

**County of Jackson
120 W. Michigan Ave.
Jackson, MI 49201
(517) 788-4335**



BOARD OF COMMISSIONERS

**Clifford E. Herl, District 1
David F. Lutchka, District 2
Carl Rice, Jr., District 3
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Julie Alexander, District 5
James C. Videto, District 6
James E. Shotwell, Jr., District 7
Gail W. Mahoney, District 8
Jonathan T. Williams, District 9
Patricia A. Smith, District 10
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David K. Elwell, District 12**

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Steven Rand, Sheriff
Mindy Reilly, Register of Deeds
Karen Coffman, Treasurer
Geoffrey Snyder, Drain Commissioner
Hank Zavislak, Prosecuting Attorney**

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**Michael Overton, Administrator/Controller
Adam Brown, Deputy Administrator
Charles Adkins, Circuit Court Administrator
Tammy Bates, District Court Administrator
Andy Crisenbery, Friend of the Court
Jim Latham, Acting Finance Officer
Connie Frey, IT Director
Brandon Ransom, Parks Director
Teresa Hawkins, Youth Center Director
Ruth Scott, Equalization Director
Crystal Dixon, Human Resources Director
Dr. John Maino, Medical Director
Kent Maurer, Airport Manager
Ric Scheele, Director-Fleet & Facilities Opns.
Matt Shane, MSU Ext.-District Coordinator
Marce Wandell, Department on Aging Director
Dave Welihan, Veterans Affairs Officer
Ted Westmeier, Health Officer**

County Commission Agenda May 15, 2012

Order of Business:

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Approval of Agenda
6. Awards and Recognitions
7. Communications and Petitions
8. Special Orders/Public Hearing(s)
9. Public Comment
10. Special Meetings of Standing Committees
11. Minutes
12. Consent Agenda
13. Standing Committees
 - A. Policy
 - B. County Affairs & Agencies
 - C. Human Services
 - D. Personnel & Finance
14. Unfinished Business
15. New Business
16. Public Comment
17. Commissioner Comment
18. Closed Session
19. Adjournment

Public Comment

Any person desiring to speak on a matter to the Board of Commissioners may do so under the Public Comment items near the beginning and end of the meeting. Please state your name and use the microphone. Please note that the Commission allocates a maximum of five minutes per individual at the beginning of the meeting and three minutes per individual at the end of the meeting for this purpose.

Consent Agenda

Items on the Consent Agenda are items generally routine in nature that have passed a Standing Committee and will be enacted by one motion and one vote. There will be no separate discussion on these items. Any Commissioner may remove an item from the Consent Agenda and it will be considered by separate motion at the proper place during the meeting.

Standing Committees

The Board of Commissioners operates under a Standing Committee system with the following Committees: Policy, County Affairs & Agencies, Human Services, Personnel & Finance. All departments of the County coordinate their business through one of the Standing Committees. The Committees then forward their recommendations to the Board of Commissioners.

Closed Session

The Board of Commissioners is permitted under the Open Meetings Act to go into Closed Session to discuss labor contracts, purchase of property, and certain employee matters if requested by the employee. A two-thirds vote of the Commission is required to go into Closed Session.

"Your interest in your County Government is appreciated"

AGENDA
JACKSON COUNTY BOARD OF COMMISSIONERS BOARD MEETING
May 15, 2012
7:00 p.m.
County Commission Chambers

***Mission Statement:** Jackson County Government, in cooperation with the community
and local governmental units, strives through a planned process
to deliver quality services that address public needs.*

1. **CALL TO ORDER** – *by Chairman Steve Shotwell*
2. **INVOCATION** – *by Commissioner James Videto*
3. **PLEDGE OF ALLEGIANCE** – *by Elyse Vivian, 2nd grader at Western Schools Bean Elementary*
4. **ROLL CALL** – *County Clerk Amanda Riska*
5. **APPROVAL OF AGENDA**
6. **AWARDS & RECOGNITIONS** – None.
7. **COMMUNICATIONS/PETITIONS** – None.
8. **SPECIAL ORDERS/PUBLIC HEARINGS**

7:10 p.m.
Roll Call

- A. **Public Hearing – Resolution (05-12.19) Approving the Amended Brownfield Redevelopment Plan for K2 Property, LLC in Summit Township**

Attachments:

- *Public hearing notice
- *Resolution (05-12.19)

9. **PUBLIC COMMENTS**
10. **SPECIAL MEETINGS OF STANDING COMMITTEES**

- A. **Policy Committee**

1. **Revised – Policy 1130 – Investment Policy**
2. **New Administrative Policy 5310 – County Right of Refusal**

Attachments:

- *Policy 1130
- *Policy 5310

11. **MINUTES** - Minutes of the 4-17-12 Regular Meeting of the Jackson County Board of Commissioners

Attachments:

*4-17-12 Regular Meeting Minutes

12. **CONSENT AGENDA (*Roll Call*)**

A. County Policy

1. **Personnel Policy 3080 – Deletion of Performance Incentive Policy**

Attachments:

*Policy 3080

B. County Affairs & Agencies

2. **Parks Imprest Cash**

Attachments:

*Memo from Parks Director

C. Human Services

3. **Mid-South Substance Abuse Commission (MSSAC) FY 2010/2011 Financial Audit**

Attachments:

*MSSAC Financial Audit

D. Personnel & Finance

4. **Creation of Full Time Social Worker Position and Elimination of Part-Time Social Worker Position in Maternal Infant Health Program**

Attachments:

*Memo from Health Officer

5. **USA Mobility Lease Amendment**

Attachments:

*Memo from Fleet and Facilities Operations

6. Budget Adjustments

a. GIS/Road Commission Contract and Budget Adjustment

Attachments:

*Memo from Deputy Administrator

*GIS/Road Commission Contract

b. Department on Aging

Attachments:

*Department on Aging Budget Adjustment

E. Other Business

7. Claims – April 1-30, 2012

Attachments: None.

13. STANDING COMMITTEES

A. County Policy – *Commissioner Dave Elwell*

1. Revised – Policy 1130 – Investment Policy

2. New Administrative Policy 5310 – County Right of Refusal

Attachments:

*Policy 1130

*Policy 5310

B. County Affairs & Agencies – *Commissioner Dave Lutchka*

1. Appointments

a. **LifeWays** – one public member, term to 3/2015

b. **Region 2 Planning Commission** – two public members, terms to 12/2012

c. **Retirement Board** – One Commissioner member, term to 5/2015

d. **Upper Grand River Watershed Alliance** – 6 public members, terms to 5/2014

Attachments:

*Commissioner Board Appointments

*Applications

C. **Human Services – Commissioner Jon Williams** - None.

D. **Personnel and Finance – Commissioner Jim Videto** – None.

14. **UNFINISHED BUSINESS** – None.

15. **NEW BUSINESS**

A. **Tentative Agreement – Assistant Prosecutor’s Association**

Attachments:

*APA Tentative Agreement

B. **Tentative Agreement – COAM**

Attachments:

*COAM Tentative Agreement

16. **PUBLIC COMMENTS**

17. **COMMISSIONER COMMENTS**

18. **CLOSED SESSION** – None.

19. **ADJOURNMENT**

Memo

Date: April 27, 2012

To: Michael Overton, County Administrator
Commissioner David Lutchka, Chair, County Affairs & Agencies Committee
Amanda Riska, County Clerk

From: Amy Torres and Debbie Kelly, JCBRA Staff

RE: Resolution approving the Amended Brownfield Redevelopment Plan for K2 Property, LLC in Summit Township and Public Hearing.

The JCBRA approved the Amended Brownfield Plan for 1359 and 1361 Old McDevitt at their April 5, 2012 Board Meeting, for K2 Property, LLC (a.k.a. Klavon's Pizzeria & Pub). The need to amend the existing Brownfield Plan exists for two reasons:

- 1) Klavon's purchased a second parcel of land to accommodate additional parking and would like to add it to the Plan; and
- 2) Reference to school tax collection, as noted in the original Plan, has been removed.

The cost of preparing the Amended Brownfield Plan is estimated at \$1,250. This cost is being borne by the Jackson County Brownfield Redevelopment Authority (JCBRA) and is funded by the U.S. EPA Assessment Grant. The cost will be refunded through future tax increment collection.

A copy of the Amended Brownfield Plan is attached along with the proposed resolution, and public hearing notice. The Brownfield Plan will be presented to the Summit Township Board at their May 8, 2012 meeting, which we expect will result in adoption of a resolution supporting the project.

Requested action at this time is to remind the board of the Public Hearing, scheduled for the May 15, 2012 County Commission Meeting at 7:10 p.m., and to approve a resolution approving the County's Amended Brownfield Plan for the K2 Property, LLC. **Please place this item on the May 7, 2012 County Affairs & Agencies Agenda for consideration. JCBRA Staff will be in attendance to answer any questions.**

cc: David Stegink, Envirologic Technologies, Inc.
James R. Dunn, Summit Township Supervisor



**JACKSON COUNTY, MICHIGAN
BROWNFIELD REDEVELOPMENT AUTHORITY**

**AMENDED BROWNFIELD PLAN
FOR A SITE AT**

**1359 AND 1361 OLD MCDEVITT
SUMMIT TOWNSHIP, MICHIGAN**

MARCH 16, 2012

Prepared for:

**Jackson County Brownfield Redevelopment Authority
One Jackson Square, Suite 1100
Jackson, Michigan 49201**

Prepared with the assistance of:

**ENVIROLOGIC TECHNOLOGIES, INC.
2960 Interstate Parkway
Kalamazoo, Michigan 49048 (269) 342-1100**

Recommended for Approval by the Brownfield Redevelopment Authority on: _____

Approved by the County Commission on: _____

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ATTACHMENTS

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| ATTACHMENT A: | <i>Figures</i> <i>Location Map: USGS Topographic Map</i> <i>Site Plan</i> |
| ATTACHMENT B: | <i>Notice of Public Hearing</i> |
| ATTACHMENT C: | <i>Notice to Taxing Jurisdictions</i> |
| ATTACHMENT D: | <i>Resolution Approving a Brownfield Plan</i> <i>Assessor's determination of functional obsolescence</i> |



AMENDED BROWNFIELD PLAN

1359 AND 1361 OLD MCDEVITT SUMMIT TOWNSHIP, MICHIGAN

I. GENERAL DEFINITIONS AS USED IN THIS PLAN

1996 PA 381 Sec. 2

(a) "Additional response activities" means response activities identified as part of a brownfield plan that are in addition to baseline environmental assessment activities and due care activities for an eligible property.

(b) "Authority" means a brownfield redevelopment authority created under this act.

(c) "Baseline environmental assessment" means that term as defined in Section 20101 of the Natural Resources and Environmental Protection Act (NREPA) 1994 PA 451, MCL 324.20101.

(d) "Baseline environmental assessment activities" means those response activities identified as part of a brownfield plan that are necessary to complete a baseline environmental assessment for an eligible property in the brownfield plan.

(e) "Blighted" means property that meets any of the following criteria as determined by the governing body:

(i) Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

(ii) Is an attractive nuisance to children because of physical condition, use, or occupancy.

(iii) Is a fire hazard or is otherwise dangerous to the safety of persons or property.

(iv) Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.

(v) Is tax-reverted property owned by a qualified local governmental unit, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a qualified local governmental unit, county, or this state after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of this act.

(vi) Is property owned or under the control of a Land Bank Fast Track authority under the Land Bank Fast Track Act, whether or not located within a qualified local governmental

unit. Property included within a brownfield plan prior to the date it meets the requirements of this subdivision to be eligible property shall be considered to become eligible property as of the date the property is determined to have been or becomes qualified as, or is combined with, other eligible property. The sale, lease, or transfer of the property by a Land Bank Fast Track authority after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of this act.

(vii) Has substantial subsurface demolition debris buried on site so that the property is unfit for its intended use.

(f) "Board" means the governing body of an authority.

(g) "Brownfield plan" means a plan that meets the requirements of Section 13 and is adopted under Section 14.

(h) "Captured taxable value" means the amount in one year by which the current taxable value of an eligible property subject to a brownfield plan, including the taxable value or assessed value, as appropriate, of the property for which specific taxes are paid in lieu of property taxes, exceeds the initial taxable value of that eligible property. The state tax commission shall prescribe the method for calculating captured taxable value.

(i) "Chief executive officer" means the mayor of a city, the village manager of a village, the township supervisor of a township, or the county executive of a county or, if the county does not have an elected county executive, the chairperson of the county board of commissioners.

(j) "Department" means the Department of Environmental Quality (DEQ).

(k) "Due care activities" means those response activities identified as part of a brownfield plan that are necessary to allow the owner or operator of an eligible property in the plan to comply with the requirements of Section 20107a of the NREPA, 1994 PA 451, MCL 324.20107a.

(l) "Economic opportunity zone" means one or more parcels of property that meet all of the following:

(i) That together are 40 or more acres in size.

(ii) That contain a manufacturing facility that consists of 500,000 or more square feet.

(iii) That are located in a municipality that has a population of 30,000 or less and that is contiguous to a qualified local governmental unit.

(m) "Eligible activities" or "eligible activity" means one or more of the following:

(i) Baseline environmental assessment activities.

(ii) Due care activities.

(iii) Additional response activities.

(iv) For eligible activities on eligible property that was used or is currently used for commercial, industrial, or residential purposes that is in a qualified local governmental unit, that is owned or under the control of a Land Bank Fast Track authority, or that is located in an economic opportunity zone, and is a facility, functionally obsolete, or blighted, and except for purposes of Section 38d of former 1975 PA 228, the following additional activities:

(A) Infrastructure improvements that directly benefit eligible property.

(B) Demolition of structures that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(C) Lead or asbestos abatement.

(D) Site preparation that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(E) Assistance to a Land Bank Fast Track authority in clearing or quieting title to, or selling or otherwise conveying, property owned or under the control of a Land Bank Fast Track authority or the acquisition of property by the Land Bank Fast Track authority if the acquisition of the property is for economic development purposes.

(F) Assistance to a qualified local governmental unit or authority in clearing or quieting title to, or selling or otherwise conveying, property owned or under the control of a qualified local governmental unit or authority or the acquisition of property by a qualified local governmental unit or authority if the acquisition of the property is for economic development purposes.

(v) Relocation of public buildings or operations for economic development purposes.

(vi) For eligible activities on eligible property that is a qualified facility that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted, the following additional activities:

(A) Infrastructure improvements that directly benefit eligible property.

(B) Demolition of structures that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(C) Lead or asbestos abatement.



(D) Site preparation that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(vii) For eligible activities on eligible property that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted, the following additional activities:

(A) Demolition of structures that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(B) Lead or asbestos abatement.

(viii) Reasonable costs of developing and preparing brownfield plans and work plans.

(ix) For property that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted, that is a former mill that has not been used for industrial purposes for the immediately preceding two years, that is located along a river that is a federal superfund site listed under the Comprehensive Environmental Response, Compensation, and Liability act (CERCLA) of 1980, 42 USC 9601 to 9675, and that is located in a city with a population of less than 10,000 persons, the following additional activities:

(A) Infrastructure improvements that directly benefit the property.

(B) Demolition of structures that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(C) Lead or asbestos abatement.

(D) Site preparation that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(x) For eligible activities on eligible property that is located north of the 45th parallel, that is a facility, functionally obsolete, or blighted, and the owner or operator of which makes new capital investment of \$250,000,000.00 or more in this state, the following additional activities:

(A) Demolition of structures that is not response activity under Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(B) Lead or asbestos abatement.

(xi) Reasonable costs of environmental insurance.



(n) Except as otherwise provided in this subdivision, "eligible property" means property for which eligible activities are identified under a brownfield plan that was used or is currently used for commercial, industrial, public, or residential purposes, including personal property located on the property, to the extent included in the brownfield plan, and that is 1 or more of the following:

(i) Is in a qualified local governmental unit and is a facility, functionally obsolete, or blighted and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

(ii) Is not in a qualified local governmental unit and is a facility, and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

(iii) Is tax reverted property owned or under the control of a Land Bank Fast Track authority.

(iv) Is not in a qualified local governmental unit, is a qualified facility, and is a facility, functionally obsolete, or blighted, if the eligible activities on the property are limited to the eligible activities identified in subdivision (m)(vi).

(v) Is not in a qualified local governmental unit and is a facility, functionally obsolete, or blighted, if the eligible activities on the property are limited to the eligible activities identified in subdivision (m)(vii).

(vi) Is not in a qualified local governmental unit and is a facility, functionally obsolete, or blighted, if the eligible activities on the property are limited to the eligible activities identified in subdivision (m)(ix).

(vii) Is located north of the 45th parallel, is a facility, functionally obsolete, or blighted, and the owner or operator makes new capital investment of \$250,000,000.00 or more in this state. Eligible property does not include qualified agricultural property exempt under Section 7ee of the General Property Tax Act, 1893 PA 206, MCL 211.7ee, from the tax levied by a local school district for school operating purposes to the extent provided under Section 1211 of the Revised School Code, 1976 PA 451, MCL 380.1211.

(viii) Is a transit-oriented development.

(ix) Is a transit-oriented facility.

(o) "Environmental insurance" means liability insurance for environmental contamination and cleanup that is not otherwise required by state or federal law.

(p) "Facility" means that term as defined in Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(q) "Fiscal year" means the fiscal year of the authority.

(r) "Functionally obsolete" means that the property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.

(s) "Governing body" means the elected body having legislative powers of a municipality creating an authority under this act.

(t) "Infrastructure improvements" means a street, road, sidewalk, parking facility, pedestrian mall, alley, bridge, sewer, sewage treatment plant, property designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, drainage system, waterway, waterline, water storage facility, rail line, utility line or pipeline, transit-oriented development, transit-oriented facility, or other similar or related structure or improvement, together with necessary easements for the structure or improvement, owned or used by a public agency or functionally connected to similar or supporting property owned or used by a public agency, or designed and dedicated to use by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity, provided that any road, street, or bridge shall be continuously open to public access and that other property shall be located in public easements or rights-of-way and sized to accommodate reasonably foreseeable development of eligible property in adjoining areas.

(u) "Initial taxable value" means the taxable value of an eligible property identified in and subject to a brownfield plan at the time the resolution adding that eligible property in the brownfield plan is adopted, as shown either by the most recent assessment roll for which equalization has been completed at the time the resolution is adopted or, if provided by the brownfield plan, by the next assessment roll for which equalization will be completed following the date the resolution adding that eligible property in the brownfield plan is adopted. Property exempt from taxation at the time the initial taxable value is determined shall be included with the initial taxable value of zero. Property for which a specific tax is paid in lieu of property tax shall not be considered exempt from taxation. The state tax commission shall prescribe the method for calculating the initial taxable value of property for which a specific tax was paid in lieu of property tax.

(v) "Land Bank Fast Track Authority" means an authority created under the Land Bank Fast Track Act, 2003 PA 258, MCL 124.751 to 124.774.

(w) "Local taxes" means all taxes levied other than taxes levied for school operating purposes.

(x) "Municipality" means all of the following:

(i) A city.



(ii) A village.

(iii) A township in those areas of the township that are outside of a village.

(iv) A township in those areas of the township that are in a village upon the concurrence by resolution of the village in which the zone would be located.

(v) A county.

(y) "Owned or under the control of" means that a Land Bank Fast Track authority has one or more of the following:

(i) An ownership interest in the property.

(ii) A tax lien on the property.

(iii) A tax deed to the property.

(iv) A contract with this state or a political subdivision of this state to enforce a lien on the property.

(v) A right to collect delinquent taxes, penalties, or interest on the property.

(vi) The ability to exercise its authority over the property.

