

DRAFT – Agenda
Tuscola County Board of Commissioners
Finance Committee – Friday, July 20, 2012 - 8:30 A.M.
HH Purdy Building –125 W. Lincoln, Caro, MI

Finance

Committee Leaders-Commissioner Peterson and Allen

Primary Finance Items

1. **Attorney Bar Dues (See A)**
2. **August Meeting with Courts Regarding Health Insurance**
3. **Enterprise Facilitation Audit Proposals**
4. **Wind Energy Update (See B)**
5. **Six Month County Budget Financial Overview (See C)**
6. **Schedule A for Health Insurance Contract (See D)**
7. **Medical Care Facility - Small House Project Planning (See E)**
8. **Draft Caro DDA/TIFA Agreement (See F)**
9. **Crisis Intervention Services Agreement – Sheriff (See G)**
10. **2013 Budget Development and Labor Negotiations**
11. **Region VII Area Agency on 2013 Aging Annual Implementation Plan (See H)**
12. **Presentation - Michigan Community Dental Clinics (10:00 A.M.) (See I)**

Secondary/On-Going Finance Items

1. County Equalization Department Assessing Proposal for Akron Township
2. Health Insurance MOS Agreement
3. Health Insurance Renewal
4. State Budget Compliance Requirements and Impacts on the County

Personnel

Committee Leader-Commissioners Peterson and Allen

Primary Personnel Items

1. **Emergency Services Director Letter of Retirement (See J)**
2. **County Road Commission Restructuring Alternatives**
3. **Area Agency on Aging Advisor Council Vacancy**

Secondary/On-Going Personnel Items

1. Prepare Labor Negotiations Strategy
2. Health Insurance Cost Reduction Alternatives
3. Monitor the Status of Lawsuits Filed Against the County
4. Review County Compliance with Act 152 Requirements
5. New Hire Wage/Fringe Benefits
6. Schedule Employee Training Sessions Regarding Conduct in the Workplace, Minimum Insurance Claims, etc.

Correspondence/Other Business as Necessary

Public Comment Period

Closed Session – If Necessary

Other Business as Necessary

1. Caro Residential Re-Entry Center Closure and Reuse Potentials – Monday, June 18, 2012
2. Jail Bed Addition Update
3. Night Deposit Box - Completed

Notes:

Except for the Statutory Finance Committee, committee meetings of the whole are advisory only. Any decision made at an advisory committee is only a recommendation and must be approved by a formal meeting of the Board of Commissioners.

If you need accommodations to attend this meeting please notify the Tuscola County Controller/Administrator's Office (989-672-3700) two days in advance of the meeting.

This is a draft agenda and subject to change. Items may be added the day of the meeting or covered under other business at the meeting.

STATE OF MICHIGAN
54TH CIRCUIT COURT
71B DISTRICT COURT
TUSCOLA COUNTY PROBATE COURT
440 NORTH STATE STREET
CARO, MI 48723
TELEPHONE: (989) 672-3800

HON. KIM DAVID GLASPIE
CHIEF JUDGE

DONNA L. FRACZEK, COURT ADMINISTRATOR

MEMORANDUM

DATE: July 11, 2012
TO: Tuscola County Board of Commissioners
FROM: Donna L. Fraczek, Court Administrator
Mark Reene, Prosecuting Attorney
RE: Bar Dues

We would respectfully request that the Agenda Reference E, Part C of the January 26, 2012 consent agenda be rescinded and that funding be returned to the respective line items.

The following shows the amount of funding and the line items we are requesting it be returned to:

Circuit Court	132-809-000 Membership/Subscriptions	\$675.00
District Court	136-809-000 Membership/Subscriptions	\$810.00
Probate Court	148-809-000 Membership/Subscriptions	\$495.00
Prosecutor	229-809-000 Membership/Subscriptions	\$2385.00

It should be noted that the payment of these dues are not only a condition of employment for the staff involved but is required for them to be licensed.

The following is a proposed motion:

Move that Agenda Reference E, Part C of the January 26, 2012 consent agenda be rescinded and that funding be restored as originally appropriated in the 2012 budget.

To: Tuscola County Board of Commissioners

From: Michael R. Hoagland, Controller/Administrator
Walt Schlichting, Equalization Director

Date: July 18, 2012

RE: Estimated Property Tax Increases from Wind Energy Development

Attached is an analysis and estimate of potential property tax revenue that may be received from wind generator development. This revenue source may begin to become available for the 2013 general fund budget. Estimates that are provided are based on information, assumptions and variables as of July 18, 2012. Projections will be updated as new information becomes available in the future. The method of taxing wind energy development in Michigan has not yet been settled. Method of taxation along with many other undetermined factors will necessitate on-going updates as new information become available.

From the standpoint of revenue required to sustain county government services, wind energy property tax revenue is a positive development in Tuscola County. For 2013, Scenario 1 contained in the attached information shows that instead of a \$55,000 decrease in property tax revenue for 2013 the general fund could realize a \$488,000 increase. Even if the Nextera and International Transmission projects are not completed in 2012 the general fund could still realize a \$232,000 increase.

General fund property tax revenue is a critical factor that requires Commissioner review and understanding in preparation of the 2013 county budget. Commissioner decisions are needed regarding how much wind energy revenue to budget for 2013. This information is intended to assist commissioners in the budget development decision making process.

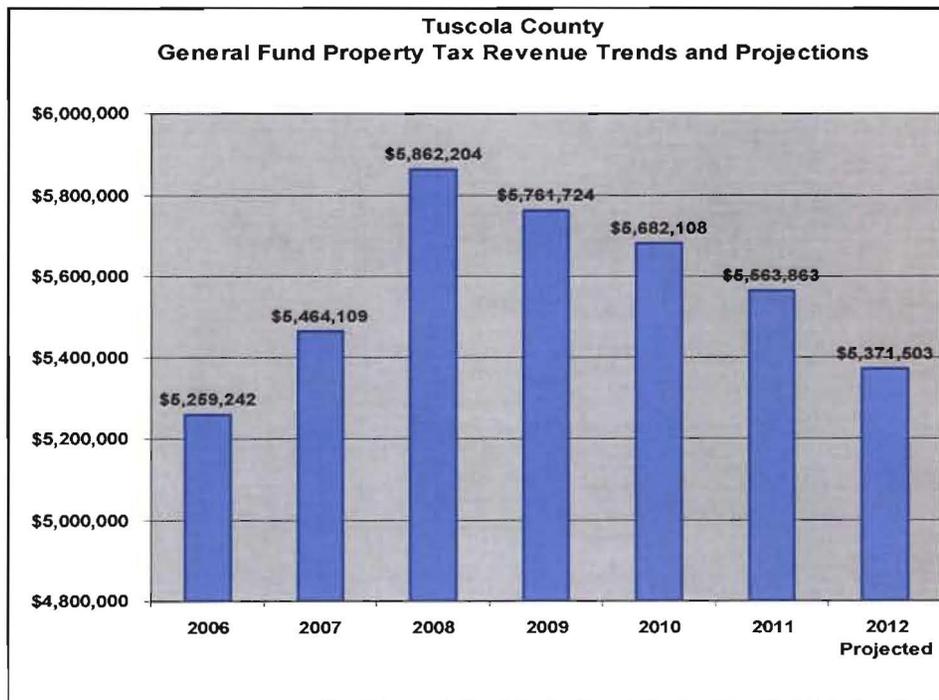
Estimated Property Tax Revenue Increases from Wind Energy Development

Overview of Objective

In order to begin development of the 2013 budget, the County Equalization Director was requested to prepare preliminary property tax (PT) revenue estimates based on certain assumptions and variables. PT revenue is significant because it is by far the largest single revenue source to the general fund (GF) accounting for 40% to 45% of total. PT revenue is also essential to the eight millage supported services because in most cases PT funds 100% of the cost for these operations. Revenue estimating scenarios for the GF in 2013 were prepared based on receiving wind energy revenue from the Nextera project in Gilford Township and the International Transmission Company (ITC) project. Also, projections were prepared for future years based on knowledge of potential additional wind energy projects. Commissioners will need to make 2013 and future budget decisions considering wind energy PT revenue. This information is intended to assist in the decision making process.

Declining GF PT Revenue Trends

PT revenue has traditionally been one of the most dependable and stable sources of revenue to finance the cost of county government services. Even with Headlee and Proposal A provisions, PT revenue consistently increased for many years. However, since 2008 this trend reversed and PT revenue began declining. This occurred because property values have been driven down by significant reductions in the value of the residential class of property. The graph below shows the declining GF PT revenue trend over the last four years. This downward spiral not only has negatively impacted the general fund, but all eight millage supported operations.



2013 GF PT Revenue Estimates With and Without Wind Revenue

Based on information available as of July 2012, the Equalization Director has projected a continuing decline in GF PT revenue for the 2013 budget of approximately \$55,000 or 1% if wind energy revenue is not received. However, currently it appears some wind energy PT revenue is likely to be received for the GF beginning in 2013. The question is how much revenue will be received? The two projects that will likely result in GF PT revenue for 2013 are the Nextera project in Gilford Township and the ITC transmission line project. In order to prepare 2013 projections for GF PT from wind energy development, many variables have to be considered and assumptions made.

Assumptions

1. Nextera project (Gilford Township) is constructed with 68 generators
2. Method of assessing based on the new STC revised multiplier schedule of 80% of value in the first year declining to 30% of value over five years
 - *(Currently some townships in other counties with wind generators are assessing under the old multiplier schedule of 100% of value in the first year declining to 30% over fifteen years – this issue may be appealed by the utility companies to the State Tax Tribunal and the outcome is unknown – with the change in multiplier schedule potential revenue is estimated to decline by 27% compared to revenue based on the old multiplier schedule)*
 - *(Representative Damrow has introduced legislation that would completely change the STC method of taxing wind energy)*
3. The amount of total \$550 million ITC transmission line upgrade occurring in Tuscola versus Huron and Sanilac Counties is unknown – the portion of investment in Tuscola is based on the number of miles of lines
 - *(Actual investment in Tuscola County will not be available until the project is completed)*
4. County personal property tax revenue will decline by estimated \$38,000 assuming state eliminates the industrial/commercial personal property tax on businesses under \$40,000 in taxable value

Variables

1. Will Nextera construction be completed in 2012?
 - *(A significant federal tax credit of 30% of cost is available if this project is completed by the end of 2012 – engineers for the company have stated the project will be completed before the end of the year – if it is not completed by the end of the year only 25% not 50% of the value can be taxed for 2013)*

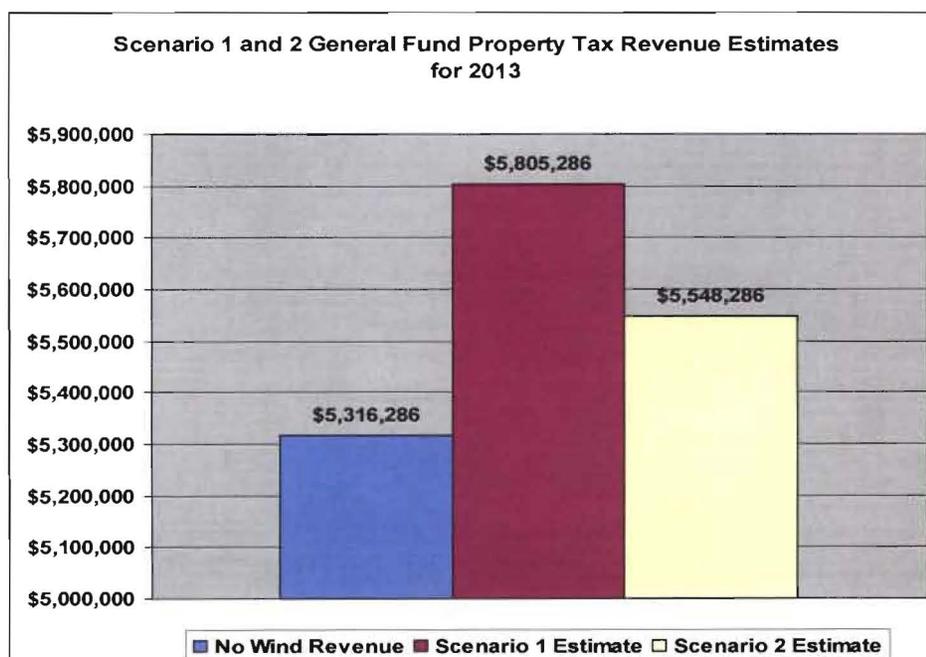
2. Will ITC transmission line upgrade in the Tuscola County be completed by the end of 2012?

- (If it is not completed by the end of the year only 25% not 50% of the value can be taxed for 2013)

Based on these assumptions and variables two GF PT revenue scenarios have been prepared. Because GF PT is invoiced in July of 2013 the GF revenue benefit from wind energy occurs before special revenue millage funds which are not invoiced until December of 2013. Services supported by special purpose millages would not realize revenue from these wind projects until the fiscal (calendar) year 2014.

