

**TUSCOLA COUNTY BOARD OF COMMISSIONERS
MEETING AGENDA**

THURSDAY, AUGUST 27, 2015 – 7:30 A.M.

**H. H. PURDY BUILDING BOARD ROOM
125 W. Lincoln Street
Caro, MI**

125 W. Lincoln Street
Caro, MI 48723

Phone: 989-672-3700
Fax : 989-672-4011

- 7:30 A.M. Call to Order – Chairperson Bardwell
Prayer – Commissioner Bierlein
Pledge of Allegiance – Commissioner Allen
Roll Call – Clerk Fetting
Adoption of Agenda
Action on Previous Meeting Minutes (See Correspondence #1)
Brief Public Comment Period
Consent Agenda Resolution (See Correspondence #2)
New Business
 -Building Codes Update (Curtis Stowe)
 -Animal Control Update (Jim Matson)
 -Region VII AAA Advisor Council Vacancy
 -Opening Airboat Bids
 -Sheriff Dept. Request to Fill Vacancy (See Correspondence #3)
 -Pension Bonds Update (John Axe) (See Correspondence #4)
 -Court Vacancies
Old Business
Correspondence/Resolutions

COMMISSIONER LIAISON COMMITTEE REPORTS

BIERLEIN

Thumb Area Consortium/Michigan Works
Human Development Commission (HDC)
Tuscola 2020
Recycling Advisory Committee
Local Emergency Planning Committee (LEPC)
Great Start Collaborative Council
Local Unit of Government Activity Report
Tuscola In-Sync
MAC Board of Directors
Human Services Collaborative Council
Region VI Economic Development Planning
MAC-Economic Development & Taxation

TRISCH

Board of Health
Planning Commission
Economic Development Corp/Brownfield Redevelopment
Local Unit of Government Activity Report
Behavioral Health Systems Board
Animal Control
Solid Waste Management
Thumb Works

ALLEN

Dispatch Authority Board
County Road Commission
Board of Public Works
Senior Services Advisory Council
Mid-Michigan Mosquito Control Advisory Committee
Saginaw Bay Coastal Initiative
Parks & Recreation
Local Unit of Government Activity Report

KIRKPATRICK

Board of Health
Community Corrections Advisory Board
Dept. of Human Services/Medical Care Facility Liaison
Land Acquisition
MI Renewable Energy Coalition
MEMS All Hazards
MAC-Environment Energy Land Use
Oil/Shale Work Group
Cass River Greenways Pathway
Local Unit of Government Activity Report
Tuscola In Sync
NACO- Energy, Environment & Land Use

BARDWELL

NACo
NACo Rural Action Caucus
Economic Development Corp/Brownfield Redevelopment
Caro DDA/TIFA
MAC Economic Development/Taxation
MAC 7th District
Local Unit of Government Activity Report
TRIAD
Human Services Collaborative Council

Closed Session (If Necessary)

Other Business as Necessary

Extended Public Comment

Adjournment

Note: 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.

CORRESPONDENCE

- #1 August 13, 2015 Full Board Minutes
- #2 Consent Agenda Resolution
- #3 Sheriff Dept. Request to Fill Vacancy
- #4 Pension Bonds Update
- #5 August 24, 2015 Committee of the Whole Minutes
- #6 August 2015 Health Department Report
- #7 Jail Revenue Generating/Cost Reduction Practices

Draft
TUSCOLA COUNTY BOARD OF COMMISSIONERS
August 13, 2015 Minutes
H. H. Purdy Building

Commissioner Thomas Bardwell called the meeting of the Board of Commissioners Of the County of Tuscola, Michigan, held at the H.H. Purdy Building in the City of Caro, Michigan, on the 13th day of August, 2015 to order at 7:30 o'clock a.m. local time.

Prayer – Commissioner Allen

Pledge of Allegiance – Commissioner Kirkpatrick

Roll Call – Clerk Jodi Fetting

Commissioners Present: District 1 - Roger Allen, District 4 – Craig Kirkpatrick, District 5 – Matthew Bierlein

Commissioner Absent: District 2 – Thomas Bardwell, District 3 - Christine Trisch

Also Present: Mike Hoagland, Clerk Jodi Fetting, Tisha Jones, Mike Miller, Eean Lee, Sandy Nielsen, Register John Bishop, Judge Amy Grace Gierhart, Sandy Erskine, Jeff Phillips, Robert McKay, Pam Shook, John Axe

Adoption of Agenda -
15-M-128

Motion by Bierlein, seconded Kirkpatrick by to adopt the agenda. Motion Carried.

Action on Previous Meeting Minutes -
15-M-129

Motion by Bierlein, seconded by Kirkpatrick to adopt the meeting minutes from the July 30, 2015 meeting. Motion Carried.

Brief Public Comment Period - None

Consent Agenda Resolution -
15-M-130

Motion by Kirkpatrick, seconded by Bierlein that the following Consent Agenda Resolution be adopted. Motion Carried.

CONSENT AGENDA

- Agenda Reference:** A
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/10/15
- Description of Matter:** Move that the County Dashboard as reviewed at the August 10, 2015 Committee of the Whole meeting be placed on the county web page and forwarded to the state for compliance with state revenue sharing reporting requirements.
- Agenda Reference:** B
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/10/15
- Description of Matter:** Move that county health insurance with Blue Cross Blue Shield be renewed for the September 1, 2015 to August 31, 2016 period. This action includes approval of Schedules A and B, the exhibit to the stop loss insurance policy, and the administrative services contract. Also, all appropriate signatures are authorized.
- Agenda Reference:** C
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/10/15
- Description of Matter:** Move that the county hiring freeze be temporarily lifted and concur with the hiring of Pablo Lopez III as a dispatcher effective August 29, 2015 (satisfactory physical and background check have been completed).
- Agenda Reference:** D
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/10/15

Description of Matter: Move that the following actions be taken related to Vanderbilt Park:

- Direct the county attorney to develop a parking ordinance for enforcement of parking provisions and this ordinance be completed before the next year's ice fishing season.
- Direct the Parks and Recreation Commission and EDC to assist in preparing a grant application from the Natural Resources Trust Fund before the April 1, 2016 application deadline to make important improvements to the park.
- Direct the county attorney to seek out the heirs of the Vanderbilt family to assert the reversion of the park property under the 1938 agreement.
- Ask the park attendant to develop a system to determine where campers are from.

New Business -

-BSA Final Software Payment -

Eean Lee explained what the BSA software is used for in the county and requested the final payment amount be added to his budget.

15-M-131

Motion by Kirkpatrick, seconded by Bierlein that per the recommendation of the Information Technology Director that the final payment of the BSA software purchase be authorized in the amount of \$24,512. Also, all appropriate budget amendments are authorized. Motion Carried.

-Court Line Item Transfer Request -

District Court needs to purchase a new fax machine.

15-M-132

Motion by Bierlein, seconded by Kirkpatrick to transfer \$1,395.00 from Jury Fees (101-130-807-000) to Supplies/Printing/Postage (101-130-728-000) in the Unified Court Budget for the purchase of a fax machine unit for District Court. Motion Carried.

-BPW Vacancy -

Louis Smallwood and Robert McKay applied for the vacancy on the Board of Public Works.

15-M-133

Motion by Bierlein, seconded by Kirkpatrick that Robert McKay be appointed to the Board of Public Works for a partial term ending December 31, 2017. Motion Carried.

-Region VII Area Agency on Aging Advisory Council Vacancy - Matter tabled as the vacancy posting is still open until August 27, 2015.

Old Business -

-Assistant Prosecutor hiring for the HDC Stop Grant Violence Against Women Grant -

15-M-134

Motion by Kirkpatrick, seconded by Bierlein to concur with the hiring of Amy Yaeger effective August 3, 2015 to the HDC Stop Grant Violence Against Women position of Special Prosecutor (contingent upon satisfactory physical).
Motion Carried.

Correspondence/Resolutions

-Clayette Zechmeister is assisting the IRS in examining the previous Bond Issue.
-Mike Hoagland responded to the letter from Lela Higgins regarding the 4-H program.
-Mike Hoagland and Joe Bixler are currently reviewing the proposal language for MSU-e.

COMMISSIONER LIAISON COMMITTEE REPORTS

TRISCH - absent

Board of Health

Planning Commission

Economic Development Corp/Brownfield Redevelopment

Local Unit of Government Activity Report

Behavioral Health Systems Board

Animal Control

Solid Waste Management

Thumb Works

ALLEN - No new updates

Dispatch Authority Board

County Road Commission

Board of Public Works

Senior Services Advisory Council

Mid-Michigan Mosquito Control Advisory Committee

Saginaw Bay Coastal Initiative

Parks & Recreation

Local Unit of Government Activity Report

KIRKPATRICK

Board of Health

Community Corrections Advisory Board

Dept. of Human Services/Medical Care Facility Liaison

Land Acquisition

MI Renewable Energy Coalition

MEMS All Hazards

MAC-Environment Energy Land Use

Oil/Shale Work Group

Cass River Greenways Pathway - Continues to do great improvements for our County.

Local Unit of Government Activity Report

Tuscola In Sync

NACo- Energy, Environment & Land Use

All Hazards Committee - First Responders did a great job responding to the tornado that hit Arbel Township.

BARDWELL - absent

NACo

NACo Rural Action Caucus

Economic Development Corp/Brownfield Redevelopment

Caro DDA/TIFA

MAC Economic Development/Taxation

MAC 7th District

Local Unit of Government Activity Report

TRIAD

Human Services Collaborative Council

BIERLEIN

Thumb Area Consortium/Michigan Works - The new name is Genesee Shiawassee Thumb Works.

Human Development Commission (HDC)

Tuscola 2020

Recycling Advisory Committee - Meeting has been rescheduled to October 2015.

Local Emergency Planning Committee (LEPC)

Great Start Collaborative Council

Local Unit of Government Activity Report

Tuscola In-Sync

MAC Board of Directors

Human Services Collaborative Council

Region VI Economic Development Planning

MAC-Economic Development & Taxation

Closed Session - None

Other Business as Necessary - None

Extended Public Comment -

-Pam Shook addressed the Board regarding Vanderbilt Park and the possibility of the Board Closing the Park. She believes some of the outside lighting could be placed in non-service to help in the cost savings measure.

Meeting Recessed at 8:10 a.m.

Meeting Reconvened at 8:31 a.m.

-Resolutions for Bonding Pension Liabilities -

Attorney John Axe presented to the Board the resolutions for the Pension Obligation Bonds.