(z) "Qualified facility" means a landfill facility area of 140 or more contiguous acres that is located in a city and that contains a landfill, a material recycling facility, and an asphalt plant that are no longer in operation.

(aa) "Qualified local governmental unit" means that term as defined in the Obsolete Property Rehabilitation Act, 2000 PA 146, MCL 125.2781 to 125.2797.

(bb) "Qualified taxpayer" means that term as defined in Sections 38d and 38g of former 1975 PA 228, or Section 437 of the Michigan Business Tax Act, 2007 PA 36, MCL 208.1437.

(cc) "Response activity" means that term as defined in Section 20101 of the NREPA, 1994 PA 451, MCL 324.20101.

(dd) "Specific taxes" means a tax levied under 1974 PA 198, MCL 207.551 to 207.572; the Commercial Redevelopment Act, 1978 PA 255, MCL 207.651 to 207.668; the Enterprise Zone Act, 1985 PA 224, MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181 to 211.182; the Technology Park Development Act, 1984 PA 385, MCL 207.701 to 207.718; the Obsolete Property Rehabilitation Act, 2000 PA 146, MCL 125.2781 to 125.2797; the Neighborhood Enterprise Zone Act, 1992 PA 147, MCL 207.771 to 207.786; the Commercial Rehabilitation Act, 2005 PA 210, MCL 207.841 to 207.856; or that portion of the tax levied under the Tax Reverted Clean Title Act, 2003

PA 260, MCL 211.1021 to 211.1026, that is not required to be distributed to a Land Bank Fast Track authority.

(ee) "Tax increment revenues" means the amount of ad valorem property taxes and specific taxes attributable to the application of the levy of all taxing jurisdictions upon the captured taxable value of each parcel of eligible property subject to a brownfield plan and personal property located on that property. Tax increment revenues exclude ad valorem property taxes specifically levied for the payment of principal of and interest on either obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit, and specific taxes attributable to those ad valorem property taxes. Tax increment revenues attributable to eligible property also exclude the amount of ad valorem property taxes or specific taxes captured by a downtown development authority, tax increment finance authority, or local development finance authority if those taxes were captured by these other authorities on the date that eligible property became subject to a brownfield plan under this act.

(ff) "Taxable value" means the value determined under Section 27a of the General Property Tax Act, 1893 PA 206, MCL 211.27a.

(gg) "Taxes levied for school operating purposes" means all of the following:

(i) The taxes levied by a local school district for operating purposes.

(ii) The taxes levied under the State Education Tax Act, 1993 PA 331, MCL 211.901 to 211.906.

(iii) That portion of specific taxes attributable to taxes described under subparagraphs (i) and (ii).

(hh) "Transit-oriented development" means infrastructure improvements that are located within 1/2 mile of a transit station or transit-oriented facility that promotes transit ridership or passenger rail use as determined by the board and approved by the municipality in which it is located.

(ii) "Transit-oriented facility" means a facility that houses a transit station in a manner that promotes transit ridership or passenger rail use.

(jj) "Work plan" means a plan that describes each individual activity to be conducted to complete eligible activities and the associated costs of each individual activity.

(kk) "Zone" means, for an authority established before June 6, 2000, a brownfield redevelopment zone designated under this act.



II. ELIGIBLE PROPERTIES

1359 AND 1361 OLD MCDEVITT SUMMIT TOWNSHIP JACKSON COUNTY, MICHIGAN

Introduction

This is an Amendment to a Brownfield Plan authored on April 7, 2011 and adopted by the Jackson County Board of Commissioners on May 17, 2011. The original Brownfield Plan was for a property at 1361 Old Mcdevitt in Summit Township. This amendment is intended to add an additional parcel to the Brownfield Plan (1359 Old Mcdevitt) and remove the capture of the school tax increment after the project failed to receive support from the Michigan Economic Growth Authority (MEGA).

The properties contained within in this Brownfield Plan amendment include two parcels of land located near the intersection of E. Mcdevitt Road and U.S. 127 in Summit Township. The tax identification numbers of the two parcels are 000-13-24-253-027-01 (1359 Old Mcdevitt) and 000-13-24-253-027-02 (1361 Old Mcdevitt).

The parcel at 1359 Old Mcdevitt is legally described as:

Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence west 2016.9 feet along the east and west ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended south; thence North 15 degrees 42' east a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this description; thence continuing North 15 degrees 42' East along said Easterly line of Oak Lane Road 80.37 feet to the Southerly line of old McDevitt Road; thence North 82 degrees 09'30" East along said Southerly line of old McDevitt Road 237.70 feet to the Westerly line of a clear vision area of Highway US-127 and M-50; thence South 55 degrees 23' East along said Westerly line of clear vision area 109.14 feet; thence South 82 degrees 09' 30" West 350.32 feet to the place of beginning.

Subject to an easement described as: Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence West 2016.9 feet along the East and West ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended South; thence North 15 degrees 42' East a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this easement description; thence continuing along the Easterly line of said Oak Lane Road

North 15 degrees 42' East 40.0 feet; thence South 50 degrees 41' 48" east 50.02 feet; thence South 82 degrees 09' 30" West 50.00 feet to the place of beginning of this description.

The property at 1361 Old Mcdevitt is legally described as:

BEG AT E 1/4 POST OF SEC 24 TH W 2016.9 FT ALG E&W 1/4 LN OF SD SEC TO ELY LN OF OAK LANE RD EXTENDED S TH N 15DEG 42'E 72.33 FT ALG ELY LN OF OAK LANE RD EXTENDED S TO NLY LN OF RELOCATION OF MCDEVITT RD TO A PT FOR PL OF BEG OF THIS DESCN TH N 15DEG 42'E ALG ELY LN OF OAK LANE RD 126.18 FT TH N 82DEG 09'30"E 350.32 FT TO WLY LN OF CLEAR VISION AREA OF HWY US-127 AND M-50 TH S 55DEG 23'E ALG SD WLY LN OF CLEAR VISION AREA 139.06 FT TH S 18DEG 33'W 85.75 FT TO NLY LN OF MCDEVITT RD RELOCATION TH S 88DEG 56'W 468.30 FT TO BEG SEC 24 T3S R1W

The property at 1361 Old Mcdevitt has been acquired by K2 Property, LLC. The property was historically occupied by a former single-story grocery store building and was most recently used by a retail store, Browse and Bargain. The building will be demolished and a new 7000- to 8000-square-foot restaurant will be constructed on the property. The new investment will include building construction, electrical, plumbing, HVAC, security, sound/AV systems, cash register systems, phone systems, signage and décor, bar and kitchen equipment and furniture, landscaping, and parking lot. Total investment anticipated, including property acquisition costs, is \$1,228,500.

The property at 1359 Old Mcdevitt will also be acquired by K2 Property, LLC. This parcel will be used to provide additional parking space and entryways to the restaurant. This property was formerly a gasoline service station. Extensive environmental activities have previously been completed at the site including removal of the underground storage tanks, removal of the inground hydraulic hoists, demolition of the former building, and environmental investigations of soil and groundwater quality. K2 Property, LLC will utilize this property to provide an entranceway to the new restaurant. A portion of the property (estimated at 80%) will be paved for either drives or parking spaces. The remaining 20% of the property will be landscaped or left vacant.

Basis of Eligibility

The property at 1361 Old Mcdevitt is an “eligible property” based on the designation of the property as “functionally obsolete”. The property has been evaluated by the Summit Township

Assessor, a Level 3 Assessor, and determined to meet the definition of “functionally obsolete” as defined in PA 381 of 1996. A copy of the determination is provided in Attachment D. The basis upon which the property was deemed functionally obsolete includes the age of the building (40+ years) and deferred maintenance of the entire structure. According to the Township Assessor, *“the building is of low cost construction in below average to poor condition for structure including roof. In current condition, functionality for retail that requires more than warehouse-type display would require major renovation. Functionality of technology and plumbing are inadequate and would require upgrades for use in a food service business that may not be cost effective”*.

The property at 1359 Old Mcdevitt is an “eligible property” based on the presence of petroleum related contamination remaining at the property from its former use as a gasoline service station. Specifically, the results of the most recently completed environmental investigation (AKT Peerless, June 11, 2003) identified, but is not limited to:

- Methyl-tert-butyl ether (MTBE) in groundwater in excess of the Residential Drinking Water Cleanup Criteria
- 1,2,4-Trimethylbenzene, 1,3,5-trimethylbenzene, benzene, ethylbenzene, xylenes, and cadmium in soil at levels exceeding the generic Residential Drinking Water Protection Cleanup Criteria
- Arsenic and lead in soil at levels exceeding Residential Direct Contact Cleanup Criteria

These data demonstrate that the site is a “facility” as defined by Part 201 of NREPA and thus an “eligible property” for this Brownfield Plan.

The Plan

(a) A description of the costs of the plan intended to be paid for with tax increment revenues (Section 13(1)(a))

This Brownfield Plan anticipates acquisition of the property and redevelopment of the site as a restaurant. This Plan anticipates an investment in real and personal property of \$1,228,500 in the property.

Potential MDEQ and MEGA costs eligible for reimbursement under this Plan include the following:

- Costs of Preparing Brownfield Plan and amendments (\$8,750)
- Costs of Environmental Assessment Activities (\$12,200)

- Abatement of asbestos-containing building materials (\$22,500)
- Site and Building Demolition (\$32,000)
- Authority expenses in adoption/implementation of the Brownfield Plan (\$5,000)
- Contingencies (15%)

The cost of preparing the original Brownfield Plan and this amendment is estimated at \$8,750. This cost is being borne by the Jackson County Brownfield Redevelopment Authority. Additional costs (estimated at \$5,000) may be borne by the Authority for publication costs of public hearing notices and other eligible Authority administrative activities.

The Authority has also funded environmental assessment activities at both properties including a Phase I Environmental Site Assessments, Baseline Environmental Assessment, Due Care Plan, geophysical survey and survey for asbestos-containing building materials. The total cost for environmental assessment activities is \$12,200.

Asbestos-containing materials identified included floor tile and mastic throughout the building. Roofing material is also presumed to be asbestos-containing. Costs for abatement of the asbestos including removal, disposal, air sampling, and equipment costs are estimated at \$22,500.

Demolition costs include building demolition and site demolition (removal of slabs and old utility lines, abandonment of septic system, abandonment of a groundwater monitoring well, etc.). For the parcel at 1359 Old Mcdevitt, removal of old slabs and building debris may require disposal since materials may be intermixed with contaminated soil. These costs are estimated at \$32,000.

Upon full reimbursement for these *actual* eligible costs, the tax increment will be captured for placement in the Local Site Remediation Revolving Fund (LSSRF) for five full years.

This Brownfield Plan anticipates the capture of personal property taxes and local taxes.

This Brownfield Plan does not anticipate the capture of State (school) taxes.

This Plan does not intend to pay for interest expense.



**(b) A brief summary of the eligible activities that are proposed for each eligible property
(Section 13(1)(b))**

Eligible activities that will be or have been completed at this site include baseline environmental assessment activities (Phase I Environmental Site Assessment, Baseline Environmental Assessment, Due Care Plan, geophysical survey and survey for asbestos-containing materials), asbestos abatement, building and site demolition, preparation of the Brownfield Plan (including amendments and an Act 381 Work plan) and eligible Authority expenses. Refer to Table 1.



- (c) An estimate of the captured taxable value and tax increment revenues for each year of the plan from each parcel of eligible property. (Section 13(1)(c))**

Refer to Table 2 and 2a.

- (d) The method by which the costs of the plan will be financed, including a description of any advances made or anticipated to be made for the costs of the plan from the municipality. (Section 13(1)(d))**

Costs for development of the Environmental Site Assessments, Asbestos Survey, Geophysical Survey, and Brownfield Plan were financed by the Jackson County Brownfield Redevelopment Authority utilizing a U.S. EPA Brownfield Assessment Grant. No advances are anticipated. Table 5 provides the estimated schedule for repayment to the developer (K2 Property, LLC) and the Jackson County Brownfield Redevelopment Authority.

- (e) The maximum amount of note or bonded indebtedness to be incurred, if any. (Section 13(1)(e))**

The Authority has no plans to incur indebtedness at this time, though such plans could be made in the future, if appropriate to support development of this site.

- (f) The duration of the Brownfield Plan, which shall not exceed the lesser of the period authorized under subsections (4) and (5) or 30 years. (Section 13(1)(f))**

This Plan anticipates that the investment in the property will occur in 2012-13. The County intends to implement the Plan the tax year following private investment on the property (i.e., anticipates initiating this Plan in 2013). This Plan will then remain in place until the eligible activities have been fully reimbursed or 30 years, whichever occurs sooner.



Table 1

Summary of Eligible Costs to be Reimbursed by Brownfield Plan

1359 and 1361 Old Mcdevitt
Summit Township, Michigan

| MDEQ Eligible Activities* | | Estimated Cost |
|-----------------------------------------------------|--------------------|-----------------------|
| <u>BEA Activities</u> | County BRA | \$ 12,200.00 |
| <u>Due Care Activities</u> | | |
| <u>Additional Response Activities</u> | | |
| Total MDEQ Eligible Activities | | \$ 12,200.00 |
| Contingencies (15%) | | \$ 1,830.00 |
| Financing Costs | | \$ - |
| TOTAL MDNRE ELIGIBLE COSTS AND CONTINGENCIES | | \$ 14,030.00 |
| MEGA Eligible Activities | | |
| Brownfield Plan and Amendments | County BRA | \$ 8,750.00 |
| Site and Building Demolition | K2 Properties, LLC | \$ 32,000.00 |
| Asbestos Abatement | K2 Properties, LLC | \$ 22,500.00 |
| Total MEGA Eligible Activity Costs | | \$ 63,250.00 |
| Contingencies (15%) | | \$ 9,487.50 |
| Financing Costs | | |
| TOTAL MEGA ELIGIBLE COSTS AND CONTINGENCIES | | \$ 72,737.50 |
| Authority Expense | County BRA | \$ 5,000.00 |
| TOTAL BROWNFIELD PLAN ELIGIBLE COSTS | | \$ 91,767.50 |
| TOTAL REIMBURSEMENT TO DEVELOPER | | \$62,675.00 |
| TOTAL REIMBURSEMENT TO COUNTY BRA | | \$ 29,092.50 |
| TOTAL REIMBURSEMENT TO LSRRF | | \$ 30,699.88 |

Table 2

Estimate of Total Captured Incremental Taxes

1361 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-02 Real and Personal Property

| Year | Annual Total Millage† | Initial Taxable Value (Real and Personal Property) | Tax Revenues from Initial Taxable Value | Estimated Future Taxable Value | Estimated Future Tax Revenues | Incremental Tax Revenues | Available for Capture |
|------|-----------------------|----------------------------------------------------|-----------------------------------------|--------------------------------|-------------------------------|--------------------------|-----------------------|
| 2013 | 18.3216 | \$ 29,296.00 | \$ 536.75 | \$ 322,000.00 | \$ 5,899.56 | \$ 5,362.81 | \$ 5,362.81 |
| 2014 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2015 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2016 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2017 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2018 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2019 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2020 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2021 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2022 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2023 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2024 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2025 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2026 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2027 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2028 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2029 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2030 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2031 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2032 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2033 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |
| 2034 | 18.3216 | \$ 29,296.00 | 536.75 | \$ 322,000.00 | 5,899.56 | 5,362.81 | \$ 5,362.81 |

† - Does not include debt or school millages, based on millages from 2010

Table 2a

Estimate of Total Captured Incremental Taxes

1359 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-01 Real and Personal Property

| Year | Annual Total Millage† | Initial Taxable Value (Real and Personal Property) | Tax Revenues from Initial Taxable Value | Estimated Future Taxable Value | Estimated Future Tax Revenues | Incremental Tax Revenues | Available for Capture |
|------|-----------------------------|-------------------------------------------------------------|-----------------------------------------------------|-----------------------------------|----------------------------------|-----------------------------|--------------------------|
| 2013 | 18.3216 | \$ 16,700.00 | \$ 305.97 | \$ 32,000.00 | \$ 586.29 | \$ 280.32 | \$ 280.32 |
| 2014 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2015 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2016 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2017 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2018 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2019 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2020 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2021 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2022 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2023 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2024 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2025 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2026 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2027 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2028 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2029 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2030 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2031 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2032 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2033 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |
| 2034 | 18.3216 | \$ 16,700.00 | 305.97 | \$ 32,000.00 | 586.29 | 280.32 | \$ 280.32 |

† - Does not include debt or school millages, based on millages from 2010

- (g) An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is located. (Section 13(1)(g))**

Refer to Tables 3, 3a, 4, 4a, and 5.

- (h) A legal description of each parcel of eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, a statement of the characteristics that qualify the property as eligible property and a statement of whether personal property is included as part of the eligible property. (Section 13(1)(h))**

The properties contained within in this Brownfield Plan amendment include two parcels of land located near the intersection of E. Mcdevitt Road and U.S. 127 in Summit Township. The tax identification numbers of the two parcels are 000-13-24-253-027-01 (1359 Old Mcdevitt) and 000-13-24-253-027-02 (1361 Old Mcdevitt).

The parcel at 1359 Old Mcdevitt is legally described as:

Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence west 2016.9 feet along the east and west ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended south; thence North 15 degrees 42' east a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this description; thence continuing North 15 degrees 42' East along said Easterly line of Oak Lane Road 80.37 feet to the Southerly line of old McDevitt Road; thence North 82 degrees 09'30" East along said Southerly line of old McDevitt Road 237.70 feet to the Westerly line of a clear vision area of Highway US-127 and M-50; thence South 55 degrees 23' East along said Westerly line of clear vision area 109.14 feet; thence South 82 degrees 09' 30" West 350.32 feet to the place of beginning.

Subject to an easement described as: Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence West 2016.9 feet along the East and West ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended South; thence North 15 degrees 42' East a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this easement description; thence continuing along the Easterly line of said Oak Lane Road North 15 degrees 42' East 40.0 feet; thence South 50 degrees 41' 48" east 50.02 feet; thence South 82 degrees 09' 30" West 50.00 feet to the place of beginning of this description.

The property at 1361 Old Mcdevitt is legally described as:

BEG AT E 1/4 POST OF SEC 24 TH W 2016.9 FT ALG E&W 1/4 LN OF SD SEC TO ELY LN OF OAK LANE RD EXTENDED S TH N 15DEG 42'E 72.33 FT ALG ELY LN OF OAK LANE RD EXTENDED S TO NLY LN OF RELOCATION OF MCDEVITT RD TO A PT FOR PL OF BEG OF THIS DESCN TH N 15DEG 42'E ALG ELY LN OF OAK LANE RD 126.18 FT TH N 82DEG 09'30"E 350.32 FT TO WLY LN OF CLEAR VISION AREA OF HWY US-127 AND M-50 TH S 55DEG 23'E ALG SD WLY LN OF CLEAR VISION AREA 139.06 FT TH S 18DEG 33'W 85.75 FT TO NLY LN OF MCDEVITT RD RELOCATION TH S 88DEG 56'W 468.30 FT TO BEG SEC 24 T3S R1W

A map showing the location of the property is included in Attachment A.

The property at 1361 Old Mcdevitt has been determined to be “functionally obsolete” and is thus an “eligible property”. The property at 1359 Old Mcdevitt is a “facility” as defined by Part 201 and thus an “eligible property”.

Personal property will be included as part of the eligible property.

(i) Estimates of the number of persons residing on each eligible property to which the plan applies and the number of families and individuals to be displaced. (Section 13(1)(i))

No residences exist on the property.



(j) A plan for establishing priority for the relocation of persons displaced by implementation of the plan. (Section 13(1)(j))

Not applicable.

