

Agenda
Tuscola County Board of Commissioners
Committee of the Whole – Monday, June 11, 2018 – 8:00 A.M.
HH Purdy Building - 125 W. Lincoln, Caro, MI

(Board Meeting to Follow Committee of the Whole Meeting)

Finance/Technology
Committee Leaders-Commissioners Kirkpatrick and Bierlein

Primary Finance/Technology

1. **Multi-Year Financial Plan Development (See A)**
2. **Former Vassar Foundry Legal Services Retainer (See B)**
3. **Delinquent Tax Legal Chargeback Requirement for Former Vassar Foundry (See C)**
4. **Out of State Travel Request (See D)**
5. **Senate Bill 1031 – Implications of County/Local Government Revenue Loss (See E)**
6. **Indigent Defense Plan Funding Update (See F)**
7. **MGT Contract for Central Service Cost Allocation Plan (See G)**
8. **Northstar Bank Donation to County**
9. **Enhanced Access Fees (See H)**
10. **State Revenue Sharing Update**
11. **MMRMA Net Asset Distribution Check**

On-Going and Other Finance

1. Review of Alternative Solutions Concerning the Caro Dam
2. Update Regarding Potential Dental Clinic
3. Continue Review of Road Commission Legacy Costs
4. Work to Resolve Remaining Assessing/Taxation Disputes with Wind Turbine Companies
5. Water Rates Paid for County Facilities Along M24 and Deckerville Roads
6. Medical Examiner System
7. Opioid Lawsuit
8. Update Regarding Airport Zoning Board of Appeals
9. MSU-e Building Costs
10. Update Regarding Personal Property Tax Changes
11. Brownfield Board
12. Raise the Age for Juveniles Funding Proposal
13. State Proposed Assessing Changes

Personnel
Committee Leader-Commissioner Bardwell

Primary Personnel

1. **Animal Control Update from Director**
2. **GIS Position Interviews**
3. **Medical Director Letter of Resignation (See I)**
4. **Introduction of MSU – New 4-H Director**
5. **Recycling Committee Vacancy**

On-Going and Other Finance

1. Reporting Relationship (Nepotism Policy)
2. Process to Replace County Health Department Medical Director

Building and Grounds Committee Leaders-Commissioners Young and Vaughan

Primary Building and Grounds

1. Vanderbilt Park Update
2. Recycling Update
3. Bids for Driveway to Human Services Complex

On-Going and Other Building and Grounds

1. County Property Ownership Identification
2. Review Potential Acquisition of Land from State Near Caro Regional Center
3. Update 10 Year Capital Improvement Plan
4. 2018 Budgeted Driveway, Parking Lot and Sidewalk Repairs
5. Update Regarding County Record Storage Needs

Other Items Not Assigned to a Committee

1. 2018 MAC Priorities
2. Cass River Greenways
3. On-Going Economic Development Activity Updates from EDC Director
4. Review County-Wide Economic Development Strategic Plan
5. Dairy Farmers of America Phase 2 – Cass City
6. Road Commission Organizational Alternatives – Next Steps
7. Sunday Retail Sales of Spirits, Beer and Wine – August 2018 Vote

Other Business as Necessary

Public Comment Period

SECTION 4 – 2018–2022 Revenue and Expenditure Projections and Analysis

Development of a 2018-2022 financial plan requires projecting revenues and expenditures based on certain assumptions. The following information projects GF revenue, GF expenditures and then interrelates them to determine if there is a funding gap. If it is determined that expenditures are projected to exceed revenues then potential actions to balance revenues and expenditures will be developed.

GF Revenue

Table 4 and Graph 5 on the next page project GF revenue using three alternatives which are based on different assumptions. The most important assumption is how many, if any, additional WT will be built during the next five years. More than any other factor, WT development will impact county revenue and overall financial capabilities during the next five years. GF revenue growth is flat other than potential increases from WT development.

Alternative 1 - Optimistic

Alternative 1 is the optimistic revenue alternative. Major assumptions with this alternative are 96 additional WT are constructed, 2.5% non-wind property tax revenue growth but no major new development, 1% annual state revenue sharing increase, delinquent tax earnings transfer to GF held constant at \$705,000, no state revenue cuts to special revenue funds such as the Health Department and childcare and most other revenue sources remain relatively constant.

Even though this is the optimistic alternative, average annual revenue growth is estimated at only 2.1%. GF 2018 total revenue is projected at about \$13,269,000 compared to \$14,403,000 for 2022. This is a five year increase of \$1,134,000. Most of this increase would occur in 2019 and 2020 when the two new WT projects may come on-line. For the total five year planning period, total GF revenue is estimated at about \$70,106,000.

Alternative 2 - Middle

Alternative 2 is the middle revenue alternative. Major assumptions with this alternative are 33 additional WT are constructed, 2.0% non-wind property tax revenue but no major new development, 1% annual state revenue sharing decrease, delinquent tax earnings transfer to GF at \$680,000, no state revenue cuts to special revenue funds such as the Health Department and childcare and most other revenue sources remain relatively constant.

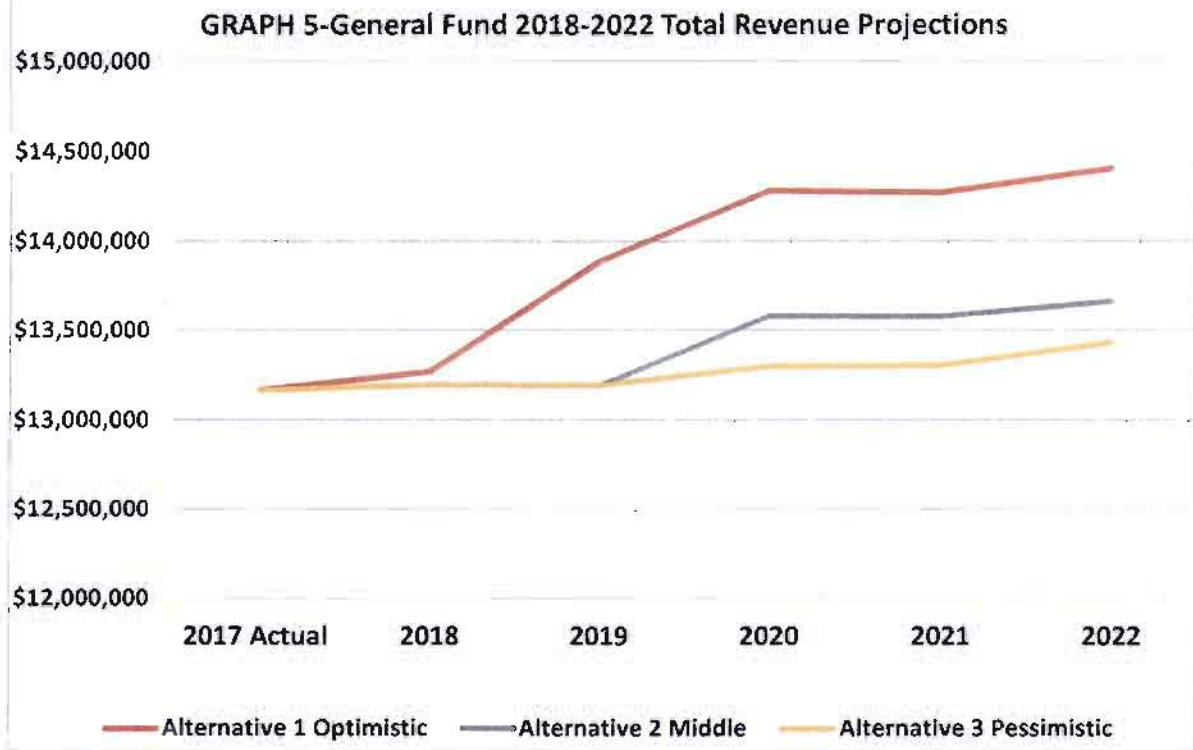
Average annual revenue growth is estimated at only 0.9%. GF 2018 total revenue is projected at about \$13,194,000 compared to \$13,662,000 for 2022. This is a five year increase of about \$468,000. Most of this increase would occur in 2020 when one new WT project may come on-line. For the total five year planning period GF revenue is estimated at about \$67,204,000. This is \$2,902,000 less than the Alternative 1 optimistic scenario.

Alternative 3 - Pessimistic

Alternative 3 is the pessimistic revenue alternative. Major assumptions with this alternative are no additional WT are constructed, 2.0% non-wind property tax revenue but no major new development, 1% annual state revenue sharing decrease, delinquent tax earnings transfer to GF held constant at \$680,000, no state cuts to revenue to special revenue funds such as the Health Department and childcare and most other revenue sources remain relatively constant.

