

DRAFT – Agenda
Tuscola County Board of Commissioners
Committee of the Whole – Monday, May 11, 2015, 2015 – 7:30 A.M.
HH Purdy Building - 125 W. Lincoln, Caro, MI

Finance

Committee Leaders-Commissioners Kirkpatrick and Bierlein

Primary Finance

1. **Affordable Care Act Reporting Assistance (See A)**
2. **Preliminary Five Year Financial Planning Information (See B)**
3. **Huron, Sanilac and Tuscola Meeting May 27, 2015 (See C)**
4. **Approval of Sheriff Department Office of Highway Safety Grant (See D)**
5. **2015 Tax Rate Form (See E)**
6. **Summary of Recycling Summit**
7. **Federally Qualified Health Clinic**
8. **Correction to 4/30/15 Motion Regarding Vehicle Purchase**
9. **Establishing County Foundation**
10. **Highway Safety Planning Grant Approval**
11. **State Senator Green Overview of State Activities 8:30 A.M. (See F)**

On-Going Finance

1. Discussion of Defined Contribution Plan for New Hires Closed Session 5-14-15
2. Department of Human Services Changes
3. Update Regarding Road Commission Tree Removal Grant
4. 4-H Assistance to Child Care Functions
5. Broadband Update
6. Board of Public Works Organizational Structure – Schedule Meeting
7. County Solid Waste Management Plan
8. Review of Bank Accounts without County Treasurer Signature
9. Proposed Gun Board Changes
10. Road Commission Legacy Cost
11. Tuscola County Broadband Certification

Personnel

Committee Leader-Commissioner Trisch

Primary Personnel

On-Going Personnel

1. Veterans Director Hired

Building and Grounds

Committee Leader-Commissioner Allen

Primary Building and Grounds

1. School Plan Review Inspection Authority

On-Going Building and Grounds

1. Vanderbilt Park Access Land Ownership Questions

Other Business as Necessary

- **Notification of Thumb Works meeting date (See G)**

Public Comment Period

mhoagland@tuscolacounty.org

From: mhoagland@tuscolacounty.org
Sent: Wednesday, May 06, 2015 9:46 AM
To: Cook Debra; 'Glen Skrent'; Lee Teschendorf; Long Sheila; snielsen@tuscolacounty.org; Mike Miller (Mike Miller); Kim Green; ctrisch@tuscolacounty.org; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kirkpatrick Craig'; 'Roger Allen'
Cc: Dibble Erica
Subject: FW: Required ACA Reporting
Attachments: breakdown by dept.xlsx; HDI Letter Tuscola County.pdf

Commissioners and Department Heads

The email below explains new demanding reporting requirements of the Affordable Care Act. Certain forms have to be completed for use by employees when they file their 2015 income tax statements. If these complex forms are not completed, significant penalties are imposed by the Federal government. Our health insurance agent (See attached letter) has recommended that because of the complexity and new demands to complete these forms assistance from a company named Health Care Decision be obtained to assist in the preparation process. Costs for this service is about \$33 per person for a total of \$6,000. Costs would be spread per the attached breakdown.

Mike

From: Erica Dibble [mailto:edibble@tuscolacounty.org]
Sent: Tuesday, May 05, 2015 8:13 AM
To: Mike Hoagland
Subject: Required ACA Reporting

Mike- As we discussed there is a new requirement for all employers to comply with the Patient Protection and Affordable Care Act (ACA) by submitting forms 1094 & 1095 to the IRS in 2016 for 2015. This form is a Health Insurance Marketplace Statement for each eligible employee, even those who have left employment or who have opted out of coverage. Each employee will be required to have this form when they file their 2015 income tax return in order to avoid the 2015 penalty of:

- **2% of your yearly household income.** (Only the amount of income above the tax filing threshold, about \$10,150 for an individual, is used to calculate the penalty.) The maximum penalty is the national average premium for a bronze plan.
- **\$325 per person for the year (\$162.50 per child under 18).** The maximum penalty per family using this method is \$975.

The Affordable Care Act (ACA) has numerous requirements that affect employers, and **one of the biggest is reporting enrollment in and eligibility for health coverage.**

Section 4980H is the ACA provision that imposes “pay or play” penalties on large employers that fail to offer health coverage (or that offer unaffordable and/or inadequate health coverage). **A “large” employer is an employer with 50 or more full-time equivalent employees (FTEs).** An employer counts its FTEs in 2014 to determine whether it will be considered to be a large employer in 2015. There are additional requirements for self-funded groups as well.