15-M-135

Motion by Kirkpatrick, seconded by Bierlein that the resolution authorizing the County of Tuscola to issue pension obligation bond series 2015 be approved and appropriate signatures are authorized. Roll Call Vote - Allen - yes; Kirkpatrick - yes; Bierlein - yes. Absent - Bardwell, Trisch. Motion carried.

15-M-136

Motion by Kirkpatrick, seconded by Bierlein that the resolution approving the undertaking to provide continuing disclosure by the County of Tuscola related to the 2015 County of Tuscola Pension Bonds be approved and appropriate signatures are authorized. Roll Call Vote - Kirkpatrick - yes; Bierlein - yes; Allen - yes. Absent - Bardwell, Trisch. Motion carried.

Public Comment -

Commissioner Allen revisited the Vanderbilt Park issue. Mike Miller will contact DTE to have them assess a cost savings plan if possible. Mike Hoagland will check on the liability if the lighting were to be decreased. Mike Hoagland will also contact the attorney regarding finding the heirs to the Park. Eean Lee and Clerk Fetting will work together to determine if any records can be obtained locally or through internet searches.

Meeting adjourned at 8:39 a.m.

Jodi Fetting
Tuscola County Clerk

Statutory Finance Committee Minutes
August 13, 2015
H.H. Purdy Building
125 W. Lincoln St, Caro MI

Meeting called to order at 8:40 a.m.

Commissioners Present: Allen, Kirkpatrick, Bierlein

Commissioners Absent: Bardwell, Trisch

Also Present: Mike Hoagland, Clerk Jodi Fetting, Tisha Jones, Mike Miller, Eean Lee

Claims and Per Diems were reviewed and approved.

Public Comment - None

Meeting adjourned at 8:43 a.m.

Jodi Fetting
Tuscola County Clerk

'DRAFT'

COUNTY OF TUSCOLA

STATE OF MICHIGAN

RESOLUTION TO ADOPT CONSENT AGENDA

At a regular meeting of the Board of Commissioners of the County of Tuscola, Michigan, held at the H.H. Purdy Building in the Village of Caro, Michigan, on the 27th day of August, 2015 at 7:30 a.m. local time.

COMMISSIONERS PRESENT:

COMMISSIONERS ABSENT:

It was moved by Commissioner _____ and supported by Commissioner _____ that the following Consent Agenda Resolution be adopted:

CONSENT AGENDA

Agenda Reference: A

Entity Proposing: COMMITTEE OF THE WHOLE 8/24/15

Description of Matter: Move that the following language be approved for the March 2016 ballot proposal regarding funding MSU-e (Language has been reviewed and approved by corporate council and MSU-e):

Tuscola County
Michigan State University Extension
Millage Proposal

For the purpose of sustaining 4-H youth development, agriculture and agribusiness, health and nutrition and other community education programs through Michigan State University Extension services within Tuscola County, shall the County increase the limitation in the total amount of ad valorem taxes which may be imposed for all purposes upon real and personal property in the County, as provided in the Michigan Constitution of 1963, as amended, which would result in a new levy of 0.1 mills (\$0.10 per \$1,000) of taxable valuation, for a period of six (6) years, in the years 2016 to 2021, both inclusive? This levy is estimated to raise \$173,094 in the first year.

Agenda Reference: B

Entity Proposing: COMMITTEE OF THE WHOLE 8/24/15

Description of Matter: Move that per the August 20, 2015 letter from the Veterans Affairs Director that the general fund appropriation to the soldiers and sailors relief fund be increased by \$7,000 and appropriate budget amendments are authorized. Also, the general fund be reimbursed for this \$7,000 increased expense when veteran's millage funds become available in 2016.

Agenda Reference: C

Entity Proposing: COMMITTEE OF THE WHOLE 8/24/15

Description of Matter: Move that per the recommendation of the Chief Judge and Department of Health and Human Services Director, the 2015/2016 Child Care Fund budget as presented at the August 24, 2015 Committee of the Whole meeting be approved for submittal to the state and all appropriate signatures are authorized.

Agenda Reference: D

Entity Proposing: COMMITTEE OF THE WHOLE 8/24/15

Description of Matter: Move that per the recommendation of the Register of Deeds, that the contract with Simplifile to provide the ability for certain electronic transactions between the Register's office and other entities be approved and all appropriate signatures are authorized.

- Agenda Reference:** E
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/24/15
- Description of Matter:** Move that per the request of the Register of Deeds, that a general fund budget amendment of \$1,320 be authorized to purchase book binders.
-
- Agenda Reference:** F
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/24/15
- Description of Matter:** Move that the 2014 Comprehensive Annual Financial Report as presented by the county auditors be received and placed on file and forwarded to all appropriate parties as the official statement of the year end 2014 county financial position.
-
- Agenda Reference:** G
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/24/15
- Description of Matter:** Move that per the recommendation of the Board of Health and Health Officer, that the Michigan Thumb Public Health Alliance Memorandum of Understanding be approved and all appropriate signatures are authorized.
-
- Agenda Reference:** H
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/24/15
- Description of Matter:** Move that per the recommendation of the Board of Health and Health Officer, that the agreement for the Tuscola County Health Department staff to train Sanilac County Health Department staff to conduct food inspections be approved and all appropriate signatures are authorized.
-
- Agenda Reference:** I
- Entity Proposing:** COMMITTEE OF THE WHOLE 8/24/15

Description of Matter: Move that per the recommendation of the Recycling Coordinator, that temporary part-time staff be authorized to be hired per the terms of the P2 grant agreement which paid for an additional recycling trailer for county use.

Agenda Reference: J

Entity Proposing: COMMITTEE OF THE WHOLE

Description of Matter: Move that in order to comply with Department of Corrections (DOC) jail requirements, the moratorium on capital improvement projects be lifted and the Skylight replacement at the jail is authorized so the county is able to comply with DOC requirements.

IT IS FURTHER RESOLVED that any motion, resolution, or other act of Tuscola County inconsistent with this Resolution is hereby rescinded, modified, replaced or superseded by this Resolution.

YEAS:

NAYS:

ABSTENTIONS:

RESOLUTION ADOPTED.

Thomas Bardwell, Chairperson
Tuscola County Board of Commissioners

Jodi Fetting
Tuscola County Clerk

mhoagland@tuscolacounty.org

From: Glen Skrent <ggs@tuscolacounty.org>
Sent: Monday, August 24, 2015 12:41 PM
To: Mike Hoagland
Subject: Erla resignation

Deputy Erla is quitting this week, headed to greener pastures. We will try and use part time on and off until we can replace him. We just hired a part time person and another will be starting soon. However, they have one month of training before they can go on their own. I constantly try and find part time for both the jail and road but it gets harder and harder. All other law enforcement agencies are saying the same thing though.

Anyway I need board approval before I can replace him. Remember the DOC said we could expand the jail population as long as we maintain current staffing levels.

Undersheriff Glen Skrent
Tuscola County Sheriff's Office

For the strength of the Pack is the Wolf, and the strength of the Wolf is the Pack.-Kipling

 Find us on
Facebook



M E M O R A N D U M

TO: Michael Hoagland, Tuscola County
Controller/Administrator
Clayette Zechmeister, Tuscola County Chief Accountant
Tuscola County Board of Commissioners

FROM: John R. Axe and Meredith Shanle, MFCI

RE: County of Tuscola Pension Obligation Bonds, Series 2015
(Taxable Obligations)

DATE: August 24, 2015

Please be advised that we spoke to Marne Carlson of MERS on Friday, August 21, 2015, after she informed the County that the investment assumptions on the County's proposed Pension Obligations were too high and that the County would be in danger of borrowing too little to fully fund the County's unfunded accrued liability for its Pension Fund.

Marne explained that the rate of investment, which had previously been at 8.00%, would no longer be accurate taking into consideration that the rate includes a smoothing of the past investment rates of return and that since the rates for 2008 were at such a huge loss (due to the economic downturn) that those numbers are going to be factored in going forward and that now a rate of return of 7.00% is much more likely.

Accordingly, we have revised our numbers from the estimated not to exceed \$6,050,000 to not to exceed \$9,000,000 with an actual estimated debt service of \$8,800,000. We have provided the estimated debt service schedule and a comparison which shows the savings to the County if the County issues bonds to fully fund its unfunded accrued liability for its Pension Fund (which is actually greater than earlier estimates).

We still believe that the issuance of bonds to fully fund the County's unfunded accrued liability for its Pension Fund is a fiscally sound decision since the County's annual required contribution will be increasing as well regardless due to the new investment rate assumptions. The savings to the County will be larger than if the size of the bond issue were as originally estimated.



\$8,800,000
County of Tuscola
Pension Obligation Bonds, Series 2015
(Taxable Obligations)

ESTIMATED DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total Debt Service	Annual Total
03/01/16			\$73,225.00	\$73,225.00	
09/01/16	\$270,000.00	2.00%	146,450.00	416,450.00	\$489,675.00
03/01/17			143,750.00	143,750.00	
09/01/17	305,000.00	2.00%	143,750.00	448,750.00	592,500.00
03/01/18			140,700.00	140,700.00	
09/01/18	310,000.00	2.00%	140,700.00	450,700.00	591,400.00
03/01/19			137,600.00	137,600.00	
09/01/19	375,000.00	2.50%	137,600.00	512,600.00	650,200.00
03/01/20			132,912.50	132,912.50	
09/01/20	385,000.00	2.50%	132,912.50	517,912.50	650,825.00
03/01/21			128,100.00	128,100.00	
09/01/21	395,000.00	2.75%	128,100.00	523,100.00	651,200.00
03/01/22			122,668.75	122,668.75	
09/01/22	410,000.00	3.00%	122,668.75	532,668.75	655,337.50
03/01/23			116,518.75	116,518.75	
09/01/23	430,000.00	3.00%	116,518.75	546,518.75	663,037.50
03/01/24			110,068.75	110,068.75	
09/01/24	450,000.00	3.25%	110,068.75	560,068.75	670,137.50
03/01/25			102,756.25	102,756.25	
09/01/25	465,000.00	3.25%	102,756.25	567,756.25	670,512.50
03/01/26			95,200.00	95,200.00	
09/01/26	485,000.00	3.25%	95,200.00	580,200.00	675,400.00
03/01/27			87,318.75	87,318.75	
09/01/27	500,000.00	3.50%	87,318.75	587,318.75	674,637.50
03/01/28			78,568.75	78,568.75	
09/01/28	515,000.00	3.50%	78,568.75	593,568.75	672,137.50
03/01/29			69,556.25	69,556.25	
09/01/29	530,000.00	3.75%	69,556.25	599,556.25	669,112.50
03/01/30			59,618.75	59,618.75	
09/01/30	550,000.00	3.75%	59,618.75	609,618.75	669,237.50
03/01/31			49,306.25	49,306.25	
09/01/31	570,000.00	4.00%	49,306.25	619,306.25	668,612.50
03/01/32			37,906.25	37,906.25	
09/01/32	595,000.00	4.00%	37,906.25	632,906.25	670,812.50
03/01/33			26,006.25	26,006.25	
09/01/33	615,000.00	4.00%	26,006.25	641,006.25	667,012.50
03/01/34			13,706.25	13,706.25	
09/01/34	645,000.00	4.25%	13,706.25	658,706.25	672,412.50
	<u>\$8,800,000.00</u>		<u>\$3,524,200.00</u>	<u>\$12,324,200.00</u>	<u>\$12,324,200.00</u>