(k) Provision for the costs of relocating persons displaced by implementation of the plan. (Section 13(1)(k))

Not applicable.

(l) A strategy for compliance with 1972 PA 227, MCL 213.321 to 213.332. (Section 13(1)(l))

Not applicable.

(m) A description of proposed use of the local site remediation revolving fund. (Section 13(1)(m))

The Brownfield Redevelopment Authority's Local Site Remediation Revolving Fund (LSRRF) will capture five full years of the tax increment after the eligible activities have been reimbursed.

(n) Other material that the authority or governing body considers pertinent. (Section 13(1)(n))

Not applicable.



Table 3

Estimate of Annual Captured Incremental Taxes for Each Affected Taxing Jurisdiction
(Real and Personal Property)

1361 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-02

| Taxing Jurisdiction | | Township | County | Library | JCC | ISD | School Debt 1992 | State Ed | School Operating | Total |
|------------------------|---------------|-----------|-------------|-----------|-----------|-------------|------------------|-------------|------------------|--------------|
| Millage | | 1.8168 | 5.9909 | 1.2593 | 1.1446 | 8.11 | 6.35 | 6 | 17.4174 | 48.089 |
| Initial Taxable Value | \$ 29,296.00 | \$ 53.22 | \$ 175.51 | \$ 36.89 | \$ 33.53 | \$ 237.59 | \$ 186.03 | \$ 175.78 | \$ 510.26 | \$ 1,408.82 |
| Future Taxable Value | \$ 322,000.00 | \$ 585.01 | \$ 1,929.07 | \$ 405.49 | \$ 368.56 | \$ 2,611.42 | \$ 2,044.70 | \$ 1,932.00 | \$ 5,608.40 | \$ 15,484.66 |
| Captured Taxable Value | \$ 292,704.00 | \$ 531.78 | \$ 1,753.56 | \$ 368.60 | \$ 335.03 | \$ 2,373.83 | | | | \$ 5,362.81 |

Plan does not include capture of debt or school millages

*Based on millages from 2010 taxes

| | |
|-------------------------------------------|--------------|
| Total Millages | 48.0890 |
| Total Non-School Millages | 18.3216 |
| Total School Millages | 29.7674 |
| Total Captured Millages | 18.3216 |
| Total Annual Tax Liability | \$ 15,484.66 |
| Total Annual Capturable Tax Increment | \$ 5,362.81 |
| Total School Tax Increment Capturable | \$ - |
| Total Non-School Tax Increment Capturable | \$ 5,362.81 |

Table 3a

Estimate of Annual Captured Incremental Taxes for Each Affected Taxing Jurisdiction
(Real and Personal Property)

1359 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-01

| Taxing Jurisdiction | | Township | County | Library | JCC | ISD | School Debt 1992 | State Ed | School Operating | Total |
|------------------------|--------------|----------|-----------|----------|----------|-----------|------------------|-----------|------------------|-------------|
| Millage | | 1.8168 | 5.9909 | 1.2593 | 1.1446 | 8.11 | 6.35 | 6 | 17.4174 | 48.089 |
| Initial Taxable Value | \$ 16,700.00 | \$ 30.34 | \$ 100.05 | \$ 21.03 | \$ 19.11 | \$ 135.44 | \$ - | \$ - | \$ - | \$ 305.97 |
| Future Taxable Value | \$ 32,000.00 | \$ 58.14 | \$ 191.71 | \$ 40.30 | \$ 36.63 | \$ 259.52 | \$ 106.05 | \$ 100.20 | \$ 290.87 | \$ 1,083.41 |
| Captured Taxable Value | \$ 15,300.00 | \$ 27.80 | \$ 91.66 | \$ 19.27 | \$ 17.51 | \$ 124.08 | | | | \$ 280.32 |

Plan does not include capture of debt or school millages

*Based on millages from 2010 taxes

| | |
|-------------------------------------------|-------------|
| Total Millages | 48.0890 |
| Total Non-School Millages | 18.3216 |
| Total School Millages | 29.7674 |
| Total Captured Millages | 18.3216 |
| Total Annual Tax Liability | \$ 1,083.41 |
| Total Annual Capturable Tax Increment | \$ 280.32 |
| Total School Tax Increment Capturable | \$ - |
| Total Non-School Tax Increment Capturable | \$ 280.32 |

Table 4

Captured Taxable Value and Tax Increment Revenue by Year and Aggregate for Each Taxing Jurisdiction

1361 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-02 Real and Personal Property

| Year | Captured Taxable Value | Township | County | Library | JCC | ISD | School Debt 1992 | State Ed | School Operating | Total |
|-----------------------------|------------------------|--------------|--------------|-------------|-------------|--------------|---------------------|----------|---------------------|---------------|
| | | 1.8168 | 5.9909 | 1.2593 | 1.1446 | 8.11 | 6.35 | 6 | 17.4174 | 48.089 |
| 2012 | \$ - | - | - | - | - | - | - | - | - | - |
| 2013 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2014 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2015 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2016 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2017 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2018 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2019 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2020 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2021 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2022 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2023 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2024 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2025 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2026 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2027 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2028 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2029 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2030 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2031 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2032 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2033 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| 2034 | \$ 292,704.00 | 531.78 | 1,753.56 | 368.60 | 335.03 | 2,373.83 | | | | 5,362.81 |
| TOTAL CAPTURED TAXES | | \$ 10,103.91 | \$ 33,317.65 | \$ 7,003.44 | \$ 6,365.55 | \$ 45,102.76 | \$ - | \$ - | \$ - | \$ 101,893.31 |

Table 4a

Captured Taxable Value and Tax Increment Revenue by Year and Aggregate for Each Taxing Jurisdiction

1359 Old Mcdevitt
Summit Township, Michigan

Parcel 000-13-24-253-027-01 Real and Personal Property

| Year | Captured Taxable Value | Township | County | Library | JCC | ISD | School Debt 1992 | State Ed | School Operating | Total |
|-----------------------------|---------------------------|-----------|-------------|-----------|-----------|-------------|---------------------|----------|---------------------|-------------|
| | | 1.8168 | 5.9909 | 1.2593 | 1.1446 | 8.11 | 6.35 | 6 | 17.4174 | 48.089 |
| 2012 | \$ - | - | - | - | - | - | - | - | - | - |
| 2013 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2014 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2015 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2016 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2017 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2018 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2019 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2020 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2021 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2022 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2023 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2024 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2025 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2026 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2027 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2028 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2029 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2030 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2031 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2032 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2033 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| 2034 | \$ 15,300.00 | 27.80 | 91.66 | 19.27 | 17.51 | 124.08 | | | | 280.32 |
| TOTAL CAPTURED TAXES | | \$ 528.14 | \$ 1,741.55 | \$ 366.08 | \$ 332.74 | \$ 2,357.58 | \$ - | \$ - | \$ - | \$ 5,326.09 |

Table 5

Reimbursement Schedule

1359 and 1361 Old Mcdevitt
Summit Township, Michigan

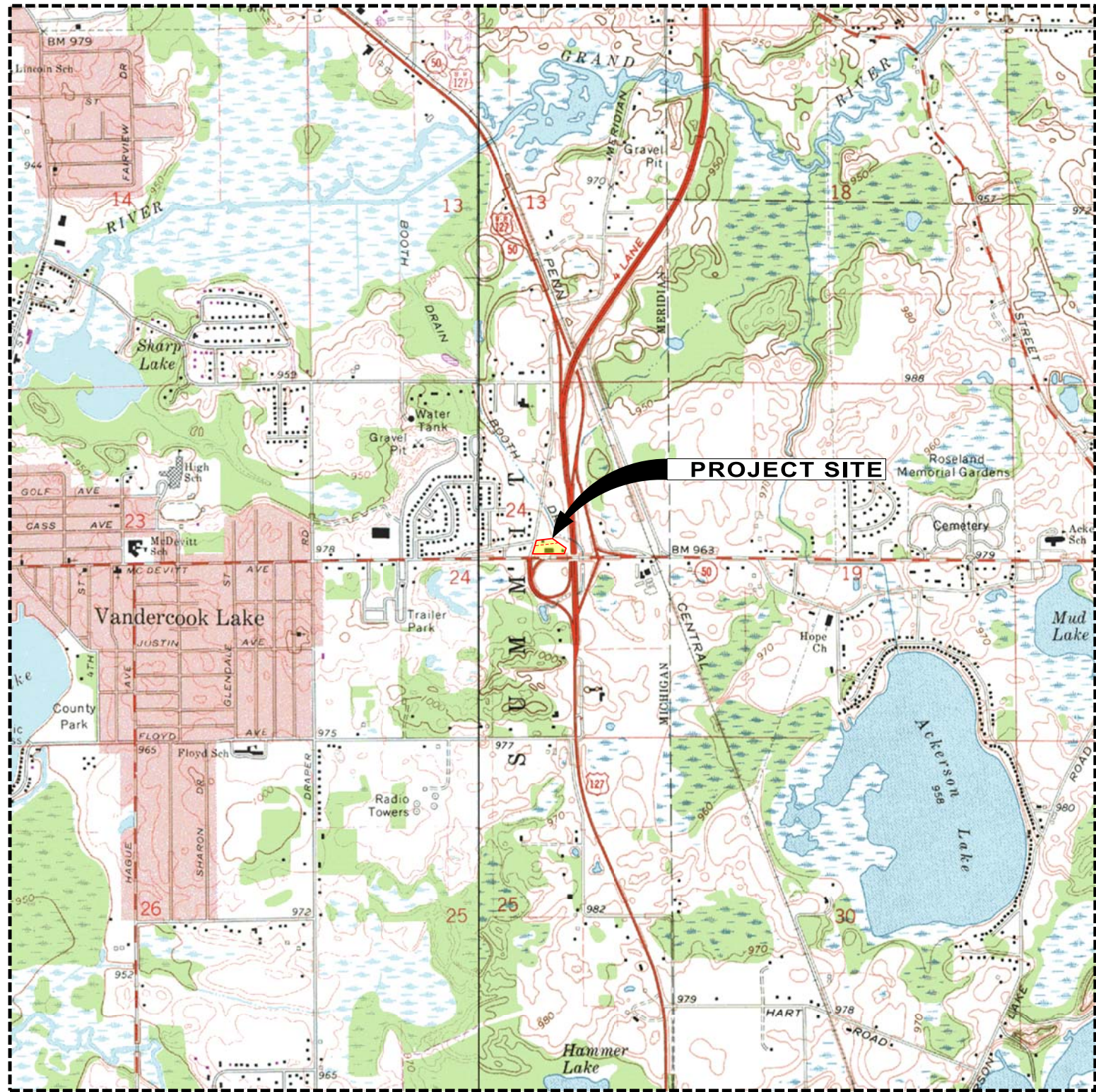
| Year | | Incremental Taxes Captured | Reimbursement to Developer | | Reimbursement to County BRA* | | Local Site Remediation Revolving Fund |
|------|-------------------------------------|-------------------------------|----------------------------|--------------|------------------------------|--------------|---------------------------------------------|
| | | | Annual | Aggregate | Annual | Aggregate | |
| 2012 | | \$ - | | | \$ - | \$ - | |
| 2013 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,643.13 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 5,643.13 | | | |
| 2014 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,643.13 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 11,286.25 | | | |
| 2015 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,643.13 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 16,929.38 | | | |
| 2016 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,643.13 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 22,572.50 | | | |
| 2017 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,643.13 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 28,215.63 | | | |
| 2018 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 33,578.44 | | | |
| 2019 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 38,941.25 | | | |
| 2020 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 44,304.06 | | | |
| 2021 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 49,666.87 | | | |
| 2022 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 55,029.68 | | | |
| 2023 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 5,362.81 | | | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 60,392.49 | | | |
| 2024 | Non-School Incremental Tax Captured | \$ 5,643.13 | \$ 2,282.51 | | \$ 3,360.62 | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | \$ 62,675.00 | | \$ 3,360.62 | |
| 2025 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | \$ 5,643.13 | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | \$ 9,003.74 | |
| 2026 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | \$ 5,643.13 | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | \$ 14,646.87 | |
| 2027 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | \$ 5,643.13 | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | \$ 20,289.99 | |
| 2028 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | \$ 5,643.13 | | |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | \$ 25,933.12 | |
| 2029 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | \$ 3,158.88 | | \$ 2,484.25 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | \$ 29,092.00 | |
| 2030 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 5,643.13 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | | |
| 2031 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 5,643.13 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | | |
| 2032 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 5,643.13 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | | |
| 2033 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 5,643.13 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | | |
| 2034 | Non-School Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 5,643.13 |
| | Total Incremental Tax Captured | \$ 5,643.13 | | | | | \$ 30,699.88 |

ATTACHMENT A

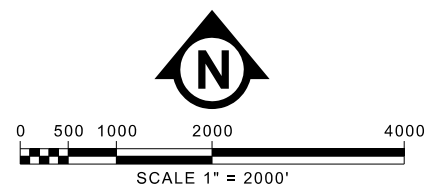
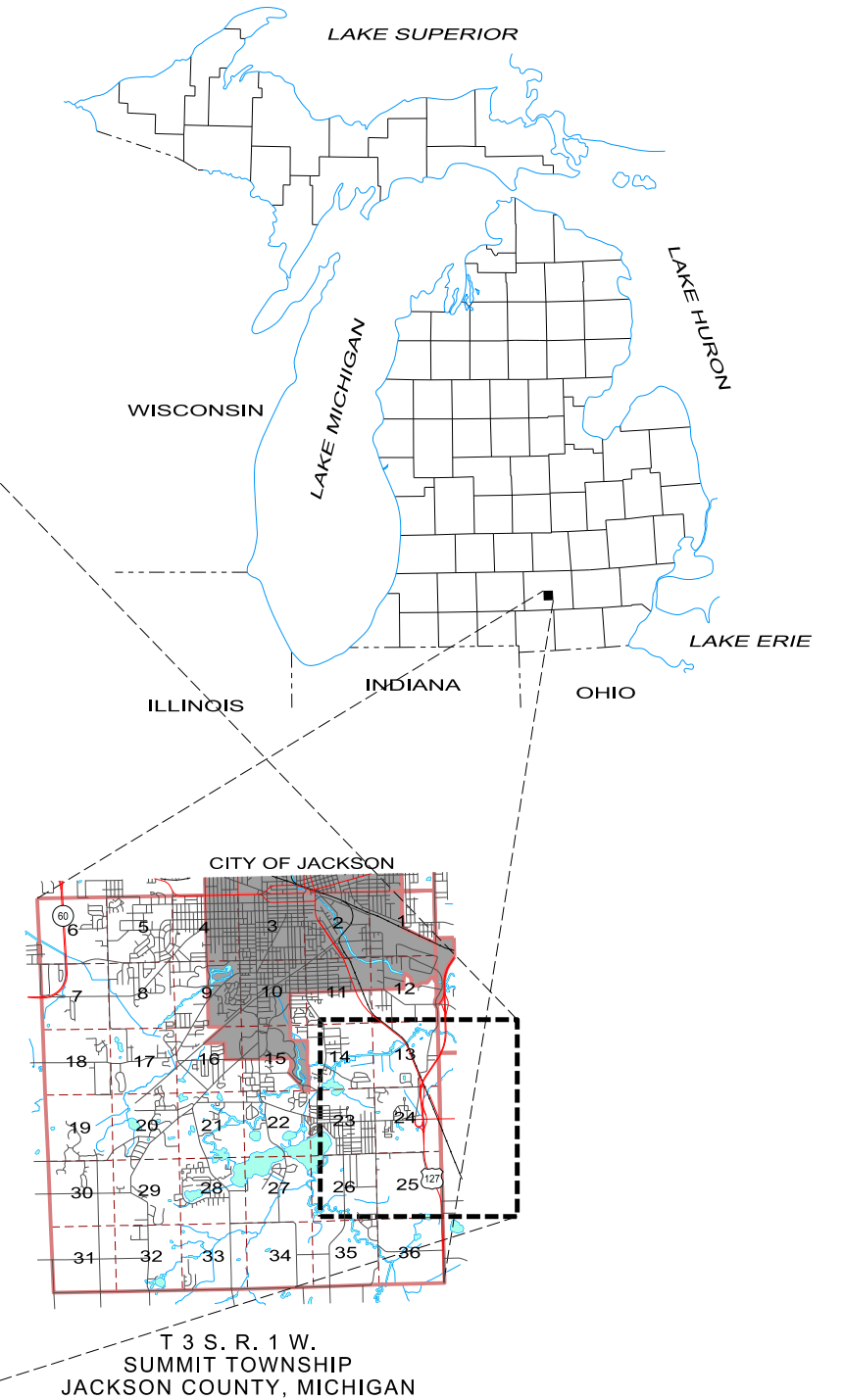
FIGURES

**Location Map: USGS Topographic Map
Site Plans**





SOURCE: JACKSON SOUTH AND MICHIGAN CENTER, MICHIGAN USGS 7.5 MINUTE TOPOGRAPHIC QUADRANGLE MAPS
 MAPTECH® U.S. TERRAIN SERIES™ ©MAPTECH®, INC. 606-433-8500



envirollogic
 environmental consulting + services
 2960 INTERSTATE PARKWAY
 KALAMAZOO, MICHIGAN 49048
 PH: (269) 342-1100 FAX: (269) 342-4945

COMMERCIAL PROPERTY
 1359 OLD McDEVITT ROAD
 JACKSON, MICHIGAN 49203
LOCATION MAP

PROJECT NO.
 120033
 FIGURE No.

1



NOTE: AERIAL PHOTOGRAPHY: 2007 COLOR ORTHOPHOTO, OBTAINED FROM THE JACKSON COUNTY ON LINE GIS VIEWER.

NOTE: THIS IS NOT A PROPERTY BOUNDARY SURVEY, PROPERTY BOUNDARIES SHOWN ON THIS MAP ARE BASED ON AVAILABLE FURNISHED INFORMATION AND ARE APPROXIMATE ONLY AND SHOULD NOT BE USED TO ESTABLISH PROPERTY BOUNDARY LOCATION IN THE FIELD.

COMMERCIAL PROPERTY
1359 AND 1361 OLD McDEVITT ROAD
JACKSON, MICHIGAN 49203

SITE PLAN


envirollogic
environmental consulting + services
2960 INTERSTATE PARKWAY
KALAMAZOO, MICHIGAN 49048
PH: (269) 342-1100 FAX: (269) 342-4945

PROJECT NO.
120033

FIGURE No.

2

ATTACHMENT B

NOTICE OF PUBLIC HEARING



ATTACHMENT C

NOTICE TO TAXING JURISDICTIONS



ATTACHMENT D

RESOLUTION APPROVING A BROWNFIELD PLAN

DETERMINATION OF FUNCTIONAL OBSOLESCENCE



JACKSON COUNTY, MICHIGAN

**RESOLUTION APPROVING AN AMENDED BROWNFIELD PLAN
BY THE COUNTY OF JACKSON
PURSUANT TO AND IN ACCORDANCE WITH
THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS
OF THE STATE OF MICHIGAN OF 1996, AS AMENDED**

At a regular meeting of the Board of Commissioners of Jackson County, Michigan, held in the County Tower Building located at 120 W. Michigan Ave., Jackson, Michigan, on the 15th day of May 2012, at 7:00 p.m.