Scenario 1: The Nextera project and ITC project continue and are completed by the end of the year. Company officials are confident that this project will be completed by the end of 2012. Under this Scenario the GF PT revenue projection is \$5,805,000 or \$488,000 more than without wind revenue. In other words, instead of a \$55,000 GF PT revenue decline, a \$488,000 increase occurs. Expressed as a percentage, instead of a 1.0% decline, a 9.2% increase occurs (See attached – Estimate of 2013 Taxable Value and GF PT Revenue). **Although there is no question that wind revenue is a positive financial development, it only brings total general fund revenue back to about 2011 levels. It is not enough to off-set other multi-year revenue declines such as state revenue sharing. However, it may help to stabilize the need for further expenditure reductions at least on a near term basis.**

Scenario 2: The Nextera and ITC projects continue, but neither is completed by the end of the year. Under this Scenario GF PT revenue projection is \$5,548,000 or \$232,000 more than without wind revenue. In other words, instead of a \$55,000 GF PT revenue decline a \$232,000 increase occurs. Expressed as a percentage, instead of a 1.0% decline, a 4.4% increase occurs. (See attached – Estimate of 2013 Taxable Value and GF PT Revenue). **It is critical to note that under this alternative, even with wind energy revenue, total general fund revenue falls short of the 2011 level because of declines in other revenue categories.**



Nextera and ITC Projects Benefit Eight Millage Supported County Operations Beginning in 2014

There are eight public approved special purpose millages for various services of the county. Collectively, these eight special purpose millages total 4.5769 mills which are more than the 3.9141 general fund millage. Therefore, in total more PT revenue would be generated for these operations than the general fund. However this revenue would not become available until the 2014 budget year because these property taxes are not levied until December 2013. The general fund millage is levied in July of 2013 and becomes available for the 2013 budget year. One of the financially stressed operations of the county is the Sheriff Road patrol. Using this .9 millage funded operation as an example, an estimated \$121,000 could become available for the 2014 budget year.

GF PT Revenue Projections Beyond 2013

Public sentiment will be a determining factor regarding future wind energy project development in Tuscola County. Development of these projects is almost always controversial and often divided among members of the community. For these and other reasons, projecting wind PT revenue beyond 2013 becomes more complicated and less predictable. However, the first step is to determine additional wind energy projects that may occur in the future.

In addition to the Nextera project in Gilford Township and ITC transmission line upgrade, there are two other known potential wind energy projects that are in the planning stages. The county has been aware of the Consumers Energy wind project planned in Akron and Columbia Townships for several years. Also, county officials have recently learned of a second Nextera project planned for construction in 2013 in parts of Wisner, Akron and Columbia Townships. This project was confirmed during recent discussions with company officials. The attached table titled Commercial Wind Generator – Estimate of Potential Revenue was prepared by the Equalization Director to estimate GF PT revenue from all known potential wind projects.

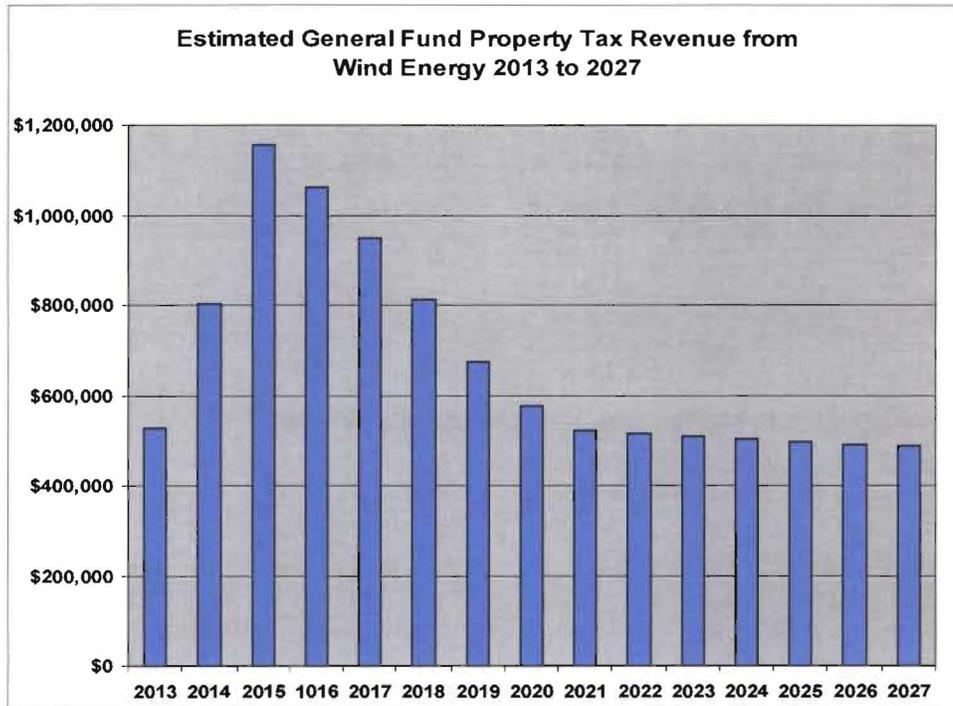
The completion of the second Nextera project in 2013 could result in GF PT revenue becoming available for 2014. This project includes an estimated 60 generators and could add \$300,000 in GF PT revenue. Completion of the Consumers Energy project in 2014 with 80 generators could add \$400,000 in GF PT revenue by 2015.

Wind Energy Revenue Decline with Time - Important Budget Consideration

Review of the attached table titled Commercial Wind Generator – Estimate of Potential Revenue reveals an important trend that with the current method of taxation, revenue received from wind sources declines with time. In the potential peak year of 2015, revenue from the four identified wind sources is estimated at \$1,156,000. Twelve years later in 2027, these same four projects would only generate an estimated \$488,000. If more wind projects occur in the future from the establishment of new standards, more wind energy PT revenue could occur. The graph below shows how this source of revenue will decline with time based on the current method of taxation.

Because wind generator revenue declines with time, the Board may want to consider a policy of limiting the amount of wind revenue that is budgeted for operations versus one-time equipment

and capital improvement expenditures. This type of policy may help to prevent having an operational level of dependency on wind revenue that cannot be sustained long-term.



July 6, 2012 Estimate of 2013 Taxable Value and General Fund Property Tax Revenue

Indicated Change in TV by Class with REAL Property by unit

Class	CPI	2012 TV	2013 TV (estimate)	2012 to 2013 Difference	% Change	
101 Agricultural	1.023	363,925,220	371,849,255	7,924,035	2.18%	
201 Commercial	1.023	95,236,852	96,004,114	767,262	0.81%	
301 Industrial	1.023	20,579,842	20,688,667	108,825	0.53%	
401 Residential	1.023	809,000,590	783,629,107	-25,371,483	-3.14%	
others Personal	1.023	103,700,196	104,737,198	1,037,002	1.00%	
less REN ZONE TV		-18,722,014	-18,722,014			
Possible Gain in TV from uncappings			1,413,012		GF op mills	
NET TAXABLE Value		1,373,720,686	1,359,599,339	-14,121,347	3.9141	
Gross Summer TAX \$ for GF		\$5,376,880	\$5,321,608	-\$55,272	-1.03%	Estimated Net Change
NET Summer TAX \$ for GF		\$5,371,503	\$5,316,286	-\$55,217	-1.03%	from 2012 to 2013

Note: This is a work in progress and subject to change

Assumptions:

Assessed values based on data as of June 30, 2012

Gain in TV from residential (10% uncap), commercial(10%), and industrial (10%) uncappings.

Gain in TV from ag uncappings estimated 10% of sales will uncap.

1% Increase in non- Ren Zone Personal Property

Inflation Multiplier based on CPI change of 1.023

NET collection after estimated accrual accounting, DDA capture, unpaid personal, DNR PILT, IFT

Other possibilities to consider:

Increase in personal property GF revenue due to ITC transmission line	\$93,000	\$187,000
Increase in personal property GF revenue due to Gilford Wind Farm	\$170,000	\$340,000
Decrease in personal property GF revenue if those under \$40,000 TV are exempted	-\$31,000	-\$38,000
Possible Swing in 2013 GF Revenue	\$232,000	\$488,000
Total of Possible 2013 GF Revenue	\$5,548,286	\$5,805,286

General Fund - County

7/6/2012

Commercial Wind Generator - Estimate of Potential Revenue -- ALL Projects

Total Revenue to County GF over 15 years

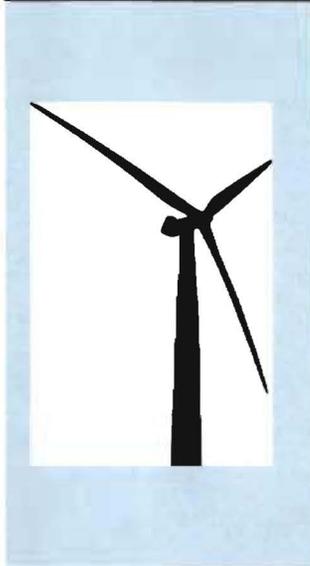
Total Cost Each Generator	
# of Generators	
Total Cost, All Generators	

enter cost
enter #

NextEra Gilford	ITC Transmission	NextEra Akron	Consumer's Wind
\$3,200,000	Total 510 million c 20% in Tuscola County	\$3,200,000	\$3,200,000
68		60	80
\$217,600,000	102,000,000	\$192,000,000	\$256,000,000

County GF op Millage	3.9141
Estimated Revenue in Year	2013

2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027



Total, 15 Years

NextEra Gilford	ITC Transmission	NextEra Akron	Consumer's Wind	Total GF Revenue for Year	
\$340,683	\$187,877			\$528,560	2013
\$319,391	\$182,006	\$300,603		\$801,999	2014
\$298,098	\$176,135	\$281,815	\$400,804	\$1,156,851	2015
\$255,512	\$168,306	\$263,028	\$375,754	\$1,062,600	2016
\$212,927	\$160,478	\$225,452	\$350,703	\$949,561	2017
\$170,342	\$152,650	\$187,877	\$300,603	\$811,471	2018
\$127,756	\$144,822	\$150,301	\$250,502	\$673,382	2019
\$127,756	\$136,994	\$112,726	\$200,402	\$577,878	2020
\$127,756	\$131,122	\$112,726	\$150,301	\$521,906	2021
\$127,756	\$125,251	\$112,726	\$150,301	\$516,035	2022
\$127,756	\$119,380	\$112,726	\$150,301	\$510,164	2023
\$127,756	\$113,509	\$112,726	\$150,301	\$504,293	2024
\$127,756	\$107,638	\$112,726	\$150,301	\$498,421	2025
\$127,756	\$101,767	\$112,726	\$150,301	\$492,550	2026
\$127,756	\$97,853	\$112,726	\$150,301	\$488,636	2027
\$2,746,759	\$1,917,909	\$2,310,885	\$2,930,878	\$9,906,431	Total

NextEra Gilford	ITC Transmission	NextEra Akron	Consumer's Wind
\$108,800,000	50,000,000	\$96,000,000	\$128,000,000
\$425,854	\$195,705	\$375,754	\$501,005

"NEW" PPT Multiplier	Transmission Multipliers		"NEW" PPT Multiplier	"NEW" PPT Multiplier
0.80	0.96			
0.75	0.93	0.80		
0.70	0.90	0.75	0.80	
0.60	0.86	0.70	0.75	
0.50	0.82	0.60	0.70	
0.40	0.78	0.50	0.60	
0.30	0.74	0.40	0.50	
0.30	0.70	0.30	0.40	
0.30	0.67	0.30	0.30	
0.30	0.64	0.30	0.30	
0.30	0.61	0.30	0.30	
0.30	0.58	0.30	0.30	
0.30	0.55	0.30	0.30	
0.30	0.52	0.30	0.30	
0.30	0.50	0.30	0.30	
		0.30	0.30	
			0.30	

If project incomplete at year end 2012,

likely 2013 GF revenue is reduced to :

NextEra Gilford	ITC Transmission
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\$170,342 \$93,938

To: Tuscola County Board of Commissioners
From: Michael R. Hoagland, Controller/Administrator
Clayette Zechmeister, Chief Accountant

Date: July 18, 2012

RE: 2012 Mid-Year Financial Status Review

County financial management is a fundamental responsibility of the Board of Commissioners and elected/appointed officials assigned to assist in the administration of public funds. The Board of Commissioners is ultimately responsible for approximately 50 individual county funds that total about \$45 million dollars. The attached information is provided to overview 2012 county financial standing as of June which is half way through the calendar fiscal year.

The analysis is designed to compare budget/actual relationships for the current fiscal year. The emphasis is to identify potential 2012 financial concerns for further discussion by commissioners and other county officials. The intent is to address areas of concern and if necessary make adjustments while there is still enough time remaining in the fiscal year to maintain a strong financial position. It is important to qualify that history has shown the first six month comparison of budget to actual can and in some instances will likely change for the second half of the year. For this reason it is critical that budget to actual comparison continue through the remaining months of the fiscal year.

The emphasis of the review is on major county funds. The first attached document summarizes recommendations as of the mid point of the fiscal year and specific budget amends recommended for the general fund. The second document is a recap of each of the 13 major county funds that were reviewed providing the basis for making recommendations. An overview of recommendations to date is as follows:

- Amend the general fund revenue and departmental expenditure budgets for revenues that are trending above and below original budget expectations
- Request the Court Administrator and Information Technology Director to provide an update regarding the financial and implementation status of the data workflow imaging system

- Request departments to perform timely billing of grant funded programs to help county cash flow
- Continue assisting the Sheriff in conducting financial planning and alternatives to maintain a 7/24 county road patrol
- Request an update from the Dispatch Director regarding budgetary status of the major investment for new radios and frequency changes
- Incorporate a significant appropriation increase in the 2013 budget to off-set the depletion of funds from the Equipment Fund
- Request the Register of Deeds to provide an update regarding the financial and implementation status of technology purchases and expenditures from the automation fund
- It appears that the Probate Juvenile Childcare Fund revenues are underperforming in relation to the budget – request an update from the Court Administrator and ask that potential budget amendments be recommended – it may be useful for the Department of Human Services to provide an update at the same time
- Continue discussion and make decisions regarding potential construction of a small housing project on county property recently purchased from the Medical Care Facility – also obtain recommendation and guidance from the county bond attorney regarding this project
- Evaluate the potential of early retirement of construction bond issued for the Medical Care Facility upgrade several years ago
- Determine budget needs for the construction of a shower and related facilities for the additional of jail beds – establish a budget in the Capital Improvement Fund
- Assess whether the budgeted \$25,000 Courthouse basement remodeling project should be removed from the budget

Mid-Year Financial/Budgetary Recommendations (as of 7/18/12)

General Fund

1. Mid-year recommended **revenue budget adjustments** are shown in the attached spreadsheet. Increases are in blue and decreases are in green.
2. Mid-year recommended **expenditure budget adjustments** are shown in the attached spreadsheet. Increases are in blue and decreases are in green.
3. Ask the Court Administrator and Information Technology Director to provide a report on the financial and implementation status of the data workflow imaging system.
4. Certain grant and reimbursement programs are not being timely invoice which results in delays in receiving county funds and negatively impacts county cash flow - request billings be brought up-to-date.