Interest Start Date (Dated Date): 12/01/15



\$8,800,000
County of Tuscola
Pension Obligation Bonds, Series 2015
(Taxable Obligations)

Year	Estimated * Bond Debt Service	Actuarial Value** Estimated Payment Without Bonding	County Savings
2015	\$ -	\$ 500,000.00	\$ 500,000.00
2016	489,675.00	500,000.00	10,325.00
2017	592,500.00	600,000.00	7,500.00
2018	591,400.00	600,000.00	8,600.00
2019	650,200.00	700,000.00	49,800.00
2020	650,825.00	700,000.00	49,175.00
2021	651,200.00	700,000.00	48,800.00
2022	655,337.50	800,000.00	144,662.50
2023	663,037.50	800,000.00	136,962.50
2024	670,137.50	900,000.00	229,862.50
2025	670,512.50	900,000.00	229,487.50
2026	675,400.00	900,000.00	224,600.00
2027	674,637.50	1,000,000.00	325,362.50
2028	672,137.50	1,000,000.00	327,862.50
2029	669,112.50	1,000,000.00	330,887.50
2030	669,237.50	1,100,000.00	430,762.50
2031	668,612.50	1,100,000.00	431,387.50
2032	670,612.50	1,100,000.00	429,387.50
2033	667,012.50	1,200,000.00	532,987.50
2034	672,412.50	1,300,000.00	627,587.50
Total	\$ 12,324,200.00	\$ 17,400,000.00	\$ 5,075,800.00

*Numbers provided by MFCI dated August 21, 2015

**Numbers provided by CBIZ Report, dated June 8, 2015, page 9

COUNTY OF TUSCOLA

At a _____ meeting of the Board of Commissioners of the County of Tuscola, Michigan, held on the ____ day of _____, 2015, at ____:____.m., Eastern Standard Time, in the _____ Building in Caro, Michigan there were:

PRESENT: _____

ABSENT: _____

The following preambles and resolution were offered by _____ and seconded by _____:

**RESOLUTION AUTHORIZING THE INSERTION
OF NOTICE OF INTENT OF THE COUNTY OF TUSCOLA
TO ISSUE PENSION OBLIGATION BONDS, SERIES 2015
(GENERAL OBLIGATION LIMITED TAX)**

WHEREAS, the Board of Commissioners (the "Board") of the County of Tuscola, Michigan (the "County"), wishes to issue bonds for the purpose of providing funds for the County's unfunded pension benefits for public employee retirees of the County as described in EXHIBIT A attached hereto (the "Project"), pursuant to the terms of Section 518 of Act No. 34, Public Acts of Michigan, 2001 as amended ("Act 34"); and

WHEREAS, in order to authorize the issuance of the not to exceed \$9,000,000 County of Tuscola Pension Obligation Bonds, Series 2015 (General Obligation Limited Tax) (the "Bonds"), it is necessary to insert a Notice of Intent of the County of Tuscola to Issue Pension Obligation Bonds pursuant to Act 34 in the *Tuscola County Advertiser*, Caro, Michigan; and

WHEREAS, there has been prepared and attached hereto as APPENDIX I a form of notice entitled "NOTICE OF INTENT OF THE COUNTY OF TUSCOLA TO ISSUE PENSION OBLIGATION BONDS AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON" (the "Notice of Intent"); and

WHEREAS, the County Clerk shall be authorized to insert the attached form of Notice of Intent in the *Tuscola County Advertiser*, Caro, Michigan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF TUSCOLA, MICHIGAN, as follows:

1. Approval of Plans: The preliminary plans and estimates relating to the Project and identified in EXHIBIT A attached hereto are hereby approved and ordered filed with the County Clerk.

2. Insertion of Notice of Intent: It is hereby determined that the Notice of Intent provides information sufficient to adequately inform the electors and taxpayers of the County of the nature of the obligations to be undertaken by the County by the issuance of the Pension Obligation Bonds and of their right under Act 34 to file a petition requesting a referendum election on the issuance of the Pension Obligation Bonds.

3. Form of Notice of Intent: The form and content of the Notice of Intent as set forth in Appendix I, are hereby approved, and the County Clerk is hereby authorized and directed to cause the Notice of Intent to be published once in the *Tuscola County Advertiser*, Caro, Michigan, a newspaper of general circulation within the County which is hereby determined to be the newspaper reaching the largest number of electors and taxpayers of the County. The notice shall be inserted in an advertisement at least one-quarter of a page in size.

4. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the County in connection with the issuance, sale and delivery of the Bonds.

5. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the County in connection with the sale and delivery of the Bonds.

6. Referendum Period: The referendum period within which voters and taxpayers shall have the right to circulate petitions is 45 days after publication of the notice of Intent authorized in paragraph 2.

7. Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

8. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the County as soon as practicable after adoption.

Las.r1-tus42

A roll call vote on the foregoing resolution was then taken, and was as follows:

YES: _____

NO: _____
ABSTAIN: _____

The resolution was declared adopted.

STATE OF MICHIGAN)
) ss.
COUNTY OF TUSCOLA)

CERTIFICATION

The undersigned, being the Clerk of the County of Tuscola, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the County of Tuscola Board of Commissioners at its _____ meeting held on the _____ day of _____, 2015, at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and will be or have been made available as required thereby.

COUNTY CLERK

DATED: _____, 2015

las.rla-tus42

EXHIBIT A

Project Description

The Project consists of a plan to fully fund what are currently partly un-funded pension obligations paid by the County on behalf of County employees who retire from County service and who have the adequate vesting and service benefit level requirements. The current unfunded actuarial accrued liability is approximately \$8,800,000,000 as of December 31, 2014. The County will issue the bonds pursuant to Public Act No. 329 of the Public Acts of Michigan of 2012, which amends Public Act No. 34 of the Public Acts of Michigan of 2001 and enables the County to issue general obligation limited tax bonds for this purpose.

Cost Estimates

Borrowed Funds to Finance the Project & Financing Costs (Including Bond Discount, and Contingency)	Not to exceed \$9,000,000
Maximum amount of Bonds to be issued:	\$9,000,000
Maximum term of bond issue:	20 years

Las.rla-tus42

APPENDIX I
NOTICE OF INTENT OF THE COUNTY OF TUSCOLA
TO ISSUE NOT TO EXCEED \$9,000,000 IN
PENSION OBLIGATION BONDS AND
NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON

TO ALL ELECTORS AND TAXPAYERS OF
THE COUNTY OF TUSCOLA:

NOTICE IS HEREBY GIVEN that the Board of Commissioners of the County of Tuscola, Michigan (the "County"), will authorize the issuance of not to exceed \$9,000,000 in Pension Obligation Bonds to provide funds to fully pre-fund what are currently partly un-funded pension obligations which are unfunded actuarial accrued liabilities (UAAL) of the County which must be paid annually on behalf of County employees as described in Exhibit A below (the "Project"). The Bond Resolution will provide further that the issuance of the one or more series of Pension Obligation Bonds (the "Bonds") will allow the County to fund one hundred percent (100%) of the total cost of the Project pursuant to the provisions of Section 518 of Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34"). The maximum amount of Bonds to be issued in one or more series shall not exceed \$9,000,000, the term of the Bonds shall not exceed 20 years and the Bonds shall bear interest at a rate or rates that will result in a maximum net interest rate of not more than 6% per annum. The maximum Project cost is estimated at not to exceed \$9,000,000.

FULL FAITH AND CREDIT AND TAXING POWER OF
THE COUNTY OF TUSCOLA WILL BE PLEDGED

NOTICE IS FURTHER GIVEN that in the Bond Resolution the County will obligate itself to make payments to the bond holders in amounts sufficient to pay the principal of and interest on the Bonds. The limited tax full faith and credit of the County will be pledged for the making of such bond payments. Pursuant to such pledge of its full faith and credit, the County will be obligated to levy such ad valorem taxes upon all taxable property in the County as shall be necessary to make bond payments, which taxes, however, will be subject to applicable statutory and constitutional limitations on the taxing power of the County. In addition to its obligation to make payments on the Bonds, the County will agree in the Bond Resolution to pay all costs and expenses of operation and maintenance of the Project and all expenses of the County incidental to the issuance and payment of the Bonds, to the extent such expenses are not payable from the proceeds of the Bonds.

RIGHT TO PETITION FOR REFERENDUM

NOTICE IS FURTHER GIVEN to the electors and taxpayers of the County to inform them of the right to petition for a referendum on the question of issuing the Bonds. The County intends to issue the Bonds without a vote of the electors thereon. If, within 45-days after publication of this notice, a petition for referendum requesting an election on the Bonds, signed by not less than 10% or 15,000 of the registered electors of the County, whichever is less, has been filed with the County Clerk, the Bonds shall not be issued unless and until approved by a majority of the electors of the County voting thereon at a general or special election.

This notice is given by order of the Board of Commissioners pursuant to Act 34. Further information may be obtained at the office of the Tuscola County Clerk, 440 N. State St., Caro, Michigan 48723.

EXHIBIT A

Project Description

The Project consists of a plan to fully fund what are currently partly un-funded pension obligations paid by the County on behalf of County employees who retire from County service and who have the adequate vesting and service benefit level requirements. The current unfunded actuarial accrued liability is approximately \$8,800,000 as of December 31, 2014. The County will issue the bonds pursuant to Public Act No. 329 of the Public Acts of Michigan of 2012, which amends Public Act No. 34 of the Public Acts of Michigan of 2001 and enables the County to issue general obligation limited tax bonds for this purpose.