PRESENT:

ABSENT:

MOTION BY:

SUPPORTED BY:

WHEREAS, the Jackson County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), have formally resolved to participate in the Brownfield Redevelopment Authority of Jackson County (JCBRA) (the "Authority") and have designated that all related activities shall proceed through the JCBRA; and

WHEREAS, the Authority, pursuant to and in accordance with Section 13 of the Act, has reviewed, adopted and recommended for approval by the Jackson County Board of Commissioners, the Amended Brownfield plan (the "Plan") attached hereto, to be carried out within Summit Township, relating to the redevelopment project proposed by K2 Property, LLC. located at 1359 and 1361 Old McDevitt in Summit Township, (the "Site"), as more particularly described and shown in Attachment "A" contained within the attached Plan; and

WHEREAS, the Jackson County Board of Commissioners and the County's taxing entities has reviewed the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding the Plan and in accordance with Sections 13 (13) of the Act; and

WHEREAS, the Jackson County Board of Commissioners has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a Brownfield plan set forth in Section 13 of the Act;

- C. The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and will not require the Authority to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. School taxes will not be captured in accordance with Plan; and

WHEREAS, as a result of its review of the Plan, the Jackson County Board of Commissioners concurs with approval of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. **Plan Approved.** Pursuant to the authority vested in the Jackson County Board of Commissioners by the Act, the Plan is hereby approved in the form attached to this Resolution.
- 2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.
- 3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

AYES:

NAYES:

ABSTAINED:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
COUNTY OF JACKSON) ss:

I, the undersigned, the fully qualified Clerk of Jackson County, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the County Board of Commissioners of Jackson County at a regular meeting held on the 15th day of May, 2012, the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have hereunto set my official signature this ____ day of _____, 2012.

Amanda Riska, Jackson County Clerk

NOTICE OF PUBLIC HEARING

THE BROWNFIELD REDEVELOPMENT AUTHORITY OF JACKSON COUNTY

REGARDING AMENDED BROWNFIELD PLAN FOR K2 PROPERTY, LLC LOCATED AT 1359 and 1361 OLD MCDEVITT WITHIN SUMMIT TOWNSHIP, IN THE COUNTY OF JACKSON, MICHIGAN

TO ALL INTERESTED PERSONS IN THE COUNTY OF JACKSON

PLEASE TAKE NOTICE that the County Commissioners of the County of Jackson, Michigan, will hold a Public Hearing on Tuesday, the 15th day of May, 2012, at approximately 7:10 p.m., Eastern Daylight time in the Commissioners Chambers within the County Tower Building, 120 W. Michigan Avenue, Jackson, Michigan, to receive public comment on an amendment to the County's Brownfield Redevelopment Plan to include therein portions of the K2 Property, LLC property site. The parcels are legally described as:

1359 Old McDevitt is legally described as: 000-13-24-253-027-01:

Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence west 2016.9 feet along the east and west ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended south; thence North 15 degrees 42' east a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this description; thence continuing North 15 degrees 42' East along said Easterly line of Oak Lane Road 80.37 feet to the Southerly line of old McDevitt Road; thence North 82 degrees 09'30" East along said Southerly line of old McDevitt Road 237.70 feet to the Westerly line of a clear vision area of Highway US-127 and M-50; thence South 55 degrees 23' East along said Westerly line of clear vision area 109.14 feet; thence South 82 degrees 09' 30" West 350.32 feet to the place of beginning. Subject to an easement described as: Commence at the East ¼ post of Section 24, Town 3 South, Range 1 West, Summit Township, Jackson County, Michigan; thence West 2016.9 feet along the East and West ¼ line of said Section 24 to the Easterly line of Oak Lane Road extended South; thence North 15 degrees 42' East a distance of 198.51 feet to a point on the Easterly line of said Oak Lane Road right of way for the place of beginning of this easement description; thence continuing along the Easterly line of said Oak Lane Road 10 North 15 degrees 42' East 40.0 feet; thence South 50 degrees 41' 48" east 50.02 feet; thence South 82 degrees 09' 30" West 50.00 feet to the place of beginning of this description.

1361 Old McDevitt is legally described as: 000-13-24-253-027-02:

BEG AT E ¼ POST OF SEC. 24, TH W 2016.9 ft ALG E&W ¼ LN OF SD DEC TO ELY LN OF OAK LANE RD EXTENDED S TH N 15DEG 42'E 72.33 FT ALG ELY LN OF OAK LANE RD EXTENDED S TO NLY LN OF RELOCATION OF MCDEVITT RD TO A PT FOR PL OF BEG OF THIS DESCN TH N15DEG 42'E ALG ELY LN OF OAK LANE RD 126.18 FT TH N 82 DEG 09'30"E 350.32 FT TO WLY LN OF CLEAR VISION AREA OF HWY US-127 AND M-50 TH S 55DEG 23'E ALG SD WLY LN OF CLEAR VISION AREA

139.06 FT TH S 18DEG 33'W 85.75 FT TO NLY LN OF MCDEVITT RD RELOCATION TH
S 88DEG 56'W 468.30 FT TO BEG SEC 24 T3S R1W.

The property consists of two parcels of land with approximately 2 acres, more or less and is commonly described as 1359 and 1361 Old McDevitt, Jackson, Michigan 49203.

The Amended Brownfield Plan, which includes a site map, is available for public inspection at the County Brownfield Redevelopment Authority office, located at One Jackson Square, 11th Floor, Jackson, Michigan. All aspects of the plan are open for discussion at the public hearing.

FURTHER INFORMATION may be obtained from the Brownfield Redevelopment Authority of Jackson County at (517) 788-4330. THIS NOTICE is given by order of the County Board of the County of Jackson, Michigan.

Amanda Riska, Clerk
County of Jackson

(05-12.19)

JACKSON COUNTY, MICHIGAN

**RESOLUTION APPROVING AN AMENDED BROWNFIELD PLAN
BY THE COUNTY OF JACKSON
PURSUANT TO AND IN ACCORDANCE WITH
THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS
OF THE STATE OF MICHIGAN OF 1996, AS AMENDED**

At a regular meeting of the Board of Commissioners of Jackson County, Michigan, held in the County Tower Building located at 120 W. Michigan Ave., Jackson, Michigan, on the 15th day of May 2012, at 7:00 p.m.

PRESENT:

ABSENT:

MOTION BY:

SUPPORTED BY:

WHEREAS, the Jackson County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), have formally resolved to participate in the Brownfield Redevelopment Authority of Jackson County (JCBRA) (the "Authority") and have designated that all related activities shall proceed through the JCBRA; and

WHEREAS, the Authority, pursuant to and in accordance with Section 13 of the Act, has reviewed, adopted and recommended for approval by the Jackson County Board of Commissioners, the Amended Brownfield plan (the "Plan") attached hereto, to be carried out within Summit Township, relating to the redevelopment project proposed by K2 Property, LLC. located at 1359 and 1361 Old McDevitt in Summit Township, (the "Site"), as more particularly described and shown in Attachment "A" contained within the attached Plan; and

WHEREAS, the Jackson County Board of Commissioners and the County's taxing entities has reviewed the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding the Plan and in accordance with Sections 13 (13) of the Act; and

WHEREAS, the Jackson County Board of Commissioners has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a Brownfield plan set forth in Section 13 of the Act;

- C. The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and will not require the Authority to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. School taxes will not be captured in accordance with Plan; and

WHEREAS, as a result of its review of the Plan, the Jackson County Board of Commissioners concurs with approval of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. **Plan Approved.** Pursuant to the authority vested in the Jackson County Board of Commissioners by the Act, the Plan is hereby approved in the form attached to this Resolution.
- 2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.
- 3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

AYES:

NAYES:

ABSTAINED:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
COUNTY OF JACKSON) ss:

I, the undersigned, the fully qualified Clerk of Jackson County, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the County Board of Commissioners of Jackson County at a regular meeting held on the 15th day of May, 2012, the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have hereunto set my official signature this ____ day of _____, 2012.

Amanda Riska, Jackson County Clerk

**COUNTY OF JACKSON
POLICY MANUAL**

FISCAL

Policy No. 1130

**Investment Policy – REVISED / Draft
Effective**

I. POLICY

It is the policy of the County of Jackson to manage public funds in a manner which will provide the highest investment return with maximum security, while meeting the daily cash flow demands of the County and conforming to all State statutes and local resolutions governing the investment of public funds.

The intent of the Investment Policy of the County of Jackson is to define the parameters within which the County's funds are to be managed. The County recognizes its responsibilities with respect to the use and custody of public funds.

As a result of changes in the market or State statute, current holdings could exceed the guidelines of this policy. Whenever that occurs, notice will immediately be provided by the Jackson County Treasurer to the Administration and [the Personnel & Finance Committee](#) and appropriate action taken.

The comprehensive policy will define the following:

- Scope of policy
- Prudence
- Investment objectives
- Authority
- Ethics and conflicts of interest
- Authorized financial dealers and institutions
- Authorized and suitable investments
- Safekeeping of investments
- Maturities and diversification
- Internal controls
- Investment performance and reporting
- Investment Policy adoption

II. STATUTORY REFERENCES

Public Act 20 of 1943, [MCLA 129.91], as amended, requires the County to have a written investment policy which, at a minimum, includes the purpose, scope and objectives of the policy, including safety, diversification and return on investment; a delegation of authority to make investments; a list of

authorized investment instruments; and statement addressing safekeeping, custody and prudence.
(See Appendix A).

Jackson County Michigan INVESTMENT POLICY

TABLE OF CONTENTS

SECTION

- Introduction
- I. Scope
- II. Prudence
- III. Investment Objectives
- IV. Authority
- V. Ethics and Conflicts of Interest
- VI. Authorized Financial Dealers and Institutions
- VII. Authorized and Suitable Investments
- VIII. Safekeeping of Investments
- IX. Maturities and Diversification
- X. Internal Controls
- XI. Investment Performance and Reporting
- XII. Investment Policy Adoption

APPENDIX

- A. Public Act 20 of 1943 [MCLA 129.91]
- B. Surplus Funds Investment Pool Act (Public Act 367 of 1982), e.g. bank pools. MCL 129.111 to 129.118.
- C. Glossary of Terms

RESOLUTIONS

Resolution Approving An Investment Policy for Jackson County ~~of Jackson~~

Resolution For The Deposit and Investment of County Funds

CERTIFICATION FORM

Acknowledgment of Receipt and Agreement to Comply with the Investment Policy of the County of Jackson

INTRODUCTION

The intent of the Investment Policy of the County of Jackson is to define the parameters within which the County's funds are to be managed. The County recognizes its responsibilities with respect to the use and custody of public funds. It is the policy of the County of Jackson to manage public funds in a manner which will provide the highest investment return with maximum security, while meeting the daily cash flow demands of the County and conforming to all State statutes and local resolutions governing the investment of public funds. As a result of changes in the market or State statute, current holdings could exceed the guidelines of this policy. Whenever that occurs, notice will immediately be provided by the Jackson County Treasurer to the Administrator/Controller and the Chair of the Personnel & Finance Committee and appropriate action taken. This Policy is approved by the Jackson County Board of Commissioners.

The comprehensive policy will define the following:

- Scope of policy
- Prudence
- Investment objectives
- Authority
- Ethics and conflicts of interest
- Authorized financial dealers and institutions
- Authorized and suitable investments
- Safekeeping of investments
- Maturities and diversification
- Internal controls
- Investment performance and reporting
- Investment Policy adoption

SECTION I. SCOPE OF POLICY

The Investment Policy applies to all transactions involving the financial assets and related activity of the County of Jackson except for its employee pension funds; its deferred compensation funds; certain 12th Judicial District Court funds; certain 4th Judicial Circuit Court Escrow funds; which are organized and administered separately. These funds are accounted for in the annual financial report and include the following funds:

- ~ General Fund
- ~ Special Revenue Funds
- ~ Capital Project Funds
- ~ Enterprise Funds
- ~ Debit Service Funds
- ~ Special Assessment Funds
- ~ Internal Service Funds

- ~ Trust and Agency Funds
- ~ Any new fund created by the governing body, unless specifically exempted by the governing body.

SECTION II. PRUDENCE

The standard of prudence to be applied by the investment officials shall be the "prudent person rule" and shall be applied in the context of managing an overall portfolio. Under the "prudent person rule", investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable revenue to be derived. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

SECTION III. INVESTMENT OBJECTIVES

The following investment objectives, in priority order, will be applied in the management of the County's funds:

Safety. Safety of principal is the foremost objective of the investment program. The primary objective of the County's investment activities is the preservation of capital in the overall portfolio and the protection of investment principal. The County Treasurer will establish investment procedures and strategies to control risks and diversify investments regarding specific security types and individual financial institutions.

Liquidity. The investment portfolio will remain sufficiently liquid to enable the County to meet future operating, capital expenditure, and debt needs which might be reasonably anticipated, and to meet unanticipated needs.

Management of Risk. To control risks regarding specific security types, or individual financial institutions, or specific maturity, the county will diversify its investments. Assets shall be diversified to eliminate the risk of loss resulting from over concentration in a specific maturity, individual financial institution(s) or a specific class of securities. The County Treasurer shall diversify the investments by security type. With the exception of U.S. Treasury securities, no more than 70% of the total investment portfolio will be invested in a single security type.

Return on Investment. It is the intent of the County to maximize its return on surplus funds by actively investing all available and prudent balances within the guidelines established by State statutes and this Policy. The investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio. The County recognizes that interest earnings are an

important revenue source; however, the priority is safety, liquidity to meet County obligations and then interest earnings.

Competitive Environment. An objective of the Investment Policy is to provide for a competitive environment while providing flexibility to the County Treasurer. Competitive concepts include taking bids on investments placed.

SECTION IV. AUTHORITY

The County Treasurer is the custodian of all County funds. By resolution of the Board of Commissioners, the County Treasurer is authorized to invest surplus County funds in the various forms of investments that are permitted by State statutes (Public Act 20 of 1943) and that follow the guidelines of this Policy.

The County Treasurer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of the staff of the Treasurer's Office.

The County Treasurer shall establish written investment procedures for the operation of the investment program consistent with this policy. Procedures should include references to: safekeeping, delivery vs. payment, depository agreements, repurchase agreements, wire transfer agreements, and banking service agreements. Said procedures shall include explicit delegation of authority to those engaged in the investment transactions. No person shall engage in an investment transaction except as provided under the terms of this policy and the procedures established by the County Treasurer.

SECTION V. ETHICS AND CONFLICTS OF INTEREST

The Treasurer and employees of the Treasurer's Office, involved in investment activities, shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair (or create the appearance of an impairment on) their ability to make impartial investment decisions.

These persons shall disclose any material financial interests in financial institutions that conduct business with Jackson County and any large personal financial investment positions that could be related to the performance of the County's portfolio to the County Administrator who will report to the Board as follows: amounts over \$10,000 shall be disclosed to the Personnel & Finance Committee, and amounts over \$25,000 shall be disclosed to the full County Board of Commissioners.

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~~These persons shall disclose to the County Board of Commissioners any material financial interests in financial institutions that conduct business with Jackson County, and they shall further disclose any large personal financial investment positions that could be related to the performance of the County's portfolio.~~ The Treasurer and the above mentioned employees shall subordinate their personal financial transactions to those of the County, particularly with regard to the time of purchases and sales.

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SECTION VI. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Deposits made by the County with financial institutions consist of checking accounts, savings accounts, and certificates of deposit. It is understood by the County that for FDIC deposit insurance purposes, all

funds in deposit form with one financial institution are added together and insured up to a maximum of \$250,000 in demand deposits and \$250,000 in time deposits regardless of the number of accounts involved. It is the policy of the County to manage the risk by establishing procedures to evaluate the creditworthiness of the financial institutions and to diversify by setting concentration limits for each financial institution where funds are placed in deposit form. The County does not expect to manage this risk by limiting deposits with each financial institution to \$250,000.

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved broker/dealers who have been selected based on credit worthiness and authorization to conduct business in the State of Michigan. These may include "primary" dealers or regional dealers that qualify under the Security & Exchange Commission Rule 15c3-1 (uniform net capital rule). Regional dealers must meet two times the uniform capital rule to be authorized for County business.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the County Treasurer with the following: audited financial statements for the most recent fiscal year and then annually, within 6 months of the year end; certification of having read the County's Investment Policy and the pertinent State statutes; proof of National Association of Security Dealers certification; and proof of State registration, where applicable.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the County Treasurer. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the County invests with.

SECTION VII. AUTHORIZED AND SUITABLE INVESTMENTS

The County is empowered by Public Act 20 of 1943 (as amended through June 30, 1997) to invest public funds. In its Investment Policy, the County Board of Commissioners limits the investment authority to the following:

- A. Bonds, securities or other obligations of the United States or an agency or instrumentality of the United States.
- B. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution. The financial institution must be:
 - a. a state or nationally chartered bank or a state or federally chartered savings and a loan association, savings bank or credit union
 - b. whose deposits are insured by an agency of the United States government, and
 - c. that maintains a principal office located in the State of Michigan under the laws of this State or the United States
- C. Commercial paper rated at the time of purchase within the highest classification by at least two rating services and that mature not more than 270 days after the date of purchase. Not more than 20% of any fund may be invested in commercial paper at any time.
- D. Repurchase agreements consisting of bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States. Repurchase agreements shall be negotiated only with dealers or financial institutions with whom the Jackson County Treasurer

has negotiated a Master Repurchase Agreement. Repurchase agreements must be signed with the bank or dealer and must contain provisions comparable to those outlined in the Public Security Association's Model Master Repurchase Agreement.

- E. Banker's acceptances of United States banks.
- F. Obligations of this state or any of its political subdivisions that at the time of purchase are rated at an A or M-1/SP-1 or better by not less than 1 standard rating service.
- G. Mutual funds registered under the Federal Investment Company Act of 1940, Title 1 of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 64, with the authority to purchase only investment vehicles that are legal for direct investment by the County. This authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share.
- H. Obligations described above if purchased through an inter-local agreement under the Urban Cooperation Act of 1967. 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512 (for example, the MBIA program).
- I. Investment pools organized under the Surplus Funds Investment Pool Act (Public Act 367 of 1982), e.g. bank pools. MCL 129.111 to 129.118. (See Appendix B).
- J. Investment pools organized under the Local Government Investment Pool Act (Public Act 121 of 1985). MCL 129.141 to 129.150.

INVESTMENT POOLS / MUTUAL FUNDS

A thorough investigation of each pool shall be required before investing and on a continual basis after investing. A questionnaire shall be developed to secure responses to a set of due diligence questions. Those questions shall, at minimum, include the following:

- 1. Does the pool have a written statement of investment policy and objectives? How are changes to the policy and objective statement communicated to participants?
- 2. Does the policy describe eligible investment securities?
- 3. A detailed description of interest calculations covering items such as: How are they distributed? What is the frequency of interest payments? How are gains and losses treated?
- 4. How are securities safeguarded? How often are the securities priced to market? What audit steps are employed in this process?
- 5. Who can invest in the pool? How often? Any deposit/withdrawal size limitations? How many deposits or withdrawals can be made in a monthly period? What is the cutoff time for deposits and withdrawals? Does the pool allow for multiple accounts and sub-accounts? Do we get a confirmation after each transaction?
- 6. What is the schedule for receiving account statements and portfolio listings?
- 7. Please attach a fee schedule and describe in great detail how and when these fees are assessed.
- 8. Does the pool retain any reserves? Please describe.
- 9. Will the pool accept bond proceeds subject to arbitrage rebate? Will the pool's accounting and record keeping system be suitable for arbitrage rebate? Is the pool's yield calculation acceptable to the IRS or will it need to be restated? Can a separate account be established for each bond offering?

SECTION VIII. SAFEKEEPING OF INVESTMENTS

It shall be the responsibility of the County Treasurer to determine which securities will be held by a third party custodian. Securities held in safekeeping by a third party custodian shall be evidenced by a safekeeping receipt.