Road Patrol

6. Continue to assist the Sheriff's department in preparing multi-year financial projections and determine alternative methods of maintaining a 7 day per week 24 hour per day road patrol operation.
7. Evaluate potential wind energy revenue positive impacts on the road patrol.
8. Assess an alternative solution that would involve requesting a general fund appropriation for 2013.

Dispatch/911

9. Request the Dispatch Director to provide an overview of the change over in radio frequency, radios purchased and overall budgetary status as of the mid-point of the year.

Health Department

10. Although the fund has a reasonable balance it may not be possible to maintain current service levels on a multi-year basis with the current county general fund appropriation to this fund - appropriations will have to be reviewed as part of the 2013 budgeting process.

Equipment Fund

11. To sustain normal year expenditures and replace necessary equipment a priority in developing the 2013 county budget will require an increased general fund appropriation.

Register of Deeds Technology Fund

12. Request the Register of Deeds to provide an update regarding computer/technology system upgrades and additional planned technology improvements/costs over the next several years.

Department of Human Services Childcare Fund

13. Request the appropriate officials to provide a financial update regarding this fund.

Child Care Probate Juvenile Fund

14. Request court officials to provide a financial update including year-end projections and budget amendments that may be proposed to close the anticipated gap between revenues and expenditures.
15. Consider conducting the Probate and DHS child care funds jointly.

Medical Care Facility Fund

16. Obtain recommendations from John Axe (long-term county bond attorney) regarding alternative methods of financing a small housing project on property purchased from Davenport University - one key question with the new project is whether the MCF Board and County Board want to proceed without a dedicated revenue source (millage).
17. Make decisions related to this project jointly with the Medical Care Facility Board and County Board of Commissioners.
18. Evaluate potential early bond retirement for the bonds issued for the facility upgrade several years ago.

Capital Improvement Fund

19. Assess whether the basement remodeling budget should be removed for 2012.
20. Establish a budget in 2012 to add jail space to house additional inmates.

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
Taxes					
402-253	Current Taxes	\$5,565,373	\$5,455,020	\$5,381,721	\$5,381,721
404-253	Payment in Lieu of Taxes	5,282	5,554	5,000	5,000
425-253	Trailer Park Fees	4,291	3,220	4,300	4,300
Total Taxes		5,574,946	5,463,794	5,391,021	5,391,021
Licenses and Permits					
476-215	Marriage Licenses	1,922	1,912	1,700	1,700
476-301	Pistol Permits (Sheriff)	7,457	7,170	8,000	8,000
477-215	Pistol Permits (Gun Board)	12,922	12,438	16,000	16,000
477-253	Dog Licenses	101,105	113,027	100,000	100,000
477-301	Sheriff Licenses	3	1	12	12
478-215	Pistol Permits (Renewal)	80	80	100	100
479-215	Laminating Fee (Clerk)	471	478	550	550
Total Licenses & Permits		123,960	135,106	126,362	126,362
Intergovernmental					
506-253	Civil Defense	28,836	27,777	25,000	25,000
508-253	LEPC Fees	0	0	0	0
509-346	Byrne Jag TNU/Lapeer Co	57,867	59,235	55,284	55,284
541-253	Judges Salary (Cir,Pro,District)	239,887	240,570	239,703	239,703
542-253	Juvenile Officer Salary	27,317	0	0	0
544-253	Marine Safety	21,825	16,642	12,071	12,071
545-253	Secondary Road Patrol	97,556	94,181	87,030	87,030
562-301	SSI Incentive	5,800	5,200	4,200	4,200
563-253	Co-op Reimbursement Prosecutor	74,992	70,400	75,000	75,000
570-253	Cigarette Tax Monies	9,620	3,595	10,000	3,000
574-253	State Revenue Sharing	975,763	1,018,162	831,603	831,603
575-253	Liquor Licenses	0	0	0	0
577-253	State Hotel/Liquor Tax	131,059	134,271	130,000	146,600
580-229	Prosecutor HDC STOP Funds	17,273	0	0	0
582-132	ISD Truency Program Grant			4,160	4,160
578-253	State Payment Court Equity Fund	251,966	233,691	245,000	233,000
507-253	Justice Benefits Inc.	1,127	878	1,200	1,200
452-441	Building Codes SCMCCI	275,567	269,213	269,000	269,000
578-143	FOC Bench Warrant Enforcement Fees	0	0	0	0
668-253	Human Services Lease Payment	267,506	267,506	267,506	267,506
Total Intergovernmental		2,483,961	2,441,320	2,256,757	2,254,357

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
Charges for Services					
544-136	District Court Case Flow Assistance	15,766	18,202	11,700	11,700
544-215	Drug Caseload Fund Circuit Court	344	366	366	366
590-215	Certifieds	31,364	29,014	27,000	27,000
601-136	District Court Probation Fees	198,341	191,111	200,000	215,000
608-136	District Court Intensive Prob. Fees	50,499	35,645	38,000	38,000
609-215	Waiver Marriage Lic. 3 Day	190	250	200	200
604-136	MIP Deferral Program	7,700	5,564	5,000	5,000
602-136	Dist. Court (Court & Bond Costs)	315,544	252,230	250,000	260,000
602-143	Court Costs FOC	48,126	47,475	48,000	48,000
602-215	Court Costs	216,095	205,102	218,000	228,000
603-136	District Court Bond Costs	2,561	2,443	2,800	2,800
605-136	Dist.Ct. Screening Assessment Fee	26,245	23,111	25,000	25,000
607-215	DNA Assessment County Share	12	7	50	50
607-301	DNA Assessment Sheriff	30	18	50	50
608-215	Bench Warrant Fee	4,586	8,839	8,000	8,000
610-132	Admin Fees/Family Division	31,313	32,207	27,000	40,000
610-148	Probate Court-Service Fees	24,913	21,171	22,000	22,000
610-215	FOC Processing Fees	6,036	5,636	6,000	6,000
611-215	DBA Co-Partnership Clerk	5,030	4,860	5,200	5,200
612-236	Register of Deeds-Transfer Tax	75,038	75,546	74,000	88,000
613-215	Clerk Foreclosure Sale	150	50	0	0
613-236	Register of Deeds-Recording Fee	128,496	133,093	124,000	170,000
614-215	Xerox Copies	7,056	7,844	7,100	7,100
614-236	Register of Deeds-Copies	45,279	44,045	47,000	40,000
615-215	Searches Circuit	6,084	6,536	6,000	6,000
615-236	Register of Deeds-Searches	0	0	0	0
616-215	Motion Fees	10,515	11,305	10,500	10,500
616-236	Handling Fees	846	270	500	500
617-132	Filing Fee/Family Court	0	0	0	0
617-215	Jury/Entry/Forensic	19,009	24,533	18,500	18,500
617-253	BC/BS Administrative Fee Retires	2,031	2,313	2,000	2,000
618-215	Notary Bond Filing Fee	945	1,115	1,000	1,000
618-253	Notary Fees Treasurer	95	151	100	100
608-301	Sex Offenders Registration Fee	150	40	150	150
608-430	Boarding-Animal Control	2,014	2,404	2,000	2,000
618-301	Sheriff Contractual	17,028	15,777	16,500	16,500
619-136	Civil Fees (District Court)	173,531	172,391	150,000	150,000
619-215	Passport Fees	5,765	1,425	1,500	0
619-301	Drug Testing Fees	1,580	4,244	4,000	4,000
620-132	Collection Fees/Family Div.	5,979	0	0	0
620-215	Late Fees	307	119	300	300

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
621-215	Circuit Court Fees	710	470	700	700
621-301	Kiosk Fees - Sheriff		0	3,000	3,000
622-225	Equalization LUG Tax System	254	340	50	50
623-215	Funeral Home Corrections	81	0	100	100
624-253	County Treasurer - Other	1,529	1,382	1,300	1,300
626-215	Passport/CCW Photo Charge	4,809	3,416	4,500	4,500
626-253	County Treasurer - Other	2,037	0	0	0
624-215	Victims Rights Admin. Fee	1,822	2,524	2,000	2,000
624-648	Medical Examiner Fees	1,330	2,900	1,600	1,600
625-236	County Share MSSR Fee	518	536	600	600
625-215	Voter Registration Processing	926	810	500	500
626-225	Tax Administration Fees	71,602	47,960	48,000	48,000
627-218	Dispatch Tech Services	5,000	5,000	5,000	5,000
638-301	Care of Prisoners Work Release	31,433	26,879	23,000	11,000
628-301	Care of Prisoners DOC Detainer	35,117	23,485	21,000	21,000
629-301	Prisoners-Other Counties	0	0	0	0
634-301	Felon Diverted Program	79,791	83,762	73,000	73,000
636-301	Charge to Prisoners for Jail	57,647	62,666	66,000	60,000
637-301	Day Reporting	5,536	2,088	2,000	2,000
629-253	Sales Treasurer	9,846	10,138	10,000	10,000
630-301	Sheriff Foreclosure Adjudgment Postings	20,641	24,723	28,000	16,000
631-301	Sheriff Report Copies	6,204	5,219	5,000	5,000
633-301	Boat Livery Inspections	0	4	75	75
635-301	Inmate Phone Revenues	29,367	22,894	20,000	20,000
642-259	Fees CD - Rom Info	17,641	10,122	11,000	11,000
643-430	Sales-Animal Shelter	430	220	400	400
646-301	Sales Sheriff - Auction	4,671	4,013	5,000	5,000
647-301	Sales Sheriff - Canteen	3,157	3,830	3,500	9,000
655-301	Bond Forfeitures-Sheriff	0	0	0	0
658-253	Return Check Charge	460	275	300	300
667-369	Rent for County Property	5,490	6,100	5,490	5,490
447-253	Summer Tax Collection	116,735	108,842	114,000	114,000
676-226	Equalization Contract to Huron County	36,000	36,000	39,060	39,060
676-227	Equalization Base Contract Caro	49,260	59,005	57,618	57,618
677-227	Equalization Assessing Services Caro	5,100	0	0	0
620-722	Airport Zoning Application Fees		35	175	175
625-722	Zoning Board of Appeal Fees		0	350	350
	Total Charges for Services	2,091,737	1,942,054	1,911,834	1,986,834
	Fines & Forfeits				
655-253	County Treasurer Forfeitures	5,200	15,730	10,000	5,000
655-430	Bond Forfeiture Animal	0	0	0	0

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
656-136	District Court Bond Forfeitures	9,146	6,912	8,000	8,000
657-136	District Court Ordinance Fines	20,767	23,891	20,000	20,000
659-136	Warrant Fees District Court	22,509	24,911	23,000	23,000
Total Fines & Forfeitures		57,622	71,444	61,000	56,000
Interest & Rentals					
664-253	Interest - Summer Taxes	34,507	33,197	33,000	33,000
665-253	Pooled General Fund Interest	139,968	118,710	120,000	110,000
667-151	Rent DOT	0	0	0	0
667-301	Rentals (Use of Van)	2,700	0	2,700	2,700
677-301	Sheriff Medical Service Reimb.	12,537	13,172	14,000	14,000
667-253	Thumb Cellular Tower Rental	2,735	2,817	2,600	2,600
Total Interest & Rentals		192,447	167,897	172,300	162,300
Refunds & Reimbursements					
625-301	Inmate Phone Cards	4,090	6,674	8,000	8,000
674-253	Thumb Narcotics Unit Reimburse	31,418	31,549	34,674	34,674
674-301	Reimbursements FOC Warrants	763	942	1,000	1,000
676-191	State Reimbursement/Elections	208	0	28,000	28,000
676-215	GAL Attorney Fee/Reimbursement	28,842	43,699	48,000	28,000
676-253	Reimbursements & Refunds	3,551	5,690	3,000	3,000
676-301	Reimbursement Sheriff	10,024	9,493	8,000	8,000
676-306	Weigh Master	0	6,392	72,175	72,175
676-400	Reimbursement Planning Commission	0	0	0	0
676-430	Reimbursement Animal Shelter	8,408	12,545	10,000	10,000
580-253	Reimbursement State Jury	25,145	16,830	20,000	20,000
677-215	Reimbursement Crt Appt Atty Fees	7,002	9,571	10,000	10,000
677-191	Reimb-School Election	11,419	5,798	8,000	8,000
677-223	East Central Local Share	0	0	0	0
677-253	Juvenile Office Position	111,056	0	0	0
694-253	Cash Over/Short	(1,681)	398	0	0
694-215	Cash Over/Short	(6)	(19)	0	0
679-215	DE Novo Transcripts	0	32	100	100
678-191	Twsp. - Election Supplies	27,904	8,149	30,000	30,000
678-132	State Tax Lein Fee	0	30	0	0
678-301	Reimb. DDJR	0	2,179	0	0
679-215	Reimb De Novo Trans	0	32	0	0
679-191	Reim. Special Election Supplies	0	0	0	0
Total Reimbursement & Refunds		268,143	159,983	280,949	260,949