Dan Skiver has recommended we use a company called Health Care Decision to help us with this large task. There is cost (\$6000) associated with their assistance however, due to level of this reporting, I feel it is necessary. I have attached the breakdown per department for you, the cost is \$32.97 per full time employee.

Erica Dibble

Human Resource Coordinator

125 W. Lincoln St.

Caro, MI 48723

(989) 672-3705

Fax (989)672-4011

edibble@tuscolacounty.org

VISIT US ONLINE FOR COUNTY SERVICES @ WWW.TUSCOLACOUNTY.ORG

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EMPLOYEE TOTALS		PERCENT	\$6,000.00	AMOUNT PER EMPLOYEE
TOTAL TUSCOLA COUNTY ACTIVE	150	82.42%	\$4,945.05	\$32.97
TOTAL TUSCOLA COUNTY RETIREE	10	5.49%	\$329.67	\$32.97
TOTAL HEALTH DEPT	22	12.09%	\$725.27	\$32.97
TOTAL NUMBER OF ELIGIBLE EMPLOYEES	182	100.00%	\$6,000.00	

TUSCOLA COUNTY ACTIVE BY DEPARTMENT			
101 GENERAL FUND	ALL GENERAL FUND DEPTS		\$3,065.93
207 ROAD PATROL	303 ROAD PATROL		\$626.37
213 ARBELA TWP POLICE SVC CONTRACT	300 ARBELA TWP POLICE		\$32.97
215 FRIEND OF THE COURT	143 CONTROL		\$428.57
218 DISPATCH/911	325 DISPATCH		\$362.64
224 REGIONAL DWI COURT GRANT	130 DUI COURT		\$32.97
230 RECYCLING	401 RECYCLING GRANT		\$98.90
232 MILLINGTON TWP POLICE CONTRACT	300 MILLINGTON TWP POLICE CON		\$32.97
236 VICTIM SERVICES	100 VICTIM SERVICES		\$32.97
240 VOTED MOSQUITO FUND	620 MOSQUITO CONTROL		\$65.93
255 VICTIM OF CRIME ACT GRANT	300 VICTIM OF CRIME ACT GRANT		\$32.97
292 CHILD CARE	662 PROBATE		\$131.87
TOTAL TUSCOLA COUNTY ACTIVE			\$4,945.05



1605 Concentric Blvd., Suite #1, Saginaw, MI 48604 ~ Phone: 989-249-5960 ~ FAX: 989-249-5966

April 30, 2015

Mr. Michael Hoagland, County Administrator
Tuscola County
207 E. Grant Street
Caro, MI 48723

Re: Health Decisions IRS 1094/1095 Reporting Services

Dear Mr. Hoagland:

The Patient Protection and Affordable Care Act (ACA) will impose new reporting requirements for Tuscola County in 2016 for calendar year 2015. These requirements are regulated by the Internal Revenue Service (IRS) Code sections 6055 and 6056. Specific reporting requirements are contained in regulations that guide the preparation and submittal of IRS forms 1094 and 1095. The County will need to send form 1095C to all employees that were eligible for health insurance during 2015, as well as all non-employees (COBRA and non-Medicare retirees/dependents). You will have to transmit this information to the IRS using form 1094C with a copy of all 1095C forms. The County will need to pull data from their existing payroll system as well as the Blue Cross enrollment files to complete the forms.

In response to your request, Brown and Brown obtained a proposal from Health Decisions to assist the County in preparing the required forms. Health Decisions is a data management company that has many years experience working health care data and specifically with Blue Cross of Michigan. Below is a summary of the services covered in this proposal.

- Taking Data Files on a monthly basis
- Creating a Unified Data Asset using payroll and Blue Cross enrollment data
- Populating the IRS 1094/1095 forms
- Support transmittals to the IRS

If the County determines that it is in their best interest to contract out this service, we recommend that you use Health Decisions. They have worked on many projects over the years with our clients and we and our clients have been very satisfied with their services.

Please feel free to contact me if you have any questions or would like me to attend a meeting to discuss further.