Investment securities not included in the third-party safekeeping procedure include certificates of deposit, mutual funds, direct purchases of commercial paper, and banker's acceptances. Non-collateral, non-negotiable certificates of deposits, as is allowed under State of Michigan law, shall be evidenced by a safekeeping receipt from the issuing bank.

COLLATERALIZATION

The State of Michigan does not require collateralization.

SECTION IX. MATURITIES AND DIVERSIFICATION

To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow need, the County will not directly invest in securities maturing more than 10 years from the date of purchase. Funds with longer term horizons may be invested in securities exceeding the 10 year limitation provided that maturity dates coincide, as near as possible, with the expected use of the funds.

Liquidity shall be assured through practices ensuring that disbursement, payroll, and bond payable dates are covered through maturing investments or marketable U.S. Treasury issues.

Assets shall be diversified to eliminate the risk of loss resulting from over concentration in a specific maturity, individual financial institution(s) or a specific class of securities. The County Treasurer may diversify the investments by security type. With the exception of U.S. Treasury securities, no more than 70% of the total investment portfolio will be invested in a single security type.

It is the policy of the County to diversify its investment portfolio. Assets held in the pooled funds and other investment funds shall be diversified to eliminate the risk of loss resulting from the over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

SECTION X. INTERNAL CONTROLS

The County Treasurer shall abide by a system of established internal controls, documented in writing, which is designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by investment officers of the County. Internal control procedures are subject to review with regard to appropriateness and compliance during the annual independent audit process.

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

The investment officer is responsible for establishing a system of internal control that will ensure that the investment assets, of the County, are protected from loss, theft or misuse. The internal control structure shall be designed in such away to provide reasonable assurance that these objectives are being met. The cost of control should not outweigh the benefits received. The internal control system shall be reviewed annually by an external audit group to ensure compliance with policies and procedures.

SECTION XI. INVESTMENT PERFORMANCE AND REPORTING

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The investment portfolio will be managed in accordance with the standards established within this policy and should obtain a market rate of return during an economic and budgetary environment of stable rates. According the benchmark used to measure portfolio performance shall be the 30 and 90 day US Treasury bill. Performance measurement shall occur at least every quarter.

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

1. A security with declining credit may be sold early to minimize loss of principal;
2. A security swap would improve the quality, yield, or target duration in the portfolio; and / or
3. Liquidity needs of the portfolio require that the security be sold.

The County Treasurer shall provide at least an annual report to the Board of Commissioners, which provides a clear picture of the status and types of investments of the current investment portfolio. This report shall be prepared in such a way that will allow the County to ascertain whether investment activities during the reporting period have conformed to the investment policy.

SECTION XII. INVESTMENT POLICY ADOPTION

Upon adoption of the Statement of Policy, the Jackson County Board of Commissioners delegates to the County Treasurer the management responsibility for the investment program as required by state statute.

The County Administrator / Controller shall review this policy at least every two years and make any recommendations for changes to the Policy Committee.

Appendix C: Glossary

The following is a glossary of key investing terms, many of which appear in GFOA's Sample Investment Policy. This glossary has been adapted from an article, entitled "Investment terms for everyday use," that appeared in the April 5, 1996, issue of *Public Investor*, GFOA's subscription investment newsletter.

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Draft 3-05-2012

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."

Interest Rate Risk - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940- Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Officer – an agent of the treasurer authorized to invest funds on the treasurer's behalf.

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Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.

6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

Mutual Fund Statistical Services - Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)
$$\frac{[(\text{Total assets}) - (\text{Liabilities})]}{(\text{Number of shares outstanding})}$$

No Load Fund - A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically \$1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

"Volatility Risk" Rating - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("aaa" by S&P; "V-1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("ccc" by S&P, "V-10" by Fitch).

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date. **Yield Curve** - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

JACKSON COUNTY BOARD OF COMMISSIONERS

RESOLUTION APPROVING AN AMENDED INVESTMENT POLICY FOR JACKSON COUNTY

WHEREAS, Public Act 20 of 1943, as amended, requires that the Board of Commissioners approve an Investment Policy for Jackson County, and

WHEREAS, the County Treasurer has submitted and an Investment Policy for Jackson County for approval which conforms to the requirements of Public Act 20 of 1943, as amended,

~~**THEREFORE BE IT RESOLVED**~~**WHEREAS**, that the attached Investment Policy for Jackson County, as submitted by the County Treasurer, be approved, and become effective July 1, 1998, and

THEREFORE BE IT RESOLVED, that the attached Amended Investment Policy for Jackson County, as submitted by the County Treasurer, be approved, and become effective May 15, 2012, and

BE IT FURTHER RESOLVED, that this policy shall remain in effect until amended or replaced.

JACKSON COUNTY BOARD OF COMMISSIONERS

RESOLUTION FOR THE DEPOSIT AND INVESTMENT OF COUNTY FUNDS FOR JACKSON COUNTY

WHEREAS, under the law of the State of Michigan, Act No. 40 of the Michigan Public Acts of 1932, 1st Extra Session, as amended (MCL 129.12), this Board is required to provide, by resolution, for the deposit of all public monies including tax monies belonging to, or held for, the State, the County or other political units coming into the hand of the County Treasurer, in one or more banks, savings and loan association or credit unions within the State.

THEREFORE BE IT RESOLVED, (1) the Jackson County Board of Commissioners hereby directs the County Treasurer, to deposit all public monies, including monies and funds held for the State Board of Escheats or missing heirs, coming ~~into the hands of the~~ Treasurer in any bank savings and loan association, ~~or~~ credit union, or other financial institution within the State which is a legal depository as defined by State and/or Federal law, and (2) the Treasurer is authorized to invest funds with these institutions or any institutions legally permitted by State Statute Act No. 20 of the Michigan Public Acts of 1943, as amended (MCL 129.91) or Federal law or regulation within the limits set therein.

BE IT FURTHER RESOLVED, that the County Treasurer is authorized to enter into and execute on behalf of the county any contracts with any bank or trust company for the safekeeping or third party custodianship of any of the County's securities as well as any contracts or repurchase agreements with any corporation for the purchase of any such securities which will be the subject of such safekeeping or third party custodianship arrangements, on such terms and conditions as the County Treasurer shall require.

BE IT FURTHER RESOLVED, that the County Treasurer is authorized to rely on the continuing of this resolution until amended or replaced by a subsequent resolution of this successor Board of Commissioners.

ACKNOWLEDGMENT OF RECEIPT AND AGREEMENT TO COMPLY

WITH THE INVESTMENT POLICY OF THE COUNTY OF JACKSON

CERTIFICATION

I have read and fully understand Public Act 20 of 1943, as amended, and the investment policy of the County of Jackson.

Any investment advice or recommendations on investments given by _____ representing _____, to the Jackson County Treasurer shall comply with the requirements of Public Act 20 of 1943, as amended, and the Investment Policy of Jackson County. Any existing investment not conforming to the statute or policy ~~will~~ shall be disclosed promptly to the Jackson County Treasurer. Further, should a broker/dealer learn of a forthcoming downgrading of commercial paper that has been sold to Jackson County, the County requests the broker/dealer to notify the Treasurer as soon as possible to determine if there is a need to trade that investment.

BY: _____

Printed Name: _____

Title: _____

Name of Financial Institution: _____

Date: _____

Please send the original to:

Jackson County Treasurer

Attn: Karen Coffman

120 West Michigan Avenue

Jackson, MI 49201

Draft 3-05-2012

DRAFT

COUNTY OF JACKSON POLICY MANUAL

Policy No.
5310

ADMINISTRATIVE

COUNTY RIGHT OF REFUSAL POLICY

I. Purpose

The purpose of the County right of refusal policy is to establish basic procedural requirements for fulfilling the county's responsibility to determine if foreclosed properties should be acquired prior to the county tax sale.

II. Definitions

- A. **Foreclosing Governmental Unit (FGU)** – As defined by MCL 211.78(7)(a) means either the treasurer, or the state of Michigan if the county has elected the state to foreclose property.
- B. **Forfeited or forfeiture** – As defined by MCL 211.78(7)(b) means a foreclosing governmental unit may seek judgment of foreclosure under section 78(k) if the property is not redeemed as provided under this act, but does not acquire a right of possession or any other interest in the property.
- C. **County Proper** – means the ~~Board of~~ County Board of Commissioners.

III. Policy

- A. Michigan state law MCL 211.78 provides counties with the opportunity to purchase foreclosed properties following rights of refusal from the state, cities, townships, and villages.
- B. The Treasurer shall provide the ~~Board of~~ County Board of Commissioners an opportunity to review foreclosed properties for a determination of interest in purchasing.
- C. The ~~Board of~~ County Board of Commissioners shall act by resolution to purchase or not to purchase foreclosed properties.

IV. Process

- A. The County Treasurer, acting as the Foreclosing Governmental Unit (FGU), will provide a listing of all tax delinquent real property no later than May 1st to the County Administrator's office. The listing will include:
1. A legal description,
 2. Address, and
 3. Minimum bid of each parcel.
- B. Review of Properties by the County
1. The County Administrator's Office will review the foreclosed properties and provide a recommendation consistent with the county's long range land use plan, strategic plan, facilities plan, or other viable use.
 2. The County Administrator will make available the opportunity for commissioners to review properties within their district prior to acting on the right of refusal.
- C. Action:
1. Upon review of the County Administrator's recommendation, the ~~Board of~~ County ~~Board of~~ Commissioners will act by resolution to purchase foreclosed properties in accordance with MCL 211.78 by the first Tuesday of July.
- D. Transaction:
1. The minimum bid must be paid to the County Treasurer's Office.
 2. Once the resolution has been signed and minimum bid has been paid, the County Treasurer will prepare a quit claim deed to transfer the property from the County Treasurer to the County proper.
 3. If property purchased by the county is subsequently sold after purchase from the foreclosing governmental unit, the county shall notify the County Treasurer and remit any proceeds in excess of the minimum bid and all costs incurred relating to demolition, renovation, improvements, or infrastructure development to the delinquent tax property sales proceeds account for that year.
The amount returned to the Treasurer will be the proceeds of the sale minus all costs incurred to acquire, maintain, and renovate the property.

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MINUTES
JACKSON COUNTY BOARD OF COMMISSIONERS BOARD MEETING
April 17, 2012
7:00 p.m.
County Commission Chambers

1. **CALL TO ORDER** – Chairman Steve Shotwell called the April 17, 2012, Jackson County Board of Commissioners Meeting to order at 7:00 p.m.
2. **INVOCATION** – *by Commissioner Julie Alexander*
3. **PLEDGE OF ALLEGIANCE** – *by Zari Mahoney Robinson – Senior at Jackson High School*
4. **ROLL CALL** – *County Clerk Amanda Riska*

(11) Present. Commissioners Herl, Lutchka, Rice, Duckham, Alexander, Videto, Mahoney, Way, Elwell, Williams, and Shotwell.

(1) Absent. Commissioner Smith.
5. **APPROVAL OF AGENDA**

Cmr. Williams asked that the Chairman's Appointment to the Retirement Board be added to the Agenda. Item will be added to Item 15. C. under New Business.

Moved by Videto, supported by Duckham for Approval of the Agenda as amended.
Motion carried.
6. **AWARDS & RECOGNITIONS** – None.
7. **COMMUNICATIONS/PETITIONS** – None.
8. **SPECIAL ORDERS/PUBLIC HEARINGS** – None.
9. **PUBLIC COMMENTS**

Allison Bates announced that she will run as a Republican candidate for Prosecutor.
10. **SPECIAL MEETINGS OF STANDING COMMITTEES**
11. **MINUTES** - Minutes of the 3/20/12 Regular Meeting of the Jackson County Board of Commissioners

Moved by Mahoney, supported by Rice to Approve the Minutes of the 3/20/12 Regular Meeting of the Jackson County Board of Commissioners. Motion carried.
12. **CONSENT AGENDA**

Moved by Herl, supported by Lutchka for Approval of the Consent Agenda. Roll Call: (11) Yeas. Motion carried unanimously.

A. County Policy

1. **Revised – Policy 6070 – Network Password**

B. County Affairs & Agencies

2. **Clearing and Grubbing Airport I-94 Property**
3. **Resolution (04-12.14) Authorizing Purchase of an Easement for the Runway 7-25 Safety Area Project (Parcel #87 – Stoner)**
4. **Register of Deeds Annual Report**
5. **Resolution (04-12.9) Rives Township Partial Redemption of Jackson County Wastewater Disposal Facility Bonds**
6. **Resolution (04-12.10) Lake Columbia Refunding Bonds**
7. **Resolution (04-12.11) Vineyard Lake Refunding Bonds**
8. **Resolution (04-12.13) Golf Cart Lease**
9. **Equalization L4024 Report**

C. Human Services – None.

D. Personnel & Finance

10. **Resolution (04-12.12) Adopting third Amended and Restated Section 125 Cafeteria Plan**
11. **Resolution (04-12.16) Legislative Agenda**
12. **Budget Adjustments**
 - a. **Fleet and Facilities Operations**

E. Other Business

13. **Claims – March 1-31, 2012**

13. **STANDING COMMITTEES**

A. County Policy – Commissioner Dave Elwell – None.

B. County Affairs & Agencies – Commissioner Dave Lutchka

1. Appointments

- a. **Airport Joint Zoning Board** - two public members, terms to 3/2015

Commissioner Lutchka stated that the committee recommended Jack Koch and John Worden. No other nominations from the floor. Jack Koch and John Worden appointed.

- b. **LifeWays** – one public member, term to 3/2015

Commissioner Lutchka stated that clarity was needed regarding applicants not residing in the County. He stated that they are sending this back to committee and postponing the appointment until the next meeting.

- c. **Parks Board** – one Region 2 Planning Commission representative, term to 3/2015

Commissioner Lutchka stated that the committee recommended Gail W. Mahoney. No other nominations from the floor. Gail W. Mahoney appointed.

- d. **Region 2 Area Agency on Aging** – three public members, terms to 4/2014

Commissioner Lutchka stated that the committee recommended Howard Griffis, Patricia Spink, and Arlene Shepherd. No other nominations from the floor. Howard Griffis, Patricia Spink, and Arlene Shepherd appointed.

C. **Human Services** – *Commissioner Jon Williams* - None.

D. **Personnel and Finance** – *Commissioner Jim Videto* – None.

14. **UNFINISHED BUSINESS** – None.

15. **NEW BUSINESS**

- A. **Resolution (04-12.17) Approving a Brownfields Revolving Loan Fund Amended Subgrant Agreement Between the Jackson County Brownfield Redevelopment Authority and the County of Jackson**

Moved by Shotwell, supported by Mahoney to Approve Resolution (04-12.17) Approving a Brownfield Revolving Loan Fund Amended Subgrant Agreement Between the Jackson County Brownfield Redevelopment Authority and the County of Jackson.. Roll Call: (11) Yeas. Motion carried unanimously.

- B. **Resolution (04-12.15) Requesting that the Michigan Department of Community Health Designate LifeWays as the Coordinating Agency for Jackson County Effective October 1, 2012**

Moved by Mahoney, supported by Alexander to Approve Resolution (04-12.15) Requesting that the Michigan Department of Community Health Designate LifeWays as the Coordinating Agency for Jackson County Effective October 1, 2012. Roll Call: (11) Yeas. Motion carried unanimously.

- C. **Chairman's Appointment to the Jackson County Retirement Board**

Moved by Chairman Shotwell, supported by Lutchka to nominate Cmr. Elwell, to finish out the term of Cmr. Mahoney on the Jackson County Retirement Board. Motion carried, with Cmr. Mahoney abstaining.

16. **PUBLIC COMMENTS**

None

17. **COMMISSIONER COMMENTS**

Cmr. Alexander encouraged kids to participate in the Math Makes a Difference Challenge.

Cmr. Williams asked the Board to recognize Prosecutor Zavislak for 39 years of public service.

18. **CLOSED SESSION** – None.

29. **ADJOURNMENT**

Chairman Shotwell adjourned the April 17, 2012 Meeting of the Jackson County Board of Commissioners at 7:15 p.m.

James E. Shotwell – Chairman, Jackson County Board of Commissioners

Amanda L. Riska – County Clerk

Respectfully submitted by Carrienne VanDusseldorp – Chief Deputy County Clerk

**COUNTY OF JACKSON
POLICY MANUAL**

| | |
|------------------|----------------------------|
| PERSONNEL | Policy No. 3080 |
|------------------|----------------------------|

Remove: Performance incentive payment for non-union employees was eliminated in 2010.

**PERFORMANCE INCENTIVE PAYMENT
NON-UNION EMPLOYEES**

PERFORMANCE INCENTIVE PAYMENT. ~~A Performance Incentive Payment, based upon the written evaluation and percentages as established and approved by the Board of Commissioners, will be paid to employees the last pay period of the month of their anniversary date or promotion date as a lump sum payment. The percentage is applied to the employee's gross wages from anniversary/promotion date to anniversary/promotion date.~~

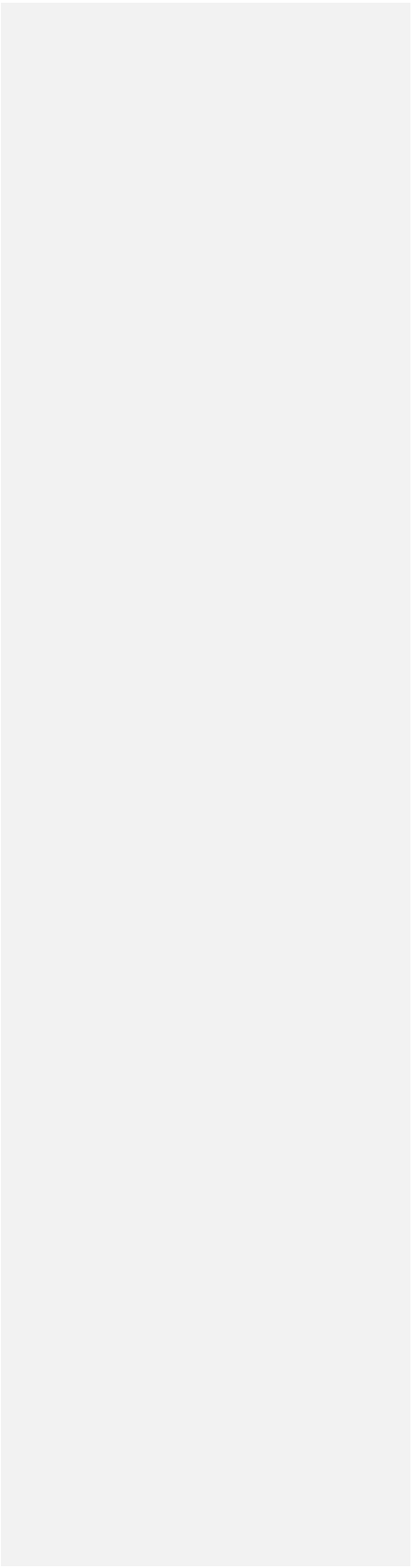
ELIGIBILITY. ~~To be eligible for a Performance Incentive Payment, employees must be on the payroll for a full year. Employees hired after 1/01/99 will receive a performance incentive payment consistent with the results of their evaluation once they have reached the five-year step of the salary schedule.~~

~~Employees hired on or after July 8, 2003 will not be eligible to receive a Performance Incentive Payment.~~

RETIREES. ~~Employees who are eligible to retire from Jackson County and are not on the payroll on their anniversary/promotion date will be paid a prorated performance incentive payment based upon the performance evaluation and gross earnings from their anniversary/promotion date to retirement date. Payment will be issued at the time of retirement.~~

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Revised: 9/3/2003
Reviewed: 11/5/08



JACKSON COUNTY PARKS

Memorandum

To: Mike Overton, County Administrator
Adam Brown, Deputy Administrator
From: Brandon Ransom, Parks Director
Date: May 2, 2012
Re: Imprest Cash Request

1. **The Parks Department requests approval** for imprest cash in the amount of \$1,250.00

Background:

The Cascades will open on May 25th to begin the 2012 season. The cash is for the bank for

Cascade Falls = \$1,250

The amount is used each year as the bank for change for admissions, concessions, and the souvenir shop. Please let me know if you have any questions or concerns.