Cost Estimates

Borrowed Funds to Finance the Project & Financing Costs (Including Bond Discount, and Contingency)	Not to exceed \$9,000,000
Maximum amount of Bonds to be issued:	\$9,000,000
Maximum term of bond issue:	20 years

JODI FETTING
COUNTY CLERK

DATED: [Date of Publication]

las.ria-tus42

COUNTY OF TUSCOLA

At a _____ meeting of the Board of Commissioners of the County of Tuscola, Michigan, held on the ___ day of _____, 2015, at __:__ .m., Eastern Daylight Savings Time, at the _____ Building in Caro, Michigan there were:

PRESENT: _____

ABSENT: _____

The following preambles and resolution were offered by _____ and _____ seconded by _____:

**BOND RESOLUTION AUTHORIZING THE COUNTY OF TUSCOLA
TO ISSUE THE COUNTY OF TUSCOLA PENSION OBLIGATION BONDS, SERIES
2015 (GENERAL OBLIGATION LIMITED TAX)**

WHEREAS the County of Tuscola, Michigan (the "County") currently provides pension benefits to qualified retirees and/or their spouses and dependents, as provided by the County and its policies; and

WHEREAS, an amendment to Public Act No. 34 of the Public Acts of 2001, as amended ("Act 34") enacted in October of 2012 permits the County to issue Bonds for the purpose of providing funds to fund the unfunded portion of the County's pension obligations which are described in Appendix A (the "Project"); and

WHEREAS, it has been estimated that the Project will extend for approximately 20 years and that the cost of the Project and issuing the Bonds will not exceed \$9,000,000 to be provided by the proceeds from the sale of Bonds by the County pursuant to Act 34; and

WHEREAS, the _____ Controller/Administrator (the "Controller/Administrator") will, before the County issues any series of the Bonds, prepare and make available to the public a comprehensive plan which will include all of the requirements set forth in Section 518 subsection (4) of Act 34; and

WHEREAS, the County proposes to approve the Project and to incur new taxable debt to finance a portion of the costs of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF TUSCOLA, MICHIGAN, AS FOLLOWS:

1. Bond Details: Pursuant to Section 518 of Act 34, the Bonds of the County, aggregating not to exceed the principal sum of not to exceed \$9,000,000 shall be issued in one or more series for the purpose of defraying the County's portion of the cost of the Project. The Bonds shall be known as "County of Tuscola Pension Obligation Bonds, Series 2015 [and if more than one series is issued the additional series shall be designated by the date 2015 and the letter of the alphabet starting with "A"] (General Obligation Limited Tax)" (the "Bonds") and shall be dated November 1, 2015 or such earlier or later date as the Controller/Administrator or his designee shall provide by order. If the Bonds are delivered in 2016 the series shall reflect that year. The Bonds shall be fully registered Bonds, both as to principal and interest, in any one or more denominations of \$5,000 or a multiple of \$5,000 numbered from 1 upwards as determined by the Controller/Administrator, regardless of rate and maturity date. The Bonds of each series shall mature as directed by the Controller/Administrator or his designee in his signed order.

The maximum amount of Bonds in one or more series shall not exceed the amount necessary for the County to complete the Project.

The Bonds shall be in substantially the form attached hereto as EXHIBIT A with such changes, additions, or deletions as are not inconsistent with this resolution.

Once the Controller/Administrator signs an order for any series of Bonds, the official Notice of Sale attached as EXHIBIT B shall be completed in accordance with such order.

2. Discount: The Bonds may be offered for sale at a price of not less than 99% or more than 101% of the face amount thereof, and the Controller/Administrator is authorized, in his discretion, to provide for a higher or lower minimum or maximum purchase price in the Notice of Sale for the Bonds.

3. Interest Payment and Date of Record: The Bonds shall bear interest payable as set forth in the order signed by the Controller/Administrator in accordance with paragraph 1 of this resolution, which interest shall not exceed 6% per annum. Interest shall be paid by check or draft mailed to the registered owner of each Bond as of the applicable date of record, provided, however, that the County Controller/Administrator may agree with the bond registrar on a different method of payment. If interest is paid differently, the Bond form attached as EXHIBIT A and Notice of Sale form attached as EXHIBIT B shall be changed accordingly.

The date of record for each interest payment shall be the 15th day of the calendar month preceding the date such payment is due.

4. Prior Redemption: The Bonds shall be subject to redemption prior to maturity upon such terms and conditions as shall be determined by order signed by the Controller/Administrator at the time of sale.

5. Reduction in Aggregate Amount of Bonds: In the event the cost of the Project and of issuing the Bonds shall be less than the current projections and after this bond resolution has been adopted it shall be determined by the Controller/Administrator that the Project cost shall be less than such estimates, the Controller/Administrator shall reduce the principal amount of the Bonds by \$5,000 denominations, one such denomination for each maturity in any order of maturity, to the extent required to avoid the issuance of more Bonds than will be required in light of the bids received, and the Notice of Sale shall be correspondingly altered.

6. County Covenant with Bondholders: The County hereby covenants with the bondholders and the state of Michigan that it will not, after the issuance of the Bonds and while the Bonds are outstanding, rescind the action which it has already taken to close the County's defined benefit plan for the County's Municipal Employees' Retirement System except that the County may reduce benefits of the defined benefit plan for years of service that accrue after the issuance of the Bonds.

7. Trustee, Bond Registrar and Paying Agent/Book Entry Depository Trust: The County shall enter into a trust agreement with Huntington National Bank as trustee, to serve as trustee, bond registrar and paying agent for the Bonds (sometimes referred to as the "Bond Registrar") which is a bank located in the State of Michigan which is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The County Controller/Administrator from time to time as required may designate a similarly qualified trustee, bond registrar and paying agent. The Bonds shall be deposited with The Depository Trust Company, New York, N.Y. who shall transfer ownership of interests in the Bonds by book entry and who shall issue depository trust receipts or acknowledgments to owners of interests in the Bonds. Such book entry depository trust arrangement, and the form of depository trust receipts or acknowledgments, shall be as determined by the County Controller/Administrator after consultation with the depository trustee.

8. Transfer or Exchange of Bonds: Any bond shall be transferable on the bond register maintained by the Bond Registrar with respect to the Bonds upon the surrender of the Bond to the Bond Registrar together with an assignment executed by the registered owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned Bond the Bond Registrar shall authenticate and deliver a new Bond or Bonds in equal aggregate principal amount

and like interest rate and maturity to the designated transferee or transferees.

Bonds may likewise be exchanged for one or more other Bonds with the same interest rate and maturity in authorized denominations aggregating the same principal amount as the Bond or Bonds being exchanged. Such exchange shall be effected by surrender of the Bond to be exchanged to the Bond Registrar with written instructions signed by the registered owner of the Bond or his or her attorney in form satisfactory to the Bond Registrar. Upon receipt of a Bond with proper written instructions the Bond Registrar shall authenticate and deliver a new Bond or Bonds to the registered owner of the Bond or his or her properly designated transferee or transferees or attorney.

Any service charge made by the Bond Registrar for any such registration, transfer or exchange shall be paid for by the County, unless otherwise agreed by the County and the Bond Registrar. The Bond Registrar may, however, require payment by a bondholder of a sum sufficient to cover any tax or other governmental charge payable in connection with any such registration, transfer or exchange.

9. Mutilated, Lost, Stolen or Destroyed Bonds: In the event any Bond is mutilated, lost, stolen or destroyed, the Chairperson of the Board of Commissioners and the Clerk of the County may, on behalf of the County, execute and deliver, a new Bond having a number not then outstanding, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed.

In the case of a mutilated Bond, a replacement Bond shall not be delivered unless and until such mutilated Bond is surrendered to the Bond Registrar. In the case of a lost, stolen or destroyed Bond, a replacement Bond shall not be delivered unless and until the County and the Bond Registrar shall have received such proof of ownership and loss and indemnity as they determine to be sufficient, which shall consist at least of (i) a lost instrument Bond for principal and interest remaining unpaid on the lost, stolen or destroyed Bond; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the Bond lost, stolen or destroyed and the circumstances under which it was lost, stolen or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the County and the Bond Registrar against loss due to the lost, stolen or destroyed Bond and the issuance of any replacement Bond; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the County and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the County.

10. Execution and Delivery: The Chairperson of the Board of Commissioners and the Clerk of the County are hereby

authorized and directed to execute the Bonds for and on behalf of the County by manually executing the same or by causing their facsimile signatures to be affixed. If facsimile signatures are used, the Bonds shall be authenticated by the Bond Registrar before delivery. The Bonds shall be sealed with the County's seal or a facsimile thereof shall be imprinted thereon. When so executed and (if facsimile signatures are used) authenticated, the Bonds shall be delivered to the Controller/Administrator, who is hereby authorized and directed to deliver the Bonds to the purchaser upon receipt in full of the purchase price for the Bonds.

11. Source of Repayment: The County agrees to pledge for the repayment of the Bonds sufficient amounts of County taxes levied each year provided that the amount of taxes necessary to pay the principal and interest on the Bonds, together with the other taxes levied for the same year, shall not exceed the limit authorized by law. In addition, the Bonds shall be secured by the General Fund of the County and shall be known as "General Obligation Limited Tax Bonds."

12. Principal and Interest Fund: All monies set aside by the County toward the cost of the Project shall be kept by the County in a separate fund hereby established, to be known as the "Principal and Interest Fund." All moneys in the Principal and Interest Fund shall be kept in a separate depository account with one or more banks or trust companies where the principal of and interest on the Bonds are payable, and such moneys shall be used solely for the payment of the principal of and interest on the Bonds and expenses incidental thereto. All accrued interest and the premium, if any, received from the purchaser of the Bonds shall be deposited in the Principal and Interest Fund upon receipt.

13. Project Fund: There is hereby established a Project Fund with the Paying Agent into which all proceeds of the borrowing shall be deposited, except the accrued interest on the Bonds and premium, if any, received from the purchaser of the Bonds which shall be deposited in the Principal and Interest Fund established above. All moneys in the Project Fund shall be used solely for the payment in full of costs of the Project, including the costs of issuing the Bonds. Simultaneously with the transfer of bond proceeds into the Project Fund, sufficient moneys from bond proceeds shall be transferred to the Paying Agent and used to pay all of the costs of issuance for the Bonds including, but not limited to, financial costs, consultant fees, counsel fees, printing costs, application fees, bond insurance premiums, rating fees and any other fees or costs incurred in connection with the financing. All such costs shall be authorized by the County Controller/Administrator. At the time of delivery of any series of Bonds the proceeds shall be deposited with the Paying Agent, who will distribute the amounts needed to carry out the Project, for the County of Tuscola and pay the costs of issuance for any series of Bonds. Surplus

moneys remaining in the Project Fund after completion of the Project and payment in full of the costs of the Project (or provision for such payment) shall be deposited in the Principal and Interest Fund.

