

**Leelanau County Board of Commissioners**  
**Finance Committee – Thursday, February 8, 2024**  
Tentative minutes

*Proceedings of the meeting are being recorded (audio and video). The video of the meeting can be found at the following link: <https://www.leelanau.gov/meetingdetails.asp?MAId=2691#video>*

Meeting called to order by Committee Chairman Commissioner Doug Rexroat at 9:31 a.m.  
Today's meeting is being held at the Government Center, 8527 E. Government Center Drive, Suttons Bay, Michigan.

Roll Call:	District #3	Doug Rexroat	PRESENT
	#4	Ty Wessell	PRESENT
	#7	Melinda C. Lautner	PRESENT

The Pledge of Allegiance to the Flag of the United States of America was recited, followed by a moment of silence.

Guests present.

Approval of Agenda and Late Additions/Deletions:

**MOTION BY WESSELL TO APPROVE THE AGENDA AS PRESENTED. SECONDED BY LAUTNER.**

Discussion – none.

**AYES – 3 (Wessell, Lautner, Rexroat)**

**NO – 0**

**MOTION CARRIED.**

Public Comment:

None.

Commissioner Comment:

None.

Action Items – Discussion/Potential Recommendation:

Approval of Minutes:

**MOTION BY LAUTNER TO APPROVE THE MEETING MINUTES OF JANUARY 3, 2024. SECONDED BY WESSELL.**

**AYES – 3 (Lautner, Rexroat, Wessell)**

**NO – 0**

**MOTION CARRIED.**

Administrative Structure Option(s):

Commissioner Rexroat read the following document.

Rexroat said he started by restating the subcommittee guidelines.

Committees should be given specific, well-defined tasks by the entire board. Their purview should not extend beyond the specific task given to them, and once a task is completed, they are retired until given another task.

This committee's specific current task is to research and present to the full board options and strategies related to moving forward with the implementation of an independent finance department. Any financial matters outside of this specific task are not ours to handle.

We said we would listen, deliberate, and advise.

After listening to Mr. Amrhein's presentation, and after discussion with staff members, the Administrator, and others having expertise in these matters, Rexroat has the following observations and suggestions to make to this committee.

Obviously, our efforts in the past in this area have not been fruitful. This does not however, diminish our determination to implement an independent finance department. That having been said, one definition of insanity is to continue to try the same methods and expect a different outcome. We need to try something different.

Commissioner Rexroat does not believe that the best long-term solution is to have two direct reports to the Board of Commissioners. Although that is the interim plan implemented for this transition, he does not think it provides for the best governance of Leelanau County in the long-term.

Commissioner Rexroat continued that he proposes that our long-term plan consist of an Administrator/CFO, with a finance department that reports to that position. This position would require both administrative and deep financial experience. The goal would be to provide strategic guidance to the implementation of the finance department, and to the implementation of the recommendations outlined in the Rehman report.

In discussion with Chet Janik of MLI, he believes there are those that possess these qualifications and they are available. In addition, there are 25 counties that engage in this structure in Michigan and referred to a map of the lower peninsula, which can be viewed at the following link: <https://www.leelanau.gov/meetingdetails.asp?MAId=2691#handouts>

Commissioner Rexroat said he has had conversations with Administrator Allen in this matter, and to her credit and as a testimony to her character, she has always stated she would do what is in the best interest of Leelanau County and its residents and taxpayers.

Commissioner Lautner requested from Commissioner Rexroat to see the map. She said according to the map there appears to be around 25 counties that have the position classified with more than the title of Administrator. Lautner clarified that this discussion has never come up until recently. She stated she understands not having two direct reports to the Board of Commissioners and was really never the intention to do so. Lautner asked Commissioner Rexroat if he had a timeframe in mind or will that work itself out later?

Commissioner Rexroat stated he feels that decision is up to this committee and Administrator Allen. He continued that in his mind, if there is an agreement on his recommendations, and there is a full Board decision to agree then he would like to move forward as promptly as possible.

Commissioner Wessell commented that during the discussion with MSU Extension Public Policy Educator John Amrhein that there were two possibilities with one being an Administrator/CFO or an Administrator/Controller. He stated he would be interested in a little bit more discussion in regards to the pros and cons of each of those positions.

Commissioner Lautner stated that she will not support an Administrator/Controller position. She said that everything that has been said about the statute that it takes too much power away from the Board of Commissioners and she feels it is really important that the Board of Commissioners is in control. Lautner commented that trying to find an Administrator/CFO is worth giving it a shot.

Commissioner Rexroat said he is not actually sure if the positions are mutually exclusive. You could have a controller position that would work in conjunction with the Administrator. He stated the only way in his mind to logically work through this transition is to make sure you have the right start and then move onto the next step. He commented that he is not fully prepared to discuss those options at this moment but he wants to find out if there is support to recommend the position of Administrator/CFO. Rexroat said that personally if he looks at what is going on he thinks the County needs a very strong finance background from the top down to provide ongoing guidance. He said if you look at what has happened over the last few years, which he hasn't been a part of all of it, but we obviously don't have a good batting record here. What do we do to change that and how do we find another path forward? It seems to him that trying the exact same thing again with the same exact structure and expecting something different to happen is just not a reasonable outcome. There are other elements and this is not an entire plan because you need to start with the broadest outline.

Administrator Allen commented that what we have been doing that there needs to be a change for things to move forward and she has acknowledged that herself. She said if she isn't the right person to lead this then she would like to be part of the opportunity of change. She continued that later today there will be an opportunity with MLI consultant Chet Janik to discuss and identify similar structures. She hopes the Board will have the opportunity to pick his brain and get some of those job descriptions to move forward. Allen said this committee has the opportunity to make a recommendation to the Board and she feels that is the best course of action.

Commissioner Wessell said he wanted to commend Administrator Allen because he knows she has been part of these discussions before today and she really wants the Board to do what is best for County. He stated he likes the idea of having only one direct report and he thinks we have learned in the last two years that we do need to have this kind of structure in place.

Commissioner Rexroat stated he is looking to take the first step and that this committee would be recommending what that first step would be. He continued that it is hard to take a second step without having taken care of the first part.

**MOTION BY LAUTNER TO RECOMMEND TO THE LEELANAU COUNTY BOARD OF COMMISSIONERS TO MOVE FORWARD WITH THE ADMINISTRATIVE STRUCTURE OPTION OF A COUNTY ADMINISTRATOR/CFO POSITION. SECONDED BY WESSELL.**

Discussion – none.

**AYES – 3 (Lautner, Rexroat, Wessell)**

**NO – 0**

**RECOMMENDATION PASSES.**

Public Comment:

The following individual spoke in person: Kathy Dawkins.

Commissioner Comments:

None.

Adjournment:

Meeting adjourned at 9:46 a.m.

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Doug Rexroat, Chairman  
Leelanau County Board of Commissioners

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Jennifer L. Zywicki, Chief Deputy Clerk for  
Michelle L. Crocker, Leelanau County Clerk