

GREAT LAKES BAY MICHIGAN WORKS!
Executive Committee Minutes
May 23, 2022

EXEC COMM MEMBERS PRESENT

John Kaczynski
Dan Wortman
Vaughn Begick
Scott Noesen
Carl Ruth

EXEC COMM MEMBERS ABSENT

Brian McBride
Brian Sheets

GUESTS

Norm Bamberger – My Member
Insurance Agency

MWA STAFF

Christopher Rishko
Sarah Babcock

ITEM #1: CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chairman Ruth called the Executive Committee Meeting to order Monday, May 23, 2022 at 2:33 p.m. The meeting was held at The Great Hall at 5121 Bay City Road, Midland, MI 48642.

After calling the meeting to order, Chairman Ruth stated that after Roll Call, he will be deferring his Chairman duties to Vice Chairman, Scott Noesen.

ITEM #2: ROLL CALL

The above members were present, and a quorum was met.

ITEM #3: APPROVAL OF AGENDA

Chairman Ruth presented the Agenda to the Executive Committee.

Chairman Ruth proposed two amendments:

1. Effective immediately, Carl Ruth will be stepping down as Chairman on the Great Lakes Bay Michigan Works! Consortium Board and is deferring chairman duties for this meeting to Vice Chairman Scott Noesen, who is now acting Chairman of the Great Lakes Bay Michigan Works! Consortium Board.
2. Add under Item 6, under Discussion, the discussion of the letter that was sent to Saginaw County on behalf of Great Lakes Bay Michigan Works! from the law office of Miller Canfield.

Wortman motioned and Kaczynski supported:

To approve the Agenda as it was presented to the Executive Committee, with the amendments of Carl Ruth's Chairman resignation and the addition of Discussion Item "Discussion of Legal Correspondence".

The motion was approved by voice vote.

ITEM #4: AUDIENCE FOR THE PUBLIC

Norm Bamberger from My Member Insurance Agency introduced himself to the Executive Committee.

Minutes Approved

ITEM #5: CORRECTING AND APPROVING THE MINUTES

A. Minutes from February 28, 2022 Executive Committee Meeting

Wortman motioned and Kaczynski supported:

To approve the February 28, 2022 Minutes as presented to the Executive Committee.

The motion was approved by voice vote.

ITEM #6: REPORTS/ACTION/DISCUSSION ITEMS

A. Action:

- a) CEO Rishko asked the Executive Committee for their approval to eliminate an administrative position because Great Lakes Bay Michigan Works! is overspent on the budget. Vice Chairman Kaczynski asked Rishko why a position needs to be eliminated, and Rishko stated that currently, Great Lakes Bay Michigan Works! is 128% overspent on wages, bonuses, fringes, and overtime. Rishko also stated that the Great Lakes Bay Michigan Works! fiduciary is withdrawing more money than what was approved by the board, so any money spent over budget is a disallowed cost. He also stated "We are trying to avoid that, and laying off staff is our last option." Noesen asked if we are over budget if we only charge the county direct costs. Rishko answered no, and that direct costs are already in our budget, and that these costs do not directly attribute to our staff. Rishko said that Great Lakes Bay Michigan Works! is at a maximum of what it is allowed to spend out of its administrative budget. Wortman asked that if it's a disallowed cost, how that money would be paid back. Rishko stated that it would be paid back by first the fiduciary, and if they can't pay it back, each county would be pay a fraction of what is due. Wortman then asked if the fiduciary can refuse to pay the disallowed cost. Rishko stated that at that point, it would become a state issue. Wortman stated that the administrative team is already on that light side, and Rishko stated that this isn't something he asks for lightly. Wortman asked if we eliminate this position, where would we sit in regard to the budget. Rishko stated that yes, the budget would be in compliance if a position were to be eliminated and no more money was taken out of the administrative budget by Saginaw County. Wortman asked if other MWA's in the state are facing the same challenges as Great Lakes Bay Michigan Works!, and Rishko said no, and that these issues are a direct result of Saginaw County taking out funds for legacy costs. Rishko stated "Other agencies are paying roughly ~~around~~ 10%, and Great Lakes Bay Michigan Works! is paying around 32% of our administrative budget to indirect costs." Noesen asked what position would be eliminated, and Rishko stated that he cannot discuss that during an open meeting but can do so if the Executive Committee moves to a closed session.

Begick motioned and Wortman supported:

To move the meeting to a closed session to discuss the elimination of a Great Lakes Bay Michigan Works! position due to being overspent on the budget and to consider material exempt from discussion or disclosure by a state or federal statute. Audience members were asked to leave the meeting room and the recording of the meeting was paused.

The motion passed by voice vote. The Executive Committee meeting moved to a closed session at 2:58 p.m.

The Executive Committee exited closed session at 3:26 p.m.

Wortman motioned and Ruth supported:

To seek an additional fiscal agent.

A roll call was taken:

John Kaczynski	Yea
Dan Wortman	Nay, abstained
Vaughn Begick	Yea
Scott Noesen	Yea

Due to a conflict of interest, Carl Ruth did not participate in this vote.

The motion passed by majority roll call vote.

B. Reports

None

C. Discussion

a) Discussion of Legal Correspondence

This item was discussed during the closed session, and no further action is required.

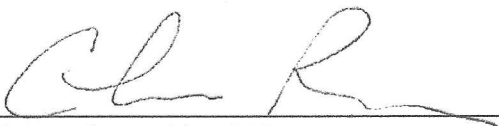
ITEM #7: ADJOURNMENT

Wortman motioned and Kaczynski supported:

To adjourn the Executive Committee meeting.

The motion passed by voice vote.

Chairman Noesen adjourned the Executive Committee meeting at 3:29 p.m.



Christopher Rishko, CEO

06/15/2022

Date