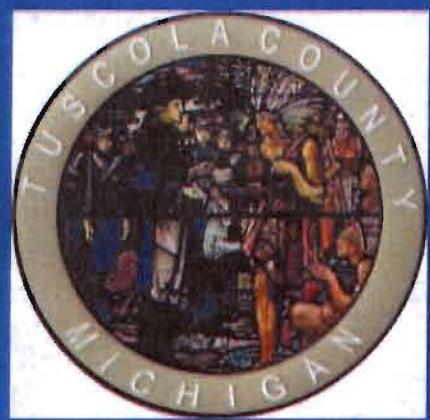
Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Skiver". The signature is fluid and cursive, with the first name "Daniel" being the most prominent part.

Daniel Skiver
Vice President
Brown and Brown of Central Michigan

C: Angela Garner, Executive Vice President

General Fund Five Year Financial Plan 2015 to 2019



Objectives

- Develop revenue/expenditure assumptions and projections
- Identify fiscal problems/challenges
- Develop alternative solutions
- Conduct meetings with departments for input/consensus
- Commissioners adopt/implement five year financial plan
- Commissioners implement changes to maintain fiscal stability
- Annually update plan with new information

2014 Favorable Fiscal Factors

- All 50 funds finished year with positive fund balances
- Bond rating upgraded by S&P in 2014 from A+ to AA-
- Achieved Excellence in Financial Reporting Awarded - 14 years
- Child care institutional care costs moderated for 2014
- Veterans millage passed
- Revenue from housing other county prisoners under review
- GF balance within auditor recommended amount
- Change from defined benefit to defined contribution retirement
- May be new renewable energy standard soon

2014 Unfavorable Fiscal Factors - Concerns

- GF revenue/expenditure breakeven but major concern no transfer for capital improvements (CI)
- Revenue increase only 1.1% - entirely from wind turbines and state revenue sharing
- Other revenue sources were flat or declined
- Dependency on wind revenue at 100% but declines to 30% of original amount in 10 years
- Underfunded CI fund should be \$400,000 per year
- CI fund declined from \$ 2.2 to under \$1 million - 2007 to 2014

Revenue Planning Assumptions

- 58 wind turbine project – 2016 construction 2017 revenue
- 1.85% annual increase non-wind property tax revenue
- State revenue sharing declines 4% annually
- Housing other county prisoners \$40,000 annually
- Delinquent tax earnings 2.5% annual decline
- State continues DHS building lease payments - \$300,000
- No new millage sources become available
- No use of GF fund balance
- Other GF revenue sources remain status quo