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
	Total Operating Revenue	10,792,816	10,381,598	10,200,223	10,237,823
	Revenue Transfers Other Funds				
699-211	County Disaster Fund				
699-215	Friend of the Court Indirect Cost	97,120	398,226	120,602	120,602
	Data Workflow Imaging Indirect Costs	0		0	0
699-216	Family Counseling Indirect Costs	4,680	0	0	0
699-218	Dispatch Fund Indirect Costs	67,627	91,744	79,994	79,994
699-221	Health Department Indirect Costs	9,308	9,308	19,729	19,729
699-010	Veterans Operations Indirect Cost	1,667	1,667	2,296	2,296
699-020	Health Department Lease	85,676	85,676	85,676	85,676
699-251	Principle Residence Exemption	0	2,423	2,380	2,380
699-240	Mosquito Control	39,544	59,931	51,073	51,073
699-242	Reimburse Time EECBG	3,096	1,574	0	0
699-254	Violence Against Women Indirect	3,303	13,210	9,909	9,909
699-294	Veterans Trust	1,000	1,000	1,000	1,000
699-297	Senior Citizens Fund Indirect Cost	1,495	1,310	1,240	1,240
699-298	Medical Care Facility Indirect Cost	1,280	660	729	729
699-230	Recycling Indirect Costs	25,000	25,000	35,713	35,713
699-243	Reimburse Time Brownfield	3,024	0	0	0
699-441	Building Codes SCMCCI Rent	24,996	20,000	20,000	20,000
699-000	Domestic Violence Grant	0	0	0	0
699-532	Tax Foreclosure	50,000	50,000	50,000	50,000
699-626	Delinquent Tax Revolving Fund	755,776	810,272	790,000	800,000
699-801	Drain Assessment Services	0	2,113	2,113	2,113
	Total Revenue Transfers from Other Funds	1,174,592	1,574,114	1,272,454	1,282,454
	Grand Total Revenues Recurring Sources of Funds	11,967,408	11,955,712	11,472,677	11,520,277
	Budgeted General Fund Balance or Other One-Time Sources of Funds				
672-390	General Fund Use of Fund Balance	0		0	
	Total Budgeted General Fund Balance or Use of Other One-Time Sources	0		0	0

2012 General Fund Revenue Budget Amendment Recommendations

<u>Account Number</u>	<u>Revenue Category/Department</u>	<u>2010 Year-End Actual</u>	<u>2011 Year-End Actual</u>	<u>2012 6/30/2012 Amended Revenue Budget</u>	<u>2012 Amended Revenue Budget</u>
GRAND TOTAL REVENUES INCLUDING USES OF NOT RECURRING SOURCES OF FUNDS		\$11,967,408	\$11,955,712	\$11,472,677	\$11,520,277

One-Time Close-Out of funds for Audit GASB Compliance

699-286	Transfer in Retirement Reserve		325,394	
699-211	Transfer in County Disaster		2,692	
699-730	Transfer in Sick-Vacation Fund		88,840	

Total One-Time Close-Out of funds for Audit GASB Compliance **416,926**

GRAND TOTAL REVENUES INCLUDING FUND CLOSE-OUT FOR AUDIT GASB COMPLIANCE

\$ 12,372,638

2012 General Fund Expenditure Budget Recommended Amendments

<u>Expenditure Category/Department</u>	<u>2010 Year-End Expenditures</u>	<u>2011 Year-End Expenditures</u>	<u>2012 6/30/2012 Amended Expenditure Budget</u>	<u>2012 Recommended Amended Expenditure Budget</u>	<u>Comments</u>
Legislative					
Board of Commissioners	\$ 139,474	\$ 100,003	\$ 102,875	\$ 102,875	
Special Programs	1,232	53,274	5,650	20,000	Tax Refund-Rebate +\$20,000
Total Legislative	140,706	153,277	108,525	122,875	
Judicial					
Circuit/Family Court	1,230,037	904,045	909,780	902,893	Salaries -\$30,000, Memberships +\$675, Visiting Judges +\$10,438, Imaging Data Workflow +\$12,000
District Court	1,053,294	1,065,189	989,411	990,221	Memberships +\$810
Jury Commission	4,162	5,083	4,418	4,418	
Probate Court	278,056	253,950	265,181	265,676	Memberships +\$495
Adult Probation	47,327	37,548	9,400	11,000	Utilities +\$2,600
Total Judicial	2,612,876	2,265,815	2,178,190	2,174,208	
General Government					
Elections	66,842	16,992	96,213	96,213	
Accounting Services	42,105	41,230	37,730	47,500	Enterprise Audit \$9,770 est.
Legal Services	109,594	58,704	70,000	58,000	General +\$8,000, Labor -\$20,000
Clerk	387,926	390,861	407,357	407,357	
Controller/Administrator	335,729	348,179	322,945	299,977	Salaries PT -\$21,968 FICA -\$1,000
Equalization	195,341	190,645	188,551	188,551	
Equalization/Huron County	10,444	10,897	11,366	11,366	
Equalization Caro Assessing Contract	28,301	38,894	40,529	40,529	
Prosecutor	474,150	483,739	491,395	491,395	

2012 General Fund Expenditure Budget Recommended Amendments

<u>Expenditure Category/Department</u>	<u>2010 Year-End Expenditures</u>	<u>2011 Year-End Expenditures</u>	<u>2012 6/30/2012 Amended Expenditure Budget</u>	<u>2012 Recommended Amended Expenditure Budget</u>	<u>Comments</u>
Co-Op Prosecutor	167,318	173,082	163,310	163,310	
Register of Deeds	229,189	223,772	233,777	233,777	
Treasurer	305,661	325,165	317,829	317,829	
MSU Cooperative Extension	136,094	76,170	89,175	89,175	
Computer Operations	350,941	349,602	355,541	370,041	Contractual +\$14,500 Sheriff computers
Building & Grounds	681,931	742,851	737,263	737,263	
Human Services Building Maint.	55,302	50,394	52,971	52,971	
Drain Commission	175,245	189,383	188,505	188,505	
Total General Government	3,752,113	3,710,560	3,804,457	3,793,759	
Public Safety					
Courthouse Security	66,401	135,028	168,933	151,536	Salaries -\$5,797, Salary PT/Temp -\$11,600 Salary/Fringes -\$14,500, Inmate housing
Jail	2,092,397	2,060,463	2,078,725	2,196,225	+\$50,000, Inmate health care +\$75,000, Insurance +\$7,000
Weigh Master	-	6,392	72,175	72,175	
Marine Safety	21,937	16,642	12,071	12,071	
Secondary Road Patrol	97,556	94,181	87,030	87,030	
Thumb Narcotics	89,299	90,190	90,273	90,273	
Planning Commission	4,551	5,118	4,930	4,930	
Plat Board	-	-	628	628	
Emergency Services	87,322	80,811	78,239	78,239	
Animal Shelter	124,921	129,412	125,500	131,500	Contractual +\$6,000
Livestock Claims	-	-	-	-	
Total Public Safety	2,584,384	2,618,237	2,718,504	2,824,607	

Public Works

2012 General Fund Expenditure Budget Recommended Amendments

<u>Expenditure Category/Department</u>	<u>2010 Year-End Expenditures</u>	<u>2011 Year-End Expenditures</u>	<u>2012 6/30/2012 Amended Expenditure Budget</u>	<u>2012 Recommended Amended Expenditure Budget</u>	<u>Comments</u>
Building Codes (See note below)	275,567	269,213	269,000	269,000	
Board of Public Works	2,286	1,938	2,846	2,846	
Drain-at Large	491,243	422,186	416,821	416,821	
Total Public Works	769,096	693,337	688,667	688,667	
Health & Welfare					
Substance Abuse	65,530	67,136	65,000	73,300	Increase in revenue
Medical Examiner	47,783	35,868	42,575	42,575	
Veterans Burial	13,520	13,060	15,000	15,000	
Airport Zoning Board		157	678	678	
Economic Development	46,302	46,302	29,727	29,727	
Total Health & Welfare	173,135	162,523	152,980	161,280	
Other					
Insurance & Bonds	153,333	146,894	202,527	140,000	Other funds became available for retention fund -\$62,527
Building Lease/Purchase Agreement	24,370	73,910	-	-	
Other Total	177,703	220,804	202,527	140,000	
Contingency					
Contingency	-	-	29,610	25,664	
Total Contingency	-	-	29,610	25,664	

Operating Transfers Out

2012 General Fund Expenditure Budget Recommended Amendments

<u>Expenditure Category/Department</u>	<u>2010 Year-End Expenditures</u>	<u>2011 Year-End Expenditures</u>	<u>2012 6/30/2012 Amended Expenditure Budget</u>	<u>2012 Recommended Amended Expenditure Budget</u>	<u>Comments</u>
County Park	-	5,000	2,500	2,500	
Friend of the Court	320,131	417,151	282,970	282,970	
Friend of the Court/Workflow Imaging	-	-	-	-	
Health Department	263,727	263,727	215,000	215,000	
Behavioral Health	288,243	288,243	288,243	288,243	
Equipment Fund	-	131,305	79,637	79,637	
Equipment Fund/Workflow Imaging	-	-	-	-	
Remonumentation	26	34	-	-	
Community Corrections	11,735	14,236	16,000	16,000	
Child Care Human Services	87,500	149,000	127,000	127,000	
Department of Human Services	10,000	9,000	9,000	9,000	
Child Care Probate	470,000	492,932	400,000	400,000	
Soldiers & Sailors Relief	28,500	28,500	7,500	7,500	
Purdy Building Debt	-	-	70,208	70,208	
Cigarette Tax	6,791	2,538	8,471	8,471	
Medical Examiner	10,293	10,293	10,293	10,293	
Veterans Counseling	67,395	67,395	40,500	40,500	
Capital Improvements Fund	-	-	-	-	
Employee Sick/Vacation	91,860	30,000	31,895	31,895	
Total Operating Transfers Out	1,656,201	1,909,354	1,589,217	1,589,217	
GRAND TOTAL EXPENDITURES	\$11,866,214	\$11,733,907	\$11,472,677	\$11,520,277	

Financial Status Review and Recommendations
Through June of 2012
(Six Month Mid-Point of the Fiscal year)

GENERAL FUND (101)

The 2012 general fund budget balances revenues and expenditures at \$11,472,000. Previous budget adjustments have left a minimal 2012 general fund contingency which is currently approximately \$30,000. It is important to note, that the current budget is balanced without the use of reserves primarily because more favorable property tax revenue estimates have been provided by the Equalization Director than earlier estimates. There were also major expenditure reductions in terms of staffing and general fund transfers to other county funds during the 2012 budget development process. The 2012 budget of \$11,472,000 is approximately 9.0% less than the largest general fund budget in 2008 at \$12,600,000. According to the 2011 county audit the general fund "unassigned" fund balance was approximately \$793,000 at the start of 2012.

Revenues

Because property tax revenue is not received until later in the fiscal year only 23.4% of budgeted revenue has been received at the mid-point of 2012. This is comparably close to the 22.8% of budgeted revenue received at the mid-point of 2011. Major revenue declines for 2012 compared to 2011 include property tax, state revenue sharing and the data workflow imaging computer system revenue reimbursement.

Significant revenue sources that are tracking higher than budgeted levels include: District Court, Circuit Court costs and Register of Deeds fees. It is important to note that the State Court Administrator's Office is continuing to pay judge salary costs to help fund visiting judge costs. (A Circuit Court judge was not appointed by the governor). In order to continue receiving these funds the State may require justification based on actual expenditures for visiting judges. Actual property tax received has a significant bearing on overall revenues but it is difficult to predict until much later in the year. Interest earnings remain historically low with most investments earning less than one percent. Court equity fund revenue from the state is continuing to trend down as it has for several years. Marine safety funds have not been paid by the state and the Sheriff has been forced to discontinue marine patrol operations until state funding is received.

Expenditures

At the end of June, general fund actual expenditures were tracking close to budget with 49.4% of total budget expended (50% of budget expected to be expended at the mid-point of the fiscal year). Expenditures through six-months of 2012 were approximately \$5,658,000 compared to 2011 expenditures through six-months of \$5,975,000. The 2012 budget was designed to be significantly less than 2011. There are only a few cost centers where actual expenditures exceed the 50% standard at the mid-point of the fiscal year.

The Jail is a cost center that is expending above mid-year budget expectations. The jail is the largest cost center in the general fund with a 2012 budget of \$2,078,725 accounting for 18% of the total general fund budget. Through six-months the jail budget is approximately 52% spent. Specific line-items of concern within the Jail budget that are trending above 50% levels include: costs to house inmates in other counties, inmate medical costs and the part-time temporary account. Through six-months of 2012 costs to house inmates in other counties was \$64,580 compared to only \$19,297 for

the entire year in 2011. Recently, the inmate housing line-item budget was increased from \$50,000 to \$80,000. Projecting the out county prisoner costs for 2012 could result in end of the year expenditures of \$155,000 or more. This expenditure level may be somewhat reduced with the addition of 11 beds at the county jail. The Sheriff has explained that the use of visiting judges is having impacts on prisoner out county housing costs with more incarcerations. The health services line-item already has expended nearly \$117,000 with only \$75,000 budgeted. Projecting the total inmate health services costs for year could result in total expenditures of \$233,000 or more. This line-item is unpredictable because major medical treatment required for one or two inmates can significantly drive up costs. The part-time jail account is running above budget but this may be partially off-set by the overtime account which is running below budget.