Average annual growth is estimated at a dismal 0.4%. GF 2018 total revenue is projected at about \$13,194,000 compared to \$13,429,000 for 2022. This is a five year increase of only about \$234,000. For the total five year planning period GF revenue is estimated at about \$66,414,000. This is \$3,692,000 less than the Alternative 1 and \$790,000 less than Alternative 2

Year	Alternative 1 Optimistic	Annual Percent Increase	Alternative 2 Middle	Annual Percent Increase	Alternative 3 Pessimistic	Annual Percent Increase
2017 Actual	\$13,164,178		\$13,164,178		\$13,164,178	
2018	\$13,269,631	0.8%	\$13,194,448	0.2%	\$13,194,448	0.2%
2019	\$13,885,304	4.6%	\$13,191,620	0.0%	\$13,191,620	0.0%
2020	\$14,279,697	2.8%	\$13,578,241	2.9%	\$13,298,750	0.8%
2021	\$14,267,721	-0.1%	\$13,577,639	0.0%	\$13,300,927	0.0%
2022	\$14,403,595	1.0%	\$13,662,182	0.6%	\$13,428,507	1.0%
Total 2018-2022	\$70,105,948	2.1%	\$67,204,130	0.9%	\$66,414,252	0.4%



WT Revenue Critical Factor

Without question, WT development is the most important factor impacting county revenue and overall financial ability. This has been the case since 2013 when the first WT were built in the county and will continue to be the case for years into the future. Table 5 on the next page shows actual county WT revenue from 2013 to 2017 and projected county revenue from 2018 to 2030.

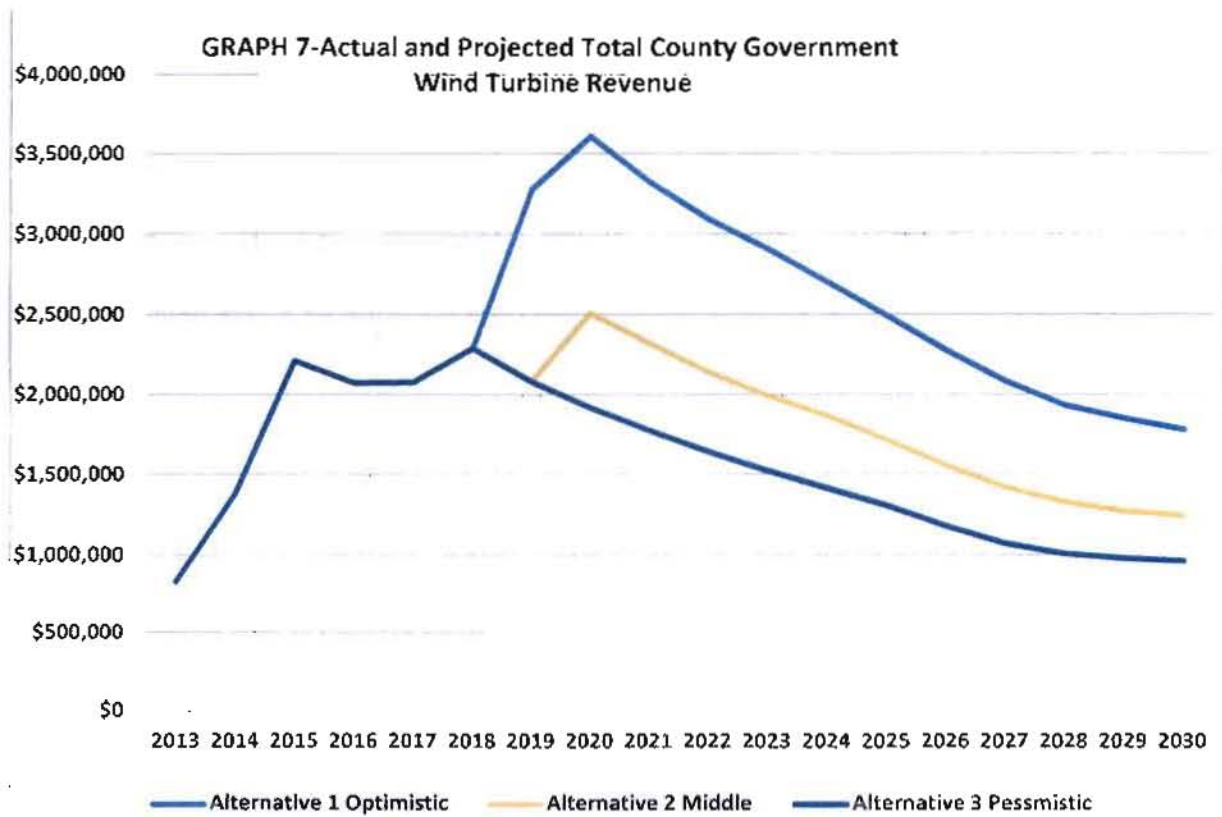
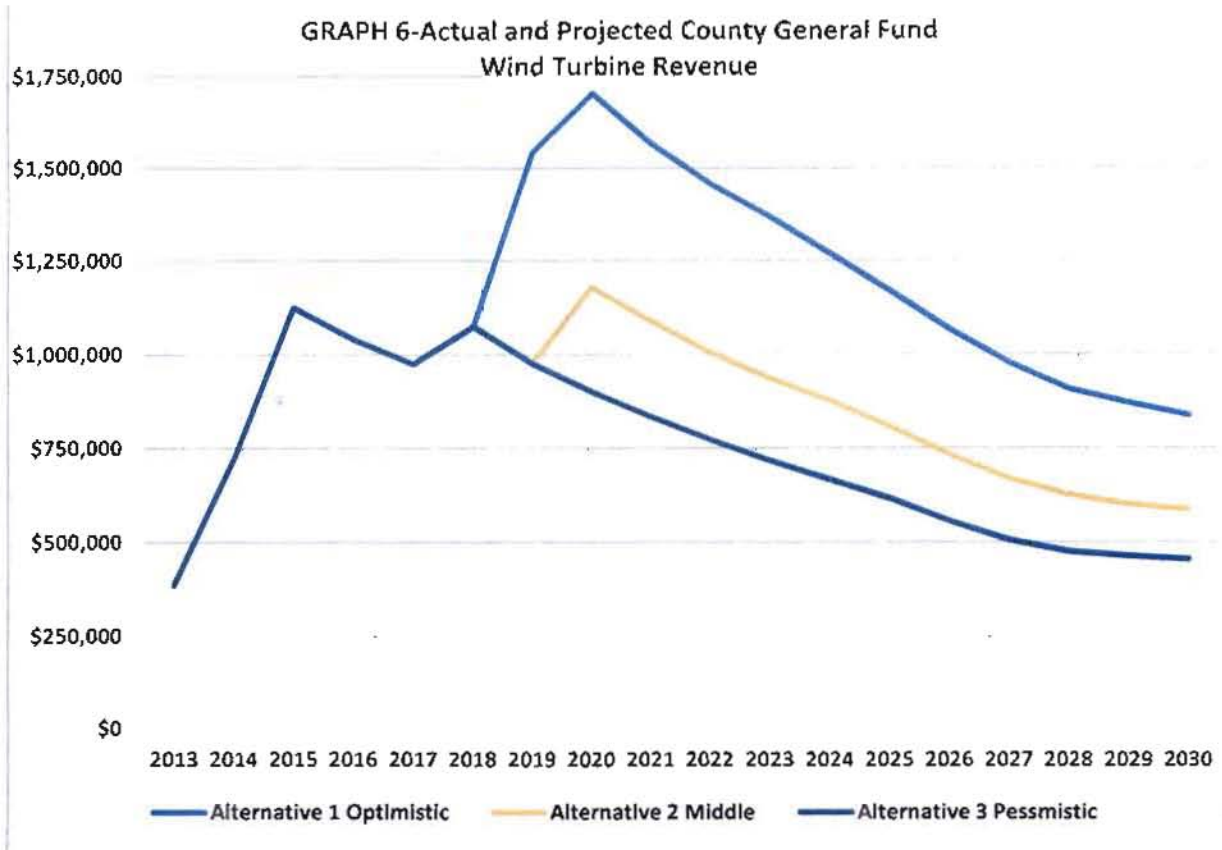
It is important to remember that the amount of revenue received from current WT declines annually under the multiplier schedule. For example, the county now receives approximately 30% less property tax revenue from the NextEra project in Gilford Township compared to 2013. All WT value changes are incorporated in Table 5 and Graphs 6 and 7. Even with new WT development the amount of revenue the county receives declines with time.

Alternative 1 is the optimistic scenario and assumes 63 NextEra WT are built in 2018 in Juniata and Fairgrove Townships and 33 Consumers Energy WT are built in 2019 in Columbia Township. Alternative 2 is the middle scenario and assumes the 63 NextEra WT are not built but the 33 Consumers Energy WT are built in 2019 in Columbia Township. Alternative 3 assumes no additional WT are built.

Considering both the GF and special purpose millage funds, total county revenue over the 18 year period is estimated at \$42,171,000 under Alternative 1, \$32,260,000 under Alternative 2, and \$27,670,000 under Alternative 3. There is a significant \$9,911,000 difference between Alternatives 1 and 2. This is because the NextEra project are higher taxable value WT that produce more tax revenue. If no additional WT are constructed, the county would receive approximately \$14,500,000 less revenue than if the potential 96 additional WT are constructed. Highlighted in yellow in Table 5 is the year of highest and lowest revenue for each of the alternatives. After 2030 the amount of revenue remains constant.