14. Investments: Moneys in the Principal and Interest Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Principal and Interest Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bonds, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Principal and Interest Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

15. Defeasance or Redemption of Bonds: If at any time,

- (a) the whole amount of the principal of and interest on all outstanding Bonds shall be paid, or
- (b) (i) sufficient moneys, or Government Obligations (as defined in this Section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on all outstanding Bonds as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such Bonds as and when due, and (ii) in the case of redemption prior to maturity, all outstanding Bonds shall have been duly called for redemption (or irrevocable instructions to call such Bonds for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the County shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bonds (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall

be released from the conditions of this resolution, paid over to the County and considered excess proceeds of the Bonds. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within 30 days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be given to the registered holders thereof not more than sixty (60) days and nor less than forty-five (45) days prior to the redemption setting forth (x) the date or dates, if any, designated for the redemption of the Bonds, (y) a description of the moneys or Government Obligations so held by it and (z) that the County has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bonds at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by resolution of the County, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

16. Filing with Municipal Finance Division: The Chief Administrative Officer of the County is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bonds;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

17. Notice of Sale: Sealed bids for the purchase of the Bonds shall be accepted up to a time to later be determined by the Controller/Administrator. Notice of the sale shall be published once in accordance with law in the Bond Buyer, in substantially the form attached as EXHIBIT B to this Resolution. The County Controller/Administrator, after conferring with Bond Counsel, may make such changes to the attached Notice of Sale,

or cause it to be published in additional publications, as he deems appropriate.

18. Award of the Bonds. Once all bids are received, the Controller/Administrator or his designee are authorized to award the Bonds to the bidder who bid produces the lowest true interest cost to the County by signing an order in the form attached hereto as EXHIBIT C.

19. Approval of Expenditures. The Controller/Administrator or his designee shall have the authority to approve all expenditures relating to the Project.

20. Completion of Attached Forms. The Controller/Administrator or his designee is authorized fill in the blanks in EXHIBIT A - Form of Bond, EXHIBIT B - Form of Notice of Sale, and EXHIBIT C - Award Order prior to executing and filing these documents with the County Clerk.

21. Comprehensive Pension Plan. Before the County issues any series of the Bonds, the Controller/Administrator or his designee shall prepare and make available to the Public by filing in the office of the County Clerk and posting on the County's web-site all of the following:

(a) An analysis of the current and future obligations of the County with respect to the pension plan of the County.

(b) Evidence that the issuance of the municipal security together with other funds lawfully available will be sufficient to eliminate the unfunded accrued pension liability.

(c) A debt service amortization schedule and a description of actions required to satisfy the debt service amortization schedule.

(d) A certification by the person preparing the plan that the comprehensive financial plan is complete and accurate.

(e) If the proceeds of the borrowing are to be deposited in a pension trust fund, a plan in place from the County to mitigate the increase in pension costs.

22. Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

23. Effective Date. This Resolution shall become effective upon its adoption by the County of Tuscola Board of Commissioners.

A roll call vote on the foregoing resolution was then taken, and was as follows:

YES: _____

NO: _____
ABSTAIN: _____

The resolution was declared adopted.

STATE OF MICHIGAN)
) ss.
COUNTY OF TUSCOLA)

CERTIFICATION

The undersigned, being the Clerk of the County of Tuscola, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the County of Tuscola Board of Commissioners at its _____ meeting held on the _____ day of _____, 2015, at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and will be or have been made available as required thereby.

COUNTY CLERK

DATED: _____, 2015

las.r2a-tus42

[FORM OF BOND]
 UNITED STATES OF AMERICA - STATE OF MICHIGAN
 - COUNTY OF TUSCOLA

COUNTY OF TUSCOLA
 PENSION OBLIGATION BOND, SERIES 20____
 (GENERAL OBLIGATION LIMITED TAX)

No. _____

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>	<u>CUSIP</u>
		_____ 1, _____	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

FOR VALUE RECEIVED, the County of Tuscola, State of Michigan (the "County"), State of Michigan, hereby acknowledges itself indebted and promises to pay (but only from the sources referred to herein) on the Maturity Date specified above, unless paid prior thereto as hereinafter provided, to the Registered Owner specified above, or its registered assigns, the Principal Amount specified above upon presentation and surrender of this Bond at the principal corporate trust office of _____, Michigan, as paying agent and bond registrar (the "Bond Registrar"), together with interest thereon to the Registered Owner of this Bond, as shown on the books of the County maintained by the Bond Registrar, on the applicable date of record from the Date of Issuance specified above, or such later date through which interest has been paid, at the Rate per annum specified above, commencing _____ 1, _____, and semiannually thereafter on the first day of _____ and _____ in each year to and including the Maturity Date or earlier redemption of this Bond. The date of record for each payment of interest shall be the 15th day of the month preceding the date such payment is due. Interest is payable by check or draft mailed by the Bond Registrar to the Registered Owner at the address shown on the books of the County maintained by the Bond Registrar on the applicable date of record and shall be calculated on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

This Bond is one of a series of Bonds of like date and tenor except as to denomination, date of maturity and interest rate, numbered from 1 upwards, aggregating the principal sum of _____ Dollars (\$_____), issued by the County, pursuant to and in full conformity with the Constitution and Statutes of the State of Michigan and especially Section 518 of Act No. 34, Public Acts of Michigan, 2001, as amended (the "Act"), for the purpose of

which is located in _____, Michigan (the "Project").

This Bond and the series of which this is one are payable as follows: _____

which are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds. To secure payment of the principal of, premium, if any, and interest on the Bonds. The _____ pledged to the payment of the principal of, premium, if any, and interest on the Bonds shall be and remain subject to the statutory lien until the principal of, premium, if any, and interest on the Bonds have been paid in full. The limited tax full faith and credit of the County has been pledged for the making of such payments, and the County is obligated to levy ad valorem taxes in such amounts as shall be necessary for the making of such cash rental payments. HOWEVER, NO TAXES MAY BE LEVIED IN EXCESS OF CONSTITUTIONAL AND STATUTORY LIMITS. In addition, the Bonds shall be secured by the General Fund of the County and shall be known as "General Obligation Limited Tax Bonds."

The County hereby covenants with the bondholders and the state of Michigan that it will not, after the issuance of the Bonds and while the Bonds are outstanding, rescind the action which it has already taken to close the County's defined benefit plan for the County's Municipal Employees' Retirement System except that the County may reduce benefits of the defined benefit plan for years of service that accrue after the issuance of the Bonds.

{The Bond shall be subject to redemption prior to maturity upon such terms and conditions as shall be determined by the Controller/Administrator at the time of sale.}

This Bond shall be transferable on the books of the County maintained by the Bond Registrar upon surrender of this Bond to the Bond Registrar together with an assignment executed by the Registered Owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned bond, the Bond Registrar shall authenticate and deliver a new Bond or Bonds in authorized denominations in equal aggregate principal amount and like interest rate and maturity to the designated transferee or transferees.

This Bond may likewise be exchanged for one or more other Bonds with the same interest rate and maturity in authorized denominations aggregating the same principal amount as the Bond or Bonds being exchanged. Such exchange shall be effected by surrender of the Bond to be exchanged to the Bond Registrar with written instructions signed by the Registered Owner of the Bond or his or her attorney in form satisfactory to the Bond

Registrar. Upon receipt of a Bond with proper written instructions the Bond Registrar shall authenticate and deliver a new Bond or Bonds to the Registered Owner of the Bond or his or her properly designated transferee or transferees or attorney.

The Bond Registrar is not required to honor any transfer or exchange of Bonds during the fifteen (15) days preceding an interest payment date. Any service charge made by the Bond Registrar for any such registration, transfer or exchange shall be paid for by the County (subject, however, to reimbursement by the County pursuant to the Lease), unless otherwise agreed upon by the County and the Bond Registrar. The Bond Registrar may, however, require payment by a bondholder of a sum sufficient to cover any tax or other governmental charge payable in connection with any such registration, transfer or exchange.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit until the certificate of authentication hereon has been duly executed by the Bond Registrar, as authenticating agent.

It is hereby certified, recited and declared that all things, conditions and acts required to exist, happen and be performed precedent to and in connection with the issuance of this Bond and the other Bonds of this series, existed, have happened and have been performed in due time, form and manner as required by the Constitution and Statutes of the State of Michigan, and that the total indebtedness of the County, including this series of Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County of Tuscola, State of Michigan by its Board of Commissioners has caused this Bond to be executed in its name with the facsimile signatures of its Chairperson of the Board of Commissioners and its Clerk and has caused a facsimile of its seal to be affixed hereto, and has caused this Bond to be authenticated by the Bond Registrar, as the County's authenticating agent, all as of the Date of Issuance set forth above.

COUNTY OF TUSCOLA

By:

Chairperson of the Board of

Commissioners
[SEAL]

By:

Clerk

DATE OF AUTHENTICATION:

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the series of Bonds designated "County of Tuscola Pension Obligation Bonds, Series 20__ (General Obligation Limited Tax)."

_____, Michigan
as Bond Registrar and Authenticating Agent

By:

Authorized Representative

CERTIFICATE

The above is a true copy of the legal opinion of Axe & Ecklund, P.C., a true copy of which was delivered on the date of delivery of the Bonds to which it relates.

BY:

Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ this Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer this Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature:

Notice: The signature(s) to this assignment must correspond with the name as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

The transfer agent will not effect transfer of this Bond unless the information concerning the transferee requested below is provided:

Name and Address: _____

(Include information for all joint owners if bond is held by joint account)

PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF TRANSFEREE

(Insert number for first named transferee if held by joint account)

las.r2a-tus42

[FORM OF NOTICE OF SALE]

§
COUNTY OF TUSCOLA, STATE OF MICHIGAN

COUNTY OF TUSCOLA
PENSION OBLIGATION BONDS, SERIES 20____
(GENERAL OBLIGATION LIMITED TAX)_____

SEALED OR ELECTRONIC BIDS: Sealed written bids for the purchase of the Bonds described herein (the "Bonds") will be received on behalf of the County of Tuscola (the "County") by an agent of the undersigned, at the office of the County _____, _____, Michigan _____ on _____, _____, until _____:____.m., Eastern _____ Time, at which time and place the bids will be publicly opened and read.

In the alternative, sealed written bids will also be received on the same date and until the same time by an agent of the undersigned at the Municipal Advisory Council of Michigan, Buhl Building, 535 Griswold, Suite 1850, Detroit, Michigan 48226, where they will be publicly opened simultaneously. Bids received at Caro, Michigan will be read first followed by bids received at the alternate location. Bidders may choose either location to present bids and good faith checks, but not both locations.