Expenditure Planning Assumptions

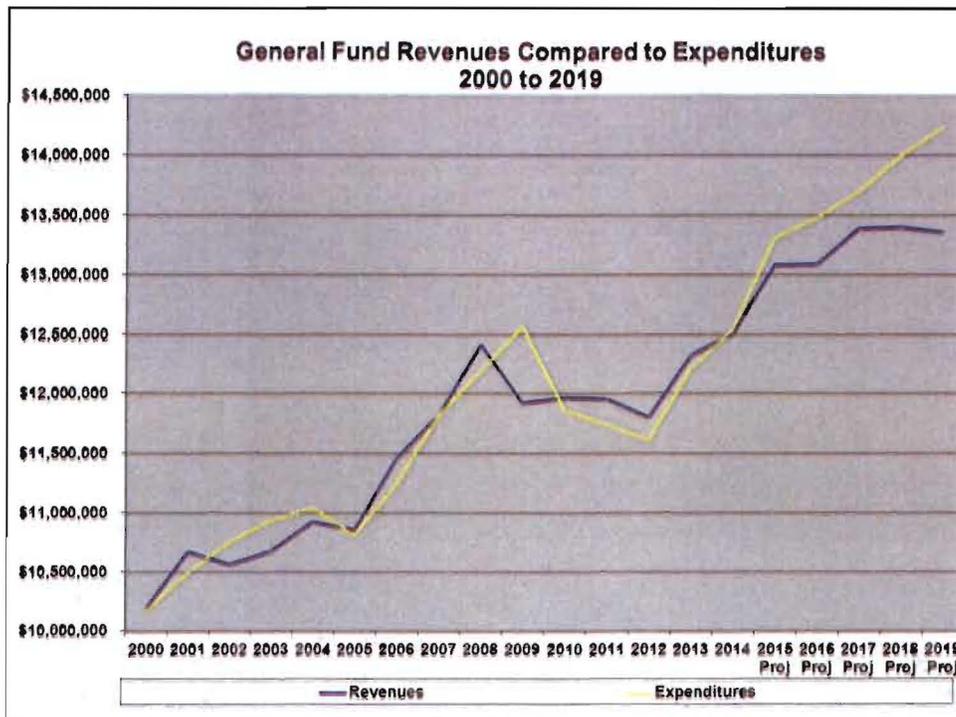
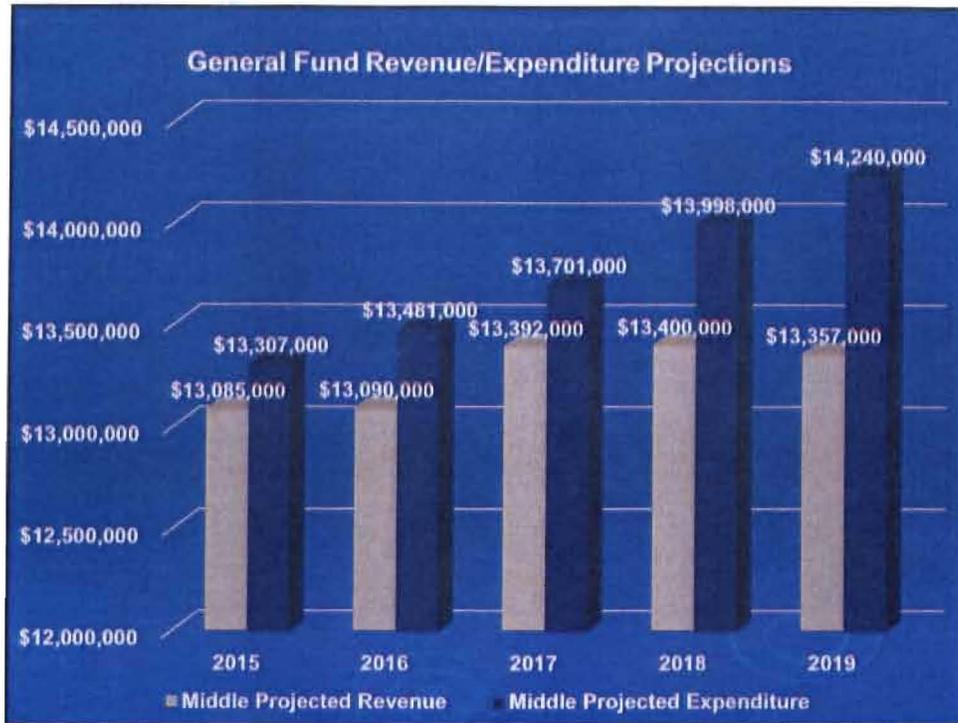
- No change in number of staff positions
- 2015 and 2016 - 2% wage increases
- 2017, 2018 and 2019 - 1.5% wage increases
- Annual health insurance increases 6% annually
- Drain-at-Large costs reduced by \$50,000 in 2018
- Abused, neglect and delinquent costs increased 3% annually
- Health department appropriation 4% annual increase
- Inmate medical costs 4% annual increase
- After 2015 retirement changes result in no cost increase
- \$400,000 annually for capital improvement
- No costs to house prisoners in other counties