TABLE 5-Actual and Projected County Wind Turbine Revenue

Year	Alternative 1 Optimistic (96 WT)			Alternative 2 Middle (33 WT)			Alternative 3 Pessimistic (0 WT)		
	General Fund	Special Revenue Funds	Total	General Fund	Special Revenue Funds	Total	General Fund	Special Revenue Funds	Total
2013	\$383,162	\$448,153	\$831,315	\$383,162	\$448,153	\$831,315	\$383,162	\$448,153	\$831,315
2014	\$721,121	\$659,199	\$1,380,320	\$721,121	\$659,199	\$1,380,320	\$721,121	\$659,199	\$1,380,320
2015	\$1,127,177	\$1,079,343	\$2,206,520	\$1,127,177	\$1,079,343	\$2,206,520	\$1,127,177	\$1,079,343	\$2,206,520
2016	\$1,042,518	\$1,024,912	\$2,067,430	\$1,042,518	\$1,024,912	\$2,067,430	\$1,042,518	\$1,024,912	\$2,067,430
2017	\$975,701	\$1,096,327	\$2,072,028	\$975,701	\$1,096,327	\$2,072,028	\$975,701	\$1,096,327	\$2,072,028
2018	\$1,076,413	\$1,209,490	\$2,285,903	\$1,076,413	\$1,209,490	\$2,285,903	\$1,076,413	\$1,209,490	\$2,285,903
2019	\$1,545,045	\$1,736,059	\$3,281,104	\$977,985	\$1,098,893	\$2,076,878	\$977,985	\$1,098,893	\$2,076,878
2020	\$1,702,493	\$1,912,972	\$3,615,465	\$1,180,406	\$1,326,340	\$2,506,746	\$900,915	\$1,012,295	\$1,913,210
2021	\$1,567,461	\$1,761,246	\$3,328,707	\$1,090,840	\$1,225,700	\$2,316,540	\$834,128	\$937,251	\$1,771,379
2022	\$1,458,066	\$1,638,326	\$3,096,392	\$1,005,605	\$1,129,928	\$2,135,533	\$771,930	\$867,364	\$1,639,294
2023	\$1,370,150	\$1,539,542	\$2,909,692	\$937,262	\$1,053,136	\$1,990,398	\$715,494	\$803,950	\$1,519,444
2024	\$1,272,066	\$1,429,331	\$2,701,397	\$877,073	\$985,505	\$1,862,578	\$664,859	\$747,056	\$1,411,915
2025	\$1,172,600	\$1,317,569	\$2,490,169	\$807,882	\$907,761	\$1,715,643	\$614,466	\$690,657	\$1,305,123
2026	\$1,069,185	\$1,201,368	\$2,270,553	\$731,660	\$822,115	\$1,553,775	\$553,514	\$621,945	\$1,175,459
2027	\$979,227	\$1,100,289	\$2,079,516	\$668,354	\$750,982	\$1,419,336	\$503,689	\$565,961	\$1,069,650
2028	\$908,270	\$1,020,559	\$1,928,829	\$624,541	\$701,753	\$1,326,294	\$473,214	\$531,718	\$1,004,932
2029	\$870,324	\$977,922	\$1,848,246	\$598,477	\$672,467	\$1,270,944	\$460,748	\$517,708	\$978,456
2030	\$836,936	\$940,406	\$1,777,342	\$584,614	\$656,890	\$1,241,504	\$452,599	\$508,554	\$961,153
18 Year Total	\$20,077,915	\$22,093,013	\$42,170,928	\$15,410,791	\$16,848,894	\$32,259,685	\$13,249,633	\$14,420,776	\$27,670,409



GF Expenditures

Unlike revenue, GF expenditures were projected without using alternatives. Some of the major factors that can impact projections are: ability to not add staff, health insurance actual increases, inmate medical cost increases, GF appropriations to other funds and no more state mandates without the funds. Assumptions and variables used in projecting expenditures include the following:

- No staffing increases (1 new position adds on average \$60,000 to \$75,000 in new permanent costs)
- 2% annual wage increases and step increases continued
- Retirement system costs held constant but 5% annual health insurance increases
- 2.5% annual court appointed attorney cost increase
- Election/Non-Election year cost increases
- Computer service contract, maintenance and repair costs increase 3% annually
- Inmate medical costs increase by 4% (this is a major unpredictable factor)
- County property, liability and related insurance remain stable with only 1% increases
- Drain-at-Large county costs decline by about \$85,000 in 2020 when the northwest drain bonds are paid
- GF appropriation increases to other funds are limited to 2% annually
- Most departmental line item costs increase 1% annually
- Child care costs are contained with annual increases of about 2.0%
- No more state mandates without state funding
- Equipment and capital improvement costs will be funded

Table 6 below projects 2018 to 2022 total GF expenditures based on the assumptions above. GF expenditures are expected to increase from approximately \$13,552,000 to \$14,750,000 over this period. A factor of 99% of actual projected expenditures was used because history has shown slightly underspent budgets. This is a four year increase of an estimated \$1,773,000. The average expenditure increase per year is about \$346,000 or about 2.5%. These are moderate increases which are at or below inflation cost increases. The county is subject to changes in the above major expenditure assumption which can quickly impact the financial situation.

TABLE 6-General Fund 2018-2022 Expenditure Projections			
Year	Projected Amount	Dollar Increase from Previous Year	Percentage Increase from Previous Year
2017 Actual	\$13,016,195		
2018	\$13,552,051	\$535,856	4.1%
2019	\$13,806,860	\$254,809	1.9%
2020	\$14,121,506	\$314,646	2.3%
2021	\$14,324,865	\$203,359	1.4%
2022	\$14,749,637	\$424,772	3.0%
Total 2018-2022	\$70,554,919	\$1,733,442	2.5%

Analysis of Revenue and Expenditure Projections

Table 7 and Graph 8 below and on the next page compare revenue and expenditure projections over the next five years using the three previously identified alternative revenue scenarios. Tuscola is a county of modest financial means. The ability to maintain current county service levels without millage or some other funding source over the next five years rests almost entirely on whether WT are developed.

Alternative 1

This is the optimistic scenario with 96 additional WT constructed. Even under this optimistic scenario, average annual revenue growth is only estimated at 2.1% compared to average annual expenditure growth of 2.5%. Most of the revenue increase occurs in 2019 with construction of the NextEra 63 WT and in 2020 with construction of the Consumers Energy 33 WT. GF revenue is estimated at \$70,106,000 compared to GF expenditures of \$70,555,000. Considering the entire planning period, expenditures would still exceed revenues but by only \$449,000. Most of this gap does not occur until the last year of the planning period. This is a more manageable financial situation than Alternatives 2 and 3 where the revenue/expenditure gaps are much larger.

Alternative 2

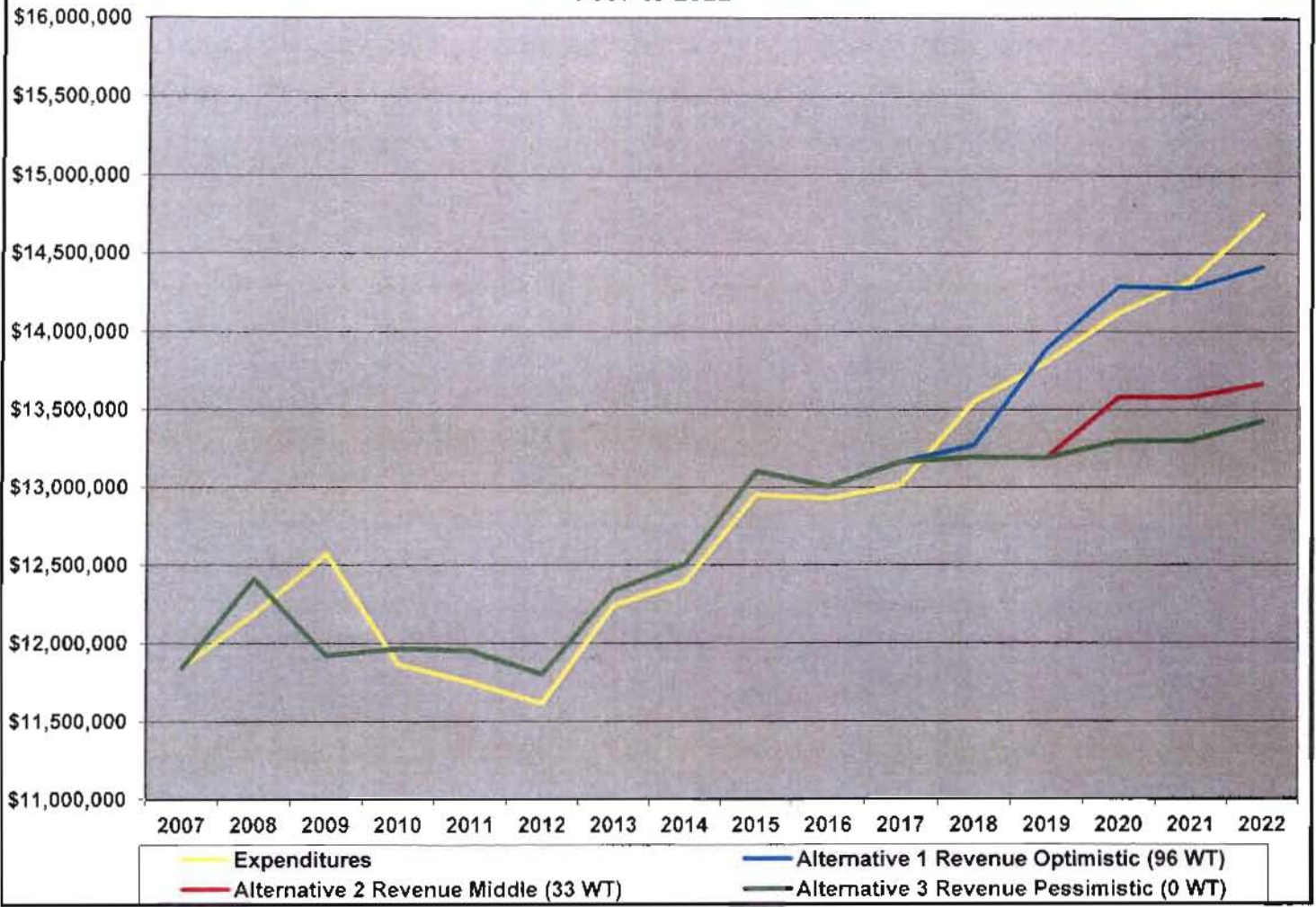
This is the middle scenario with only 33 additional WT constructed. Average annual revenue growth is only 0.9% compared to average expenditure growth of 2.5%. The 63 NextEra WT are not constructed, but the 33 Consumers Energy WT are constructed generating revenue for the 2020 county fiscal year. GF revenue is estimated at \$67,204,000 compared to GF expenditures of \$70,555,000. Considering the entire planning period, expenditures would exceed revenues but by a concerning \$3,351,000. Of course the gap cannot be allowed to grow and compound over the five year period. Adjustments must begin as soon as it is learned that the next 63 NextEra WT will not be constructed. Solving the problem would require identifying significant new sources of revenue or significant expenditure reductions.