**Mid-South Substance Abuse Commission
East Lansing, Michigan**

FINANCIAL STATEMENTS

September 30, 2011

Mid-South Substance Abuse Commission

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September 30, 2011

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Principals

Dale J. Abraham, CPA
Michael T. Gaffney, CPA
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Aaron M. Stevens, CPA
Eric J. Glashouwer, CPA
Alan D. Panter, CPA
William I. Tucker IV, CPA



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Mid-South Substance Abuse Commission
East Lansing, Michigan

We have audited the accompanying financial statements of the governmental activities and the major fund of Mid-South Substance Abuse Commission (the Commission) as of September 30, 2011, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Mid-South Substance Abuse Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Mid-South Substance Abuse Commission, as of September 30, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 18, 2012, on our consideration of Mid-South Substance Abuse Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information as identified in the table of contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying other supplementary information and schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and are not required parts of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As discussed in Note I, during the year the Commission implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund-Type Definitions*. As a result of this implementation, fund balance classifications in the governmental fund financial statements have been changed to reflect the new classifications of fund balance under GASB Statement No. 54.

Abraham & Gaffney, P.C.

ABRAHAM & GAFFNEY, P.C.
Certified Public Accountants

April 18, 2012

Mid-South Substance Abuse Commission

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2011

The Mid-South Substance Abuse Commission (Mid-South) was established pursuant to PA 368 of 1978 of the Michigan Public Acts. Mid-South operates under an Inter-County Agreement with the County Boards of Commissioners of the nine counties it serves including: Clinton, Eaton, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Lenawee, and Newaygo. Our purpose is to serve as the body which inventories, reviews, plans, and coordinates programs and facilities which provide services for the prevention, treatment, and rehabilitation for individuals' dependent upon or abusing alcohol and other drugs. Additionally, Mid-South seeks, accepts, disburses, and administers grant funds for substance abuse service programs.

Financial Highlights

Mid-South is one of sixteen coordinating agencies across the State of Michigan which has operated with relatively stagnant on-going state and federal funding for many years. However, one-time funding increase of \$181,541 for women's specialty services was received. Mid-South was awarded a three year SAMSHA federal grant for the Jackson Recovery Court for \$325,000 each year. Mid-South has entered into a number of contracts within the region which include drug courts, co-occurring mental health, health clinic, intensive home services and others that represent partnering with other systems in order to maximize funding resources and to address the full needs of our client population. Mid-South has provided the resources within each county to develop prevention coalitions. These coalitions have expanded and diversified funding by bringing in additional grant monies into their respective counties for program expansion.

The general financial condition of Mid-South remains sound. Our assets exceeded liabilities at the close of Fiscal Year 2010/2011 by \$477,438, an increase of \$16,534 from Fiscal Year 2009/2010. Total revenues were \$10,614,645, an increase of \$206,290 comparable to Fiscal Year 2009/2010. Total expenses were \$10,610,069 in Fiscal Year 2010/2011 compared to \$10,392,343 in Fiscal Year 2009/2010.

Overview of the Financial Statements

This discussion and analysis is intended to serve as a basic introduction to Mid-South's operations. All activity is included in one governmental fund. The audit report is comprised of three components as follows:

1. Management's discussion and analysis (this section)
2. Basic financial statements, and
3. Required supplementary information

The basic financial statements include notes that explain information in the statements and provide more detailed data. This audit report complies with generally accepted auditing requirements and contains other supplementary information as required under state contract.

Mid-South Substance Abuse Commission
MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2011

Financial Analysis

The net assets were \$477,438 and \$460,904 at September 30, 2011 and 2010 respectively.

| | <u>FY 2010/11</u> | <u>FY 2009/10</u> |
|-------------------------------------------------|--------------------------|--------------------------|
| Current and Other Assets | \$ 5,707,313 | \$ 5,133,145 |
| Capital Assets, Net Depreciation | <u>14,422</u> | <u>19,230</u> |
| Total Assets | <u>5,721,735</u> | <u>5,152,375</u> |
| Current Liabilities | 5,149,339 | 4,585,234 |
| Noncurrent Liabilities | <u>94,958</u> | <u>106,237</u> |
| Total Liabilities | <u>5,244,297</u> | <u>4,691,471</u> |
| Unrestricted Net Assets | 479,042 | 461,706 |
| Invested in capital assets, net of related debt | <u>(1,604)</u> | <u>(802)</u> |
| Total Net Assets | <u><u>\$ 477,438</u></u> | <u><u>\$ 460,904</u></u> |

Changes in net assets for the year:

| | <u>FY 2010/11</u> | <u>FY 2009/10</u> |
|--------------------------------------------|-------------------------|-------------------------|
| Expenses, Health and Welfare | \$ (10,598,111) | \$ (10,392,343) |
| Add: Program Revenues | | |
| Charges for Services | 3,419,543 | 2,536,498 |
| Operating Grants and Contributions | <u>7,159,191</u> | <u>7,827,828</u> |
| Total Program Revenues | <u>10,578,734</u> | <u>10,364,326</u> |
| Excess of Expenses over Program Revenues | (19,377) | (28,017) |
| Add: General revenues (Interest and other) | <u>35,911</u> | <u>44,029</u> |
| Change in Net Assets | <u><u>\$ 16,534</u></u> | <u><u>\$ 16,012</u></u> |

Capital assets

Mid-South's investment in capital assets (net of accumulated depreciation) for governmental activities as of September 30, 2011 was \$14,422. This investment consists of a vehicle.

Long-term debt

At the end of the year ending September 30, 2011, Mid-South had long term indebtedness of \$161,532. This represents an installment loan of \$16,026 and compensated absences of \$145,506. The loan is related to the purchase of the capital asset in the prior year, and the balance decreased by \$4,006 compared to the prior year. Compensated absences for the year ending September 30, 2010 totaled \$158,266, which is consistent and comparable to the current year.

Mid-South Substance Abuse Commission

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2011

Budgetary Highlights

Mid-South is required to adopt an operating budget prior to the start of the fiscal year. Mid-South planned a budget or variance of \$430,575. However, the actual budget variance was a favorable variance of \$65,610 to budget. Budget, actual & variance for revenue and expenditures are as follows:

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-------------------------------------|-------------------|-------------------|------------------|
| Revenues | \$ 8,381,712 | \$ 7,893,208 | \$ (488,504) |
| Expenditures | <u>7,951,137</u> | <u>7,397,023</u> | <u>554,114</u> |
| Increase (Decrease) in Fund Balance | <u>\$ 430,575</u> | <u>\$ 496,185</u> | <u>\$ 65,610</u> |

Economic Factors regarding Mid-South's Future

After advocating for many years for a change to the state's allocation formula, the Michigan Department of Community Health (MDCH) revised and implemented a new state funding allocation formula for Coordinating Agencies beginning October 1, 2011. This resulted in an incremental increase for the next five years of \$129,310 each year totaling \$646,550. This much needed additional funding will help sustain programs today and in the future.

There have been many attempts under different venues to integrate Coordinating Agency functions into the Prepaid Health Plans (PIHP) following the approval in 2001 to manage the Mental Health and Substance Abuse under a federal Medicaid Waiver. Additionally, with a number of significant changes to the local, statewide, and national health care environment, including the Affordable Care Act (ACA) on the horizon for 2014 a structural change in the health service delivery model is imminent. Both federal block grants (mental health and substance abuse) are under consideration for elimination by 2014. Services to the majority of those served under the state's substance abuse block grants will be served under the expanded Medicaid eligibility criteria.

With this history and certainly that the status quo is changing in the near future and the need to be visionary to retain a voice and a core set of distinct substance use disorder (SUD) services within our communities for the public SUD system and those served by this system, a proactive approach to structural alignment is being proposed. The Mid-South Substance Abuse Commission is actively working with each of the nine county commissions to align their counties SUD services within the respective Prepaid Inpatient Health Plan (PIHP) regions. Lenawee County would be within the Washtenaw Community Health Organization, Jackson and Hillsdale Counties would be within LifeWays; and Clinton, Eaton, Gratiot, Ingham, Ionia, and Newaygo Counties would be within the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties. This will result in Mid-South discontinuing business operations as a Coordinating Agency effective October 1, 2012. Thus with the loss of this responsibility and resultant redirection of the funding streams to the three PIHP's, Mid-South will no longer be a viable organization.

Contacting the Commission's Financial Management

The audit report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of Mid-South's finances and to demonstrate our accountability for the funding received. If you have questions about this report or need additional information, contact the Financial Department, Mid-South Substance Abuse Commission, 2875 Northwind Drive, Ste. 215, East Lansing, MI 48823 or call 517.337.4406 extension 112.

BASIC FINANCIAL STATEMENTS

Mid-South Substance Abuse Commission

STATEMENT OF NET ASSETS

September 30, 2011

| | <u>Governmental Activities</u> |
|-------------------------------------------------|------------------------------------|
| ASSETS | |
| Current assets | |
| Cash | \$ 4,938,732 |
| Investments | 500,000 |
| Accounts receivable | 259,619 |
| Prepays | <u>8,962</u> |
| Total current assets | 5,707,313 |
| Noncurrent assets | |
| Capital assets, net of accumulated depreciation | <u>14,422</u> |
| TOTAL ASSETS | 5,721,735 |
| LIABILITIES | |
| Current liabilities | |
| Accounts payable | 395,414 |
| Due to contractor agencies | 710,394 |
| Unearned revenue | 3,976,957 |
| Current portion of installment note | 4,006 |
| Current portion of compensated absences | <u>62,568</u> |
| Total current liabilities | 5,149,339 |
| Noncurrent liabilities | |
| Noncurrent portion of installment note | 12,020 |
| Noncurrent portion of compensated absences | <u>82,938</u> |
| Total noncurrent liabilities | <u>94,958</u> |
| TOTAL LIABILITIES | <u>5,244,297</u> |
| NET ASSETS | |
| Invested in capital assets, net of related debt | (1,604) |
| Unrestricted | <u>479,042</u> |
| TOTAL NET ASSETS | <u><u>\$ 477,438</u></u> |

See accompanying notes to financial statements.

Mid-South Substance Abuse Commission

STATEMENT OF ACTIVITIES

Year Ended September 30, 2011

| Functions/Programs | Expenses | Program Revenues | | Net (Expenses) Revenues and Change in Net Assets |
|--------------------------|-------------------------------|-------------------------|------------------------------------------|-----------------------------------------------------------|
| | | Charges for Services | Operating Grants and Contributions | |
| Governmental activities: | | | | |
| Health and welfare | <u>\$ 10,598,111</u> | <u>\$ 3,419,543</u> | <u>\$ 7,159,191</u> | \$ (19,377) |
| | General revenues: | | | |
| | Investment earnings | | | 16,474 |
| | Miscellaneous | | | <u>19,437</u> |
| | Total general revenues | | | <u>35,911</u> |
| | Change in net assets | | | 16,534 |
| | Net assets, beginning of year | | | <u>460,904</u> |
| | Net assets, end of year | | | <u>\$ 477,438</u> |

See accompanying notes to financial statements.

Mid-South Substance Abuse Commission
GOVERNMENTAL FUND BALANCE SHEET
September 30, 2011

| | <u>General</u> |
|------------------------------------|----------------------------|
| ASSETS | |
| Cash | \$ 4,938,732 |
| Investments | 500,000 |
| Accounts receivable | 259,619 |
| Prepays | <u>8,962</u> |
| TOTAL ASSETS | <u><u>\$ 5,707,313</u></u> |
| LIABILITIES AND FUND BALANCE | |
| LIABILITIES | |
| Accounts payable | \$ 395,414 |
| Due to contractor agencies | 710,394 |
| Deferred revenue | <u>3,976,957</u> |
| TOTAL LIABILITIES | 5,082,765 |
| FUND BALANCE | |
| Nonspendable | 8,962 |
| Committed to ABW | 84,163 |
| Unassigned | <u>531,423</u> |
| TOTAL FUND BALANCE | <u>624,548</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u><u>\$ 5,707,313</u></u> |

See accompanying notes to financial statements.

Mid-South Substance Abuse Commission

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

September 30, 2011

Fund balance - governmental fund **\$ 624,548**

Amounts reported for the governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources
and therefore are not reported as assets in the governmental funds.

| | |
|-------------------------------|----------------|
| The cost of capital assets is | \$ 24,038 |
| Accumulated depreciation is | <u>(9,616)</u> |

| | |
|---------------------|--------|
| Capital assets, net | 14,422 |
|---------------------|--------|

Long-term liabilities are not due and payable in the current period and
therefore are not reported in the governmental funds balance sheet.

Long-term liabilities at year-end consist of:

| | |
|--------------------------|------------------|
| Installment note payable | (16,026) |
| Compensated absences | <u>(145,506)</u> |

(161,532)

| | |
|----------------------------------------------|---------------------------------|
| Net assets of governmental activities | <u><u>\$ 477,438</u></u> |
|----------------------------------------------|---------------------------------|

Mid-South Substance Abuse Commission

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND

Year Ended September 30, 2011

| | <u>General</u> |
|---------------------------------|--------------------------|
| REVENUES | |
| Intergovernmental | |
| Federal/State grants | \$ 5,533,544 |
| Local - PA 2 Liquor Tax | 1,625,647 |
| Charges for service - ABW | 430,575 |
| Charges for service - Medicaid | 2,988,968 |
| Other | <u>35,911</u> |
| TOTAL REVENUES | 10,614,645 |
| EXPENDITURES | |
| Current | |
| Health and welfare | |
| State and PA2 funded programs | 7,121,978 |
| Medicaid | 3,484,085 |
| Debt service | <u>4,006</u> |
| TOTAL EXPENDITURES | <u>10,610,069</u> |
| NET CHANGE IN FUND BALANCE | 4,576 |
| Fund balance, beginning of year | <u>619,972</u> |
| Fund balance, end of year | <u><u>\$ 624,548</u></u> |

See accompanying notes to financial statements.

Mid-South Substance Abuse Commission

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

Year Ended September 30, 2011

| | |
|-------------------------------------------------------|-----------------|
| Net change in fund balance - governmental fund | \$ 4,576 |
|-------------------------------------------------------|-----------------|

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in the governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

| | |
|----------------------|---------|
| Depreciation expense | (4,808) |
|----------------------|---------|

Repayment of long-term debt and borrowing of long-term debt are reported as expenditures and other financing sources in the governmental funds, but the repayment reduces long-term liabilities and the borrowings increase long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

| | |
|--------------------|-------|
| Principal payments | 4,006 |
|--------------------|-------|

Some items reported in the statement of activities do not require the use of current financial resources and therefore the financial activity is not reported in the governmental fund. These activities consist of:

| | |
|----------------------------------|---------------|
| Decrease in compensated absences | <u>12,760</u> |
|----------------------------------|---------------|

| | |
|--------------------------------------------------------|-------------------------|
| Change in net assets of governmental activities | <u>\$ 16,534</u> |
|--------------------------------------------------------|-------------------------|

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE A: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mid-South Substance Abuse Commission (MSSAC) (the Commission) was established pursuant to Act 368 of the Public Acts of 1978, and the 2010 Joint Agreement between the Counties of Clinton, Eaton, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Lenawee, and Newaygo.

Mid-South Substance Abuse Commission's purpose is to develop and administer a comprehensive plan to obtain and provide resources that prevent and reduce the misuse and abuse of alcohol and other drugs. The goal of MSSAC is to assure the availability of comprehensive, quality services in the areas of prevention, intervention, assessment, and treatment in the Mid-South service area which consists of the following nine counties: Clinton, Eaton, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Lenawee, and Newaygo.

The governing board consists of seventeen (17) members, all appointed by their respective County Board of Commissioners for two year terms.

The Commission's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Commission are discussed below.

1. Reporting Entity

As required by accounting principles generally accepted in the United States of America; GASB Statement 14, *The Financial Reporting Entity* (as amended by GASB Statement 39); and *Statement on Michigan Governmental Accounting and Auditing No. 4*, these financial statements present all financial activities of Mid-South Substance Abuse Commission. Mid-South Substance Abuse Commission has no activities that would be classified as component units.

2. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities (the government-wide statements) present information for the Commission as a whole.

The government-wide financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations are provided that explain the differences in detail.

The statement of activities presents the direct functional expenses of the Commission and the program revenues that support them. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to recipients for goods or services and grants and contributions that are restricted to meeting the operational or capital requirements of that function. Revenues that are not required to be presented as program revenues are general revenues. This includes interest and all other miscellaneous revenues and shows how governmental functions are either self-financing or supported by the general revenues of the Commission.

FUND FINANCIAL STATEMENTS

The Commission uses a single fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The governmental fund financial statements present the Commission's individual major fund which is used to account for all financial resources of the Commission.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE A: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED

2. Basis of Presentation - continued

FUND FINANCIAL STATEMENTS - CONTINUED

The governmental fund is presented using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

3. Basis of Accounting

Basis of accounting refers to the timing under which transactions are recognized for financial reporting purposes. Governmental fund financial statements use the modified accrual basis of accounting. The government-wide financial statements are prepared using the accrual basis of accounting.

Under the accrual basis of accounting, revenue is recorded in the period in which it is earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Revenues for grants and contributions are recognized when all eligibility requirements imposed by the provider have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term debt which is recorded when due.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current period. Revenues susceptible to accrual include state and federal grants and interest revenue. Other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

If/when both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources if they are needed.

4. Budgets and Budgetary Accounting

The annual budget of the Commission is prepared by management and approved by the Board at the total expenditure level. Any revisions to the original budget are approved by the Board before the end of the fiscal year. Budgets are adopted on the modified accrual (GAAP) basis of accounting.

5. Cash and Investments

Cash consists of cash on hand and deposits held in various checking accounts. Investments consist of certificates of deposit with original maturities over ninety (90) days.

6. Receivables

Receivables consist of amounts due from the State of Michigan, local governmental units, and other agencies for various amounts related to unreimbursed grant expenses, liquor tax revenues, and other amounts that had not been received as of year-end.

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE A: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED

7. Deferred and Unearned Revenue

The Commission reports deferred revenue on its governmental fund balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Resources are considered available if they are collected during the current fiscal year or soon enough afterward to be used in payment of current year liabilities - defined as expected to be received within sixty days of year-end. Deferred revenues also arise when the Commission receives resources before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The Statement of Net Assets reports unearned revenue for resources that have been received, but not yet earned. The largest portion of amounts shown as deferred or unearned revenue, as applicable, is PA-2 dollars that have been received but not yet expended.

8. Capital Assets

Capital assets are those with an initial individual cost of \$5,000 or more, with estimated useful lives of more than one year. Capital assets are not recorded in the governmental fund. Instead, capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Depreciation is computed using the straight-line method over the following useful life:

| | |
|----------|---------|
| Vehicles | 5 years |
|----------|---------|

9. Compensated Absences

The Commission employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for certain portions of unused accumulated vacation time. This amount has been divided between a current and noncurrent portion of compensated absences in the government-wide financial statements.

10. Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

11. Comparative Data

Comparative data for the year has not been presented in the accompanying financial statements since the inclusion of comparative data would make the statements unduly complex and difficult to read.

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE B: CASH

In accordance with Michigan Compiled Laws, the Commission is authorized to invest in the following investment vehicles:

1. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under the laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
3. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
4. The United States government or Federal agency obligations repurchase agreements.
5. Bankers acceptances of United States Banks.
6. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

Deposits

The Commission's bank deposits at September 30, 2011, are composed of the following:

| <u>Account Type</u> | <u>Carrying Amount</u> | <u>Bank Balance</u> |
|-------------------------|----------------------------|-------------------------|
| Checking | \$ 4,938,332 | \$ 5,290,283 |
| Certificates of Deposit | 500,000 | 500,000 |
| | <u>\$ 5,438,332</u> | <u>\$ 5,790,283</u> |

Bank deposits of the Commission are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Commission. As of September 30, 2011, \$3,371,618 of the Commission's accounts were covered by the FDIC. The remaining amount of \$2,418,665 was uninsured and uncollateralized.

The cash caption on the balance sheet includes \$400 in imprest cash.

Credit risk

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's). As of September 30, 2011, the Commission did not have any investments that would be subject to rating.

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE B: CASH - CONTINUED

Interest rate risk

The Commission will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates by managing the portfolio to ensure that if certificates of deposit are utilized, they will be invested for no more than six month intervals. Longer intervals may be used with Board approval.

NOTE C: CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended September 30, 2011:

| | Balance Oct. 1, 2010 | Additions | Deletions | Balance Sept. 30, 2011 |
|------------------------------------|-------------------------|-------------------|---------------|---------------------------|
| Capital assets being depreciated: | | | | |
| Vehicles | \$ 24,038 | \$ - | \$ - | \$ 24,038 |
| Less accumulated depreciation for: | | | | |
| Vehicles | (4,808) | (4,808) | - | (9,616) |
| Capital assets, net | <u>\$ 19,230</u> | <u>\$ (4,808)</u> | <u>\$ -0-</u> | <u>\$ 14,422</u> |

NOTE D: LONG-TERM DEBT

The following is a summary of changes in long-term debt (including current portion) of the Commission for the year ended September 30, 2011:

| | Balance Oct. 1, 2010 | Additions | Deletions | Balance Sept. 30, 2011 | Amounts due within one year |
|----------------------|-------------------------|------------------|---------------------|---------------------------|-----------------------------------|
| Installment Loan | \$ 20,032 | \$ - | \$ (4,006) | \$ 16,026 | \$ 4,006 |
| Compensated absences | 158,266 | 89,615 | (102,375) | 145,506 | 62,568 |
| Total | <u>\$ 178,298</u> | <u>\$ 89,615</u> | <u>\$ (106,381)</u> | <u>\$ 161,532</u> | <u>\$ 66,574</u> |

Significant details regarding outstanding long-term debt (including current portion) are presented below:

\$24,038 Installment Loan, dated October 1, 2009, zero interest, due in monthly installments of \$333.85 through October 1, 2015.

\$ 16,026

| Year Ending September 30, | Principal |
|------------------------------|------------------|
| 2012 | \$ 4,006 |
| 2013 | 4,006 |
| 2014 | 4,006 |
| 2015 | <u>4,008</u> |
| | <u>\$ 16,026</u> |

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE D: LONG-TERM DEBT - CONTINUED

Compensated Absences

In accordance with Commission personnel policies, individual employees have rights upon termination of employment to receive payment for unused vacation time under the formulas and conditions specified in the personnel policies. The dollar amount of these rights (vested and probable to vest) including related payroll taxes amounted to \$145,506 for compensated absences at September 30, 2011. This amount has been recorded in the government-wide financial statements.

Compensated absences represent a liability to the Commission which is presented as current and noncurrent in the Statement of Net Assets. Payments to employees for accumulated compensated absences are recorded as expenditures when they are used and payments are actually made to the employees.

NOTE E: LEASES

The Organization entered into a lease beginning October 1, 2008, to rent office space under an operating lease which expires on September 30, 2018. This lease is non-cancellable except in the event state funding is lost or the Organization ceases to exist. The lease calls for monthly rental payments of \$6,805 through March 2012, and monthly payments of \$6,941 for the remainder of the year. Rental payments increase by 2% for a portion of the lease space as specified in the lease agreement. Rental expense under this lease for the year ended September 30, 2011 was \$80,855. Total remaining lease payments under the lease are as follows:

| <u>Year Ending</u> <u>September 30,</u> | |
|--------------------------------------------|-------------------|
| 2012 | \$ 82,472 |
| 2013 | 84,121 |
| 2014 | 85,804 |
| 2015 | 87,520 |
| 2016 | 89,270 |
| 2017-2018 | <u>183,932</u> |
| | <u>\$ 613,119</u> |

NOTE F: COMMITMENTS AND CONTINGENCIES

Certain contractual programs funded by MSSAC are subject to audit or program reviews by the Michigan Department of Community Health - Bureau of Mental Health and Substance Abuse Services and management. Upon audit, some expenditures may be disallowed and as a result, those amounts may be refundable. Such refunds, if any, are generally reimbursed by the subcontractor or are payable from the Organization's unrestricted fund balance. The Organization feels that any potential disallowances will be immaterial.

NOTE G: DEFINED CONTRIBUTION RETIREMENT PLAN

The Commission has a 401-K, single employer defined contribution plan, available to all eligible employees of the Commission. A defined contribution plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE G: DEFINED CONTRIBUTION RETIREMENT PLAN - CONTINUED

Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on the investments of those contributions, and the forfeitures of other participant's account. All employees who have completed six (6) months of service are eligible to participate.

The plan allows each employee to determine his/her own contribution according to current provisions of the Internal Revenue Code. The Commission contributes a "Qualified Non-Elective Contribution" of 5.7% of the employees' salary. These contributions are not dependent on the participation of the employees. The plan uses the accrual basis of accounting with investments stated at market.

Employee and employer contributions are paid to the plan on each payroll date (bi-weekly). For the year ended September 30, 2011, the Commission's contribution to the plan was \$39,595. Employee contributions to the plan were \$41,700 for the year ended September 30, 2011.

NOTE H: RISK MANAGEMENT

The Commission is exposed to various risks of loss for liability, property, and employer's liability for which the Commission carries commercial insurance.

The Commission also carries commercial insurance for the risk of loss due to workers' compensation claims.

NOTE I: DETAILS OF FUND BALANCE CATEGORIES AND CLASSIFICATIONS

In February 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated and unreserved have been replaced with five new classifications: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - assets that are not available in a spendable form such as inventory, prepaid expenditures, and long-term receivables not expected to be converted to cash in the near term. It also includes funds that are legally or contractually required to be maintained intact such as the corpus of a permanent fund or foundation.

Restricted - amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.

Committed - amounts constrained on use imposed by formal action of the government's highest level of decision making authority (i.e., Board, Council, etc.).

Assigned - amounts intended to be used for specific purposes. This is determined by the governing body, the budget or finance committee or a delegated municipality official.

Unassigned - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative Fund Balances are always reported as Unassigned, no matter which fund the deficit occurs in.

Mid-South Substance Abuse Commission

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

NOTE I: DETAILS OF FUND BALANCE CATEGORIES AND CLASSIFICATIONS - CONTINUED

Fund Balance Classification Policies and Procedures

For committed fund balance, Mid-South Substance Abuse Commission's highest level of decision-making authority is the Board of Directors. The formal action that is required to be taken to establish [and modify or rescind] a fund balance commitment is a Board Resolution.

For assigned fund balance, the Board of Directors is authorized to assign amounts to a specific purpose.

Mid-South Substance Abuse Commission's policy meets the requirements of GASB Statement No. 54 without defining the order of usage for fund balance amounts classified as restricted, assigned or unassigned.

NOTE J: SUBSEQUENT EVENT

There have been many attempts under different venues to integrate Coordinating Agency functions into the Prepaid Inpatient Health Plans (PIHP) following the approval in 2001 to manage the Mental Health and Substance Abuse under a federal Medicaid Waiver. Additionally, with a number of significant changes to the local, statewide, and national health care environment, including the Affordable Care Act (ACA), on the horizon for 2014 a structural change in the health service delivery model is imminent. Both federal block grants (mental health and substance abuse) are under consideration for elimination by 2014. Services to the majority of those served under the state's substance abuse block grants will be served under the expanded Medicaid eligibility criteria.

With this history and certainty that the status quo is changing in the near future and the need to be visionary to retain a voice and a core set of distinct substance use disorder (SUD) services within our communities for the public SUD system and those served by this system, a proactive approach to structural alignment is being proposed. The Mid-South Substance Abuse Commission is actively working with each of the nine county commissions to align their counties SUD services within the respective Prepaid Inpatient Health Plan (PIHP) regions. Lenawee County would be within the Washtenaw Community Health Organization, Jackson and Hillsdale Counties would be within LifeWays; and Clinton, Eaton, Gratiot, Ingham, Ionia, and Newaygo Counties would be within the Community Mental Health Authority of Clinton, Eaton and Ingham Counties. This will result in Mid-South discontinuing business operations as a Coordinating Agency effective October 1, 2012. Thus with the loss of this responsibility and resultant redirection of the funding streams to the three PIHPs, Mid-South will no longer be a viable organization.

REQUIRED SUPPLEMENTARY INFORMATION

Mid-South Substance Abuse Commission

General Fund

BUDGETARY COMPARISON SCHEDULE

Year Ended September 30, 2011

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|-------------------------------------------|-------------------------|-------------------|------------------|---------------------------------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| REVENUES | | | | |
| Intergovernmental | | | | |
| Federal/State Grants | | | | |
| Jackson County Recovery Court | \$ - | \$ 325,000 | \$ 207,596 | \$ (117,404) |
| Michigan Department of Community Health | 5,031,819 | 5,321,468 | 5,319,725 | (1,743) |
| MI Child | 9,604 | 9,604 | 6,223 | (3,381) |
| Total Federal/State Grants | 5,041,423 | 5,656,072 | 5,533,544 | (122,528) |
| Local | | | | |
| PA 2 Liquor Tax | 1,957,467 | 1,933,540 | 1,625,647 | (307,893) |
| Charges for service | | | | |
| Adult Benefit Waiver | - | 430,575 | 430,575 | -0- |
| Medicaid admin revenues | 268,565 | 303,545 | 245,039 | (58,506) |
| ABW admin revenues | 26,000 | 26,000 | 26,000 | -0- |
| Other | | | | |
| Investment | 13,000 | 11,000 | 12,966 | 1,966 |
| Other | 6,437 | 20,980 | 19,437 | (1,543) |
| TOTAL REVENUES | 7,312,892 | 8,381,712 | 7,893,208 | (488,504) |
| EXPENDITURES | | | | |
| Current | | | | |
| Health and welfare | | | | |
| Payments to contractors - Block Grant | 4,212,135 | 4,566,840 | 4,516,156 | 50,684 |
| Payments to contractors - PA 2 Liquor Tax | 1,860,805 | 1,834,406 | 1,477,039 | 357,367 |
| Payments to contractors - Other | 14,000 | 335,515 | 217,839 | 117,676 |
| Salaries and wages | 657,712 | 681,994 | 677,002 | 4,992 |
| Payroll taxes and fringe benefits | 270,286 | 255,630 | 243,481 | 12,149 |
| Occupancy and utilities | 93,978 | 89,178 | 89,945 | (767) |
| Supplies | 23,450 | 22,583 | 25,843 | (3,260) |
| Contractual services | 80,000 | 80,000 | 79,589 | 411 |
| Travel and training | 28,355 | 25,495 | 19,695 | 5,800 |
| Miscellaneous | 56,965 | 55,492 | 46,428 | 9,064 |
| Debt Service | 4,004 | 4,004 | 4,006 | (2) |
| TOTAL EXPENDITURES | 7,301,690 | 7,951,137 | 7,397,023 | 554,114 |
| NET CHANGE IN FUND BALANCE | <u>\$ 11,202</u> | <u>\$ 430,575</u> | 496,185 | <u>\$ 65,610</u> |
| Non-budgeted revenues/expenditures (net) | | | <u>(491,609)</u> | |
| Change in fund balance, total | | | <u>\$ 4,576</u> | |

Mid-South Substance Abuse Commission

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

Year Ended September 30, 2011

NOTE A: NON-BUDGETED REVENUES/EXPENDITURES

Revenues and expenditures for Medicaid/ABW are not budgeted by the Commission as they represent entitlement funds and are therefore not discretionary amounts. For purposes of the budgetary comparison schedule, this activity is shown net in order to demonstrate the relationship of the actual results to the Statement of Revenues, Expenditures, and Changes in Fund Balance.

OTHER SUPPLEMENTARY INFORMATION

Mid-South Substance Abuse Commission

SUBSTANCE USE DISORDER SERVICES

Schedule of Budgeted, Reported, and Audited Amounts

For the Year Ended September 30, 2011

| Fund Source | Budgeted (FINAL) | Reported Expenditures (FINAL RER) | Audited Expenditures | Variance (Audited- Reported) | Local Match Funds |
|--------------------------------------------------------------|----------------------|-----------------------------------------|-------------------------|------------------------------------|----------------------|
| A State Agreement | | | | | |
| 1 Community Grant | \$ 4,138,844 | \$ 4,054,583 | \$ 4,054,583 | \$ -0- | |
| 2 Prevention | 1,028,158 | 1,110,676 | 1,110,676 | -0- | |
| 3 SDA | 108,108 | 108,108 | 108,108 | -0- | |
| 4 Communicable Diseases | 46,358 | 46,358 | 46,358 | -0- | |
| A Subtotal State Agreement | <u>5,321,468</u> | <u>5,319,725</u> | <u>5,319,725</u> | <u>-0-</u> | |
| B Medicaid | | | | | |
| 1 Current Year PEPM (Federal & State) | 2,631,054 | 2,631,055 | 2,631,055 | -0- | |
| 2 Federal share only for Women's Specialty | 255,592 | 255,592 | 255,592 | -0- | |
| 3 State share only for Women's Specialty | 102,321 | 102,321 | 102,321 | -0- | |
| 4 Reinvestment Savings | - | - | - | -0- | |
| B Subtotal Medicaid | <u>2,988,967</u> | <u>2,988,968</u> | <u>2,988,968</u> | <u>-0-</u> | |
| C Adult Benefit Waiver (ABW) | | | | | |
| 1 Current Year PEPM (federal share only) | 420,640 | 420,640 | 420,640 | -0- | |
| 2 Federal share only for Women's Specialty | 7,029 | 7,029 | 7,029 | -0- | |
| 3 State share only for Women's Specialty | 2,906 | 2,906 | 2,906 | -0- | |
| C Subtotal ABW | <u>430,575</u> | <u>430,575</u> | <u>430,575</u> | <u>-0-</u> | |
| D MI CHILD | | | | | |
| 1 Current Year PEPM (federal share only) | 11,757 | 6,223 | 6,223 | -0- | |
| D Subtotal MiChild | <u>11,757</u> | <u>6,223</u> | <u>6,223</u> | <u>-0-</u> | |
| E Local | | | | | |
| 1 Current Year PA2 | 1,615,527 | 1,613,567 | 1,613,567 | -0- | |
| 2 PA2 Fund Balance | - | - | - | -0- | \$ 1,613,567 |
| 3 Other Local (R325.4152 excluding subsection (1)(b)) | 53,407 | 53,407 | 53,407 | -0- | -0- |
| E Subtotal Local | <u>1,668,934</u> | <u>1,666,974</u> | <u>1,666,974</u> | <u>-0-</u> | <u>53,407</u> |
| F Fees & Collections- Subtotal (R325.4151 (1)(d)) | <u>256,201</u> | <u>256,101</u> | <u>256,101</u> | <u>-0-</u> | <u>1,666,974</u> |
| G Other Contracts & Sources (Subtotal) | <u>972,287</u> | <u>854,882</u> | <u>854,882</u> | <u>-0-</u> | <u>256,101</u> |
| Grand Total of Subtotals A-G | <u>\$ 11,650,189</u> | <u>\$ 11,523,448</u> | <u>\$ 11,523,448</u> | <u>\$ -</u> | <u>854,882</u> |

Amount Billable to MDCH (Section A audited subtotal)

\$ 5,319,725

Total MDCH Payments

5,321,468

(Overpayment)/Underpayment

\$ (1,743)

Amount of overpayment represents the state portion of MiChild that is allowed for carryover into the next fiscal year as local. This amount does not have to be repaid.

Local Match Funds Total

\$ 2,777,957

Local Match Requirement [(Grand Total of Audited Exp. minus subtotal B, C, D & G) * 10%]

(724,280)

Local Match (Shortfall)/Excess

\$ 2,053,677

SCHEDULE B

Mid-South Substance Abuse Commission

SUBSTANCE ABUSE PREVENTION AND TREATMENT

Schedule of Expenditures and Funding Sources by Program

For the Year Ended September 30, 2011

| Program | Budgeted (FINAL) | Reported (FINAL RER) | Audited Expenditures | | | | Audited Funding Sources | | | | | | | |
|---------------------------------|---------------------|-------------------------|----------------------|------------------|--------------|---------------|-------------------------|------------|--------------|----------------|------------------|------------|----------|------------------|
| | | | Gross Amount | Less Medicaid | Less Fees | Net Amount | State Agreement | SDA | PA2 | Other Local | Other Sources | ABW | MI CHILD | Total Funding |
| General Administration | \$ 1,233,649 | \$ 1,105,572 | \$ 1,105,572 | \$ 179,221 | \$ - | \$ 926,351 | \$ 678,618 | \$ - | \$ - | \$ 14,138 | \$ 207,595 | \$ 26,000 | \$ - | \$ 926,351 |
| Access Management System (AMS) | 275,676 | 284,606 | 284,606 | 65,819 | - | 218,787 | 218,787 | - | - | - | - | - | - | 218,787 |
| Prevention | 1,388,613 | 1,388,613 | 1,388,613 | - | 39,537 | 1,349,076 | 1,028,158 | - | 275,327 | 39,269 | 6,322 | - | - | 1,349,076 |
| Treatment | 7,921,636 | 7,066,718 | 7,066,718 | 2,386,015 | 216,564 | 4,464,139 | 2,383,046 | 108,108 | 1,334,220 | - | 638,765 | - | - | 4,464,139 |
| Women's Speciality | 768,389 | 768,389 | 768,389 | 357,913 | - | 410,476 | 400,541 | - | - | - | - | 9,935 | - | 410,476 |
| Communicable Diseases | 46,358 | 46,358 | 46,358 | - | - | 46,358 | 46,358 | - | - | - | - | - | - | 46,358 |
| ABW (State & Federal Funds) | 396,840 | 850,989 | 850,989 | - | - | 850,989 | 454,149 | - | - | - | 2,200 | 394,640 | - | 850,989 |
| MIChild (State & Federal Funds) | 14,518 | 8,183 | 8,183 | - | - | 8,183 | 1,960 | - | - | - | - | - | 6,223 | 8,183 |
| Other | 6,000 | 4,020 | 4,020 | - | - | 4,020 | - | - | 4,020 | - | - | - | - | 4,020 |
| Totals | \$ 12,051,679 | \$ 11,523,448 | \$ 11,523,448 | \$ 2,988,968 | \$ 256,101 | \$ 8,278,379 | \$ 5,211,617 | \$ 108,108 | \$ 1,613,567 | \$ 53,407 | \$ 854,882 | \$ 430,575 | \$ 6,223 | \$ 8,278,379 |