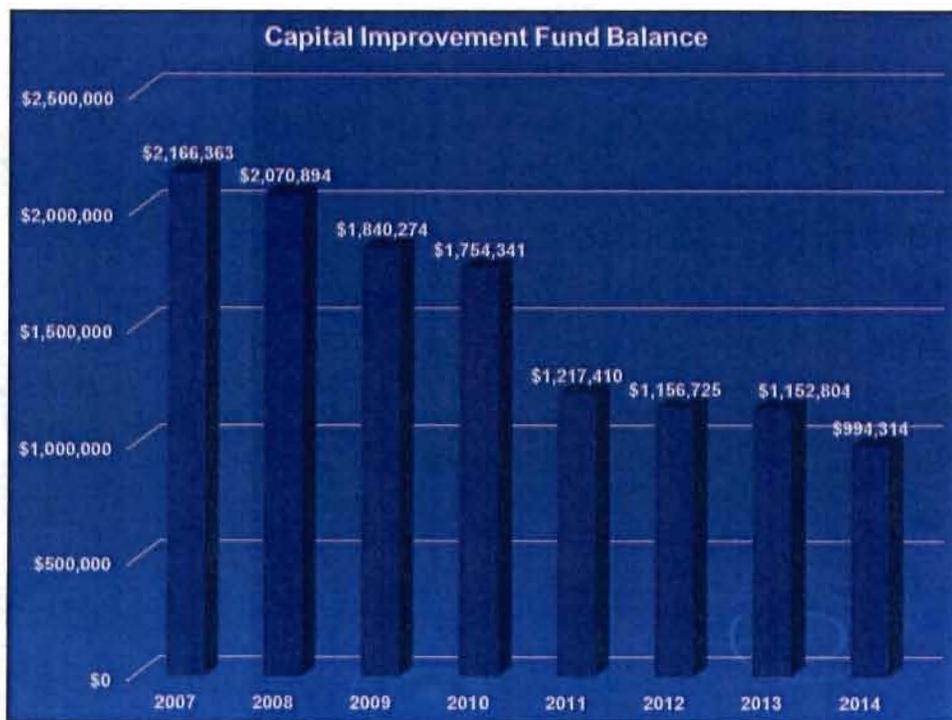
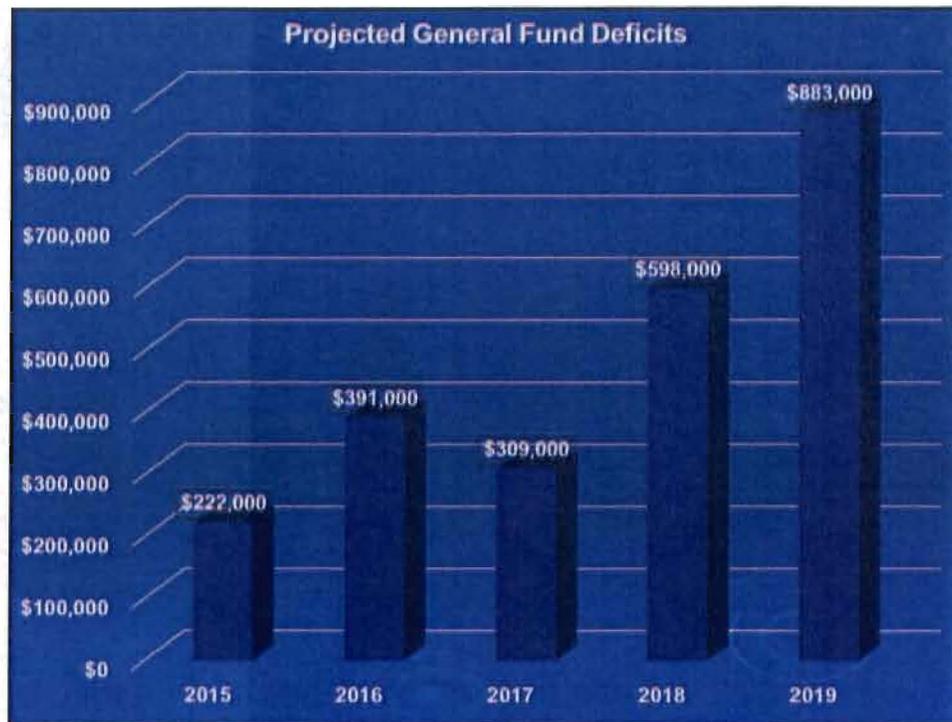
General Fund Five Year Revenue/Expenditure Projections