Alternative 3

This is the pessimistic scenario with no additional WT constructed. Average annual revenue growth is extremely low at only 0.4% compared to average expenditure growth of 2.5%. GF revenue is estimated at \$66,000,000 compared to GF expenditures of \$70,555,000. Considering the entire planning period, expenditures would exceed revenues but by an extremely concerning \$4,555,000. Of course the gap cannot be allowed to grow and compound over the five year period. Adjustments must begin as soon as it is learned that the next 63 NextEra WT will not be constructed. Solving the problem would require identifying significant new sources of revenue or significant expenditure reductions.

Year	Alternative 1 Revenue Optimistic (96 WT)	Alternative 2 Revenue Middle (33 WT)	Alternative 3 Revenue Pessimistic (0 WT)	Expenditures
2018	\$13,269,631	\$13,194,448	\$13,194,448	\$13,552,051
2019	\$13,885,304	\$13,191,620	\$13,191,620	\$13,806,860
2020	\$14,279,697	\$13,578,241	\$13,298,750	\$14,121,506
2021	\$14,267,721	\$13,577,639	\$13,300,927	\$14,324,865
2022	\$14,403,595	\$13,662,182	\$13,428,507	\$14,749,637
5 Year Total	\$70,105,948	\$67,204,130	\$66,414,252	\$70,554,919

**GRAPH 8-General Fund Actual and Projected Revenues/Expenditures
2007 to 2022**



CLARK HILL

Clark Hill PLC
500 Woodward Avenue
Suite 3500
Detroit, MI 48226
T 313.965.8300
F 313.965.8252

clarkhill.com

May 31, 2018

Patricia Donovan-Gray, Treasurer
Tuscola County, MI
125 W. Lincoln St.
Caro, Michigan, MI 48723

RE: Chargebacks and Other Matters Related to Vasser Foundry Delinquent Taxes

Dear Patricia:

This letter serves to record the terms of our engagement to represent you and Tuscola County, MI, as a client, with regard to the captioned matter. We agree that the scope of our services in connection with the captioned the matter is as set forth in Appendix A attached hereto:

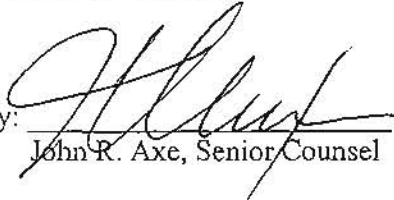
John R. Axe will be serving as counsel to you as Tuscola County Treasurer and to Tuscola County, MI in the captioned matter.

John R. Axe will be the principal attorney contact in this matter. We will bill on an hourly basis. We will transmit our billing to you depending upon what instructions we receive from you.

This letter is supplemented by our Standard Terms of Engagement for Legal Services, attached, which are incorporated in this letter and apply to this matter and other matter(s) for which you engage us. If you agree that this letter provides an acceptable terms for our engagement in this matter, please sign and return a copy to me.

I look forward to working with you.

Sincerely,
CLARK HILL PLC

By: 
John R. Axe, Senior Counsel

Enclosures

TUSCOLA COUNTY, MI

By: Patricia Donovan-Gray, Treasurer of Tuscola County

STANDARD TERMS OF ENGAGEMENT FOR LEGAL SERVICES

This statement provides the standard terms of our engagement as your attorneys. Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement with you. Therefore, we ask that you review this statement carefully and contact us promptly if you have any questions.

GENERAL RIGHTS AND RESPONSIBILITIES OF CLIENTS OF THE FIRM

A client of the firm has the right to: (A) expect competent representation by the firm; (B) determine the purposes to be served by the legal representation, so long as those purposes are legal and do not violate the firm's obligation to the profession or to the judiciary; (C) be kept reasonably informed about the status of the matter and have the firm respond promptly to reasonable requests for information; and (D) terminate the representation at any time, with or without cause, subject to the obligation for payment of legal services provided and costs incurred by the firm.

A client of the firm has the responsibility to: (A) be candid and truthful with the firm and the court or other tribunal; and (B) pay the firm as provided by this agreement and any other agreements regarding payment for legal services and expenses. A client may not: (A) demand that the firm use offensive tactics or treat anyone involved in the transaction with anything but courtesy and consideration; (B) demand any assistance which violates the Rules of Professional Conduct; (C) pursue or insist upon a course of action which the firm believes to be illegal, fraudulent, offensive or unwise. The firm may terminate this agreement for reasons permitted under the Rules of Professional Conduct.

OBLIGATIONS OF A LAWYER

All lawyers are required to observe and uphold the law, including applicable court rules; and are governed by Rules of Professional Conduct that pertain to our relationship with a client, with third persons, other professionals and the courts. All of these laws apply to our representation of you, and we welcome your inquiry about them.

WHOM WE REPRESENT

The person or entity whom we represent is the person or entity identified in our engagement letter and does not include any affiliates or related parties of the Concerned Citizens unless our engagement letter expressly provides otherwise.

THE SCOPE OF OUR WORK

You should have a clear understanding of the legal services we will provide. Any questions that you have should be dealt with promptly.

We will at all times act on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your matters are expressions of our best professional judgment, but are not guarantees. Such advice is necessarily limited by our knowledge of the facts and are based on the state of the facts at the time they are expressed. Your obligations to pay our fees as provided in this letter is not contingent upon a result or results in the matter.

Our relationship will be considered ended upon the earliest of (a) our completion of services in the matter(s) for which you have engaged us, (b) notifications by you to us that you desire to terminate such services, or (c) notification by the firm of termination of our client relationship.

WHO WILL PROVIDE THE LEGAL SERVICES

Customarily, each client of the firm is served by a principal attorney contact. The principal contact should be someone in whom you have confidence and with whom you enjoy working. You are free to request a change of attorney at any time. Subject to the supervisory role of the principal attorney, your work or parts of it may be performed by other lawyers and legal assistants in the firm.

RETAINER AND TRUST DEPOSITS

Clients of the firm are sometimes asked to deposit a retainer with the firm. Unless otherwise agreed, the retainer deposit will be credited toward your unpaid invoices, if any, at the conclusion of services. While the retainer is on deposit, you grant us a security interest in such funds. At the conclusion of our legal representation or at such time as the deposit is unnecessary or is appropriately reduced, the remaining balance or an appropriate part of it will be returned to you.

Deposits which are received to cover specific items will be disbursed as provided in our agreement with you, and you will be notified from time to time of the amounts applied or withdrawn. Any amount remaining after disbursement will be returned to you.

All trust deposits we receive from you will be placed in a trust account for your benefit. Your deposit will be placed in a pooled account unless you request a segregated account. By law, interest earned on the pooled account is payable to a charitable foundation. Interest earned on a segregated trust account will be added to the deposit for your benefit and will be includable in your taxable income.

EXPENSES

We frequently incur and/or pay on behalf of our clients a variety of expenses arising in connection with legal services. These expenses include charges made by courts, other government agencies and service vendors. You authorize us to incur such charges on your behalf, and agree to reimburse the firm to the extent we pay these charges on your behalf. You also authorize us to incur on your behalf expenses incidental to the representation, including but not limited to deposition and transcript costs; witness fees; travel expenses; charges of outside experts and legal counsel fees. You agree that you will be solely responsible for such expenses and that the firm will not be responsible for such expenses. We will usually advance expenses up to \$500, and require that our clients directly pay, or deposit with us funds to pay, expenses exceeding \$500.

The firm does charge for costs of copying, telephone, third party charges for services, mailing, and the like.

FILING AND OTHER MATERIALS

Files generated in the matter will be retained by the firm as required by law, and thereafter may be retained or destroyed, at our discretion. To the extent we retain them, we will provide you reasonable

access to matter files in accordance with applicable law, excluding firm files (firm administrative records, time and expense reports, personnel and staffing materials, accounting records, and internal lawyers work product, e.g., drafts, notes, internal memoranda, legal research and factual research). Matter files to which you are given access may be reproduced at your request and at your expense. We reserve the right to make and retain copies of all documents generated or received by us in connection with the matter. After our engagement in this matter ends, upon your request and at your expense we will return any property you have entrusted to us, unless there is a balance on your account. If there is a balance on your account, the firm will assert a retaining lien on such property to the extent allowed by law. If you have not requested return of such property within reasonable time after our engagement in the matter ends, we may retain or destroy such property at our discretion.

