

BOARD OF COMMISSIONERS

Rick Robbins, District #1
Debra L. Rushton, District #2
Lois Bahle, District #3
Ty Wessell, District #4
Patricia Soutas-Little, District #5
Gwenne Allgaier, District #6
Melinda C. Lautner, District #7



Chet Janik, County Administrator

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To: Board of Commissioners
From: Chet Janik
Date: June 21, 2022
Re: Finance/Budget Options

In anticipation of this evening's discussion on finance/budget options, attached is the following information:

- **June 17 correspondence**, which outlines in my opinion relative to the two viable options for consideration by Commissioners
- **Chart of responsibilities** for finance and human resources duties, as prepared by former Finance Director Jennifer Zywicki
- **October 2021 Board Resolution** that authorized the creation of the Human Resources and Finance Director positions

To summarize the two proposed options, if the majority of Commissioners prefer Option 1, which is to return the finance functions to the Clerk's Office on a temporary basis, below is a suggested motion:

I move that the Leelanau County Board of Commissioners return the budgetary responsibilities to the County Clerk's Office, as outlined in the "Chart of Responsibilities" on an interim basis until June 30, 2023, or a date selected by the 2023-24 Board of Commissioners. During this interim period, there will be no additional compensation for these responsibilities. The Administrator will work with the Clerk and the Human Resources Director to assure a timely and professional transfer of the limited human resources functions currently performed by the Clerk's Office to the Human Resource Director by December 31, 2022.

Option 2: If there is no approved motion by the majority of Commissioners this evening, I will begin the process this week of offering employment to two of the people that have applied for and were subsequently interviewed for the accounting clerk positions. I will also begin the interview process to fill the vacant Finance Director position on a full-time basis.

This has been a long, drawn-out process that has created internal and external controversy and it is time for a final decision to be made on the status of the Finance Director position and related duties.

Chet Janik

From: Chet Janik
Sent: Friday, June 17, 2022 3:52 PM
To: Board of Commissioners
Subject: Finance Director Update\Options
Attachments: Resolution for HR and Finance Director 10052021.pdf

Commissioners,

There have been several developments since Tuesday's meeting related to the Finance Director vacancy that I want to take this opportunity to update the commissioners prior to next Tuesday's meeting.

The first is that Account Clerk Johanna Novak recently applied for the vacant PRE\Deputy Treasurer position and was offered the job by Treasurer Gallagher. She will be transferring to her new position effective July 1. This development results in all three positions associated with the Finance Department being vacant as of July 1. It is therefore critical that the Commissioners make a firm decision on Tuesday night on the direction of the budget and finance duties. In my opinion, there are currently two options on how to proceed.

Option 1 is to transfer the budget and accounting responsibilities back to the Clerk's Office on a temporary basis through June 30, 2023. This would allow the Clerk and the Chief Deputy Clerk to proceed with the development of the 2023 budget, complete the end-of the year budget transfers in January and February 2023 and select the new accounting clerks. The new administrator and the 2023-24 Board of Commissioners will have 6 months to review the options prior to making a final decision in June 2023. This option is based on the assumption that the human resources functions will be transferred completely by December 2022 from the Clerk's Office to the Director of Human Resources. The other assumption is that there will be no additional stipend for the Clerk and the Chief Deputy Clerk. The rationale is that the Clerk is still getting a \$75.00 per week stipend for the oversight of the budget and accounting functions. The Chief Deputy Clerk revised salary is currently \$68,051 which is within the range of the finance director salary of \$67,572 to \$74,821.

I have asked the Clerk on numerous occasions to let me know if she is even interested in potentially assuming those responsibilities on an interim basis through June 2023. Her comments have been that she is still pondering that question but has implied to me as recently as this afternoon that she would want stipends for the Chief Deputy Clerk and her to re-assume those duties as well as returning the majority of the human resources functions back to her office. I informed her that the odds of the majority of commissioners accepting those requested are not good. I believe that Chairman Wessell has also expressed the same opinion to her.

Option 2 is for me to hire replacements for the vacant accounting positions as early as next week as several promising candidates were interviewed last week. There is a potentially viable new candidate for the Finance Director position with 8 years of government accounting experience. His resume was received in the past couple of days and he confirmed to me this afternoon that he is interested in the position .

The budget packets have been sent to all department heads and elected officials . The two people that were in the Accounting Department prior to transferring to the Treasurer's Office have assured me that they are willing to work with their replacements to assure that the budget process proceeds and Darcy W. has past budget development experience. While it will be an extra burden with some new challenges, I'm confident a realistic budget can be developed with new personnel by the deadline date of December 2022 if those responsibilities are not returned to the Clerks' Office and/or if the Clerk declines the potential opportunity to temporarily assume the budget and accounting duties.

In terms of the question that was asked at the executive committee meeting about the potential need to have a "reconsideration vote" by the commissioners on the attached resolution from October 2021 that established the Finance and Human Resources Director positions, it is the jointly mutually agreed opinion of Attorney Matt Nordfjord and I that the answer is **no motion for reconsideration is required**. The logic is that the terms of the resolution are being implemented. The Administrator did create job descriptions that were approved by the Commissioners, the budget in 2022 does include the positions, both positions have been posted and the human resources position has been filled. There are no specific deadline dates in the resolution and therefore the administrator and commissioners have the option of determining the timeline and transferring the responsibilities on a temporary basis.

A "reconsideration motion" would only be required if the commissioners wish to eliminate those two positions which is not the case now.

