expenditures from the proceeds of the municipal securities; and

WHEREAS, pursuant to Section 517 of Act 34, it is necessary to publish a Notice of Intent to Issue Municipal Securities for the Improvements.

NOW, THEREFORE, BE IT RESOLVED that:

1. The Board of Commissioners hereby determines to purchase, acquire, and construct the Improvements and to pay for the cost through the issuance of one or more series of

municipal securities, which pledge the County's limited tax full faith and credit, pursuant to Section 517 of Act 34, in an amount of not to exceed \$17,000,000 (the "Municipal Securities").

2. A Notice of Intent to Issue Municipal Securities be published in accordance with Section 517 of Act 34, and the County Clerk is authorized and directed to publish the Notice of Intent to Issue Municipal Securities in a newspaper of general circulation in the County, which Notice shall be substantially in the form as set forth on Exhibit A attached hereto with such changes as are approved by the County Administrator, and shall be at least one-quarter (1/4) page size in the newspaper.

3. The County may proceed to purchase, acquire, and construct the Improvements using available funds of the County including without limitation, from the Road Commission Fund, a fund for the general operations and activities of the Road Commission.

4. At such time as the County issues the Municipal Securities for the long-term financing of the acquisition of the Improvements, the County and the Road Commission shall be reimbursed for its expenditures for the Improvements out of the proceeds of the Municipal Securities.

5. This resolution and the expression of intent to seek reimbursement from future proceeds of the Municipal Securities is intended to satisfy the requirements of Section 150 of the Internal Revenue Code of 1986, as amended.

6. The firm of Dickinson Wright PLLC is hereby employed as bond counsel to the County to prepare the documents for the issuance of the Municipal Securities for financing acquisition of the Improvements and the officers of the County are authorized to enter into an engagement letter with bond counsel.

7. The firm of MFCI, Inc. is hereby employed as registered municipal advisor to the County for the issuance of the Municipal Securities and the officers of the County are authorized to enter into an engagement letter with MFCI, Inc.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

YEAS: _____

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED ADOPTED.

Vanessa Guerra, Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Board of Commissioners of the County of Saginaw, State of Michigan, at a meeting held on January 16, 2024, and that the public notice of the meeting was given pursuant to Act 267, Public Acts of Michigan, 1976, as amended.

Dated: January 16, 2024

Vanessa Guerra, Clerk

**NOTICE OF INTENT TO ISSUE MUNICIPAL SECURITIES
TO THE ELECTORS OF THE COUNTY OF SAGINAW**

PLEASE TAKE NOTICE that the Board of Commissioners of the County of Saginaw, State of Michigan (the "County") intends to issue municipal securities in one or more series, in an amount of not to exceed \$17,000,000 (the "Municipal Securities").

The Municipal Securities shall be issued for the purpose of defraying the cost to design, purchase, acquire, and construct certain capital improvements, including without limitation, new Saginaw County Road Commission (the "Road Commission") facilities, including, but not limited to, salt barns, lean to structures and vector dumping areas, together with all related work, facilities, site work, utilities, parking improvements, furnishings, equipment and appurtenances and related facilities necessary or incidental thereto and such other capital improvements and acquisitions the Road Commission shall determine to make and acquire and to pay the costs of issuance of municipal securities and capitalized interest, if any.

The Municipal Securities of this issue shall mature within the maximum terms permitted by law with interest on the unpaid balance at a rate to be determined upon the sale of the Municipal Securities, but in no event to exceed the maximum rate permitted by law. The Municipal Securities shall be issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34").

SOURCE OF PAYMENT

The County anticipates paying the debt service on the bonds from funds of the Saginaw County Road Commission. The principal of and interest on the Municipal Securities will be limited tax full faith and credit general obligations of the County, payable from any available funds of the County. Pursuant to this pledge of its limited tax full faith and credit, the County will be obligated to levy such ad valorem taxes upon all taxable property in the County as shall be necessary to make the payments of principal and interest on the Municipal Securities, which taxes, however, will be limited by applicable constitutional and statutory limitations on the taxing power of the County.

RIGHT OF REFERENDUM

This notice is given, by order of the Board of Commissioners of the County, to and for the benefit of the electors of the County in order to inform them of their right to petition for a referendum upon the question of the issuance of the Municipal Securities. The Municipal Securities will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors residing within the County, whichever is the lesser, shall have been filed with the undersigned County Clerk. In the event that such a petition is filed, the Municipal Securities will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the County qualified to vote and voting thereon at a general or special election.

This Notice is published pursuant to the requirements of Section 517 of Act 34.

Vanessa Guerra, Clerk
County of Saginaw

**BUDGET
AUDIT**

COMMUNICATION NO. 1-16-13

TO: SAGINAW COUNTY BOARD OF COMMISSIONERS

Forwarding for review and approval the attached list of transactions, as compiled by the Treasurer's Office, and by the Controller's Office, Accounting Division.

Date: 12-01-23 through 12-31-23 Amount: \$ 6,148,923.68

Signed Jana Barry
Jana Barry, Deputy Treasurer/Financial Analyst

Signed Koren Thurston
Koren Thurston, Finance Director

RECEIVED
SAGINAW COUNTY
BOARD OF COMMISSIONERS
2024 JAN - 4 P 2: 58

BUDGET AUDIT COMMITTEE

Recommending the bills as listed above be approved for payment. Any exceptions are noted below.

Signed _____ Dated _____
Dennis H. Krafft, Chair
Jack Tany, Vice Chair

Certifying approval by the Saginaw County Board of Commissioners at a regular meeting held on _____.

Signed _____
Vanessa Guerra, Saginaw County Clerk

SEAL