TERMINATION

You may terminate our representation at any time, with or without cause, by notifying us. Your termination of our services will not affect your responsibility for payment of legal services rendered and out-of-pocket costs and internal charges incurred before termination and in connection with and orderly transition of the matter.

The Rules of Professional Conduct list several types of conduct or circumstances that require or allow us to withdraw from representing a client, including, for example: persistence in a course of conduct which we reasonably believe to be criminal or fraudulent, insistence upon pursuing and objective which we consider to be repugnant or imprudent, failure of a substantial nature to fulfill an obligation after reasonable warning that it will result in our withdrawal, or other good cause.

BILLING ARRANGEMENTS AND TERMS OF PAYMENT

Our invoices will report the work done by attorneys and other professionals on the matter, and describe the work performed. Unless otherwise provided in our engagement letter, we will provide you with a bill upon completion of the assignment. Payment is due on receipt.

We will give you notice if your account becomes delinquent, and you agree to bring the account or the retainer deposit current. If the delinquency continues and you do not arrange satisfactory payment terms, we may withdraw from the representation and pursue collection of your account. And you agree that non-payment of our fees is a valid basis for our request to so withdraw. To the extent collection of your account becomes necessary, you agree that, in addition to any unpaid balance and interest thereon, we will be entitled to recover all costs and expenses of collection, including reasonable attorney fees.

APPENDIX A

SERVICES TO BE PERFORMED

1. Preparation of form of letters to be sent to taxing units within Tuscola County which have received payments from the Tuscola County Delinquent Tax Revolving Fund (the "DTRF") because of the delinquent real property taxes on the Metalation parcels in Vasser Michigan;
2. Answering questions from taxing units;
3. Advice to the County Treasurer and the County regarding such matters;
4. Working with the County Treasurer and the County to arrange for the possible sale of such parcels to the City of Vasser from the DTRF;
5. Advising the County Treasurer on the necessary steps to proceed with the final foreclosure of such parcels for all unpaid delinquent taxes on such parcels in early 2019;
6. Drafting any necessary purchase and sale agreement between the County Treasurer and the City of Vasser including consultation with County's general counsel;
7. Assisting in obtaining Grants for environmental assessment and cleanup on such parcels; and
8. Answering other legal questions which relate to the sale of such parcels.

CHARGES FOR SERVICES

HOURLY CHARGE: \$250 per hour for time expended on the project. If possible this will be paid from the proceeds of the sale of such property as it is foreclosed and sold.

DISBURSEMENTS: Charges for travel expenses, telephone and messaging costs including Federal Express to be billed monthly.

©

mhoagland@tuscolacounty.org

Subject: FW: Form of Letter
Attachments: FORM OF LETTER -Tuscola-Vasser w_Appx_s.DOCX

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

From: mhoagland@tuscolacounty.org [mailto:mhoagland@tuscolacounty.org]
Sent: Tuesday, June 5, 2018 1:24 PM
To: 'Bardwell Thom' <bardwellthomas1@gmail.com>; 'Bierlein Matthew' <mbierlein@tuscolacounty.org>; 'Kim Vaughan' <kvaughan@tuscolacounty.org>; 'Kirkpatrick Craig' <ckirkpatrick@tuscolacounty.org>; 'Tom Young' <tyoung@tuscolacounty.org>
Cc: John Axe <jaxe@clarkhill.com>; Patricia Gray <pdonovan@tuscolacounty.org>
Subject: FW: Form of Letter

Commissioners

I have heard there may be some confusion regarding the delinquent tax chargeback process. The attached letter was drafted by Attorney John Axe for the County Treasurer. It explains that Section 87b of Public Act 206 as amended requires the County Treasurer to chargeback local taxing jurisdictions for unpaid delinquent taxes. Under the law this chargeback requirement is vested in the County Treasurer (not the Board of Commissioners).

John Axe is also preparing a timeline of events in attempting to resolve the many complicated issues involving this property. This timeline and corresponding events will be based on the assumption the City of Vassar will exercise their right of first refusal to acquire the property.

Mike

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

From: Remus, Stephenye L. [mailto:sremus@clarkhill.com]
Sent: Tuesday, June 5, 2018 11:23 AM
To: mhoagland@tuscolacounty.org
Subject: FW: Form of Letter

**FORM OF LETTER TO BE SENT TO ALL
UNITS OF GOVERNMENT WHICH HAVE RECEIVED
PAYMENTS FROM THE DTRF ON THE 2015, 2016 AND 2017
DELINQUENT TAXES ON THE METALATION PARCEL IN VASSER, MICHIGAN**

To: _____

Re: Chargebacks for payments Received by the _____ of _____ for 2015, 2016 and 2017 Delinquent Real Property Taxes from the Tuscola County Delinquent Tax Revolving Fund (the "DTRF")

Attached hereto as Appendix 1, please find a summary of the amounts which the _____ of _____ has received on the delinquent real property taxes for the years 2015, 2016 and 2017 which have been paid to your unit of government from the DTRF in 2016, 2017 and 2018 on the tax parcels described in Appendix 1, attached hereto.

This chargeback is being made by the Tuscola County Treasurer pursuant to the power granted to me by Section 87b of Public Act 206 of the Public Acts of Michigan, as amended ("Act 206").

The provision in Act 206 which requires me to make this chargeback is set forth in Appendix 2 attached to this letter.

If you or your attorney have any questions regarding this matter please contact:

John R. Axe
Clark Hill, PLC
500 Woodward Ave.
Suite 3500
Detroit, MI 48226
(313) 309-9452 or (313) 330-9696
jaxe@clarkhill.com

Very truly yours,

Tuscola County Treasurer

APPENDIX I

Summary of the amounts which have been paid to the _____ of _____ from the Tuscola County Delinquent Tax Revolving Fund for the taxing parcels _____, _____ and _____.

Delinquent Tax

Amount Paid

Date Paid

APPENDIX II

Section 87b.(1) of Act 206 of the Public Acts of 1893, as amended [MCL211.87b.(1)]

Sec 87b

If the delinquent taxes that are due and payable to the county are not received by the county on behalf of the taxing units in the county and this state for any reason, the county has full right of recourse against the taxing unit or to this state for the state education tax under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, to recover the amount of the delinquent taxes and interest at the rate of 1% per month or fraction of a month or a lower rate as established by resolution of the board of commissioners until repaid to the county by the taxing unit.



SHERIFF

TUSCOLA COUNTY

SHERIFF GLEN SKRENT

UNDERSHERIFF ROBERT BAXTER

420 COURT STREET, CARO, MI 48723

Phone: 989-673-8161 Fax: 989-673-8164

To: Mike Hoagland and the Tuscola County Board of Commissioners

From: Sheriff Glen Skrent

Ref: out of state training for Det/Sgt. Jim Hook

Date: 6/4/2018

There is a need for staff to be trained in cyber forensics. This is the basic information on the need.

Unlike the shows you may see on TV, in today's age of rapidly developing technology, it's not always a drop of blood or a strand of hair that solves the crime. Instead, our nation's law enforcement is increasingly relying upon digital evidence — whether it be a debit card purchase that was made, a geolocation signal that was detected or a text message that was sent — in order to solve the crimes they face on a daily basis.

The added layer of complexity posed by the digital age influences nearly every crime our law enforcement officers face today. This makes it incredibly important that we ensure our United States Secret Service officers can effectively collaborate with their state and local counterparts to advance their mutual goals in solving crimes in every jurisdiction.

This is why, in 2008, the Alabama Office of Prosecution Services teamed up with the United States Secret Service to open a facility in Hoover, Ala. specifically tasked with training law enforcement to address the cyber and digital components of crime on a state and local level: the National Computer Forensics Institute (NCFI).

Since opening its doors in 2008, the NCFI has trained more than 6,000 state and local police officials, prosecutors and judges from all 50 states and three U.S. Territories, including 3,900 law enforcement officers, 1,800 prosecutors and 400 judges. To date, NCFI graduates represent over 2,500 agencies nationwide.

This is free training and everything except for wages is included and is put on by the Secret Service. Flights/hotels/per diem is paid for. The location for the training is in Alabama. I am asking the board to allow this out of state training.

Respectfully,

Sheriff Glen Skrent

The next big corporate tax cut? Senate panel OKs big break for utilities

Paul Egan, Detroit Free Press Published 5:34 p.m. ET June 5, 2018 | Updated 6:11 p.m. ET June 5, 2018



(Photo: Kathleen Gray/Detroit Free Press)

LANSING — It could be Michigan's next big corporate tax cut.

And the latest blow to funding for local governments.

A bill reported out of a Senate committee Tuesday would exempt Michigan utilities from personal property taxes on their transmission lines and pipelines — a change the Senate Fiscal Agency estimates could cost local governments \$576.3 million annually within 10 years.

The bill's sponsor, Sen. John Proos, R-St. Joseph, says it would help protect Michigan electricity customers from higher rates as Consumers Energy and DTE spend hundreds of millions of dollars to upgrade their

infrastructure and improve reliability.

Local governments — already struggling to stay afloat because of reduced state revenue sharing over time and property tax revenues that haven't recovered from real estate values that plunged during the last recession — say the bill as written is a nonstarter.

"There's no way that local governments can absorb this," said Chris Hackbarth, director of state and federal affairs for the Michigan Municipal League.