In summary, if the Commissioners take no action on the temporary transfer of the budget and finance duties to the Clerk's Office or if there is a motion that does not have the support of the majority of commissioners, I will proceed with the process of filling the vacant accounting and Finance Director positions.

If there is a motion to have the support of the majority of commissioners to transfer the budget responsibilities to the Clerk's Office, I will then pass on the resumes of the people that have applied for the positions and allow the Clerk to fill those accounting positions. A suggested motion based on this scenario will be developed and provided to commissioner prior to Tuesday's meeting.

Please feel free to contact me between this afternoon and Tuesday if there are any additional questions or points of clarifications.

Chet

Chet Janik

Leelanau County Administrator

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Leelanau County Financials for Procedures and Audit Responsibilities

Type of Transaction	Clerk	Treasurer	Finance Director	Human Resources	Prior to 1/10/2022
Board Motions & Minutes	X				
Cash Receipting (including Brownfield & Land Bank Authorities)		X			
Bank Statements & Investment Reconciliations (including Authorities)		X			
Taxes & Tax Deferred Accounts		X			
GASB 87 Leases			X		Clerk
Budgets (including Revenues) (includes Brownfield & Land Bank)			X		Clerk & Treasurer
Accounts Payable (includes Brownfield & Land Bank)			X		Clerk & Treasurer
Assets and Depreciation (includes Brownfield & Land Bank)			X		Clerk
Grant Management (includes Brownfield & Land Bank)			X		Clerk
Accounts Receivable (includes Brownfield & Land Bank)			X		Treasurer
Deferred Revenue for Loans (Fund #275 CDBG)			X		Treasurer
Cost Allocation Funds (includes Postage machine)			X		Clerk/Treasurer
Payroll Processing for Pay Day			X		Clerk
Pre-Payroll Processing Employee Changes				X	Clerk
Set-up of New Employees				X	Clerk
BCBS Billing			X		Clerk
BCBS Enrollment / COBRA				X	Clerk
Payroll Covering checks			X		Clerk
Payroll Deduction Uploads			X	X	Clerk
A/P Cash balancing			X		Clerk
MERS Enrollment				X	Clerk
MERS Reporting (Monthly upload)			X	X	Clerk
MERS Billing Invoice		X			Treasurer Paid
Bond Re-Payments (through A/P as an ACH or Check)			X		Treasurer then A/P
UNUM Enrollment & Billing Cost Allocation				X	Cler
Journal Entries			X		Clerk
Creation of Journal Entries for Banking, Taxes, Receipts		X			Treasurer
General Ledger of All Funds			X		Clerk
Long-term Debt			X		Treasurer
SEFA and ARPA			X		Clerk/Treasurer
MiWam				X	Clerk
MIOSHA Annual				X	Clerk
941 Upload and balancing					Clerk
State Withholding					Clerk

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Leelanau County Board of Commissioners Resolution #2021-__

**RESOLUTION AUTHORIZING THE CREATION AND HIRING OF
HUMAN RESOURCES DIRECTOR AND FINANCE DIRECTOR POSITIONS
REPORTING TO THE COUNTY ADMINISTRATOR**

WHEREAS, certain non-mandated functions have been performed by the Leelanau County Clerk's Office at the request of the Board of Commissioners, including, but not limited to, human resources and accounting/payroll functions; and

WHEREAS, the Leelanau County Board of Commissioners desires to authorize creation and hiring of two new positions: Human Resources Director and Finance Director to be selected and supervised by the County Administrator; and

WHEREAS, the County Administrator will develop a job description which sets forth the job duties and responsibilities of the Human Resources Director position including, but not limited to, the functions of recruitment, hiring, retention, management of compensation and benefits, labor compliance and training/development; and

WHEREAS, the County Administrator will develop a job description and which sets forth the job duties and responsibilities of the Finance Director position, including, but not limited to, the functions of accounting/payroll functions, disbursing funds, financial oversight, reporting, budgeting and accounting; and

WHEREAS, the Board of Commissioners has budgeted positions in the 2022 approved budget.

NOW, THEREFORE, BE IT RESOLVED, that the Leelanau County Board of Commissioners authorizes the creation and hiring of the Human Resources Director and Finance Director positions, which positions shall report to and be under the direct supervision of the County Administrator. The County Administrator shall develop the job descriptions, duties and responsibilities of the Human Resources Director and Finance Director positions. Consistent with County Policy and practice, the Human Resources Director and Finance Director positions are at-will positions and the County Administrator is vested with the authority to make any necessary supervisory or disciplinary determinations, up to and including discharge.

BE IT FURTHER RESOLVED, the position of Human Resources Director will have a current salary of \$60,761.69, and the position of Finance Director will have a salary of \$60,761.69. Compensation and benefits shall be fixed by County policy and the budget process, and the benefits or compensation may be added to, expanded, reduced, deleted or otherwise modified by the County Board of Commissioners and any such modifications in the manual shall be solely within the discretion of the County Board of Commissioners.

BE IT FURTHER RESOLVED, that payment of the \$75.00 weekly stipend that the Board of Commissioners authorized in 2018, to compensate the County Clerk for performing or supervising additional, non-mandated duties, i.e., Human Resources and accounting/payroll functions, will end the first week after these positions are filled and the non-mandated duties are transferred.

BE IT FURTHER RESOLVED, that the Administrator is authorized to make the necessary adjustments to the 2022 budget and organizational chart.

DRAFT