

October 24, 1979

The Marquette County Board of Commissioners met as a Committee of the Whole, in the Commissioners Room of the Courthouse Annex on October 24, 1979 at 7:00 p.m..

Chairperson May called the meeting to order and roll call was held by the Deputy County Clerk, with the following roll recorded.

Present: Comm. Clark, Coombs, Farrell, Juidici, Krook, Leone, Lowe, Racine, Steele and May.

Absent: Comm. Anderson, and Cheatham.

Approval of the agenda was given by the general concensus of the board.

Chairperson May gave a short review of what has taken place up to this time, regarding the next item on the agenda, which is a discussion relating to Henry Skewis, County Clerk's request to Duane Beard, Controller, to have the operation of the accounting Dept., with the exception of the General ledger turned over to him; also in question is the hiring of a Secretary to take sub-committee minutes. The following persons were in attendance for discussion: Henry A. Skewis, County Clerk; James F. Sodergren, County Treasurer; Duane Beard, County Controller; Gary Yoder, Chief Accountant and Patricia Micklow, Assistant Prosecuting Attorney.

Chairperson May asked Mr. Skewis to fill the board in on how all this was handled prior to the setting up of the Accounting Division. Mr. Skewis said the process of eroding the County Clerk's office, started back in 1952. He said some of the records were taken out in 1963, but the bulk of it was done June 6, 1977, such as the Payroll, accounts payable and accounts receivable, Retirement Reports, Social Security reports, Blue Cross Hospitalization billings and reports, EEO Annual report and all warrants, with the exception of Circuit Court Trust Fund. Hank gave a rundown on the staff work, before and what other items were added to the work load after the accounting was taken out, such as Campaign Financing. He explained how the checks were handled at that time.

Mr. Sodergren commented to the fact, that he or his deputy, will only sign checks now after the Clerk or his deputy's signature is on the check. In the past for convenience, if the county clerk or his deputy were busy the checks were taken to the Treasurers office to be signed first. He said the General ledger was taken out of his office the first of January, 1979 and for about 6 months, they were doing a duplicate. Jim said he still has to keep an accounting of control in his office, but he didn't feel that the General Ledger was ever a function of the County Treasurer's office.

Gary Yoder gave a summary of how the accounting is handled now. He said all the checks issued by the county, basically with the exception of the Court Trust Fund are handled by the Accounting Dept.. All of the checks are written on the accounting machine and at the same time the check is written, it is posted to the place it is suppose to be posted to, and after a batch of checks are run, posting is made to the General ledger, so they have a combined system, where expenditures are shown and revenues of all funds. He said when the accounting was first moved, the checks were taken down to the clerks office to have them put through the check protector machine, they since have purchased one of their own and now all the checks are protected in the accounting department. Gary said they have had some discussion on this with the auditors, that maybe the check protector should be in either the county clerk's or Treasurer's office, so that the people who are preparing the check are not protecting it. Hank said that putting the check protector in another office is not a part of the check and balance system. Gary commented on some checks being paid out before the Finance Committee audits them, such as Jury and Witness fees, attorney fees and the like which is ordered by the judges and travel advance etc.

Jim said he felt the check protector should be in the Treasurer's office to have a check and balance against whoever makes out the checks. Hank agreed with this.

Gary at this time explained how it happened that the Treasurer was signing checks before the clerk at times, was that they did not realize that the clerk had to sign the checks first, and when the account clerks would bring the checks down, if Hank or Joy were busy they would go on over to the Treasurers office first, mainly as a convenience and to speed up the process. This was in response to Chairperson May's question on why it was done this way.

Duane Beard stated at the time he came to the county as controller, most of the accounting was already moved to the accounting department, except for the General Ledger and the Burroughs equipment.

Comm. Coombs commented on what he felt was the reason for putting the books on the machine, was to be a more efficient way of streamlining the accounting system. Gary said that in 1977 the Payroll went on the Burroughs machine, in 1978 the disbursements and Jan. 1, 1979 the General Ledger was put on.

Comm. Coombs said the way he sees it, the main issue is whether one function should be where. Hank said he didn't feel they had a clear understanding of what he was asking. He said he's not asking that anything be taken off the machine, he's asking that the accounting dept., be turned over to him with the exception of the General Ledger which by statute belongs to the Controller's Office. Comm. Coombs asked what the problem would be to the clerk taking the accounting back. Gary Yoder said that the way the machine is set up now, as you're doing one function you're also doing another and the comment he would make, that at this point you can't take one part away and leave the General Ledger, if one thing goes the whole thing should go, if part of it stays the whole thing should stay.

Comm. Juidici asked Hank why he waited till now to object. He said he had just become aware of it. Hank gave reference to Pat Micklow's letter, which at this point in the meeting had not been presented yet. Pat Micklow states that a governmental study committee, was established in April of 1977 and that this committee conducted interviews with several county officers to determine their actual duties and to submit recommended changes in government structure. Mr. Skewis said that he was never interviewed or invited to any of their governmental study meetings to be interviewed. He went on to say that statutes covering the controller states (MCLA 46.13B) the controller shall keep in his office a general ledger, not the general ledger. Which leads you to believe that a general ledger is something other than is kept now. Comm. Juidici asked if there is something about the way in which the system is working now that Hank feels is not good, and he said he feels it's a violation of the state statutes and a violation of the constitution of the state. He feels those duties are statutory duties of the clerk's office and not the controller's office.