Reliable electricity supply is important, but so are reliable bridges, roads, water systems and police and fire departments. Hackbarth told the committee.

More: [Fraser imposes 9-mill tax increase; other towns could follow \(/story/news/local/michigan/macomb/2018/05/28/fraser-communities-special-assessment-millage/644615002/\)](#)

More: [Dan Gilbert gets state OK for \\$618M in tax breaks for Detroit projects \(/story/money/business/john-gallagher/2018/05/22/dan-gilbert-detroit-projects-tax-breaks/630257002/\)](#)

The Senate Finance Committee, after about an hour of testimony, sent the bill to the full Senate on a 4-2 vote. Chairman Sen. Jack Brandenburg, R-Harrison Township, Proos, Sen. Dave Robertson, R-Grand Blanc, and Sen. Marty Knollenberg, R-Troy voting in favor. The two Democrats, Sen. Steve Bieda of Warren and Sen. Rebekah Warren of Ann Arbor, voted no.

Proos said Tuesday's Senate approval is the start of what he expects will be a lengthy discussion about how to possibly improve the bill. He anticipates it could be ready for passage in the fall, which he said he would prefer, or the lame duck session after the November election.

"I'm all ears for those discussions," but "it's time we addressed this question," Proos said.

If approved, the bill would be the third massive corporate tax cut passed by the GOP-controlled Michigan Legislature since Republican Gov. Rick Snyder took office in 2011. The elimination of the Michigan Business Tax in 2012 — replaced with a 6% corporate income tax that only a minority of businesses pay — cost the treasury about \$1.8 billion a year. The phaseout of the personal property tax on industrial equipment, which began in 2014 and is still being phased in, is estimated to cost about \$1.3 billion.

But the legislation to phase out the personal property tax on industrial equipment included a replacement for lost local government revenues. The bill the committee approved Tuesday does not.

The bill would not apply to electrical generating stations but would exempt from personal property tax all electrical transmission systems, substations, gas and water distribution systems and pipelines, and gas storage equipment installed after Dec. 31, 2017.

"While the initial fiscal impact would depend on the rate at which new property would be installed as property ages and is replaced, the bill would eventually exempt all eligible utility personal property," said an analysis of Senate Bill 1031 from the Senate Fiscal Agency.

The taxable value of utility personal property statewide increased nearly 55% from 2000 to 2017, an increase of \$4.2 billion that brought the total taxable value of utility personal property in Michigan to \$11.9 billion, the report said.

"To illustrate the eventual magnitude of the exemption ... the revenue reduction would total approximately \$652.8 million" based on current value, with \$576.3 million lost to local governments and \$76.6 million lost to the School Aid Fund, the report said. If one-tenth of the utility equipment got replaced each year, those full impacts could be felt in 10 years, the report said.

Carole Kvorciak Smith, director of tax planning for Consumers Energy, said the company is embarking on a program to replace its aging infrastructure to modernize it and improve safety and reliability. The company currently pays about \$180 million in personal property taxes on equipment covered by the bill and expects that number to increase to \$400 million by 2025, she said.

Since those costs are passed on to ratepayers through rate increases, "it's not paid by Consumers Energy — it's paid by all of our customers," Smith said.

Though he said he voted to pass the bill out of committee to continue the discussion, Knollenberg said he has serious concerns about the bill and wouldn't support it on the Senate floor in its present form.

"There needs to be a minimum level of taxation so that services can be provided," Knollenberg said. "Our communities ... are under water as it is. When we take away from their revenue stream in the future, how do we replace it? Do we care?"

Knollenberg, who owns a restaurant, also questioned why utilities that have to replace equipment should get a break on their personal property taxes when small businesspeople like him don't.

Pross, who said after the meeting he was approached by Michigan utilities about sponsoring the bill, said Consumers plans to spend up to \$3 billion to improve reliability and DTE Energy up to \$4.2 billion. The costs of the associated personal property taxes will either be reduced or passed on to ratepayers, he said.

He asked Knollenberg to consider how electricity outages would affect revenues at his restaurant.

Pross, who can't run for the Senate again because of term limits, has received \$5,000 in campaign donations from political action committees connected with DTE since the last election and \$4,000 from Consumers, plus smaller amounts from other utility companies, state records show.

Several school and local government groups submitted cards saying they oppose the bill, as does the state Treasury Department in its present form. The Michigan Chamber of Commerce submitted a card saying it favored the change.

Contact Paul Egan: 517-37208660 or pegan@freepress.com. Follow him on Twitter @paulegan4.

Read or Share this story: <https://on.freep.com/2M2TcPq>



June 06, 2018 6:36 a.m.

Lawmakers consider major personal property tax cut for DTE, Consumers

By Gongwer News Service



Consumers Energy Co. DTE Energy Co. Government More +

- Bill could cost local governments and schools more than \$600 million in revenues
 - Legislation addresses potential impact increased PPTs utilities could pay on anticipated billions of dollars in distribution investment
 - Ratepayers would ultimately have to shoulder the costs
-

A bill that would exempt all new personal property installed and used by utilities for energy distribution, which could cost local governments and schools more than \$600 million in revenues as written, was reported Tuesday to the Senate floor by the Senate Finance Committee.

But the sponsor of SB 1031 said the full Senate would take no action on the measure before the chamber adjourns for summer break. Sen. John Proos, R-St. Joseph, said he hoped to see action on the measure during the fall and that he would work with the utilities, local governments, schools and others to reach some agreement on the overall proposal.

He insisted something must be done, however, to recognize the potential impact the increased personal property taxes utilities could pay on anticipated billions of dollars in distribution investment could have on the costs to ratepayers, as they would have to shoulder the costs.

The measure was reported party line 4-2. The move to report the bill came as something of a surprise, and after committee chair Sen. Jack Brandenburg, R-Harrison Township, recessed the committee to caucus with the Republican members.

In introducing the bill, Proos said any tax increases a utility would see from increased investment would be built into a utility's rates (and a tax planning expert for Consumers Energy Co. said the \$180 million the company paid in personal property taxes in 2017 could grow to \$400 million by 2025) and then passed on

to ratepayers, both individuals and businesses. Steps must be taken to protect the ratepayers from some of those cost increases, he said.

Gov. Rick Snyder made improving distribution of energy a top priority, Proos said. Because Michigan does not have the advantage of other states with distribution systems running through them that affects multiple states, it must rely heavily on home-grown generation and distribution.

The two largest utilities in the state are anticipating spending billions on improved distribution, he said. Detroit-based DTE Energy Co. expects to spend \$4.2 billion in improved distribution in five years, while Jackson-based Consumers expects to spend \$3 billion, Proos said.

However, unlike the PPT cut agreement the state reached in 2012, after several years of discussions, nothing in SB 1031 as now written would guarantee that local governments get reimbursed for the lost revenue. PPT revenue remains a significant source of revenues to local governments, along with property taxes on land and buildings.

Officials representing local governments and schools warned of the effect the legislation could have on providing services, such as police and fire, to residents and the long-term effects that could have on attracting new development and business to those communities.

Chris Hack Barth of the Michigan Municipal League said cities, counties and townships are already operating under a "broken system of municipal finance" in the state as revenue sharing is \$300 million short of what it should be, and local governments are still struggling with reduced property tax revenues given the collapse in values during the Great Recession and the limits on increases on taxable value placed on properties as part of the Proposal A school finance reform in 1994.

Local governments need funds to maintain street lights, sewer and water systems as well as public safety, he said, and already are delaying maintenance on multiple systems. Those are the types of services that can attract talent needed to attract companies, he said.

The Department of Treasury also opposed the bill. But asked if that demonstrated Snyder was opposed to the bill, Proos told reporters after the committee he didn't "think the administration has found a landing spot" on the measure.

For a bill that could have a potentially massive effect, SB 1031 consists of just 52 words. A "qualified utility personal property is exempt from the collection of taxes under this act" if it is for distribution and "was initially installed in this state after December 31, 2017," the bill said.

Proos said the measure would not affect generation of energy, property taxes paid on land, and distribution property now in use — presuming it was added before Dec. 31, 2017.

It would affect lines, substations, transformers and other equipment used to move energy to users, he said.

Distribution is critical to improved reliability of energy, Proos said. Speaking directly to Sen. Marty Knollenberg, R-Troy, who recently opened a new restaurant, Proos said if the restaurant's grills don't turn on, then the restaurant can't stay open.

The measure is setting the stage for a discussion — which Proos told reporters he would have with all interested groups over the next several months — on "who pays and who receives" energy services. "We're

going to see those costs passed through. They are going to be paid for one way or the another" to see increased reliability, he said, so finding a way to minimize those costs on ratepayers is critical.

And Carolee Chorial Smith, director of tax planning for Consumers, said that without the bill the increased PPT costs would be passed on directly to customers.

But Knollenberg said there "needs to be a minimum level of taxes for services." Many "communities are underwater as it is," he said, and "when you take away from them a revenue stream in the future, do we care about that? I do."

Knollenberg did vote to report the bill but said he would vote against it in the full Senate if it does not resolve his concerns.

Deena Bosworth with the Michigan Association of Counties said the bill does not consider all infrastructure needs in the state such as improving roads, water and sewer systems.

Those needs should not be excluded, she said, and "someone has to pay for them." All local governments need to be part of finding a solution to the issues raised by the bill, she said.

MICHIGAN MORNING NEWSLETTER

Get a roundup of important news that happens each day.

