

# **MUNICIPAL STABILITY BOARD**

**Wednesday, May 20, 2020  
11:00 a.m.**

**Virtual Public Meeting via Microsoft TEAMS**

## **APPROVED Meeting Minutes**

### **CALL TO ORDER**

Chairman Eric Scorsone called the meeting to order at 11:03 a.m.

### **ROLL CALL**

Members Present: Three

Eric Scorsone

John Lamerato

Barry Howard

Let the record show that three board members eligible to vote were present. A quorum was present.

### **APPROVAL OF MINUTES**

A motion was made to approve the April 15, 2020 board meeting minutes by Barry Howard and supported by John Lamerato. The Board unanimously approved the April 15, 2020 meeting minutes. 3 Ayes and 0 Nays.

### **PUBLIC COMMENT**

There was no public comment.

### **CORRESPONDENCE**

Nick Brousseau presented the Board with the Treasury update, which included an updated report on the Department of Treasury's communication and outreach and an overview of local governments who are now noncompliant for failure to resubmit corrective action plan(s).

### **NEW BUSINESS**

#### **CORRECTIVE ACTION PLAN EXTENSION REQUESTS**

Nick Brousseau informed the Board that two local governments requested a 45-day corrective action plan extension request after the Board's meeting packet was distributed. The Board motioned to add the extension requests to their agenda.

A motion was made to add extension requests to the agenda by John Lamerato and supported by Barry Howard. The Board unanimously approved amending the agenda to include the corrective action plan extension requests. 3 Ayes and 0 Nays.

Then, the Board motioned to approve the corrective action plan extension requests from Roscommon County Road Commission and the City of Negaunee.

A motion was made to approve the extension requests by Barry Howard and supported by John Lamerato. The Board unanimously approved the corrective action plan extension requests. 3 Ayes and 0 Nays.

**OPEN MEETINGS ACT NOTICES DESIGNATION (RESOLUTION 2020-3)**

Nick Brousseau reviewed the Open Meetings Act Notices Designation (Resolution 2020-3) with the Board.

Barry Howard asked for additional information about what the resolution authorizes. Nick Brousseau explained that this resolution authorizes Treasury to modify notifications for virtual Board meetings, meeting cancellations, etc., without the Board having to vote.

A motion was made to approve the Open Meetings Act Notices Designation (Resolution 2020-3) by John Lamerato and supported by Barry Howard and Eric Scorsone.

The Board unanimously approved the Open Meetings Act Notices Designation (Resolution 2020-3). 3 Ayes and 0 Nays. Resolution 2020-3 was passed.

**PUBLIC ACT 202 OF 2017: LOCAL GOVERNMENT CORRECTIVE ACTION PLAN ASSISTANCE**

Nick Brousseau reviewed with the Board the Public Act 202 of 2017 Local Government Corrective Action Plan Assistance.

Barry Howard asked if this had been put out for public comment, and if the goal was to approve for public comment or to enact now. Nick Brousseau explained the intent was to adopt the document and then open the individual parts for public comment. Barry Howard noted this does change things significantly and recommends requesting public comment on this document and reviewing those comments next month.

A motion was made to send the document out for public comment and revisit at next month's meeting by Barry Howard and supported by John Lamerato and Eric Scorsone.

The Board unanimously approved to send the document out for public comment. 3 Ayes and 0 Nays.

**RECEIPT OF CORRECTIVE ACTION PLANS FROM 4 LOCAL GOVERNMENTS (4 PLANS)**

Nick Brousseau provided the Board with corrective action plans for the following 4 local governments (4 plans):

- Dexter Area Fire Department
- MBS International Airport Commission
- City of St. Ignace
- City of Vassar

A motion was made to receive the corrective action plans by Barry Howard and supported by John Lamerato and Eric Scorsone.

The Board unanimously received the corrective action plans. 3 Ayes and 0 Nays.

**APPROVALS AND DISAPPROVALS OF CORRECTIVE ACTION PLANS FROM 5 LOCAL GOVERNMENTS (6 PLANS) (RESOLUTION 2020-4)**

Nick Brousseau was asked to review the Treasury recommendations for Approval and Disapproval of Corrective Action Plans (Resolution 2020-4) with the Board. Eric Scorsone asked if it was known for Genesee County the reduction in liabilities that was related to the change in discount rate. Nick

Brousseau responded that based on the presented documentation from Genesee County, actuarial assumption changes likely accounted for 10-15% of the reduction.

A motion was made to approve the Approvals and Disapprovals of Corrective Action Plans (Resolution 2020-4) by John Lamerato and supported by Barry Howard and Eric Scorsone for the following local governments:

- Brownstown Charter Township (Approved)
- East China Township (Approved)
- Genesee County (Approved)
- Montmorency County (2 plans) (Pension: Approved; OPEB: Disapproved)
- Sanilac County Road Commission (Approved)

The Board unanimously approved the Approvals and Disapprovals of Corrective Action Plans (Resolution 2020-4). 3 Ayes and 0 Nays. Resolution 2020-4 was passed.

**CORRECTIVE ACTION PLAN NONCOMPLIANCE (RESOLUTION 2020-5)**

Nick Brousseau reviewed with the Board the Corrective Action Plan Noncompliance (Resolution 2020-5). Roscommon County Road Commission and the City of Negaunee submitted extension requests and will need to be removed since they were approved. Thetford Township has now filed a fiscal year 2019 5572 showing they are not underfunded; therefore, Treasury recommends removing them as well.

A motion was made by Barry Howard to remove Roscommon County Road Commission, the City of Negaunee, and Thetford Township from the Corrective Action Plan Noncompliance list and was supported by John Lamerato and Eric Scorsone. The motion passed. 3 Ayes and 0 Nays.

A motion was made by Barry Howard to approve the Corrective Action Plan Noncompliance as amended (Resolution 2020-5) and was supported by John Lamerato and Eric Scorsone. The Board unanimously approved the Corrective Action Plan Noncompliance as amended (Resolution 2020-5). 3 Ayes and 0 Nays. Resolution 2020-5 was passed.

**PUBLIC COMMENT**

No public comment.

**BOARD COMMENT**

The Board members each stated that there would likely need to be additional discussions about retirement issues in the future once the full scope of the current situation is realized.

**NEXT MEETING**

The next regular meeting will be on June 17, 2020 at 11:00 a.m.

**ADJOURNMENT**

A motion was made to adjourn by Barry Howard and supported by John Lamerato and Eric Scorsone.

The Board unanimously approved the motion to adjourn. 3 Ayes and 0 Nays.

There being no further business, the meeting adjourned at 11:49 a.m.