Other 2012 budgeted general fund cost centers that may require adjustments include: tax refunds and rebates, animal control and employee sick/vacation payout fund for employees that retire or leave county employment. The tax refunds and rebates line-item in the special program budget has expenditures at \$16,462 but funds were not budgeted for this purpose. The number of residents appealing and winning on assessments is increasing resulting in larger than expected county paybacks of collected property tax revenue. Recently Sanilac County made adjustments in animal control contractual costs to Tuscola County for animal control services. Budget adjustments have been approved that will further reduce the general fund contingency. More than the expected number of employee retirements have occurred which may result in more payout costs than originally anticipated. Significant costs are still occurring related to maintenance and implementation of the data workflow imaging system in several departments. Some departments have exceeded their budgeted line item for this purpose.

ROAD PATROL FUND (207)

The current amended 2012 road patrol budget is balanced at \$1,359,443 with revenue budgeted at \$1,255,562 and expenditures budgeted at \$1,359,443. Revenue is budgeted to be less than expenditures which requires the budgeted use of approximately \$104,000 in reserves. According to the 2011 county audit the beginning road patrol fund balance was approximately \$120,000. This budgeted use of fund balance leaves the potential that as little as \$16,000 may be available to start 2013. This fund involves the oversight of the County Sheriff.

Revenue

Revenue is budgeted at approximately \$1,256,000. Nearly all of this revenue has been received. The .9 special purpose millage is the primary source of revenue for the road patrol and this revenue is received early in the fiscal year. Actual property tax revenue received for 2012 in the road patrol fund was slightly more than budgeted revenue but still about \$77,000 less than 2011. Property tax revenue has been declining for several years because of multiple years of declining land values. Recently, a millage increase request for the road patrol failed. Potential positive impacts of wind energy revenue to help support the road patrol needs to be assessed.

Expenditures

At the end of June, road patrol actual expenditures were tracking below budget with only 44% of total budget expended (50% of budget expected to be expended at the mid-point of the fiscal year). Most line-item accounts are running below budget: including permanent employee, overtime, health insurance and fuel. There is \$40,000 budgeted for vehicles but these have not been purchased to date. The Sheriff has received a \$6,000 grant to help off-set the cost to purchase new vehicles. The Sheriff department has been working to reduce costs in 2012 to preserve fund balance with the goal

of maintaining a seven day per week twenty-four per day road patrol operation in the county for 2012 and 2013.

FRIEND OF THE COURT FUND (215)

The 2012 budget is premised on revenues of \$999,000 and expenditures of \$994,000 which could result in a slight increase in fund balance at the end of the year. At the start of 2012 the Friend of the Court fund balance was approximately \$51,000. It is anticipated that a similar fund balance will exist at the end of 2012. Oversight of this fund includes the Friend of the Court and Court Administrator.

Revenue

Revenues for the Friend of the Court fund in 2012 are following a similar pattern as 2011. Approximately 42% of budgeted revenue have been received through June of 2012 which is the same percentage received through June of 2011. The major revenue sources are cooperative reimbursement; performance incentive and general fund appropriations. The minimum general fund appropriation of 282,970 is budgeted for 2012. Effective and timely billing to maximize cooperative reimbursement and performance incentive revenue is a key to the financial stability of this fund.

Expenditures

At the end of June, Friend of the Court expenditures were tracking below budget with 48% of total budget expended. Nearly 80% of the total budget is for wage and fringe benefit costs. Almost all Friend of the Court expenditures are tracking below budget at the mid-point of the fiscal year. Security costs have been eliminated with the relocation of the Friend of the Court to the Courthouse.

DISPATCH/911 FUND (218)

Dispatch/911 fund was established to provide emergency 911 dispatch services to all law enforcement, fire and emergency medical services. The 2012 Dispatch/911 budget is premised on revenues of \$1,438,000 and expenditures of \$1,441,000. This budget is higher than in normal operational years because dispatch is in the process of replacing the radio system which is out of date. Dispatch is highly dependent upon state-of-art equipment to provide for an effective public safety operation. The radio system is being replaced in phases over the 2011 to 2014 period with a county investment of approximately \$1.6 million and a Sprint/Nextel investment of \$1.2 million. The fund balance at the start of 2012 was \$503,000 but this fund balance is anticipated to decline with the purchase of radios. The Dispatch Director and Authority Board are engaged in oversight of this fund.

Revenues

Primary revenue source used to operate dispatch/911 is the surcharges on landlines and wireless telephone customers. Budgeted revenue for 2012 approximates the actual amount received in 2011. Through six-months of 2012 and 2011, 21.8% of budgeted revenue was received. Over the last several years the amount of telephone surcharge revenue has been declining with population declines a contributing factor.

Expenditures

Through the first six months of the year approximately 59% of the budget on the expenditure side was expended. This is higher than the standard of 50% because of the funds budgeted and expended for radio purchase in 2012. Most significant line items are tracking close the 50% standard half way through the year. Overall by the end of the year it is projected that revenues and expenditures will be

close. Minimal change in fund balance is expected but more radios and related equipment will be purchased in 2013.

HEALTH DEPARTMENT FUND (218)

The health department is the third largest fund that the county is required to budget. Comparability of budget to actual is difficult because the health department operates on a different fiscal year (Oct 1 to Sept 30) than the county. The budget is premised on the use of approximately \$78,000 in fund balance with revenues projected at \$2,671,000 and expenditures projected at \$2,749,000. The health department has done an effective job of managing finances over the years. The 2011 audit shows approximately \$225,000 in expendable fund balance in the health fund. Based on the 2012 revenue and expenditure relationship the available balance could be as low as \$147,000 by the end of the fiscal year. The Board of Health and Health Office have lead role in administering this fund.

Revenues

Most of the revenues for the health department come from federal, state, and grant sources. Approximately 12% of revenue to the health department is provided from county appropriations. Unfortunately because of declining county financial capabilities, the county has had to reduce the appropriations provided from the general fund to the health fund. In 2011, approximately 383,000 in general fund appropriations were provided compared to 307,000 in 2012.

Expenditures

Actual 2012 expenditures are running close to budget expectations. Because of the different fiscal years detailed expenditure comparisons to budget would require assistance from the health officer.

RECYCLING FUND (230)

The current amended 2012 recycling budget is balanced at \$302,849 with revenue budgeted at \$280,930 and expenditures budgeted at \$302,849. Revenue is budgeted to be less than expenditures which may require the budgeted use of approximately \$22,000 in reserves. According to the 2011 county audit, the beginning recycling balance was approximately \$373,000. It has been explained that the Recycling Committee wants to maintain a fund balance to enable relocating the operation at some point in the future to meet and potentially expand the recycling needs of the county. The Recycling Director assists in monitoring the financial status of this fund.

Revenue

Revenue is budgeted at approximately \$281,000. Of this total, approximately 88% has been received to date. The two major revenue sources are .15 millage and sale of recycled materials. The .15 millage generates about \$207,000 in property tax revenue. Revenue from material sales varies from year-to-year depending upon the market value of materials. Actual revenue received in both of these categories is on track to meet budget expectations.

Expenditures

At the mid point of the fiscal year only 41% of the budget was expended. Significant line item expenditures are below the expected 50% budget standard half way through the year. There is \$35,000 budgeted for an addition to an existing storage building but at this point in time this project has not been started. Also, funding to pave the entrance driveway is included in the budget. In 2012, the recycling fund began paying full indirect costs and a proportionate share of the Directors wage and fringe benefit costs.

MOSQUITO ABATEMENT FUND (240)

The 2012 Mosquito Abatement budget is based on revenues of \$888,657 and expenditures of \$1,018,399. This revenue/expenditure relationship requires the use of an estimated \$132,000 in reserves to have a balanced budget. At the beginning of 2012, the beginning unassigned fund balance was approximately \$695,000. Mosquito Abatement maintains a minimum fund balance of \$250,000 in case funding is needed for a mosquito carrying disease outbreak. Management also is leaving fund balance to construct a pole building in the future for vehicle storage/maintenance and treatment material storage. Over the last several years treatment and administrative changes have been implemented that have resulted in program improvements. The Co-Directors of Mosquito Abatement monitor the financial status of this fund.

Revenue

The major source of revenue source for the operation is the public approved .65 millage which generates approximately \$874,000 in property tax revenue. Nearly all of the budgeted revenue has been received to date and has met budget expectations.

Expenditures

Mosquito Abatement expenditures are at 53% at the half way point of the fiscal year. Actual expenditures are over 50% because budgeted vehicle and treatment material purchases for the entire season have been completed.

EQUIPMENT FUND (244)

This fund is used to centrally budget and account for equipment purchases. Computer and related technology items are the major purchases from this fund. Expenditures budgeted for 2012 are approximately \$219,000. The only revenue source is an appropriation from the general fund of \$81,000. To start 2012, the available fund balance was approximately \$155,000. This fund balance could be as low as \$17,000 by the end of 2012 with current budgeted expenditures.

Revenue

The appropriation from the general fund for 2012 is approximately \$81,000.

Expenditures

As of mid-year approximately \$132,000 or 60% of budget expenditures from the Equipment Fund have been completed. This leaves \$87,000 in budgeted expenditures to be implemented. The largest remaining expenditure is the jail intercom system replacement at an estimated cost of 25,000.

REGISTER OF DEEDS AUTOMATION FUND (256)

This fund was created under PA 698 of 2002 to upgrade technology in the Register of Deeds office. The available fund balance at the start of 2012 was \$118,000. For 2012 revenues are budgeted at \$54,000 and expenditures at \$98,000 which could reduce fund balance by the end of the year to an estimated \$73,000. The Register of Deeds has oversight responsibility for the financial monitoring of this fund.

Revenue

At the six-month point of the year about \$34,500 or 64% of the \$54,000 in budgeted revenue has been received. This revenue trend could result in actual year-end revenue exceeding the budgeted amount. No county funds are allocated for this program.

Expenditures

Computer contractual and related technology expenditures have been minimal through the first six-months of 2012. Significant technology and computer hardware and software improvements have been implemented in the Register of Deeds office since 2003.

CHILD CARE FUND DEPARTMENT OF HUMAN SERVICES (288)

This fund is used pay foster care and in some cases institutional care costs for neglected and/or abused children. This fund has the oversight of the Department of Human Services Board. The revenue budget for 2012 is \$363,000 and the expenditure budget is \$417,000. At the start of the 2012 the available fund balance was approximately \$108,000. The 2012 budget is designed where an estimated \$54,000 of this balance would be used reducing the fund balance by one-half to start the next year. It is questionable whether the county will be able keep the general fund appropriation as low as \$127,000 for another year.

Revenues

The revenue budget is \$363,000. At the six-month point of the year approximately \$127,000 or 35% of budgeted has been received. Revenue sources include: state reimbursement, client payments and a general fund appropriation. General fund appropriation for 2012 was reduced to \$127,000 compared to the \$149,000 appropriation in 2011.

Expenditures

Overall expenditures are at approximately 49% of budget at the mid-point of the year. Higher than expected costs are occurring for purchased institutional care but lower than expected costs for supervised foster care. This is a fund that can be significantly negatively impacted by one or two children who have to be placed in institutional care.

MEDICAL CARE FACILITY (291)

The County Medical Care Facility provides seven day per week twenty-four per day medical and indigent care for citizens. This fund has the oversight of the Department of Human Services Board. This is by far the largest operation that the county budgets with a 2012 budget of \$17,669,000. For comparison the entire general fund of county has a total budget of \$11,472,000 which makes the Medical Care Facility budget 35% larger than the general fund. The 2012 Medical Care Facility budget is premised on the use of approximately \$186,000 in reserves with revenues budgeted at \$17,483,000 and expenditures at \$17,669,000. The audited fund balance at the end of 2011 was approximately \$3,389,000. The county general fund does not provide funding to the Medical Care Facility.

Revenues

Operational revenue sources include: Medicare and Medicaid, .25 millage and patient payments. The facility also has available a millage for debt retirement for major building upgrades made several years ago. Approximately 60% of budgeted revenue has been received at the mid-point of the year.

Expenditures

Half way through the fiscal year actual expenditures are tracking as would be expected according to budget at 50%. Recently Davenport University building and land was purchased. Administrative services have been moved to the former Davenport Building and the Medical Care facility board intends to eventually construct housing units on available land.

CHILD CARE FUND – PROBATE JUVENILE (292)

The Child Care Fund Probate provides services to families of youth involved in the court system. Youth who have committed violations are placed in foster care or institutional care. The fund is under the administrative oversight of the Judges and Court Administrator. Accounting was restructured several years ago and various positions previously budgeted and accounted for in the general fund were reassigned to this fund. The objective was to capitalize on and maximize state reimbursement and work to place more youth in lower cost foster care versus institutional care. Contractual services provided by MGT of America were discontinued with full oversight shifting to the court.

Budgeted revenues and other budget expectation were not achieved for 2011. This situation resulted in the need to increase the general fund appropriation by \$200,000 (\$100,000 transferred in 2011 and \$100,000 in 2012).

The original 2012 budget is premised on revenues of approximately \$920,000 and expenditures of \$963,000 which would reduce fund balance by an estimated \$43,000. According to the audit the beginning 2012 fund balance was approximately \$137,000.