SUBMIT

From: mhoagland@tuscolacounty.org
Sent: Friday, June 1, 2018 12:06 PM
To: Senator Mike Green; Representative Canfield
Cc: Clayette Zechmeister (Clayette Zechmeister); Deena Bosworth; 'Carl Osentoski'; rsundquist@clarkhill.com; Mike Krause; Angie Daniels; Angie Daniels; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kim Vaughan'; 'Kirkpatrick Craig'; 'Tom Young'
Subject: FW: Senate Bill 1031 (Utility Personal Property Tax Exemption)
Attachments: 2018-SIB-1031.pdf; mcl-211-34c.pdf

Senator Green and Representative Canfield

We just became aware of recently introduced legislation that would significantly reduce the amount of revenue the county and other taxing jurisdictions receive from future wind turbine projects. The specific Senate Bill is No. 1031 introduced by Senator John Proos on May 29, 2018 and referred to the Senate Committee on Finance. As you know we are heavily dependent on wind turbine revenue to deliver county services.

The bill is short but consequential. Any "qualified utility personal property" installed in this state after December 31, 2017 would be exempt from taxation under the Michigan General Property Tax act. Pertinent to MREC matters, this would include electric transmission and distribution systems and substation equipment. While wind energy systems (industrial personal property) are not included underground collection lines would be. The bill also covers gas storage equipment and transmission line of gas or oil transporting companies. The proposed SB 1031 and a copy of MCL 211.34c are attached.

This bill would result in hundreds of thousands of dollars of future revenue loss to not only Tuscola County but all local taxing jurisdictions. Please review this bill to understand its negative financial consequences. We cannot afford another critical revenue loss that would occur if this bill is adopted. We have done rough calculations that show a first loss of over \$145,000 just for the anticipated additional 96 wind turbines to be constructed in Tuscola County. This loss would occur every year thereafter.

This is an important issue. Please work to protect this revenue source which is critical to the delivery of essential services in Tuscola County.

Thank you.

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-6383
Fax: (517) 373-1986

Senate Bill 1031 (as introduced 5-29-18)
Sponsor: Senator John Proos
Committee: Finance

Date Completed: 6-5-18

CONTENT

The bill would amend the General Property Tax Act to exempt qualified utility personal property from the collection of taxes under the Act.

"Qualified utility personal property" would mean property that meets both of the following:

- Is the following utility personal property: electric transmission and distribution systems, substation equipment, spare parts, gas distribution systems, water transmission and distribution systems, gas storage equipment, and transmission lines of gas or oil transporting companies.
- Was initially installed in the State after December 31, 2017.

(The Act imposes a tax of 6% on the purchase price or sales price of nonexempt personal property.)

Proposed MCL 211.9p

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would reduce State and local property tax revenue, and if per-pupil funding guarantees were maintained, increase School Aid Fund expenditures. While the initial fiscal impact would depend on the rate at which new property would be installed as property ages and is replaced, the bill would eventually exempt all eligible utility personal property. The taxable value of utility personal property statewide increased 54.8% between 2010 and 2017, an increase of \$4.2 billion that brought the total taxable value of utility personal property to \$11.9 billion. To illustrate the eventual magnitude of the exemption, if the bill were to exempt all existing eligible utility personal property, the revenue reduction would total approximately \$652.8 million (\$76.6 million in State Education Tax revenue to the School Aid Fund, \$576.3 million to local units of government) and School Aid Fund expenditures would need to increase by approximately \$243.1 million in order to maintain per-pupil funding guarantees. Of the \$576.3 million in local unit losses, revenue to counties, cities, and villages would fall by \$189.1 million, local school operating revenue would decline by \$243.1 million, and the remaining revenue losses would be split across community colleges, intermediate school districts, and authorities. If the average life of eligible utility personal property were 10 years, and taxpayers replaced approximately one-10th of existing property each year, the bill's impact in the first year would be one-10th of the figures shown above, with the revenue reductions increasing each year for 10 years.

In 2017, the taxable value of utility personal property represented approximately 3.5% of total statewide taxable value but the share for individual local units varied significantly. As a result, the impact by individual local units would vary substantially, based on the amount of eligible utility personal property located in a local unit. For example, utility personal property represented 0.12% of total taxable value in the City of Harbor Springs, in Emmet County, but 65.2% of total taxable value in Stockbridge Township in Ingham County. Utility personal property represented more than 50% of a local unit's total taxable value in five townships, and between 25% and 50% of total taxable value in another 31 cities and townships. In contrast, utility personal property represented less than 1.0% of total taxable value in 70 cities and townships.

Personal property tax exemptions enacted in 2012 for certain commercial and industrial personal property were eventually tied to the creation of the Local Community Stabilization Authority, which provides reimbursements to local units for the revenue lost as a result of the exemptions. The bill would not reimburse local units for revenue lost as a result of the exemptions. Furthermore, because utility personal property and the property exempt under the 2012 exemptions are distributed differently, local unit losses under the bill would be distributed differently than losses (and reimbursements) associated with the exemptions adopted in 2012.

Fiscal Analyst: David Zin

SAS1718's1031sa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent

mhoagland@tuscolacounty.org

From: Deena Bosworth <bosworth@micounties.org>
Sent: Wednesday, June 6, 2018 9:34 AM
To: mhoagland@tuscolacounty.org
Cc: Senator Mike Green; Representative Canfield; Bardwell Thom; Bierlein Matthew; Kim Vaughan; Kirkpatrick Craig; Tom Young; Carl Osentoski; Mike Krause; rsundquist@clarkhill.com; Angie Daniels
Subject: Re: SB 1031

Mike,

I have met with the bill sponsor and with Consumers about this bill. I was in committee yesterday and testified in opposition to the bill.

I have been assured that we will be working on this bill over the summer and that the full Senate is not going to vote on it before the fall.

Please call me if you'd like to talk further.

Deena
517-282-1647

Sent from my iPhone

On Jun 6, 2018, at 8:18 AM, "mhoagland@tuscolacounty.org" <mhoagland@tuscolacounty.org> wrote:

The Detroit Free Press article in the link below discusses the major negative financial impacts SB 1031 would have on revenue needed to provide government services.

<https://www.freep.com/story/news/local/michigan/2018/06/05/michigan-senate-panel-tax-break-utilities/674681002/>

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

This email and any files transmitted with it are intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the message sender. This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

mhoagland@tuscolacounty.org

Subject: FW: MiDC Caseload Study

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

From: Loren Khogali [<mailto:lkhogali@michiganidc.gov>]
Sent: Friday, June 1, 2018 10:59 AM
To: mhoagland@tuscolacounty.org
Cc: Judge Amy Gierhart <agierhart@tuscolacounty.org>; 'Caryn Michalak' <cmichalak@tuscolacounty.org>; Clayette Zechmeister (Clayette Zechmeister) <zclay@tuscolacounty.org>; Senator Mike Green <senmgreen@senate.michigan.gov>; Representative Canfield <edwardcanfield@house.mi.gov>; Deena Bosworth <Bosworth@micounties.org>; Barbara Klimaszewski <bklimaszewski@michiganidc.gov>; Marla McCowan <mmccowan@michiganidc.gov>; 'Bardwell Thom' <bardwellthomas1@gmail.com>; 'Bierlein Matthew' <mbierlein@tuscolacounty.org>; 'Kim Vaughan' <kvaughan@tuscolacounty.org>; 'Kirkpatrick Craig' <ckirkpatrick@tuscolacounty.org>; 'Tom Young' <tyoung@tuscolacounty.org>
Subject: RE: MiDC Caseload Study

Mr. Hoagland:

Thank you for your email. I appreciate your concern about funding as required by the statute. We are still in the midst of the appropriations process. Once we have firm information about MiDC's appropriation, we will communicate that to all of the local systems.

My email this morning was an announcement of an indigent defense caseload study that MiDC is undertaking with RAND. The information we receive from the study will help inform our workload standard. We are simply asking that you share the announcement with attorneys appointed in indigent criminal cases in your system. Please don't hesitate to reach out with any additional questions. We look forward to continuing to work with you.

Best,
Loren

From: mhoagland@tuscolacounty.org [<mailto:mhoagland@tuscolacounty.org>]
Sent: Friday, June 01, 2018 8:34 AM
To: Loren Khogali <lkhogali@michiganidc.gov>
Cc: Judge Amy Gierhart <agierhart@tuscolacounty.org>; 'Caryn Michalak' <cmichalak@tuscolacounty.org>; Clayette Zechmeister (Clayette Zechmeister) <zclay@tuscolacounty.org>; Senator Mike Green <senmgreen@senate.michigan.gov>; Representative Canfield <edwardcanfield@house.mi.gov>; Deena Bosworth <Bosworth@micounties.org>; Barbara Klimaszewski <bklimaszewski@michiganidc.gov>; 'Bardwell Thom' <bardwellthomas1@gmail.com>; 'Bierlein Matthew' <mbierlein@tuscolacounty.org>; 'Kim Vaughan'

<kvaughan@tuscolacounty.org>; 'Kirkpatrick Craig' <cirkpatrick@tuscolacounty.org>; 'Tom Young'
<tyoung@tuscolacounty.org>
Subject: RE: MIDC Caseload Study

Good morning

With due respect it is our opinion in Tuscola County and in many other counties that any further planning of indigent defense should not occur until the state honors its commitment to fund all new system costs. This clearly has not been done to date. In fact, significant portions of the new costs for this expanded indigent defense system are proposed to be passed onto counties which they simply cannot afford.