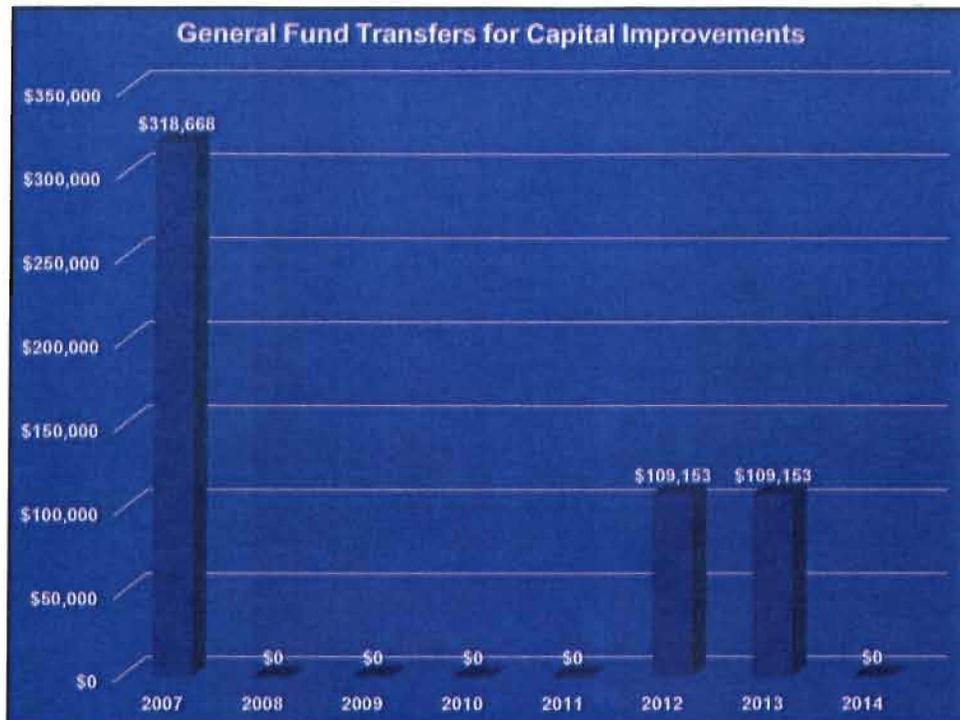
Year	Revenue	Expenditure	Revenue (Under) Expenditure
2015	\$13,085,000	\$13,307,000	(\$222,000)
2016	\$13,090,000	\$13,481,000	(\$391,000)
2017	\$13,392,000	\$13,701,000	(\$309,000)
2018	\$13,400,000	\$13,998,000	(\$598,000)
2019	\$13,357,000	\$14,240,000	(\$883,000)
5 Year Total	\$66,324,000	\$68,727,000	(\$2,403,000)

Projected General Fund Revenue/Expenditure Changes (Year Over Year)

Year	Dollar Revenue Change	Percent Revenue Change	Dollar Expenditure Change	Percent Expenditure Change
2015	-	-	-	-
2016	\$5,000	0.04%	\$174,000	1.31%
2017	\$302,000	2.31%	\$220,000	1.63%
2018	\$8,000	0.06%	\$297,242	2.17%
2019	(\$43,000)	-0.32%	\$242,000	1.73%







What is the problem?

- GF revenue is flat or declining
- Cannot even sustain inflationary expenditure increases
- 100% dependency on wind revenue
- Wind revenue declines annually based on multiplier schedule
- Non-wind property tax revenue is limited – minimal new growth
- Small GF allocated millage 3.9141 rolled back under Headlee
- State does not provide alternative methods of raising revenue
- Millage only significant method of raising revenue
- CI funding has been and continues to be extremely inadequate

- Start New Work Here
- Alternative solutions
- Meetings with department heads
- Recommended solution
- Plan adoption and implementation

2

**Thumb Regional Counties Meeting
Huron, Sanilac and Tuscola
Wednesday, May 27, 2015 – 2:00 P.M. to 4:30 P.M.
Tuscola County Commissioners Room
125 W. Lincoln St. Caro, MI**

1. **Legacy Costs - Bonding for Retirement and Health Insurance Costs**
John Axe Bond Attorney, Tuscola Controller and Chief Accountant
2:00 to 2:30 P.M.

2. **Medical Care Facility Small House Project**
Margot Roedel Director Tuscola County Medical Care Facility
2:30 to 3:00 P.M.

3. **Region 6 Prosperity Plan Update**
Huron and Tuscola EDC Directors
3:00 to 3:30 P.M.

4. **Roundtable Discussion Topics**
3:30 to 4:30 P.M.
 - Saginaw Bay Coastal Initiative
 - Thumb Wind Energy Development Issues
 - Transportation Funding – Failure of Proposal 1 What Next?
 - Budgeting and Managing Wind Turbine Revenue
 - Electronic Meeting Participation
 - Road Commission Organization Under Board of Commissioners
 - Thumb Works Reorganization
 - State Revenue Sharing Future Funding Levels
 - Maintaining Two County Equalization Director
 - DHS Reorganization
 - Oil Shale Impact Fees
 - Removal of Trees in Road Right of Way - Dead Ash Trees
 - On-line Services – Accomplishments
 - Canadian Nuclear Waste Site
 - Multi-Year Financial Planning
 - Millage Planning
 - Service Consolidation Potentials
 - Others

5. **Other Business**



STATE OF MICHIGAN
DEPARTMENT OF STATE POLICE
LANSING

COL. KRISTE KIBBEY ETUE
DIRECTOR

April 28, 2015

Lt. James Giroux
Tuscola County Sheriff's Office
420 Court St
Caro, Michigan 48723

Dear Lieutenant Giroux:

SUBJECT: PT-15-47

The Michigan Office of Highway Safety Planning (OHSP) has approved \$15,004 in federal funds for Highway Safety Project grant number PT-15-47, "Strategic Traffic Enforcement Program," for the grant period of April 28, 2015 through September 30, 2015.