Revenues

At the mid-point of the fiscal year revenues are performing below budget expectations. The total revenue budgeted for 2012 is \$920,000. Approximately 285,000 or only 31% of budgeted revenue has been received. Of this total, \$200,000 is general fund appropriations. More significant revenue sources that are below budget expectations half way through the year are: charge backs for state wards, parent reimbursement, intensive probation IHC and juvenile comp & culture IHC.

Expenditures

Through June expenditures in relationship to budget expectations are favorable with only approximately 37% of the budget expended. Lower than anticipated expenditures important to help off-set underperforming revenue source. Several major expenditure accounts that are less than 50% expended include: employee salaries, state ward charge backs and private institutions. If the first six-month revenue/expenditure trends continued for the second half of the year, total revenues would be approximately \$570,000 and total expenditures \$713,000 which could exhaust all remaining fund balance.

CAPITAL IMPROVEMENT FUND (483)

The capital improvement fund is used to pay short and long term capital improvement projects. Significant cost is involved in maintaining and repairing the 14 county buildings and grounds. The Buildings and Grounds Director has projected on average \$200,000 per year to maintain current facilities including roof, heating/cooling system, parking lots, windows, etc. In 2011, over \$500,000 was expended for office space projects. At the start of 2012 the audited fund balance was \$1,217,410. Of this total, \$193,000 is budgeted for expenditure in 2012. General fund appropriations

will have to be restored soon as part of the annual budgeting process because at the current rate of expenditure the fund balance could be exhausted within 5 or 6 years.

Revenues

The sole source of revenue is a general fund appropriation. However, for the last several years an appropriation was not made and the fund balance was used to fund project costs. No appropriation is budgeted for 2012.

Expenditures

The expenditure budget for 2012 is \$193,000 involving projects such as: Courthouse/Jail roofs, jail window replacement and courthouse basement remodeling. Some of these projects are underway while others need to be implemented. Funds will need to be budgeted in 2012 for the project to add jail space to house additional inmates.



Mike Hoagland

From: Skiver, Daniel [dskiver@bbcmich.com]
Sent: Tuesday, July 17, 2012 8:34 AM
To: mhoagland@tuscolacounty.org; Dawn Bowden (dbowden@tuscolacounty.org)
Subject: Schedule A
 Hi Mike and Dawn,

Per your request, here is a summary of the Schedule A for September 1, 2012.

- This Schedule A is for the contract year beginning September 1, 2012 through August 31, 2013. This BCBS Schedule A must be signed and returned to BCBS before the start of each contract year.
- The Schedule A sets for the financial arrangement for your contract for the contract year including the administrative fee, additional administrative compensation, stop loss premium, stop loss level and aggregate stop loss attachment point.
- BCBS is offering a discount on the stop loss premium if the County chooses to go to a fixed Additional Administrative Compensation. The Additional Administrative Compensation will be combined with the administrative fee for a total fixed fee of \$48.62 (\$36.62 admin fee + \$12 Additional Administrative Compensation). If the County chooses to stay with a variable Additional Administrative Compensation, the minimum and maximum charges will range between \$11.64 to \$12.36 and the stop loss premium will not be reduced.
- The stop loss premium savings by moving to a fixed Additional Administrative Compensation is \$52.40 per contract per month or an annual total of **\$90,547**.

TUSCOLA COUNTY STOP LOSS SAVINGS FIXED VS VARIABLE ACCESS FEES

Fee	Contracts	Stop Loss Fee	Month	Annual	Att Point	Specif Ded
Variable Fee	144	\$336.52	\$48,458.88	\$581,507	\$10,564	\$20,000
Fixed Fee	144	\$284.12	\$40,913.28	\$490,959	\$10,459	\$20,000
Savings	144	\$52.40	\$7,545.60	\$90,547	\$105	n/a

- BCBS is also stating the what the full fee will be effective 9/1/13 and 9/1/14 on the Schedule A.
- Please note County can terminate its agreement with BCBS anytime with a 90 day advance notice. Please see article IV A. of the BCBS Administrative Services Contract MOS Agreement.

×

Please let me know if you have any questions or need any more information.

Thank you.

Daniel R. Skiver, MPA
 Vice President
 Brown & Brown of Central Michigan Inc.

7/17/2012

SCHEDULE A-Renewal Term (Effective September 2012 through August 2013)
Administrative Services Contract (ASC)

1. Group Name: TUSCOLA COUNTY
2. Group Number: To Be Assigned
3. Contract Effective Date: September 1, 1995
4. Schedule A Termination Date: This Schedule A terms on August 31, 2013
5. ASC Funding Arrangement: Monthly Wire
6. Line(s) of Business: Prescription Drugs
- | | |
|--|---|
| <input checked="" type="checkbox"/> Facility | <input checked="" type="checkbox"/> Dental |
| <input type="checkbox"/> Facility Foreign | <input checked="" type="checkbox"/> Vision |
| <input type="checkbox"/> Facility Domestic | <input checked="" type="checkbox"/> Hearing |
| <input checked="" type="checkbox"/> Physician | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> Master Medical | |
- *Domestic Facility Code(s):

	<u>Cost Per Contract</u>	<u>Monthly Contracts</u>	<u>Monthly Premium</u>
A. Administrative Fee	\$48.62	144	\$0
B. Additional Agent Fee	\$0.00	144	\$7,001
TOTAL			
C. Additional Administrative Compensation: Zero			
Administrative Fee period - 9/13 to 8/14	\$51.05		
Administrative Fee period - 9/14 to 8/15	\$53.60		

8. Stop-loss Coverage(s):

A. Stop-loss Coverage Purchased

<input checked="" type="checkbox"/> Standard	Specific Only
<input checked="" type="checkbox"/> Specific and Aggregate	<input type="checkbox"/> Aggregate Only
<input type="checkbox"/> None	<input type="checkbox"/>

B. Coverage Lines of Business

<input checked="" type="checkbox"/> Facility	Master Medical
<input type="checkbox"/> Facility Foreign Payment	<input checked="" type="checkbox"/> Prescription Drugs
<input type="checkbox"/> Facility Domestic Charge	<input type="checkbox"/> All Lines of Business (Aggregate Only)
<input checked="" type="checkbox"/> Physician	<input type="checkbox"/>

\$20,000 150% Aggregate: \$10,459

C. Attachment Point(s) (per contract) Specific:

	<u>Cost Per Contract</u>	<u>Monthly Contracts</u>	<u>Monthly Fee</u>
D. Total Stop-loss Fee 9/12 to 8/13	\$284.12	144	\$40,913

nt licensee of the Blue Cross and Blue Shield Association.

9. Late Payment Charges/Interest: 2%
 A. Late Payment Charge 12%
 B. Yearly Statutory Interest Charge (Simple Interest)
 C. Provider Contractual Interest

10. BCBSM Account: 1840-09397-3 Comerica 0720-00096
 Wire Number Bank American Bank Assoc

11. The Group acknowledges that BCBSM or a Blue Cross and Blue Shield Plan may have compensation arrangements with providers in which the provider is subject to performance or risk-based compensation, including but not limited to withholds, bonuses, incentive payments, provider provider credits and member management fees. Often the compensation amount is determined after the medical service has been performed and after the Group has been invoiced.
12. In the event the Schedule A in the form as submitted to Group by BCBSM ("this Schedule A") is not signed by Group and delivered to BCBSM on or before the 15th day after the Renewal Date, Group's administrative fee shall increase by \$2 per contract per month during the Term until the first day of the month following BCBSM's receipt of this Schedule A as signed by Group. Notwithstanding the foregoing, Group's total increase in its administrative fee shall not exceed \$10,000 per month.
13. BCBSM will charge an additional administrative fee of \$4.00 per contract per month if an ASC customer obtains stop-loss coverage from a third-party stop-loss vendor.
14. Your rate does not include taxes or assessments under consideration by federal and state governments that, if enacted, would be added to your bill.

BCBSM:
 BY: _____
 (Signature)

NAME: _____
 (Print)

TITLE: _____

DATE: _____

BY: _____
 (Signature)

NAME: _____
 (Print)

TITLE: _____

DATE: _____

THE GROUP:
 BY: _____
 (Signature)

NAME: _____
 (Print)

TITLE: _____

DATE: _____

BY: _____
 (Signature)

NAME: _____
 (Print)

TITLE: _____

DATE: _____

SCHEDULE A-Renewal Term (Effective September 2012 through August 2013)
Administrative Services Contract (ASC)

1. Group Name: Tuscola County Courthouse
 2. Group Number: To Be Assigned
 3. Contract Effective Date: September 1, 1995
 4. ASC Funding Arrangement: Monthly Wire
 5. Line(s) of Business:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Facility | <input checked="" type="checkbox"/> Prescription Drugs |
| <input type="checkbox"/> Facility Foreign | <input checked="" type="checkbox"/> Dental |
| <input type="checkbox"/> Facility Domestic | <input checked="" type="checkbox"/> Vision |
| <input checked="" type="checkbox"/> Physician | <input type="checkbox"/> Hearing |
| <input checked="" type="checkbox"/> Master Medical | |

*Domestic Facility Code(s):

6. Administrative Fees:

	Cost Per Contract	Monthly Contracts	Monthly Premium
A. Administrative Fee	\$36.62	144	\$5,273
B. Additional Agent Fee	\$0.00	144	\$0
TOTAL			\$5,273

C. Additional Administrative Compensation:

Nine percent (9%) of the BCBSM discounts on Michigan hospital claims, but the Additional Administrative Compensation per contract will not be less than \$11.64 or greater than \$12.36

7. Stop-loss Coverage(s):

A. Stop-loss Coverage Purchased

- | | |
|--|---|
| <input checked="" type="checkbox"/> Standard | <input type="checkbox"/> Specific Only |
| <input checked="" type="checkbox"/> Specific and Aggregate | <input type="checkbox"/> Aggregate Only |
| <input type="checkbox"/> None | |

B. Coverage Lines of Business

- | | |
|---|---|
| <input checked="" type="checkbox"/> Facility | <input checked="" type="checkbox"/> Master Medical |
| <input type="checkbox"/> Facility Foreign Payment | <input type="checkbox"/> Prescription Drugs |
| <input type="checkbox"/> Facility Domestic Charge | <input type="checkbox"/> All Lines of Business (Aggregate Only) |
| <input checked="" type="checkbox"/> Physician | |

C. Attachment Point(s) (per contract) Specific: \$20,000 150% Aggregate: \$10,564

	Cost Per Contract	Monthly Contracts	Monthly Fee
D. Total Stop-loss Fee	\$336.52	144	\$48,459

Blue Cross Blue Shield of Michigan is an independent licensee of the Blue Cross and Blue Shield Association.

8. Late Payment Charges/Interest:
- A. Late Payment Charge 2%
 - B. Yearly Statutory Interest Charge (Simple Interest) 12%
 - C. Provider Contractual Interest

9. BCBSM Account: 1840-09397-3 Comerica 0720-00096
Wire Number Bank American Bank Assoc

10. In the event the Schedule A in the form as submitted to Group by BCBSM ("this Schedule A") is not signed by Group and delivered to BCBSM on or before the 15th day after the Renewal Date, Group's administrative fee shall increase by \$2 per contract per month during the Term until the first day of the month following BCBSM's receipt of this Schedule A as signed by Group. Notwithstanding the foregoing, Group's total increase in its administrative fee shall not exceed \$10,000 per month.

11. BCBSM will charge an additional administrative fee of \$4.00 per contract per month if an ASC customer obtains stop-loss coverage from a third-party stop-loss vendor.

12. Your rate does not include taxes or assessments under consideration by federal and state governments that, if enacted, would be added to your bill.

BCBSM:
 BY: _____
(Signature)

NAME: _____
(Print)

TITLE: _____

DATE: _____

BY: _____
(Signature)

NAME: _____
(Print)

TITLE: _____

DATE: _____

THE GROUP:
 BY: _____
(Signature)

NAME: _____
(Print)

TITLE: _____

DATE: _____

BY: _____
(Signature)

NAME: _____
(Print)

TITLE: _____

DATE: _____

Blue Cross Blue Shield of Michigan is an independent licensee of the Blue Cross and Blue Shield Association.

Tuscola County Courthouse

Group Number - To Be Assigned

**HISTORICAL SUMMARY OF AAC (ADDITIONAL ADMINISTRATIVE COMPENSATION)
Tuscola County Courthouse**

	YEAR 1 Sep-08 THROUGH <u>Aug-09</u>	YEAR 2 Sep-09 THROUGH <u>Aug-10</u>	YEAR 3 Sep-10 THROUGH <u>Aug-11</u>	TOTAL Sep-08 THROUGH <u>Aug-11</u>
FIXED PLUS VARIABLE FEE OPTION				
AAC \$ from Value of Blue Report	\$13,136	\$17,716	\$24,904	\$55,756
Contract Months in Period	1,732	1,750	1,745	5,227
AAC Per Contract	\$7.58	\$10.12	\$14.27	\$10.67
				Renewal Period Sep-12 THROUGH Aug-13
3 year average fee trended @ 4% annually to the Renewal Period				\$12.00
Fee not to increase more than +3% from trended 3 year average				\$12.36
Fee not to decrease more than +3% from trended 3 year average				\$11.64
FIXED FEE OPTION				\$48.62
Per Contract Administrative Charge for the Renewal period				\$36.62
Projected AAC for the Renewal Period				\$12.00

Margot and Maggie

First of all, I appreciate receiving the attached information from you and Margot. We have always had a positive and open relationship. I appreciate the work you both do for the Medical Care Facility and those in need of assistance in our county. The following comments are offered in the interests of careful decision making and protecting county finances in a highly unpredictable economy.