Any bidder may submit a bid in person to either bidding location. However, no bidder is authorized to submit a FAX bid to Caro, Michigan.

Also in the alternative, electronic bids will also be received on the same date and until the same time by an agent of the undersigned Bidcomp/Parity. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Eric Washington, 1359 Broadway, 2nd floor, New York, New York, 10018, (212) 849-5021.

If any provision of this Notice of Sale shall conflict with information provided by Bidcomp/Parity as the approved provider of electronic bidding services, this Notice of Sale shall control.

The Bonds will be awarded or all bids will be rejected by the County Controller/Administrator at a proceeding to be held within twenty-four hours of the sale.

BOND DETAILS: The Bonds will be fully registered Bonds, both as to principal and interest, in any one or more denominations of \$5,000 or a multiple of \$5,000, not exceeding the aggregate principal amount for each maturity, dated _____ 1, _____, numbered from 1 upwards and will bear interest from their date of issuance payable on _____ 1, _____ and semiannually

thereafter on each _____ 1 and _____ 1 until maturity. The Bonds will mature on _____ 1 of each year as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>YEAR</u>	<u>PRINCIPAL</u>
-------------	------------------	-------------	------------------

PRIOR REDEMPTION: [The Bonds shall be subject to redemption prior to maturity upon such terms and conditions as shall be determined by the Controller/Administrator at the time of sale.]

INTEREST RATE AND PROPOSING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding _____% per annum, to be fixed by the proposals therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only. All Bonds maturing in any one year must carry the same interest rate. THE INTEREST RATE BORNE BY BONDS MATURING IN ANY YEAR SHALL NOT BE AT A RATE LOWER THAN THE RATE BORNE BY BONDS MATURING IN ANY PRECEDING YEAR. No proposal for the purchase of less than all of the Bonds, at a price less than _____% of their par value or at an interest rate or rates that will result in a net interest cost of more than _____% per annum, will be considered.

TERM BOND OPTION: Bonds maturing in the years _____-_____, inclusive, are eligible for designation by the original purchaser at the time of sale as serial Bonds or term Bonds, or both. There may be more than one term bond maturity. However, principal maturities designated as term Bonds shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on _____ 1st of the year in which the Bonds are presently scheduled to mature. Each maturity of term Bonds and serial Bonds must carry the same interest rate. Any such designation must be made at the time the proposals are submitted.

BOOK-ENTRY-ONLY: The Bonds will be issued in book-entry-only form as one fully-registered bond per maturity and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchase of the Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. The book-entry-only system is described further in the nearly final official statement for the Bonds.

BOND REGISTRAR, PAYING AGENT AND DATE OF RECORD:
_____ has been selected as bond registrar and paying agent (the "Bond Registrar") for the Bonds. The Bond Registrar will keep records of the registered holders of the Bonds, serve as transfer agent for the Bonds, authenticate the original and any re-issued Bonds and pay interest by check or draft mailed to the registered holders of the Bonds as shown on the registration

books of the County kept by the Bond Registrar on the applicable date of record. The date of record for each interest payment shall be the 15th day of the month before such payment is due. The principal of and redemption premium, if any, on the Bonds will be paid when due upon presentation and surrender thereof to the Bond Registrar. As long as DTC, or its nominee Cede & Co., is the registered owner of the Bonds, payments will be made directly to such registered owner. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of DTC participants and indirect participants as described in the nearly final official statement for the Bonds. The County may from time to time as required designate a successor bond registrar and paying agent.

ADJUSTMENT IN PRINCIPAL AMOUNT: The aggregate principal amount of this issue has been determined as the amount necessary to retire the Refunded Bonds and pay a portion or all of the costs of issuance of the Bonds, assuming certain conditions and events exist on the date of sale. Following receipt of bids and prior to final award, the County reserves the right to increase or decrease the aggregate principal amount of the issue by any amount. The increase or decrease will be in increments of \$5,000 and may be made in any maturity or maturities. The purchase price will be adjusted proportionately to the reduction in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw the bid as a result of any changes made within these limits.

If no bid results in debt service savings acceptable to the County when the proceeds are used to provide for the refunding of the Refunded Bonds, the County may reject all bids and negotiate with one or more of the bidders for the sale of the bonds on terms which will enable the County to achieve debt service savings acceptable to the County.

ADJUSTMENT IN DISCOUNT OR PREMIUM: In the event the principal amount of this issue is increased or decreased, the discount or premium bid, if any, will be adjusted so that it is the same percent as the discount or premium originally bid.

PURPOSE AND SECURITY: The Bonds are to be issued pursuant to Section 518 of Act No. 34, Public Acts of Michigan, 2001, as amended (the "Act"), for the purpose of (the "Project"). The County agrees to pledge for the repayment of the Bonds sufficient amounts of County taxes levied each year provided that the amount of taxes necessary to pay the principal of and interest on the Bonds, together with the other taxes levied for the same year, shall not exceed the limit authorized by law and the Michigan Constitution. In addition, the Bonds shall be secured by the General Fund of the County.

GOOD FAITH CHECK: A certified or cashier's check drawn upon an incorporated bank or trust company or a wire transfer in an amount equal to 2% (\$____) of the face amount of the Bonds, and payable to the order of the County Controller/Administrator will be required of the successful proposer as a guarantee of good faith on the part of the proposer, to be forfeited as liquidated damages if such proposal be accepted and the proposer fails to take up and pay for the Bonds. If a check is used, it must accompany each proposal. If a wire transfer is used, the successful proposer is required to wire the good faith deposit not later than Noon, prevailing Eastern Time, on the next business day following the sale using the wire instructions provided by Municipal Financial Consultants Incorporated. The good faith deposit will be applied to the purchase price of the Bonds. No interest shall be allowed on the good faith checks, and checks of each unsuccessful proposer will be promptly returned to such proposer's representative or by registered mail. The good faith check of the successful proposer will be cashed immediately, in which event, payment of the balance of the purchase price of the Bonds shall be made at the closing.

AWARD OF THE BONDS - TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on _____ 1, _____ and semi-annually thereafter) necessary to discount the debt service payments from their respective payment dates to _____ 1, _____ in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the County, computed in the manner specified above.

LEGAL OPINION: Proposals shall be conditioned upon the approving opinion of Axe & Ecklund, P.C., Grosse Pointe Farms, Michigan (the "Bond Counsel"), a copy of which will be printed on the reverse side of each bond and the original of which will be furnished without expense to the Purchaser of the Bonds at the delivery thereof. The fees of Bond Counsel for its services in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue such opinion and as described in the official statement, Bond Counsel has not been requested to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in connection with the authorization, marketing or issuance of the Bonds and, therefore, has not expressed and will not express an opinion with respect to the accuracy or completeness of the official statement or any such financial documents, statements or materials.

TAXATION OF BONDS:

A. Federal Income Taxes: In the opinion of Bond Counsel, the interest on the Bonds is includable in gross income of the holders of the Bonds for federal income tax purposes, as described in the opinion.

B. State Taxes: In the opinion of Bond Counsel, interest and income from the Bonds are exempt from taxation by the State of Michigan or a political subdivision of the State of Michigan.

DELIVERY OF BONDS: The County will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, Eastern Time, on the 45th day following the date of sale or the first business day thereafter if the 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its bid by serving written notice of cancellation on the undersigned, in which event the County shall promptly return the good faith deposit. Payment for the Bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the Bonds shall be paid by the purchaser at the time of delivery. Unless the purchaser of the Bonds furnishes the Bond Registrar with a list of names and denominations in which it wishes to have the Bonds issued at least ten (10) business days before delivery of the Bonds, the Bonds will be delivered in the form of one bond for each maturity, registered in the name of the purchaser.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE: In order to assist proposers in complying with SEC Rule 15c2-12, as amended, the County will covenant to undertake (pursuant to a resolution adopted or to be adopted by its governing body), to provide annual reports and timely notice of certain events for the benefit of beneficial owners of the Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the County, a form of which is included in the nearly final official statement and in the final official statement.

OFFICIAL STATEMENT:

Hard Copy

A copy of the nearly final official statement (the "Nearly Final Official Statement") may be obtained by contacting Municipal Financial Consultants Incorporated at the address listed below. The Nearly Final Official Statement is in a form deemed final as of its date by the County for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and

completion of a final official statement (the "Final Official Statement"). The successful proposer shall supply to the County within twenty-four hours (24) after the award of the Bonds, all pricing information and any underwriter identification determined by Bond Counsel to be necessary to complete the Final Official Statement.

Internet

In addition, the County has authorized the preparation and distribution of a Nearly Final Official Statement containing information relating to the Bonds via the Internet. The Nearly Final Official Statement can be viewed and downloaded at www.i-dealprospectus.com/PDF.asp?doc= or www.tm3.com.

The County will furnish to the successful proposer, at no cost, 125 copies of the Final Official Statement within seven (7) business days after the award of the Bonds. Additional copies will be supplied upon the proposer's agreement to pay the cost incurred by the County for those additional copies.

The County shall deliver at closing an executed certificate to the effect that as of the date of delivery the information contained in the Final Official Statement, including revisions, amendments and completions as necessary, relating to the County and the Bonds is true and correct in all material respects, and that such Final Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make statements therein, in light of the circumstances under which they were made, not misleading.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers nor any improperly printed number shall constitute cause for the purchaser to refuse to accept delivery of, or to pay for the Bonds. All expenses for printing CUSIP numbers on the Bonds will be paid by the County, except that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and paid for by the purchaser.

ADDITIONAL INFORMATION: Further information may be obtained from the undersigned at the address specified above or from Meredith A. Shanle, Municipal Financial Consultants Incorporated, 21 Kercheval Ave., Suite 360, Grosse Pointe Farms, Michigan 48236, telephone (313) 884-9824.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES: Envelopes containing the bids should be plainly marked "Bid for County of Tuscola Pension Obligation Bonds, Series 20__ (General Obligation Limited Tax)"

Las.r2a-tus42 _____, County Controller/Administrator
County of Tuscola

AWARD ORDER
\$ _____
COUNTY OF TUSCOLA
PENSION OBLIGATION BONDS, SERIES 20__
(GENERAL OBLIGATION LIMITED TAX) _____

WHEREAS, on the date of this Order, the bids summarized on EXHIBIT I to the minutes of the proceeding at which this Order was entered (copies of which are attached hereto) for the purchase of the \$ _____ principal amount County of Tuscola Pension Obligation Bonds, Series 20__ (General Obligation Limited Tax) (the "Bonds"), to be issued by the County of Tuscola (the "County") were received and publicly opened and read; and

WHEREAS, the following bid produces the lowest interest cost computed by determining, at the rates specified in such bid, the total dollar value of all interest on the Bonds from _____ 1, 20__, to maturity and adding thereto any discount or subtracting therefrom any premium, all as provided in the Notice of Sale:

Bidder: _____
True Interest Rate: _____ %
Premium/
Discount: \$ _____

and the bid submitted by such bidder (the "Purchaser") in all respects conforms to the requirements of the Notice of Sale; and

WHEREAS, the sale of the Bonds was duly authorized and conducted according to law;

NOW, THEREFORE, IT IS ORDERED BY THE COUNTY CONTROLLER/ADMINISTRATOR ON BEHALF OF THE COUNTY as follows:

1. The action of the officials of the County in fixing this date of sale of the Bonds, in dating the Bonds _____ 1, 20__, and in publishing such Notice of Sale as heretofore provided, are hereby ratified and confirmed.
2. The content of the aforementioned Notice of Sale (a copy of which is attached hereto) published in connection with the solicitation of bids for the purchase of the Bonds, is hereby ratified and confirmed.