There is no question there is need for improvement in the system. We fulfilled the development and gained approval of the Plan for improvement by the Indigent Defense Commission. This alone took significant county time and cost. Now it is time for the state to fully fund the new system and not financially strap counties with the costs for the new system. We were repeatedly told through the planning process that the plan did not have to be implemented if the state did not fund 100% of new costs.

Michael R. Hoagland
Tuscola County Controller/Administrator
989-672-3700
mhoagland@tuscolacounty.org

VISIT US ON LINE FOR COUNTY SERVICES @ www.tuscolacounty.org

From: Loren Khogali [<mailto:lkhogali@michiganidc.gov>]
Sent: Friday, June 1, 2018 7:23 AM
To: Loren Khogali <lkhogali@michiganidc.gov>
Cc: Marla McCowan <mmccowan@michiganidc.gov>; Jonah Siegel <jsiegel@michiganidc.gov>
Subject: MIDC Caseload Study

Good morning-

We are writing with an update on the Michigan Indigent Defense Commission's (MIDC) latest project and to solicit your assistance in securing project participants. With the assistance of the RAND Corporation, the MIDC will be developing maximum caseload standards for the delivery of indigent defense services in Michigan in 2018. Maximum caseload standards are simply tools to help identify when the number and mix of criminal defense cases assigned an attorney are likely to have resulted in workload demands that may adversely impact the attorney's ability to adequately discharge his or her ethical obligations to clients. These standards will apply to the adult indigent criminal defense caseloads of all attorneys in the state, whether such appointments arise from a contract counsel program, an assigned counsel program, a public defender office, or some combination thereof.

The project involves three major data collections that will take place sequentially over the next few months, and we need attorneys who accept indigent defense appointments for each of these phases. First, RAND will conduct a time study of indigent defense attorneys across the state. For eight weeks, attorneys will be asked to track the time they spend on all appointed cases on behalf of adult indigent defendants. The time study will describe the current reality in Michigan indigent defense, but may not reflect optimal caseload levels. The second data collection will seek to learn whether the bar believes that these average time expenditures afford attorneys the ability to provide adequate representation. To do so, we will conduct a brief web-based survey to find out what attorneys think is the minimum amount of time that should be devoted, *on average*, to criminal defense cases in order to provide

adequate legal representation. The final data collection activity will involve a focus group designed to gather the opinions of a panel attorneys with extensive experience in the delivery of criminal defense in Michigan. These experts will build consensus as to the minimum amount of time that, on average, would be required to provide criminal defendants with adequate legal services in various types of cases.

For more details on each of these phases, the key deliverables, and the expected timeline, please see the project website at <http://michiganidc.gov/midc-and-rand-caseload-study/>. We ask for your assistance in encouraging all members of the indigent defense bar to participate in the data collection efforts described above, as they will have lasting and profound consequences for their profession and for their clients in the years to come. Attorneys across the state will receive requests to participate in the first round of data collection in the coming week.

If you have any questions, please contact Dr. Jonah Siegel, Research Director at the Michigan Indigent Defense Commission by phone (1-517-657-3062) or email (jsiegel@michiganidc.gov). Nicholas M. Pace, project lead at the RAND Corporation, can be reached at nickpace@rand.org or 1-310-393-0411 ext. 6176.

Thank you for your assistance with this project.

Best,
Loren

Loren Khogali
Executive Director, Michigan Indigent Defense Commission
200 North Washington Square
Lansing, MI 48193
517-657-3063-office
517-275-2845-cell
<http://michiganidc.gov>

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3

CONSULTING SERVICES CONTRACT EXTENSION

By and Between
Tuscola County, Michigan
and
MGT of America Consulting, LLC

An Agreement was entered into between Tuscola County, Michigan ("Client"), and MGT of America Consulting, LLC, a Florida Company ("MGT") on December 17, 2014 for the preparation of the FY 2014, 2015 and 2016 Countywide 2 CFR Part 200 central service cost allocation plans.

Section three (3) of that agreement provided for the renewal of the agreement for two (2) additional one (1) year periods with the mutual approval of the County and MGT.

By written acknowledgement below, both the County and MGT have agreed to extend the original agreement for two additional years, under the terms of the original agreement. Specifically, that the 2017 and 2018 Countywide 2 CFR Part 200 Cost Allocation Plans will be completed for a fee not to exceed \$ 7,000 annually.

IN WITNESS WHEREOF, this agreement extension has been executed and delivered by Client and MGT on the _____ day of _____ 2018.

TUSCOLA COUNTY, MICHIGAN

MGT of AMERICA CONSULTING, LLC

By: _____

By:  _____

Name: _____

Name: J. Bradley Burgess

As its: _____

As its: Executive Vice President

Address: 125 W. Lincoln Street
City/State/Zip: Caro, MI 48723

Address: 2343 Delta Road
City/State/Zip: Bay City, MI 48706



Tuscola County

Clayette Zechmeister <zclay@tuscolacounty.org>

Cost Allocation Plan Contract Extension

1 message

Gordon Stryker <Gstryker@mgtconsulting.com>

Tue, May 29, 2018 at 4:05 PM

To: "Michael Hoagland (mhoagland@tuscolacounty.org)" <mhoagland@tuscolacounty.org>, "Clayette Zechmeister (Clayette Zechmeister)" <zclay@tuscolacounty.org>

Hi Mike and Clayette

Hope that your Memorial day weekend was long and relaxing.

We are getting started on the cost plan season and it appears that we do not have a current agreement for the preparation of the 2017 Central Services cost allocation plan.

Our original agreement was for the 2014, 2015 and 2016 Cost plans for \$7,000/yr. The agreement allows for a two year extension (2017 and 2018) with mutual consent.

MGT would like to extend our original agreement for two additional years, under the same terms.

Please let me know if you have any questions. If the draft extension agreement looks OK, please return one fully executed copy of the agreement to my attention.

Thanks

Gordie

Gordon J. Stryker

Senior Manager

2142 Latta Road | Box City, MI 48706

Fax: 989-373-0503

gstryker@mgtconsulting.com

www.mgtconsulting.com



Tuscola County Contract Extension 5-29-2018.pdf
37K

Lenawee County Data Pricing

- * All Data layer requests require signed copy of Data Dissemination Agreement to be turned in BEFORE receiving of data.
- * Entities with confirmed contracting with Local, Township, County, State or Federal governmental entities are not charged for data, so long as their data request is restricted to the area of their contracted work.
 Example: A company contracted with a township for a master plan may request data for THAT TOWNSHIP ONLY, Not the whole of the county.
- * Entities with confirmed contracting with the county (or in county governmental body) may receive data after faxing copy of agreement to the office. All other entities must mail or bring in physically signed copies.

General Information

- Parcel Addresses
\$0.05 Per Parcel

- Rolls (Assessment, Real Estate, Owner Name, Ect.)
\$0.06 Per Parcel

- OR

- \$0.50 Per Page
- Additional CD/DVDs
\$7.00

Parcel Layer – Basic Info

- Full County: \$1,000
 - *County Parcel layer consists of roughly 40,000 parcels
 - *Does not include the Cities of Adrian or Tecumseh
- Per Parcel: \$0.04
 - *\$10 minimum purchase

- *Includes basic information, Owner Name, Property Address, Mailing Address, ect
- *Parcel description may be included upon request
- *Up to 4 desired fields from Equalization database may be included upon request and if the export is not time/resource consuming
- *Road centerline file may be included upon request

Aerials

Less than 100 Tiles
\$40.00 A Tile
More than 100 Tiles
\$10.00 A Tile

Road Centerlines

Entire Dataset
\$50.00

DEM

Less than 100 Tiles
\$40.00 A Tile
More than 100 Tiles
\$10.00 A Tile

*Available in 2', 4', 5', 10' or 20' Contours; ASCII coma delimited point files; or Thematic Raster

Address Points

Entire Database (Excluding cities of Adrian & Tecumseh)
\$400.00

*Centroid Extraction of Parcel Polygon Database with a significant amount of building center realignment.

*Not a Field verified layer, attributed data loaded from Equalization database.

Fire Districts

Entire Layer
\$100.00



Professional Health & Medical Services

Russell L. Bush, MD, MPH, President

720 Fourth Street

Lapeer, Michigan 48446-1447

Ann Hepfer, BSN, RN, Health Officer

1309 Cleaver Road, Suite B

Caro, Michigan 48723-9160

To Whom It Concerns:

Please let it be known that I plan Public Health Department retirement on September 30, 2018 at 12:00 midnight. September 30th will be my last day as the Associated Health Departments' Medical Director, including contracted health departments of Lapeer, Tuscola, District Health Department #2, Sanilac, Saginaw, and Huron Counties.

Should Saginaw County not find a replacement Medical Director for their Department of Public Health by September 30, 2018, I will re-negotiate, as a single entity, a short-term contract from October 1, 2018 through December 31, 2018.

December 31, 2018 at 12:00 midnight will complete my last day of work in Public Health.

I wish to thank all who have provided me the opportunity to serve our citizens in the important role as a public health official., I must thank, specifically, the Health Officers and others working in public health for their cooperation, understanding, contributions, and assistance in making my years as a public health service official a great and memorable experience.

Sincerely,

Russell L. Bush
6-1-2018

Russell L. Bush, MD, MPH