This grant is approved with the following conditions:

1. **Funding is contingent upon the availability of U.S. Department of Transportation Highway Safety Funds.**
2. A grant orientation meeting is required and will be scheduled by your OHSP grant coordinator.
3. Quarterly progress and financial reports are due: July 30, and October 30.
4. Please note that your grant includes multiple funding sources. Separate accounts must be established and maintained for each funding source.
5. Grantees must comply with the Grant Management Requirements set forth in this grant. Please consult the grant application for further details.
6. Any changes to the grant's objectives, activities, and/or approved budget must have OHSP approval.

If you have any questions regarding your grant, please contact your OHSP grant coordinator, Patricia Eliason at (517) 241-2498. We look forward to working with you during the course of the project.

Sincerely,

Michael L. Prince, Director
Office of Highway Safety Planning

Enclosures

cc: Sheriff Lee Teschendorf
Clayette Zechmeister



mhoagland@tuscolacounty.org

From: Angie Daniels <angie.daniels@tuscolacounty.org>
Sent: Tuesday, May 05, 2015 8:53 AM
To: Mike Hoagland
Cc: Walt Schlichting
Subject: County 2015 4029 for BOC mtg.
Attachments: 2015 County L-4029.pdf

Good Morning Mike,

Please find attached Tuscola County's tax rate request form for the 2015 Tax levy. Board action to authorize plus signatures of the County Clerk and Board Chair will authorize the spread of the General Fund Operating and Special Voted millages on the 2015 Summer and Winter tax bills.

Please add this to the agenda for the earlier May board meeting.

Please let us know if you have any questions or need any additional information.

Thank you,
Angie

--

*Angie Daniels, MCAO
Property Appraiser
Tuscola County Equalization
City of Caro Assessing Department
989.672.5282*

VISIT US ONLINE FOR COUNTY SERVICES www.tuscolacounty.org

ORIGINAL TO: County Clerk
COPY TO: Equalization Department
COPY TO: Each Township or City Clerk

2015 TAX RATE REQUEST (This form must be completed and submitted on or before October 1, 2015)
MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

County Tuscola	2015 Taxable value as of 'Final State Equalization', towards the end of May 1,730,939,880
Local Government Unit County	For LOCAL School Districts: 2015 Taxable value of NON-Homestead and Non-Qualified Agricultural Properties If a millage is Levied Against Them.

You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119.
The following tax rates have been authorized for levy on the 2015 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Millage Authorized by Election, Charter, etc.	(5) 2014 Millage Rate Permanently Reduced by MCL 211.34d	(6) 2015 Current Year Millage Reduction Fraction	(7) 2015 Millage Rate Permanently Reduced by MCL 211.34d	(8) 2015 Sec 211.34 Millage Rollback Fraction	(9) 2015 Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
Alloc	Operating	Nov-64	4.2000	3.9141	1.0000	3.9141	1.0000	3.9141	3.9141		frozen
Sp Voted	Bridge/Streets	Aug-08	0.4807	0.4807	1.0000	0.4807	1.0000	0.4807		0.4807	Dec-15
Sp Voted	Senior Citizens	Aug-10	0.2000	0.2000	1.0000	0.2000	1.0000	0.2000		0.2000	Dec-17
Sp Voted	Medical Care	Aug-08	0.2500	0.2500	1.0000	0.2500	1.0000	0.2500		0.2500	Dec-18
Sp Voted	Road Patrol	Aug-10	0.9000	0.9000	1.0000	0.9000	1.0000	0.9000		0.9000	Dec-17
Sp Voted	Roads/Streets	Aug-08	0.9657	0.9657	1.0000	0.9657	1.0000	0.9657		0.9657	Dec-15
Sp Voted	Mosquito	Jan-08	0.6316	0.6316	1.0000	0.6316	1.0000	0.6316		0.6316	Dec-13
Sp Voted	Recycling	Aug-08	0.1500	0.1500	1.0000	0.1500	1.0000	0.1500		0.1500	Dec-16
Sp Voted	Veterans	Feb-15	0.1700	0.1700	1.0000	0.1700	1.0000	0.1700		0.1700	Dec-20