Financial decisions of the Medical Care Facility Board (MCF) also directly impact the County. I believe it is important that decisions involving a project of this magnitude spending \$1.8 million in cash reserves and borrowing \$4 million dollars or more needs to be comprehensively understood by both the MCF Board and County Board of Commissioners. If financial problems occur with this project or with the MCF in general the implications extend beyond the MCF to the entire county. What looks like a secure method of financing today may not be tomorrow with the "stroke of a pen" in Lansing or Washington. For this reason, it is critical that both the MCF Board and County Board have a comprehensive understanding of the project, how it will be financed, all of the risks involved so both entities can take ownership of the project and method of financing before proceeding.

It is my recommendation this project needs the review and recommendations of long-term county bond attorney and financial advisor John Axe. Mr. Axe could help answer your questions concerning alternatives regarding paying off current bonds early. One key question with the new project is does the MCF Board and County Board want to proceed without a dedicated revenue source (millage). Remodeling to the current facility was done with the security of an approved millage. The primary advantages of a dedicated millage is it would add the important financial security to a project of this magnitude. Has any consideration been given to ask the public for a reduced millage for this new project after the bonds for the initial remodeling are retired.

Again, thank you for providing the financial information and I appreciate your understanding that ultimate financial responsibility and accountability is with the County Board. I am sending my initial thoughts and comments to Mr. Axe and county officials. Looking forward to working with you in assessing methods of finance.

Mike h.

Mike Hoagland

From: Gary E. Gudmundsen [gargud@BraunKendrick.com]
Sent: Monday, July 16, 2012 3:01 PM
To: mhoagland@tuscolacounty.org
Cc: Patrick Kaltenbach
Subject: RE: Caro DDA/TIFA

Mike -

Pat forwarded to me your email below, and asked that I assist him with review of the attached. Upon review, please find the following suggested revisions for your review and consideration:

1. In the 7th whereas statement on the first page of the Agreement, it provides that the agreement is applicable for the years 2012 through 2016. My understanding is that the DDA plan was adopted in 2000, with a 15 year term. Accordingly, it seems that the Agreement would be applicable for the years 2012 through 2015, not 2016. If this comports with your understanding, the "2016" reference in this whereas statement should be changed to "2015".

2. Consider revising Section 2, in part, as follows:

“ . . . from the date of this Agreement prospectively (and not retroactively), and continuing through the remainder of the 15 year period of the original Caro DDA “Development and Tax Increment Financing Plan”, Caro DDA and Tuscola agree”

3. Consider revising Section 3 as follows:

Tuscola and Caro DDA agree to the above described sharing for the remaining years of the original Caro DDA “Development and Tax Increment Financing Plan.” Caro DDA acknowledges that, as set forth and approved in Motion 12-M-101 by the Tuscola County Board of Commissioners, upon expiration of the 15 year period of the original Caro DDA “Development and Tax Increment Financing Plan”, Tuscola shall not permit the capture of County taxes as to that part of the development area of the Caro DDA/TIFA to which Tuscola may exercise such discretion.

Upon review of the above, please feel free with any questions or to further discuss the same.

Best Regards,

Gary.



BRAUN KENDRICK

GARY E. GUDMUNDSEN

Attorney

Tel. 987-999-1111

Fax. 987-999-1111

email: gargud@braunkendrick.com

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7/16/2012

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From: Mike Hoagland [mailto:mhoagland@tuscolacounty.org]
Sent: Thursday, July 12, 2012 10:05 AM
To: Patrick Kaltenbach
Cc: Walt Schlichting (Walt Schlichting); Jerry Peterson; Roger Allen; bardwell@hillsanddales.com; Tom Kern
Subject: Caro DDA/TIFA

Pat

You may recall Tuscola County and the City of Caro have been dealing with an issue involving DDA/TIFA tax capture. Attached is an agreement prepared by the attorney for the City of Caro which is intended to resolve this issue. Also attached is a 2001 resolution adopted by the Board of Commissioners allowing a 50% capture in an additional (expanded) DDA/TIFA area in exchange for the City reducing the capture in the original DDA/TIFA area from 100% to 75%. Unfortunately, signed copies of the 2001 agreement cannot be found and the City did not reduce the percentage collection in the original DDA/TIFA area from 100% to 75%.

The initial position of the county was to recover the \$21,308 overpayment to the City from the original DDA/TIFA area. After several meetings and significant discussion Commissioners involved in these meetings decided to compromise and not require recover of the prior overpayments but effective with the current year reduce the payment for the original DDA/TIFA to 75%. Also, the Board has taken other action stating "when the current resolution expires in 2015 discontinue allowing the capture in the area of the Caro DDA/TIFA for which the county has discretion".

Number 3 in the draft agreement prepared by the City needs revision. The county has already taken action to discontinue participation in the portion of the additional DDA/TIFA area for which the county has discretion when the current development plan expires. It is our understanding that the county has no discretion regarding tax capture in the original DDA/TIFA area.

Please review the attached resolution from the City and other prior correspondence and confirm that objectives of the Commissioners are accomplished.

Pat, it would be helpful if you could respond by the 18th so your review can be available for a committee meeting.

Thank you.

Michael R. Hoagland
Tuscola County/Controller Administrator
125 W. Lincoln
Caro, MI. 48723
989-672-3700

7/16/2012

Agreement

The Caro Downtown Development Authority (“Caro DDA”) of 317 S. State Street, the City of Caro, a municipal corporation, of 317 S. State Street, Caro, Michigan 48723 (“Caro”) and the County of Tuscola, a municipal corporation, (“Tuscola”) of 125 W. Lincoln, by and through their respective governing bodies enter into the following Agreement:

Witnesseth:

Whereas, the parties desire to avail themselves of MCL 125.1664(4), which authorizes a taxing entity such as Tuscola and the Downtown Development Authority, such as the Caro DDA to enter into tax sharing agreements for a tax increment financing plan; and

Whereas, the initial plan of the Caro DDA provided for the one hundred percent capture of the “tax increment revenues” from the original area subject to the plan; and

Whereas, in 2000, the area subject to the Caro DDA “Development and Tax Increment Finance Plan” was enlarged to include the “original area” and also to include an additional “area”; and

Whereas, the Caro DDA has been receiving one hundred percent capture of the “tax increment revenues” generated from the “original area” and also fifty percent capture of the “tax increment revenues” generated from the “additional area”; and

Whereas, prospectively from the date of this Agreement forward (and not retroactively), the Caro DDA and Tuscola agree to a seventy five percent capture of the “tax increment revenues” generated from the “original area” and a fifty percent capture of the “tax increment revenue” generated from the additional area; and

Whereas, the parties agree that notwithstanding the terms of this Agreement reducing the recapture from one hundred percent to seventy five percent prospectively in the “original area” and continuing to capture fifty percent in the “additional area” prospectively Tuscola shall not be entitled, nor shall it receive at any time any refund or repayment of any portion of the one hundred percent capture previously paid and that the terms of this agreement reducing the percentage of recapture as hereinbefore mentioned is prospective only and not in any manner whatsoever retroactive; and

Whereas, the parties expressly agree that the terms of this Agreement are prospective only and shall be applicable only for the years 2012 through 2016 as hereinafter set forth.

Now, therefore, in consideration of the mutual promises and covenants of the parties hereto it is agreed as follows:

1. The parties agree to avail themselves of MCL 125.1664(4) which authorizes the taxing entity such as Tuscola and the downtown development authority such as the "Caro DDA" to enter into tax sharing agreements with respect to a tax increment financing plan.

2. From the date of this Agreement prospectively (and not retroactively), the Caro DDA and Tuscola agree to a seventy five percent capture of the "Tax Increment Revenues" generated from the original area of the "Downtown Area" as those terms are defined in the Caro Downtown Development Authority Act being 1975 PA 197, as amended, MCL 125.1661 et seq, and the Caro DDA "Development and Tax Increment Financing Plan" approved by the Caro DDA on December 13, 2000 ("TIFP"); and additionally agree to a fifty percent capture of the "tax increment revenues" generated from the "additional area" added to the "original area" of the "Downtown Area" as those terms are defined in the Downtown Development Authority Act, being 1975 PA 197, as amended, MCL 125.1651, et seq, and the Caro DDA Development and Tax Increment and Finance Plan approved by the Caro DDA on December 13, 2000 (TIFP). This seventy five percent and fifty percent capture shall be determined based on Tuscola's annual allocated and voted millage assessments, subject to Hedley required rollbacks.

3. Tuscola and Caro DDA agree to the above described sharing for the remaining years of the original "Development and Tax Increment Financing Plan". However, when the current Caro DDA "Development and Tax Increment Financing Plan" expires in 2016, the County intends to discontinue participation in any future Caro DDA tax agreements. (Board of commissioners 2012 motion 12-M-010 Consent agenda referencing A). Therefore, if Tuscola has a choice, its' intention will be that that no capture will be allowed for any portion of the Caro DDA from Tuscola.

4. This Agreement and its incorporated documents contain the entire expression of the parties' understanding regarding the matters identified herein. There are no other oral or written understandings. This Agreement replaces any and all previous agreements on this subject entered into by the parties and may only be amended by a writing approved by the legislative bodies of the parties.

5. The parties hereto each acknowledge that they have been involved in the drafting and preparation of this Agreement and said parties agree that it accurately reflects the intent and understanding of the parties and that if there is any dispute over the meaning or intent of any of the provisions of this Agreement there shall be no presumption that one party or the other drafted or prepared this document.

By signing below, representatives of the respective legislative body hereby attests that the legislative body he or she represents duly approved this Agreement and authorized its execution.

Caro DDA
By Michael Bauerschmidt
Its Chairman
Dated:



City of Caro
By Richard E. Pouliot
Its Mayor
Dated: 06-20-12

County of Tuscola
By
Its
Dated:



City of Caro
By Karen J. Snider
Its Clerk
Dated: 6-20-12



CRISIS INTERVENTION SERVICES

Letter of Agreement

Between

Tuscola County Sheriff's Department

and

List Psychological Services, PLC

This letter of agreement between the Tuscola County Sheriff's Department and List Psychological Services, PLC is entered into this 1st day of August, 2012 and is renewed annually hereafter. List Psychological Services, PLC agrees to provide Crisis Intervention and Psychiatric Services to designated Tuscola County Jail inmates, as directed by the Tuscola County Sheriff or his designee. In entering into this letter of agreement it is understood and agreed that List Psychological Services, PLC will:

1. Provide services at designated service locations for individuals authorized and transported by the Tuscola County Sheriff's Department.
2. Provide the following based on medical necessity:
 - a. Crisis Intervention Assessments \$90.00 per assessment
 - b. Crisis Intervention Screenings \$45.00 per screening
 - c. Crisis Intervention Follow Up \$30.00 per 15 minutes
 - d. Psychiatric Assessments \$90.00 per assessment
 - e. Medication Management \$30.00 per session
3. Provide on-call phone support in the event of an after hours emergency to assist the Sheriff's Department staff in determining if hospitalization is necessary.
4. Maintain a treatment record which documents all services rendered for each inmate obtaining services.
5. List Psychological Services, PLC staff will notify the Sheriff's Department in the event a referral is determined to be inappropriate for Crisis Intervention or Psychiatric services.

In witness to this agreement, the parties below affix their signatures.

Tuscola County Sheriff

Tuscola County Commissioner

List Psychological Services

Date

Date

Date

Witness

Witness

Witness

Date

Date

Date



REGION VII AREA AGENCY ON AGING

YVONNE CORBAT, CHAIR

ANDREW ORVOSH, EXECUTIVE DIRECTOR

MEMBER COUNTIES: BAY ■ CLARE ■ GLADWIN ■ GRATIOT ■ HURON ■ ISABELLA ■ MIDLAND ■ SAGINAW ■ SANILAC ■ TUSCOLA

June 29, 2012

Mr. Thomas Bardwell, Chairman
Tuscola County Board of Commissioners
125 W. Lincoln
Caro, MI 48723

Dear Chair Bardwell:

Enclosed for review and adoption by your County Board of Commissioners is a copy of Region VII Area Agency on Aging's proposed Annual Implementation Plan for FY 2013.

After review, you are respectfully requested to forward to Region VII Area Agency on Aging a letter of support or a resolution for the Plan.

Region VII Area Agency on Aging is requesting this response by the close of business on Friday, July 31, 2012. If a response is not received by this date, it will be considered a passive approval of the plan by your Board of Commissioners.

The Annual Implementation Plan is also available for review on the Agency's website: www.region7aaa.org. If you have any questions, please contact Annette Jeske, Region VII Program Development/Grant Manager, at 800-858-1637.

Sincerely,

Andrew Orvosh
Executive Director

AO/aj

Enclosure

G/Program Manager/AIP 2013/Comm Approval Ltr AIP 2013



429 Montague Avenue • Caro, MI 48723
PH. (989) 673-4121 • Fax (989) 673-2031

- BAD AXE PH. (989) 269-9502
Fax (989) 269-6166
- LAPEER PH. (810) 664-7133
Fax (810) 664-2649
- SANDUSKY PH. (810) 648-4497
Fax (810) 648-5422

June 26, 2012

Thomas Bardwell, Chairperson
Tuscola County Board of Commissioners
207 East Grant Street
Caro, MI 48723

Dear Commissioner Bardwell:

The Human Development Commission (HDC) is submitting an abridged proposal to the Region VII Area Agency on Aging for continued funding. As instructed, a *Senior Services and Budget Summary* for the period beginning October 1, 2012 and concluding September 30, 2013 is enclosed for your review.