Comm. Farrell asked if there was anything wrong with the way the accounting is being handled, and Hank said it is working but there still is not a check and balance. Gary Yoder said they're speaking of two different kinds of checks and balances, what Jim Sodergren and he were speaking of was a check and balance in dollars, and what Hank is talking about is whether the bill is for the amount of goods you received, in other words whether you're getting what you paid for, checking the original order against the check.

Duane commented on the term auditors use is internal control, to assure that your financial statements are reflective of what your actual financial condition is. He said Jim Sodergren, Gary and him had talked about having a complete audit, there has not been one since he has become controller.

Comm. Racine asked for a clarification of the Controller type government.

Gary Yoder said that he came to the county in 1974, under Bob DeRoche, that the Governmental Study Group was formed in 1977 and January 1, 1978 they created the Controller position by resolution.

Mr. Skewis reviewed the opinion received from Pat Micklow and Pat gave comments. After further discussion by the commissioners, a short recess was taken to enable the commissioners to read the three letters that were received in regard to this issue, from Patricia Mickllw, Ass't. Pros. Atty., Gerald Lindman research analyst for Mich. Assoc. of Counties and Kenneth Verburg, Professor, Mich. State University.

After recess a discussion was held, regarding the case in Gogebic County, in how it is like the situation we have. Pat Micklow commented on what powers or duties can or cannot be removed from a county official. Comm. May said that the situation is not the same as Gogebic county, as they just did a bad job of setting up their Controller position.

It was suggested that maybe we should get an Attorney's General's opinion. Gogebic county has already asked for this in their case.

Comm. Farrell said he felt "we should see that we have the best accounting procedures within the law, and go from there, if we have to go to court, then that's what we'll do."

Mr. Skewis said that he has said nothing about taking them to court, he then read a resolution received from Gogebic County Commissioners, asking their Legislators to check into where these records belong.

Comm. Racine, suggested waiting until the results of the appeal of Gogebic County is settled.

Comm. Coombs suggested that Duane and Hank try to work things out and if they can't, then the board steps in.

Comm. Steele made the comment that after three hours of discussion the main issue is the legality of it.

Comm. Farrell asked, is it possible to have a friendly Court Case, to find out what the answer is legally. Hank said that is okay with him, but they must remember they will have to get another Judge, as both of our judges will have to disqualify themselves. The question was asked, how the accounting was taken out of the Clerks office in the first place. Mr. Skewis said that it was just moved out, that he never moved anything.

Duane spoke on the consequences of splitting of the offices and moving part of the function back to the County Clerks office. Hank made it very clear to the commissioners again, that he was not talking about moving anything out of the Accounting Department. He only wants the Department under the Clerks office as it should be.

After further discussion on how this should be handled, it was moved by Comm. Farrell, supported by Comm. Juidici and carried to recommend to the Board, that this issue of the Accounting Dept. be referred to an AdHoc Committee for study and recommendation back to the board, the Committee to be made up of the Board Chairperson, two Board members, the Controller, County Clerk, Treasurer and that the Assistant Pros. Attorney and the Chief Accountant be present as resource persons.

In regard to the Executive Secretary position, Hank suggested that he would be willing to deputize Karen Chubb to take the minutes to the sub-committee meetings. Chairperson May felt that this may cause some problem as to who does she work for, the board or the county clerk. It was then moved by Comm. Farrell, supported by Comm. Leone and carried to refer this issue of the Executive Secretary position to the Personnel Committee for study and report back to the board.

Chairperson May proclaimed October 26, 1979 as Mental Health Day.

A discussion on the Economic Development Corp., in regard to appointments to that board. There are 9 members to be appointed. Chairperson May said they should be finalized at the next meeting of the board and if any board member has suggestions, have them to her by Friday Nov. 2nd. She suggested getting members that represent all of the county.

Comm. Racine reported that he talked to Rep. Jacobetti on the late payment for the swamp tax and we should have money on the way from it.

Comm. Farrell reported they received the \$20,000 grant money for the Sugar Loaf project.

Comm. Clark reported on how the new Mental Health Committee was progressing. He said they have met once and so far are collecting info.

There being no further business to come before the board, it was moved by Comm. Juidici, supported by Comm. Leone and carried that the meeting be adjourned.

Respectfully submitted,

Joy Schlais
Joy Schlais, Dep. County Clerk

Committee of the Whole Meeting

Wednesday, October 24, 1979, 7:00 p.m.
Commissioners Room, Courthouse Annex
Marquette, Michigan

1. Meeting called to order.
2. Roll call by the Clerk.
3. Approval of the agenda.
4. Public Comment.
5. Discuss organization of Governmental Support Division and Board Secretary function. Henry Skewis, Clerk; Jim Sodergren, Treasurer; Pat Micklow, Assistant Prosecutor; and Gary Yoder, Chief Accountant/Purchasing Agent, have been invited to attend to share in the discussion.
6. Proclaim October 26, 1979 as Mental Health Day.
7. Progress toward objectives/Standing Committee Reports:
 - a. Executive Committee
 - b. Personnel Committee
 - c. Environment, Lands and Buildings Committee
 - d. Finance Committee
 - e. Intergovernmental Relations Committee
8. Others:
 - a. Board of County Institutions
 - b. County Planning Commission
 - c. County Commission on Aging
 - d. County Board of Health
 - e. CETA Consortium
 - f. Alger-Marquette Community Action Agency Board
 - g. CUPPAD Criminal Justice Committee
 - h. RC&D Council
 - i. Central Dispatch Committee
 - j. OEDP Committee
 - k. Marquette/Marquette Twp./Chocolay Twp. Sewage Plant Board
 - l. UPTRA
 - m. MAC Committees
9. Additional Business
10. Announcements
11. Public Comment
12. Adjournment