Prepared by Walt Schlichting	Title Equalization Director	Date 5/1/2015
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As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e and 211.34 for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3)

<input type="checkbox"/> Clerk	Signature	Type Name Jodi Fetting	Date
<input type="checkbox"/> Secretary			
<input type="checkbox"/> Chairperson	Signature	Type Name Thom Bardwell	Date
<input type="checkbox"/> President			

* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

IMPORTANT: See instructions on the reverse side regarding where to find the millage rate used in column (6)

mhoagland@tuscolacounty.org

From: Travis Howell <THowell@senate.michigan.gov> on behalf of The Office of Senator Green <SenMGreen@senate.michigan.gov>
Sent: Thursday, May 07, 2015 9:43 AM
To: mhoagland@tuscolacounty.org
Subject: RE: Topics for discussion with Senator Green on May 11, 2015

Mike thank you for this agenda. Sen. Green will be there at 8:30.

Travis Howell

From: mhoagland@tuscolacounty.org [mailto:mhoagland@tuscolacounty.org]
Sent: Thursday, May 7, 2015 8:12 AM
To: The Office of Senator Green
Cc: Jim McLoskey; ctrisch@tuscolacounty.org; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kirkpatrick Craig'; 'Roger Allen'
Subject: Topics for discussion with Senator Green on May 11, 2015

Senator Green

Potential topics of discussion with the Tuscola County Board of Commissioners are listed below. The meeting is Monday, May 11, 2015. The discussion time with you is set for 8:30 A.M. (Jim McLoskey would you please forward this email to Travis. I did not have his email address).

1. Full state revenue sharing funding
2. State budget and impacts on county/local government
3. New renewable energy standard status – wind turbine development
4. New plan for transportation improvements
5. Department of Human Services and other consolidation strategies
6. Oil shale potential impact fees
7. Economic development strategy for the Thumb
8. Other *electronic attendance at meetings*

Thank you for your services and dedication to serving the citizens of Tuscola County.

Mike

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

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

mhoagland@tuscolacounty.org

From: Jody Kerbyson <KerbysonJ@thumbworks.org>
Sent: Wednesday, May 06, 2015 2:11 PM
To: ckirkpatrick@tuscolacounty.org; Mike Hoagland (mhoagland@tuscolacounty.org); johnanugent@gmail.com; kdorman@sanilaccounty.net; Cheryl Clark (c@clark.gs); Christine Trisch; Clark Elftman (celftman@airadvantage.net); Gary Roy; Jim Ruby; John Bodis (bodisjl@gmail.com); John Hoffman (jhoffmannsafety@gmail.com); Matthew Bierlein (mbierlein@tuscolacounty.org)
Cc: Craig Coney (cconey@gsworks.org); Sharon Bowen; Wurmlinger, Michael (WDA); John Bierbusse (john@macomb-stclairworks.org)
Subject: Meeting on May 20th
Attachments: Mott Lapeer Map.pdf

Everyone,

I wanted to get you some detail for the upcoming meeting. I've spoken with Mott and arranged for a room outside our Service Center area so that we will have ample room for the group. Attached is the map of the building. Our meeting will be held in Room C319. The closest entrance with parking would be on the west side of the building. There is a picture of that entrance on the attachment.

When traveling to Lapeer, keep in mind that it is construction season in Michigan... and particularly in Lapeer. If you are coming from the North my suggestion would be the following route:

From Bad Axe/Sandusky:

South on M-53 to Burnside Road, turn right (West) Burnside Road to M-24, turn left (South) Continue on M-24 until you reach Davis Lake Road, turn right (West) Continue on Davis Lake road until you reach Millville Road, turn left (South) The Mott Campus and your entrance will be on your left.

From Caro:

South M-24 until you reach Davis Lake Road, turn right (West) Continue on Davis Lake road until you reach Millville Road, turn left (South) The Mott Campus and your entrance will be on your left.

Don't miss the turn on Davis Lake Road or you will end up in the crazy construction traffic!

From Flint/Lansing:

There is construction on I-69 through Flint and there are lane closings but it's still the best way.

From Pt. Huron:

I-69 to M-24

Turn left on Demille Road and follow it around past Meijer and Kohls.

The Mott Campus and your entrance will be on your right.

You will have to come through some of the construction traffic though only for a short distance.

In the meantime, if you have any questions, don't hesitate to call.

Jody Kerbyson

Executive Director

[Description: cid:image001.jpg@01CF8F9F.4A969BB0]