3. The bid of _____ to purchase the \$_____ aggregate principal amount of the Bonds in the maturities set forth in EXHIBIT I at par, plus accrued interest to the date of delivery, less a discount of \$_____ or plus a premium of \$_____ and bearing interest per annum as shown on EXHIBIT I with a true interest rate of _____% which bid produces the lowest true interest cost to the County, is hereby accepted, and all other bids (as set forth on EXHIBIT I) are hereby rejected and the checks of the unsuccessful bidders are ordered to be returned.

4. I hereby confirm the appointment of _____ as bond registrar, paying agent and escrow agent for the Bonds and hereby shall issue the Bonds in accordance with the terms set forth in the Bond Resolution previously adopted by the Board of Commissioners.

5. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are hereby rescinded.

Dated: _____, 20__

Controller/Administrator
on behalf of the County of
Tuscola

las.r2a-tus42

\$ _____
COUNTY OF TUSCOLA
PENSION OBLIGATION BONDS, SERIES 20____
(GENERAL OBLIGATION LIMITED TAX)

Sale Date: _____, 20__	Good Faith Check: \$ _____
Time: _____:____.m., EDST	Discount: \$ _____
Dated: _____ 1, 20__	Maximum Interest: _____%

Maturities - Due 1

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
-------------	---------------	-------------	---------------	-------------	---------------

Bidder: _____

20__	_____%	20__	_____%	Premium/	
20__	_____%	20__	_____%	Discount:	\$ _____
20__	_____%	20__	_____%		
20__	_____%	20__	_____%	True Int Rate:	_____%
20__	_____%	20__	_____%		
20__	_____%	20__	_____%		
20__	_____%	20__	_____%		

Bond Counsel
AXE & ECKLUND, P.C.
Grosse Pointe Farms, Michigan

APPENDIX A

Project Description

The Project consists of a plan to fully fund what are currently partly un-funded pension obligations paid by the County on behalf of County employees who retire from County service and who have the adequate vesting and service benefit level requirements. The current unfunded actuarial accrued liability is approximately \$8,800,000 as of December 31, 2014. The County will issue the bonds pursuant to Public Act No. 329 of the Public Acts of Michigan of 2012, which amends Public Act No. 34 of the Public Acts of Michigan of 2001 and enables the County to issue general obligation limited tax bonds for this purpose.

Cost Estimates

Funds to Finance the Project
& Financing Costs (Including Bond
Discount, and Contingency) Not to exceed \$9,000,000

Maximum amount of Bonds to be issued: \$9,000,000

Maximum term of bond issue: 20 years

las.r2a-tus42

**Tuscola County Board of Commissioners
Committee of the Whole
Monday, August 24, 2015 – 7:30 A.M.
HH Purdy Building
125 W. Lincoln, Caro, MI**

Present: District 1 - Roger Allen, District 2 - Thomas Bardwell, District 4 - Craig Kirkpatrick, District 5 - Matthew Bierlein

Absent: District 3 - Christine Trisch

Also Present: Mike Hoagland, Deputy Clerk Rita Papp, Mary Drier, Tisha Jones, Judge Amy Grace Geirhart, Judge Nancy Thane, Sheila Long, Denise Stacer, Karen Southgate, Val Hartel, Angela Burnette, Eean Lee, Register John Bishop, Mike Miller, Undersheriff Glen Skrent, Clayette Zechmeister, Gretchen Tenbush

Finance

Committee Leaders-Commissioners Kirkpatrick and Bierlein

Primary Finance

1. **MSU-e/4-H Millage Ballot Language** - Mike Hoagland presented proposed ballot language. Language has been approved. *Matter to be placed on consent agenda.*
2. **Soldiers and Sailors Relief Fund Budget Amendment** - Mike Hoagland presented Proposed Budget amendment. Veteran's Assistance Fund Balance is in need of an additional \$7,000 to fund for the remainder of 2015. Funds are to be transferred from the millage funds January 1, 2016. *Matter to be placed on consent agenda.*
3. **2016 Budget Development** - Mike Hoagland stated that the 2016 Budget Development is in progress. Budget Draft is getting prepared according to the 2016 Budget Development Calendar.
4. **Child Care Fund Budget Submittal for State Funding** - Sheila Long & Karen Southgate presented the Child Care Fund Budget Submittal for State Funding Proposal to the Board. All funds will be reimbursed 50% by the state. The State Program used for reimbursement (JOLT) has been replaced by another program. Sheila will bring updated information to the Board Meeting Thursday. *Matter to be placed on consent agenda.*
5. **Potential Use of E-Bay and Other Similar Sites for Selling Used County Equipment** - Mike Hoagland presented the options of selling used county equipment on Ebay or other similar sites. Commissioner Bierlein expressed the concern of following the guidelines of posting this information to the public. Mike Miller stated that a blanket statement on the County website should be sufficient. Eean Lee asked how the statement should read. He will be working with Mike

Hoagland. Undersheriff Glen Skrent made a statement that he prefers CraigList over Ebay. Mike Hoagland to consult our Auditors for the proper procedures. Commissioner Bardwell commented on the importance of tagging the County assets. Mike Hoagland stated that there is a procedure in placed for this already.

6. **Register Request to Approve Simplifile Contract for Electronic Record Filing** - Register John Bishop presented Simplifile Contract for Electronic Record Filing to the Board. Register John Bishop stated that this would not cost the county any money to implement. The public would be paying fees to efile titles. Some counties are using this system. It prevents documents from being lost in the mail. *Matter to be placed on consent agenda.*

Additional Request - Register John Bishop requests that the county purchase 8 more Document Log Books for the Register of Deeds office. These books cost \$165/each. *Matter to be placed on consent agenda.*

7. **Presentation of 2014 Comprehensive Annual Financial Report Audit** - Val Hartel & Angela Burnett from Anderson, Tuckey, Burnhart, Doran presented the 2014 Tuscola County Audit Report. Ongoing issue - Some County bank accounts without the Treasurer name on them. Received and placed on file. *Matter to be placed on consent agenda.*

8. **IRS Examination of Tuscola County/Caro 2007 Sanitary Sewer System Bonds** - Mike Hoagland presented. City of Caro and the County Bond Attorney worked on this issue. Completed the examination with one week of staff time, no problems to report.

9. **Multi-Year Financial Planning** -

EDC Discussion. Discussed the need to have the public aware of what EDC does. EDC is moving to providing contracted services to generate funds. Discussed the option with Steve Erickson to do a press release since the mileage failed. Commissioner Kirkpatrick discussed with Steve to reduce costs as much as possible. They are planning on shedding some office space to reduce costs. Commissioner Bierlein discussed that EDC is making changes. They have gotten grants from Davison for providing out of county services. EDC is still working with other regions. EDC will have problems in the future if costs are not reduced. Commissioner Kirkpatrick commented that we need to continue to focus on non-mandated services. Commissioner Bardwell stressed that EDC is non-mandated. Decision in regard to EDC should be made for the 2017 Budget Year.

Tuscola County Medical Care Facility Discussion - Commissioner Kirkpatrick had a conversation with Margot Roedel at the Tuscola County Medical Care Facility. Margot has great plans for the facility. The County owns 60 acres that is adjacent to the facility that is currently being leased. The land has been in the county hands for over 100 years. TCMCF is interested in the property for future growth. Requested by the Board that Margot provide a long range plan before any decision is made about the property.

10. **Four County Health Alliance Agreement for Service Sharing** - Gretchen Tenbush presented the Four County Health Alliance Agreement for Service Sharing. She needs to have a memorandum of agreement signed by the Board.

Copy of this memorandum was provided to Mike Hoagland. Standing orders are to remain the same. They are working on this with Dr. Bush. Gretchen will present memorandum to the Board for signature. *Matter to be placed on consent agenda.*

- 11. Tuscola Health Department Food Inspection Training Agreement with Sanilac County** - Gretchen Tenbush presented the Food Inspection Training Agreement with Sanilac County. Sanilac County would like to use our Food Trainer at the cost of \$1500. Gretchen will present agreement to the Board for signature. *Matter to be placed on consent agenda.*

Additional Information - Dental Issue - Gretchen Tenbush updated the Board on the Dental Program for the County. The October deadline to bring program in has to be postponed. MDCD is under new leadership. They are going to all private sectors and could cause legal issues in the futures. FQHC to fund access points and plan on having 3 operatories in the Health Department when completed.

Recessed: 9:06 a.m.

Reconvened: 9:14 a.m.

On-Going Finance

1. County Solid Waste Management Plan - Ongoing.
2. Road Commission Legacy Cost (Schedule) - Ask Mike Tuckey to come in to update Board.
3. Tuscola County Community Foundation and Next Steps - Slowed down.
4. Financial Meeting Schedule with Departments (Three have requested) - Will be meeting with departments.
5. MAC 7th District Meeting in Tuscola County - Moved to October 2015.

Personnel

Committee Leader-Commissioner Trisch

Primary Personnel

1. **Region VII AAA Advisory Council Vacancy** - Mike Hoagland thought there was a third applicant. Move to Thursday's Meeting for appointment.
2. **Authorization to Hire Part-Time Employee for P-2 Grant** - Mike Miller stated that the general fund will not be affected. Cost will be below \$14,000. The grant will cover \$10,000 and Recycling will fund approximately \$3,000. *Matter to be placed on consent agenda.*

On-Going Personnel

1. DOL Proposes Rule Changes to Exempt Employees - Erica Dibble and The Labor Attorney are working on. Will keep the Board updated. Mike Hoagland will have Erica attend next meeting.