In Tuscola County, HDC will continue to provide the much-needed elder care services of:

- Case Coordination & Support
- Transportation
- Chore
- Personal Care
- Respite Care
- Homemaking
- Adult Day Care
- Caregiver Training
- Congregate Nutrition
- Home Delivered Meals
- Minority Outreach/
Advocacy

Thank you for your continued support as HDC strengthens its capacity to deliver high quality services for older adults, especially the frail elderly and homebound, in Tuscola County. If you have any questions regarding the enclosed *Senior Services and Budget Summary*, please telephone me at 989.673.4121.

Sincerely,

A handwritten signature in black ink that reads "Lori K. Offenbecher". The signature is written in a cursive style with a large, prominent 'L' and 'O'.

Lori K. Offenbecher
Executive Director

Enclosure

HUMAN DEVELOPMENT COMMISSION
Fiscal Year 2013 Summary of Senior Services

The Human Development Commission (HDC) is submitting an abridged proposal to provide the following services for adults age 60 and over (unless otherwise indicated) who reside in Huron, Sanilac, or Tuscola County. In addition to each county's Board of Commissioners, Region VII Area Agency on Aging is a principal funding investor of the senior services highlighted below.

1. Case Coordination and Support

Case Coordination and Support provides a single point of entry/single point of contact to address health, social, and emotional needs of seniors and their caregivers. The outcome of this case management activity is to help seniors live as independently as possible by identifying and coordinating access to appropriate community resources.

HDC's Senior Services Specialist performs an in-depth assessment to determine each senior's specific needs such as home delivered meals, weatherization services, or tax preparation assistance. Assessments are completed within ten days of the initial request, and reassessments occur at six-month intervals. A Client Service Plan is developed with the senior and their caregiver, when appropriate. The plan identifies needs, potential services/resources, applicable timetables, and persons/groups responsible for service delivery. The plan is carefully monitored (and modified) to safeguard the health and general well-being of each valued customer.

2. Transportation

The Transportation service uses volunteer drivers to assist seniors who cannot drive or who are hesitant to travel great distances on their own. Transportation targets the disabled senior or frail elder with limited, if any, familial support network. Examples of transportation destinations include:

- Physician, dentist, podiatrist, or optometrist
- Hospital for testing, treatment, or rehabilitation
- Visiting a hospitalized spouse or other family member
- Social Security Administration or other service agency
- Local business (e.g., pharmacy, grocery store, etc.)
- One of HDC's senior dining centers

3. Chore

The Chore service assists seniors with non-routine household tasks that increase home safety and foster independent living. Examples of eligible chore tasks include:

- Washing walls and ceilings
- Washing windows
- Installing screens/storm windows
- Cleaning basements or attics
- Scrubbing/waxing floors
- Installing safety equipment

HUMAN DEVELOPMENT COMMISSION
Fiscal Year 2013 Summary of Senior Services

HDC will be hiring a part-time handyman to perform these needed household tasks. The handyman will contact eligible seniors to schedule convenient dates/times for the Chore service. Upon completion of the assigned work task(s), the senior signs a work order indicating that the service was completed satisfactorily.

4. Personal Care

Personal Care fosters independence and self-reliance among seniors with functional or cognitive limitations by providing assistance with Activities of Daily Living (ADL). HDC uses independent contractors to perform personal care needs, which include such ADLs as ambulating, bathing, dressing, eating, grooming, and toileting.

5. Respite Care

Respite Care fosters independence and self-reliance among seniors who require continual supervision by providing assistance with ADLs. Respite Care also provides a reprieve for the senior's primary caregiver, generally a family member. HDC uses independent contractors to provide the in-home care assistance, which may include:

Attendant Care (senior is not bed-bound):

- Companionship and assistance with toileting, eating, and ambulating.

Basic Care (senior may or may not be bed-bound):

- Assistance with ADLs, routine exercise schedule, and supervision of medications.

6. Homemaking

The Homemaking service fosters independence and self-reliance among seniors with functional or cognitive limitations by providing assistance to maintain a safe living environment. HDC uses independent contractors to perform routine household tasks, which may include light housekeeping, shopping, laundry, ironing, and meal preparation. Independent contractors may also provide social and emotional support for seniors while performing the needed Homemaking service.

7. Adult Day Care

Adult Day Care (ADC) fosters independence and self-reliance for adults with functional impairments who are at least 18 years of age and require continual supervision and assistance with ADLs. This activity also provides a welcome respite for the primary caregiver, generally a family member. HDC provides facility-based, high quality daytime care within a warm, caring social environment at one of three ADC centers in Bad Axe (Huron County), Sandusky (Sanilac County), and Caro (Tuscola County).

8. Caregiver Training

Caregiver Training provides services for adults who are caring for the frail elderly, the disabled, and the chronically ill in Huron, Sanilac, and Tuscola Counties. Eligible caregivers include persons who are: (a) age 60 and over and caring for someone who is age 60 and over, (b) age 60 and over and caring for someone who is under age 60, or (c) under age 60 and caring for someone who is age 60 and over.

HUMAN DEVELOPMENT COMMISSION
Fiscal Year 2013 Summary of Senior Services

HDC will offer individual and small group counseling for caregivers that focuses on managing the emotional and physical stresses of caregiving. Individual counseling is provided at HDC offices, the caregiver's home, or other agreed upon locations. Small group counseling is provided at HDC's Adult Day Care centers or at other accessible locations like area churches.

9. Congregate Nutrition

Congregate Nutrition provides well-balanced meals for seniors at dining centers located throughout Huron, Sanilac, and Tuscola Counties. Congregate Nutrition promotes better health through improved nutrition, social interaction, and planned activities. HDC strictly adheres to local, state, and federal regulations governing the provision of meals for seniors. Areas of regulatory requirements include:

- Menus and meal content
- Portion control
- Food preparation and storage
- Meal temperatures
- Inventory control and ordering
- Meal delivery
- Form completion and submission
- Site attendance

10. Home Delivered Meals

Home Delivered Meals (HDM) assists seniors who are homebound or otherwise unable to prepare their own meals. The need for HDMs may be temporary due to a recent hospitalization, or the need may be permanent because of a permanent disability or prolonged illness.

Volunteer drivers receive travel reimbursement when delivering HDMs. Hot meals are delivered three days each week on Monday, Tuesday, and Thursday. Frozen meals are also delivered on these days for consumption during the remaining days of the week. As needed, cold sack lunches are provided for the homebound. Emergency meals are stored in the home, especially during the winter months, as inclement weather may prohibit delivery.

11. Minority Outreach/Advocacy

Minority Outreach/Advocacy ensures persons age 60 and over have knowledge of and access to needed services. The purpose of outreach/advocacy is two-fold. First, older adults gain access to services that improve functional independence and self-reliance. Second, older adults who lack economic, social, and familial networks have someone to advocate on their behalf and represent their interests in a complex, often confusing, system of human services. Minority Outreach/Advocacy involves the identification of and subsequent contact with isolated older adults and/or older adults in greatest social or economic need with an emphasis on low-income minority seniors.

HUMAN DEVELOPMENT COMMISSION
Fiscal Year 2013 Summary of Senior Services

BUDGET SUMMARY

Service	Huron County	Sanilac County	Tuscola County
Congregate Nutrition	\$37,249	\$36,177	\$15,858
Home Delivered Meals	119,448	119,816	141,783
Case Coordination & Support	18,024	17,663	24,790
Transportation	6,230	5,445	5,472
Chore	1,460	1,095	2,923
Adult Day Care	17,172	18,052	17,558
Caregiver Training	14,055	15,230	15,866
Personal Care	15,531	18,374	19,970
Respite Care	6,500	7,084	4,765
Homemaking	18,905	21,829	24,464
TOTAL	\$254,574	\$260,765	\$273,449

BUDGET SUMMARY

Service	Tri-County
Minority Outreach/Advocacy	\$20,000



Mike Hoagland

From: Mike Hoagland [mhoagland@tuscolacounty.org]
Sent: Monday, June 25, 2012 3:14 PM
To: 'Carl Osentoski (carl@huroncounty.com)'; Dorman Kathy (kdorman@sanilacounty.net); Gretchen Tenbusch (Gretchen Tenbusch); John Axe (John Axe); Peter Cristiano (ccmanager@casscity.org); Jerry Peterson (jerry58c@yahoo.com); Roger Allen (beetman95@yahoo.com); Tom Bardwell (tbardwell@hillsanddales.com); Tom Kern (commishkern@gmail.com)
Subject: Potential Michigan Community Dental Clinic in Thumb
Attachments: MCDC Greater Thumb Dental Clinic.pdf

All parties with potential involvement in a Dental Clinic

Attached is the proposal from Michigan Community Dental Clinics, Inc (MCDC) that was discussed at the meeting many of us attended on June 15, 2012 in Cass City. Also if there is interest, a model agreement could be requested for review. I am not sure what the next steps should entail. I did have a brief discussion with Dr. Veryser (MCDC Chief Executive Officer) after the Cass City meeting. I have put together some preliminary thoughts for discussion below.

The presentation included statistics explaining a significant need exists for adult dental care for people receiving medicaid in Tuscola, Sanilac and Huron Counties. Estimates are 14,000 adults in the three county area have no dental care. The mission of MCDC is to create and expand dental care for medicaid recipients and low income uninsured persons. MCDC is a 501(c)3 not-for-profit dental services corporation that first formed in 2006. There are 21 clinics statewide which last year served 68,000 patients statewide. All of these clinics continue with successful operations. The map of clinic locations shows the Thumb area counties do not have a facility.

The proposal explains that it is the county(s) responsibility to provide the facility and the initial dental equipment to MCDC specifications in order to establish the operation. Start-up costs are estimated at \$950,000 (assuming a new building is constructed and the county purchases the start-up equipment). An agreement is signed with MCDC whereby they make lease payments sufficient to retire bonds issued by the county over a specified period of time. After the final lease payment, the county(s) owns the building.

- Other counties have been successful in receiving foundation funding for all or part of the dental equipment costs.
- Of the total costs, \$50,000 is non-refundable start-up cost (\$35,000 of the \$50,000 is funded through a grant).
- MCDC requires the first six month to be rent free. (I am not sure if this first six months is recovered through later lease payments).

MCDC receives funding by billing under the medicaid program for services rendered. Also, an intergovernmental transfer (which I do not understand) is conducted quarterly that leverages federal matching funds. By the third year, MCDC is projected to operate in the black.

MCDC believes the best geographic location for a clinic to serve the three counties is

the Cass City area. Cass City officials may be willing to provide the land at no cost to establish the facility in Cass City. My thought is if this project moves forward the risk/reward needs to be divided among the three counties. The largest risk may be potential future changes in the medicaid program by the state and/or federal government that could reduce or eliminate funding. According to MCDC, the reward is serving those in need, reducing hospital emergency room visits, health care job creation and adding value to the local economies. It may be appropriate to obtain legal assistance and establish a type of intergovernmental agreement that would spread the risk/reward among the three counties.

Your input as to what should be the next steps is appreciated.

Michael R. Hoagland
Tuscola County/Controller Administrator
125 W. Lincoln
Caro, MI. 48723
989-672-3700
mhoagland@tuscolacounty.org



Tuscola County Sheriff's Office

420 Court Street • Caro, MI 48723

Lee Teschendorf, Sheriff
Glen Skrent, Undersheriff

Phone (989) 673-8161
Fax (989) 673-8164



July 16, 2012

Tuscola County Board of Commissioners
Mr. Michael Hoagland, County Controller

Deputy Patrick Finn has given me a notice of retirement, a copy is attached, effective August 24, 2012.

Deputy Finn has almost 37 years of employment with the sheriff's office and been assigned as the county emergency manager for the past 16 years. He has served admirably in this very important position and should be commended for his years of service.

Due to the amount of training and credentials required to fulfill the demands of the position I do not have a deputy that is qualified to serve in that capacity. With his retirement the responsibility for his duties, as you are all aware, reverts to the county chair. I would ask that interim plans be put in place as soon as possible so all the local, state and federal requirements are met.

Sincerely,

Leland Teschendorf, Sheriff

cc/Deputy Sheriff Patrick Finn
Undersheriff Glen Skrent

Tuscola County Office of Emergency Management

420 Court Street Suite # 1, Caro, Michigan 48723-1606

Tele: 989-673-5181 Fax: 989-673-5182 E Mail – tcefmfinn@tuscolacounty.org

Patrick H. Finn, P.E.M. / Director

To: Sheriff Leland Teschendorf
From: Tuscola County Emergency Management
Date : Thursday, July 12, 2012
Ref: Retirement from the Tuscola County Sheriff's Office

Sheriff Teschendorf,

It is with a heavy heart that I have decided to retire on August 24th, 2012. from my appointed position as the Director of the Tuscola County Office of Emergency Management

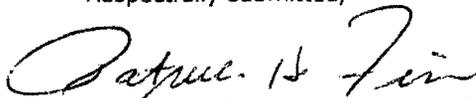
I have served 37 years with the Sheriff's Office, with the last 16 plus years as the Director of the Tuscola County Office of Emergency Management. I feel sad that I have not accomplished all of the goals I had set out to do. But the mill age failure earlier this year has opened my eyes to how others feel about the position with in our own department, along with Public/ Private Officials and the citizens of our County

I have struggled to make this all important decision, but with the continued Federal and State cuts along with local funding issues and cut backs including the 2009 part time staff and the additional 2010-11-12 budget line items cuts I feel that I can not adequately continue to serve.

It has been a pleasure to work with you over the many years through thick and thin.

Thank You

Respectfully submitted,



Patrick H. Finn ; P.E.M. Director

Tuscola County Office of Emergency Management

A Division of the Tuscola County Sheriff's Office

Sheriff Leland Teschendorf

Undersheriff Glen Skrent