Building and Grounds
Committee Leader-Commissioner Allen

Primary Building and Grounds

1. **Update Regarding Mosquito Abatement Building** - Mike Miller stated that the plumbing has been finished. Concrete floor to be poured today or tomorrow. Walls will be constructed once floor is complete. Building is coming along good and according to planned.
2. **Jail Skylight** - Mike Miller stated that the skylight needs to be replaced. Parts are no longer available to repair. Skylight only opens 6 inches. Skylight is located in the library. The Skylight meets State's requirements for outdoor activities if the skylight is open all the way. Since it is a State Requirement for outdoor activities, Mike Hoagland can possibly adjust Budget. *Matter to be placed on consent agenda.*

On-Going Building and Grounds - None

Other Business as Necessary

1. **Truck Size and Weight Update** - Mike Hoagland updated Board on information.
2. **MERS Retirement System** - Mike Hoagland updated Board on a conversation that took place about the assumption rates. The County was using calculation based on 8% on earnings and the corrected rate should be 7% on earnings. The County may have to borrow more funds based on this calculation. Annual costs will increase. John Axe, Tuscola County Attorney, will come Thursday to discuss this in further detail to the Board.
3. **Legacy Costs** - Mike Hoagland had a brief discussion on Legacy Costs and how the Board must be prepared for this in the future.
4. **POET Open House** - Commissioner Kirkpatrick addressed the Board if they received an invitation for this event that already took place.
5. **MSU Extension Dinner** - Commissioner Bardwell updated the Board in regards to a dinner being held by MSU Extension on August 29th. RSVP to Heather Middleton.
6. **MAC Representative Resignation** - Commissioner Bierlein informed the Board that Deana Boswell has turned in her resignation to MAC. Dana Gill has been promoted to replace Deanna.

Public Comment Period - None

Meeting adjourned at 9:50 a.m.

Rita Papp
Deputy Clerk

Tuscola County Health Department Board of Commissioners Monthly Report for August 2015

Prepared by: Gretchen Tenbusch, RN, MSA, Health Officer

Visit our website at www.tchd.us

Outcomes for the Month:

- The TCHD went through Accreditation July 20-24, 2015 and preliminary reports so no indicators missed, performance management passed and several special recognitions.

Issues under consideration by the Local Health Department:

- The Abstinence Program Summer Day Camp/Risk Avoidance Program was held August 17-20, 2015 for you ages 10-15 from Huron and Tuscola Counties. This camp will be held at the Fowler Center.
- The Health Department is gearing up for back to school immunizations. We have added additional time slots for vaccinations. We have also been providing information on school waivers for those who are seeking an immunization waiver.
- We are getting ready to conclude fiscal year 2014-2015 and prepare and submit the budget to the Michigan Department of Health and Human Services for fiscal year 2015-2016.

Issues to be brought to Board of Commissioners:

- The Health Department has been participating in a regional grant with the Huron, Sanilac and Lapeer County Health Departments to look at cost savings and efficiencies. An outcome of this grant is the formation of an Alliance between these four Health Departments. This Alliance agreement states that we wish to work together to increase efficiencies, reduce costs and improve services to our residents. This agreement is being signed by the Lapeer County Board of Commissioners, Sanilac County Board of Health and Huron County Board of Commissioners. Approval is needed for the Chairman of the Tuscola County Board of Commissioners to sign the Alliance intergovernmental agreement on behalf of the Tuscola County Health Department.

7

mhoagland@tuscolacounty.org

From: mhoagland@tuscolacounty.org
Sent: Tuesday, August 25, 2015 2:58 PM
To: ctrisch@tuscolacounty.org; 'Bardwell Thom'; 'Bierlein Matthew'; 'Kirkpatrick Craig'; 'Roger Allen'
Cc: 'Leland Teschendorf'; 'Glen Skrent'
Subject: FW: jail information
Attachments: 2015_08_25_12_59_510001.jpg; 2015_08_25_12_59_510002.jpg; 2015_08_25_12_59_510003.jpg; 2015_08_25_12_59_510004.jpg; 2015_08_25_12_59_510005.jpg

Lt Harris

Great job!

I can't tell you how much I for one appreciate your excellent work to efficiently manage the Tuscola County jail. You are clearly dedicated to strengthening jail operations. You set an example for all of us as managers to be creative and find ways to run effective operations. Again, thank you for your dedication. Please keep up the exemplary work. I am putting this information in the Thursday Board of Commissioners meeting packet in hopes that the media publically acknowledges your tremendous work under the direction of the Sheriff and Undersheriff.

Mike

From: Glen Skrent [mailto:ggs@tuscolacounty.org]
Sent: Tuesday, August 25, 2015 1:03 PM
To: Mike Hoagland <mhoagland@tuscolacounty.org>
Subject: jail information

Lt Harris has compiled some information to show how the jail has made an effort to streamline our jail process and save the county some money, thought I would pass it on. Though the jail is not designed to be a money maker, efforts can be made to mitigate the costs.

Undersheriff Glen Skrent
Tuscola County Sheriff's Office

For the strength of the Pack is the Wolf, and the strength of the Wolf is the Pack.-Kipling



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

To: Undersheriff Glen Skrent
From: Lt. Brian Harris
Date: August 18, 2015
Ref: Generated revenue

I would like to inform you of some recent changes that we have made in the jail as well as some future changes that have or will generate funds for the county.

Drug testing:

I have made a verbal agreement with 71B District Court to administer drug testing and PBT's at the jail. Sobriety court supplies all of the drug tests at no cost to us. Corrections staff administers these tests and logs them for sobriety court. We charge the client, from sobriety court, \$10.00 for each drug test and \$5.00 for each PBT that we administer. We have generated \$4,470.00 from January 2015 through the end of July, 2015.

Tether:

We have placed all of our work release inmates on a GPS tether. This is designed for security and accountability more than to generate income for the county. Each tether cost the county \$4.50 a day when they are in use. If they are not used, there is no fee. We charge each work release inmate \$5.00 each day plus a one-time \$50.00 "set up and monitoring fee". These fees are in addition to the required housing payments that the inmate must make to remain on work release. This does generate small revenue for the county. As of the end of July 2015, we have generated approximately \$2100.00 from tether fees.

Telephones:

In April 2015, we switched inmate calling services with the idea that we would generate more income for the county and improve services for the investigating officers and the inmates. This has proven to be an excellent move. The services are excellent for our officers and the inmates and revenue has increased. Since this is a recent change, we only have 2 full months to compare between Securus and ICS.

Securus

ICS

May 2014 – \$1,788.18

May 2015 - \$3219.75

June 2014 - \$ 1882.16

June 2015 - \$3382.67

For these 2 months, we increased our revenue by 80% for a total increase of \$2931.98. This does not include the signing bonus of \$20,000.000 that was given to the county.

Televisions:

I recently purchased (w/ ICS tech grant) new televisions, mounting hardware and fans for the jail cells. As a reminder, television is a great resource for the inmates and corrections staff. Not to sound insulting, but the televisions are a great "babysitter" and assist staff in keeping the inmates compliant with the rules of the jail. If the rules are violated, the television privilege can be removed. I will be instituting a \$5.00 per week rental fee; this will be per cell not per inmate. This has a potential of generating up to \$3800.00 per year. However, an expected amount would be around \$3,000.00 per year.

Indigent Kits:

For years we just handed out soap, shampoo and toothpaste to those that asked for it. This was not cost effective and quite a hassle for the staff. A new procedure was implemented to where inmates must be indigent to receive these items (in an indigent kit) from the jail. In addition, we bill the inmates account \$3.00 for these kits. If monies are deposited into the inmates account, then the funds will be deducted to cover the indigent kit fee. With the requirements of this procedure, it has reduced the use and need to purchase these items.

Snack Packs:

This is something I am looking into selling at the jail. These are purchased through our current commissary provider and have proven fruitful in other jails. The way this works is, we purchase these snack packs for \$4.00 - \$10.00 and sell them for \$10.00 - \$20.00. These snack packs will include various commissary food items. Inmates that are lodged or have monies deposited into their account after the order deadline, or simply do not like the menu for the day, can order one of these. A supply of these will be kept on hand at the jail.

Tablets:

This is another option I am investigating. Our current inmate phone provider is currently entering this field as well. Our jail is in dire need of an updated law library. A law library is required to be provided for certain inmates. I can use Lexisnexis at a cost of \$4500.00 per year. Westlaw is another option but they also charge a hefty fee. I am also looking into sharing the Lexisnexis with the prosecutor's office (fees will apply). Some of the tablets that I am researching have an updated law library application available for them. In addition, they can also include educational and game applications. These "apps" will assist in the rental of these tablets to the inmates and generate more revenue.

Housing:

We are currently housing inmates for St. Clair County and have generated revenue from this. June 2015 we generated \$7377.30 and in July 2015 we generated \$12,930.00. These numbers will fluctuate depending on St. Clair's needs and bed availability on our end.

Supplies:

With the rising cost of jail supplies and requirements on the items we use, I am constantly looking for better options and prices. I have found numerous items at discounted prices. One example is the laundry soap we use for the inmate clothing and bedding. We previously purchased this from Gordon foods at a cost of \$80.67 for a 5 gallon container (\$16.13 per gallon). I found a supplier that sells laundry soap in 55 gallon drums (and free delivery) for \$261.05 (\$4.75 per gallon). This company also installed new auto dispensers to regulate the usage of these products.

Medical:

When CHC | Correct Care Solutions assigned a different physician to us, I spoke with the physician in regards to prescription costs. He was in agreement with me that we were spending way too much for medications. He informed me that there was a formulary that he preferred to follow and that this would reduce the cost. This formulary provides alternative lower cost medications for most required care. This move was effective not only in cost savings, but the inmates seemed to realize that they were not going to get the "fun" meds. Once they realized this, most no longer requested medical attention or medications. Also helping with this lower cost is the fact that our inmate count has been low and we have had no major medical issues.

Mental Health:

We have always charges a fee to see our medical physician, but we never charged for mental health visits. Well this has changed; we now charge a fee that varies by the services provided. These fees range from \$30.00 to \$90.00. In addition to this fee, L.I.S.T. Psychological has not had a psychiatrist for well over a year. So L.I.S.T. Psychological will have a psychologist diagnose the inmate's needs and our CHC | Correct Care Solutions physician will prescribe the medications needed (by following the previously mentioned formulary). So once again, the inmates realize the meds they want are not the meds they get. So the requests for services decreased.

If you have any question or need further explanation(s), please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "BHarris", with a small "21" written to the right of the signature.

Lt. Brian Harris