Reconciliation of PA2 Funds:

| | |
|---------------------------------|---------------------|
| Beginning Balance | \$ 3,460,434 |
| Current Year PA2 | 2,055,451 |
| Expenditures | (1,613,567) |
| Advance to ARSR | (10,000) |
| 09/10 Payable to Newaygo County | (4,051) |
| MPCB Payments | (2,750) |
| Ending Balance | <u>\$ 3,885,517</u> |

Reconciliation of Medicaid Managed Care (PEPM) Funds:

| | |
|-----------------------------------|--------------------|
| PEPM Payments Received | \$ 2,970,314 |
| Medicaid Savings Carried Over | - |
| Other Medicaid Revenues | - |
| Expenditures | (2,988,968) |
| Amount Carried-forward to FY 2012 | <u>\$ (18,654)</u> |

Reconciliation of RER Expenditures:

| | |
|---------------------------------------|----------------------|
| Expenditures per RER | \$ 11,523,448 |
| Fees & Collections | (256,101) |
| Program Local | (39,269) |
| Program Other | (638,765) |
| MIChild | (6,322) |
| MA Administration | 179,221 |
| CC Administration | 65,819 |
| Newaygo CMH | 4,053 |
| MPCB's | 2,750 |
| Accrued Compensation | 656 |
| Medicaid variance | 19,618 |
| Medicaid Administration | (245,039) |
| Expenditures per financial statements | <u>\$ 10,610,069</u> |

Mid-South Substance Abuse Commission

SCHEDULE OF PA-2 FUNDING AND EXPENDITURES - COMBINED

YEAR ENDED SEPTEMBER 30, 2011

| | Clinton | Eaton | Gratiot | Hillsdale | Ingham | Ionía | Jackson | Lenawee | Newaygo | Totals |
|----------------------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|--------------|
| BALANCE 10/1/10 | \$ 150,596 | \$ 427,975 | \$ 116,270 | \$ 105,624 | \$ 1,264,313 | \$ 268,282 | \$ 462,003 | \$ 384,816 | \$ 280,555 | \$ 3,460,434 |
| RECEIPTS | | | | | | | | | | |
| Transfer from General | - | - | - | - | 4,715 | - | - | - | - | 4,715 |
| Reconciliation Adjustments | (1) | 1 | (3) | (1) | 9 | 1 | (2) | - | - | 4 |
| PA-2 Funds | 128,535 | 254,139 | 55,058 | 49,460 | 858,703 | 84,337 | 373,043 | 160,613 | 86,844 | 2,050,732 |
| PA-2 AVAILABLE | 279,130 | 682,115 | 171,325 | 155,083 | 2,127,740 | 352,620 | 835,044 | 545,429 | 367,399 | 5,515,885 |
| EXPENDITURES | | | | | | | | | | |
| Addiction Solutions | - | - | 19,714 | - | - | - | - | - | - | 19,714 |
| Arbor Circle | - | - | - | - | - | - | - | - | 105,179 | 105,179 |
| Addiction Relief & Support | - | - | - | - | 33,535 | - | - | - | - | 33,535 |
| Carefree Clinic | - | - | - | - | 59,929 | - | - | - | - | 59,929 |
| Child & Family Services | - | - | - | - | 82,575 | - | - | - | - | 82,575 |
| Cristo Rey | - | - | - | - | 45,308 | - | - | - | - | 45,308 |
| CSATP - CEI | 72,940 | - | - | - | 286,529 | - | - | - | - | 359,469 |
| Community Action Agency | - | - | - | - | - | - | - | 21,482 | - | 21,482 |
| Drug Court | - | - | - | - | 120 | - | 3,900 | - | - | 4,020 |
| EISD | 3,624 | 37,734 | - | - | 57,793 | - | - | - | - | 99,151 |
| ESAP | - | 156,399 | - | - | - | - | - | - | - | 156,399 |
| FSCA | - | - | - | - | - | - | 18,036 | 10,147 | - | 28,183 |
| Gratiot Child Advocacy | - | - | 16,108 | - | - | - | - | - | - | 16,108 |
| Highfields | 11,182 | - | - | - | - | - | - | - | - | 11,182 |
| MPCB's | 1,000 | - | 1,500 | 250 | - | - | - | - | - | 2,750 |
| Home of New Vision | - | - | - | - | - | - | 35,502 | - | - | 35,502 |
| Intensive Home Therapy | - | - | - | - | - | - | - | 50,000 | - | 50,000 |
| Ionía Public Health | - | - | - | - | - | 60,959 | - | - | - | 60,959 |
| Ionía CMH | - | - | - | - | - | 1,560 | - | - | - | 1,560 |
| Jackson Breakout Drug | - | - | - | - | - | - | 38,215 | - | - | 38,215 |
| Jackson Emergent Detox | - | - | - | - | - | - | 30,000 | - | - | 30,000 |
| Jackson United Way | - | - | - | - | - | - | 16,566 | - | - | 16,566 |
| McCullough, Vargas | - | - | - | 1,979 | - | - | - | 44,719 | - | 46,698 |
| Michgian Jobs Commssion | 5,376 | 2,881 | - | - | 17,314 | - | - | - | - | 25,571 |
| Power of We | - | - | - | - | 2,000 | - | - | - | - | 2,000 |
| NCA | - | - | - | - | 138,280 | - | - | - | - | 138,280 |
| Newaygo CMH | - | - | - | - | - | - | - | - | 4,051 | 4,051 |
| Newaygo RESA | - | - | - | - | - | - | - | - | 9,500 | 9,500 |
| Victory Clinic | - | - | - | - | - | - | 3,366 | - | - | 3,366 |
| Washington Way | - | - | - | - | - | - | 123,116 | - | - | 123,116 |
| TOTAL EXPENDITURES | 94,122 | 197,014 | 37,322 | 2,229 | 723,383 | 62,519 | 268,701 | 126,348 | 118,730 | 1,630,368 |
| BALANCE 9/30/11 | \$ 185,008 | \$ 485,101 | \$ 134,003 | \$ 152,854 | \$ 1,404,357 | \$ 290,101 | \$ 566,343 | \$ 419,081 | \$ 248,669 | \$ 3,885,517 |

Mid-South Substance Abuse Commission

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended September 30, 2011

| Federal and State Grantor/Pass-Through Grantor/Program Title | CFDA Number | Grant/Contract Number | Award | | | Federal Expenditures |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|----------------------|-------------------|----------------------|-------------------------|
| | | | Federal | State | Total | |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | | |
| Passed Through Michigan Department of Community Health Substance Abuse and Mental Health Services - Projects of Regional and National Significance Grants to Expand Substance Abuse Treatment Capacity For Adult Drug Courts | 93.243 | TI-10-011 | \$ 325,000 | \$ - | \$ 325,000 | \$ 207,596 |
| Children's Health Insurance Program ^(b) MI Child | 93.767 | N/A | 8,942 | 2,815 | 11,757 | 4,733 |
| Block Grants for Prevention and Treatment of Substance Abuse SAPT Block Grant ^{(a)(b)} Women's Specialty Services | 93.959 | 11 B1 MI SAPT | 4,072,739 320,433 | 740,080 80,108 | 4,812,819 400,541 | 4,070,996 320,433 |
| | | | 4,393,172 | 820,188 | 5,213,360 | 4,391,429 |
| TOTAL | | | \$ 4,727,114 | \$ 823,003 | \$ 5,550,117 | \$ 4,603,758 |
| (d) | | | | | | |

(d)

Mid-South Substance Abuse Commission

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended September 30, 2011

NOTE A: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards (SEFA) includes the Federal grant activity of the Mid-South Substance Abuse Commission and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

NOTE B: SUMMARY OF SIGNIFICANT EXPLANATIONS OF SCHEDULE

The following descriptions identified below as (a) - (c) represent explanations that cross reference to amounts on the Schedule of Expenditures of Federal and State Awards:

- (a) Denotes program tested as major.
- (b) Federal participation in this program is 80%, State participation is 20%.
- (c) The following reconciles the federal and state revenues reported in the September 30, 2011, fund financial statements to the expenditures of the Commission administered federal programs reported on the Schedule of Expenditures of Federal and State Awards:

| | |
|------------------------------------------------------------|---------------------|
| Federal/State Revenue (per financial statements) | \$ 5,533,544 |
| Less: Portions of grant funding considered "State" funding | <u>(929,786)</u> |
| | <u>\$ 4,603,758</u> |

Principals

Dale J. Abraham, CPA
Michael T. Gaffney, CPA
Steven R. Kirinovic, CPA
Aaron M. Stevens, CPA
Eric J. Glashouwer, CPA
Alan D. Panter, CPA
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Mid-South Substance Abuse Commission
East Lansing, Michigan

We have audited the financial statements of the governmental activities and the major fund of Mid-South Substance Abuse Commission, as of and for the year ended September 30, 2011, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated April 18, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Mid-South Substance Abuse Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

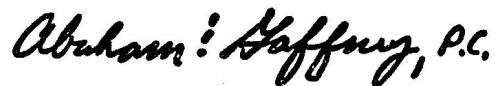
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings as 2008-1 that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mid-South Substance Abuse Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

The Mid-South Substance Abuse Commission's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Mid-South Substance Abuse Commission's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Directors of Mid-South Substance Abuse Commission, others within the entity, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



ABRAHAM & GAFFNEY, P.C.
Certified Public Accountants

April 18, 2012

Principals

Dale J. Abraham, CPA
Michael T. Gaffney, CPA
Steven R. Kirinovic, CPA
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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Mid-South Substance Abuse Commission
East Lansing, Michigan

Compliance

We have audited Mid-South Substance Abuse Commission's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on Mid-South Substance Abuse Commission's major federal program for the year ended September 30, 2011. Mid-South Substance Abuse Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Mid-South Substance Abuse Commission's management. Our responsibility is to express an opinion on Mid-South Substance Abuse Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Mid-South Substance Abuse Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Mid-South Substance Abuse Commission's compliance with those requirements.

In our opinion, Mid-South Substance Abuse Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2011.

Internal Control Over Compliance

Management of Mid-South Substance Abuse Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Mid-South Substance Abuse Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mid-South Substance Abuse Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors of Mid-South Substance Abuse Commission, others within the entity, the federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Abraham & Gaffney, P.C.

ABRAHAM & GAFFNEY, P.C.
Certified Public Accountants

April 18, 2012

Mid-South Substance Abuse Commission

SCHEDULE OF FINDINGS

Year Ended September 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? X Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported with Section 510(a) of Circular A-133? _____ Yes X No

Identification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|----------------|-------------------------------------------------------------|
| 93.959 | Block Grant for Prevention and Treatment of Substance Abuse |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Findings

2008-1 PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GAAP

Condition: The Commission requires the assistance of the independent auditors to prepare its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). This issue was noted and reported in our prior year audit comments.

Criteria: Governmental entities are required to issue financial statements that are prepared in accordance with GAAP. Statement on Auditing Standards No. 115 (SAS 115), *Communicating Internal Control Related Matters Identified in an Audit*, emphasizes that responsibility for the financial statements rests with the Commission's management. The preparation of financial statements in accordance with GAAP requires internal controls over both (1) recording, processing, and summarizing accounting data (i.e., maintaining internal accounting records), and (2) reporting government-wide and fund financial statements, including the related note disclosures (i.e., external financial reporting).

Mid-South Substance Abuse Commission

SCHEDULE OF FINDINGS - CONTINUED

Year Ended September 30, 2011

Section II - Financial Statement Findings - continued

2008-1 PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GAAP - CONTINUED

Cause: Employees and/or management have limited technical expertise to prepare the Commission's financial statements and notes to the financial statements in accordance with accounting principles generally accepted in the United States of America.

Effect: The Commission does not have internal controls in place to ensure that the appropriate staff members are able to fully understand the requirements of preparing the financial statements and so that they may take responsibility for the statements and the appropriate disclosures.

Recommendation: We recommend the Commission consider providing applicable employees with training that would allow them to attain the qualifications required to fully understand the GAAP financial statement preparation process. Should the Commission choose not to address this issue, management and the Board of Commissioners should realize that an increased risk is present. This recommendation is not intended to imply that the contractual agreement to provide audit services, which includes preparation of financial statements, is improper or should be changed. Generally accepted auditing standards, however, require us to comment if the applicable internal controls are not present.

Corrective Action Response: We will continue to rely on our external auditors to assist in the preparation of the annual audited financial statements and footnotes consistent with our contractual agreement.

Section III - Federal Award Findings and Questioned Costs

None noted.

Mid-South Substance Abuse Commission

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended September 30, 2011

FINDINGS/NONCOMPLIANCE

Control Deficiencies and Material Weaknesses Related to Internal Controls Over the Financial Statements.

2008-1 PREPARATION OF FINANCIAL STATEMENTS

Condition: As part of the audit process, the Commission, like many other governments, has historically relied on the independent auditors to assist in the preparation of the government-wide and fund financial statements, as well as the related notes to the financial statements, as part of its external financial reporting process. It is more cost effective to outsource the preparation of the annual financial statements to the independent auditors than to incur the time and expense of having the employees and/or management obtain the necessary training and expertise required to perform this task internally. The Commission requires the assistance of the independent auditors to prepare its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Resolution: This issue is repeated in the current year audit findings. We do not consider it resolved.

Findings Related to Compliance with Requirements Applicable to Federal Awards and Internal Control Over Compliance in Accordance with OMB Circular A-133.

No prior audit findings noted.



Jackson County Health Department

1715 Lansing Avenue • Ste. 221 • Jackson, Michigan 49202

Phone (517) 788-4420

Fax (517) 788-4373

To: Human Services Committee
Board of County Commissioners

From: Ted Westmeier
Director/Health Officer

Subject: Authorization for Full Time Social Worker

Date: April 27, 2012

Motion Requested: Authorize the creation of a full time social worker and elimination of a part time social worker in the Maternal Infant Health Program

I. Background

- A. The Jackson County Health Department provides services to pregnant women and infants eligible for Medicaid. The services include public health nursing, social work and nutritional counseling. We are reimbursed by Medicaid for the services we provide. This program makes us eligible for Medicaid Cost Based Reimbursement (MCBR) from the State. We receive approximately \$250K-\$300K on an annual basis under MCBR in addition to the funds received through billing.

II. Current Situation

- A. The program staff providing direct service in the program includes a Registered Dietician (1 FTE), Public Health Nursing (1.5 FTE) and Social Worker (1.75 FTE).
- B. We continue to experience an increasing caseload and are constantly assessing our staffing needs. A part-time social worker has retired and we are requesting that this position be eliminated and a full time social worker position be created.

III. Analysis

- A. Strategic—This is an extremely important program and service to the community. In 2011 58% of the births at Allegiance were Medicaid. There is a direct correlation to the number of Medicaid births and the child well being rankings just released by Kids Count., which ranks Jackson County at 63. A healthy child contributes to the Healthy Communities goal for the county.
- B. Financial—We receive reimbursement through Medicaid billing plus this program qualifies us to receive addition funding through MCBR. This program will be able to sustain itself without additional county general funds as long as we maintain our current productivity.
- C. Customer—The clients eligible under this program are the most at risk pregnant mothers and newborns in the county. Through proper case management we are able to assign the appropriate professional to assist based on the needs of the client.

- D. Timing—Since we have a resignation of a part time social worker we can convert the position to full time. We just completed a program review by the Michigan Department of Community Health. We met 65 of 66 review indicators which demonstrate our competency in the program.

IV. Recommendation

I recommend that the Board of Commissioners authorize the creation of a full time social worker position and eliminate a part time social worker position in the Maternal Infant Health Program.

Attachments:



Jackson County

Fleet and Facilities Operations

Ric Scheele Director, Jim Vandenburg Carpenter Supervisor, Tim Yost Electrical Supervisor, Teresa Soltis Coordinator

TO: Personnel and Finance Committee

FROM: Ric Scheele
Director of Fleet and Facilities Operations

SUBJECT: USA Mobility Lease Amendment

DATE: 4.24.2012

Motion Requested

Motion to approve the USA Mobility lease amendment and send it forward to the full board for approval.

I. Background

- A. USA mobility is the successor to ARCH Wireless, a paging company that has leased antenna space at the County Tower Building since 1994.

II. Current Situation

- A. The current agreement extension expires April 30, 2012.
- B. We are proposing a three year lease amendment at the current monthly rate of \$617.10.

III. Analysis

- A. **Strategic:** Supports the strategic plan by increasing general fund revenue to support the Board's strategic goals.
- B. **Financial:** Helps to offset the cost to operate the Tower building. The current rate will remain in effect over the life of the amendment.
- C. **Timing:** The Personnel and Finance Committee has to approve this motion and forward to the full board.
- D. **Policy/Legal:** By policy the Personnel and Finance Standing Committee must approve the amendment and send it to the full Board of Commissioners for final approval.

IV. Recommendation

The Fleet and Facilities Director recommends approval of this amendment.



Jackson County ADMINISTRATOR / CONTROLLER

Michael R. Overton, Administrator/Controller

Adam J. Brown, Deputy Administrator

TO: Personnel & Finance Committee
Board of County Commissioners

FROM: Adam J. Brown
Deputy Administrator

SUBJECT: Road Commission County Service License Agreement

DATE: April 25, 2012

Motion Requested

Approve the Contract between the Jackson County Road Commission and the County of Jackson for GIS Services, Reduce the Revenue (101222) Budget by \$37,543 and reduce contingency (101890) by \$37,543.

I. Background

- A. The Jackson County Road Commission ran a Geographical Information System (GIS) Program prior to 2007. Through negotiations at that time, it was decided that the GIS was best handled by the County since the applications were broader than just Road Commission use. Those negotiations resulted in an informal agreement between the Road Commission and the County for the Road Commission to cover the cost of the GIS Coordinator, wages and fringe benefits. The County would cover all other costs.
- B. Since 2007, the Road Commission has paid the cost of the GIS Coordinator. The projected cost for 2012 is \$84,704.
- C. Over the last few years, the use of GIS has extended through the community to law enforcement, public health, real estate, and township use. More townships have bought in to our GIS service.
- D. In 2011, we reduced the GIS by one position as part of an overall county workforce reduction strategy. GIS is now run by a coordinator and an analyst. A mapping specialist from the Equalization department works under the supervision of the GIS coordinator.

II. Current Situation

- A. Given the additional use of the GIS to other governmental organizations, and the reduction in workforce, the Road Commission has requested a reduction in cost share.

- B. For the relationship to continue, we recommend that a logical reasoning be used to determine cost, which can be relied on going forward. Townships currently pay \$.50 per parcel to use the county system. We believe the Road Commission is a much heavier user than townships, so we have proposed a cost of \$.75 per parcel, to which the Road Commission has agreed. The Road Commission does not maintain roads in the city, so the price should exclude city parcels. There are 63,720 parcels outside the city. At \$.75 per parcel, the 2012 payment for services would be \$47,790.
- C. There has been no formal agreement between the county and the Road Commission. We recommend that this arrangement be formalized through a contract. Our attorneys have reviewed the attached contract.

III. Analysis

- A. **Strategic** – This agreement supports the Board’s goal of intergovernmental cooperation. The Board has expressed a desire to engage in collaborative agreements between other units of government that create efficiencies and save taxpayers money. Formalizing this agreement provides greater certainty that this arrangement will exist into the future.
- B. **Financial** –
 - 1. The difference in cost from what is budgeted and what is proposed is \$37,543. The contingency account will have to be adjusted by the same amount to cover for this revenue loss. There is currently \$195,618 remaining in the contingency budget. After this transaction there will be \$158,075 remaining in contingency.
 - 2. We do not have additional revenues to off-set this loss at this time. We are currently working on other agreements within the County to market additional fee- for- service arrangements. We anticipate another \$20,000 in revenue from these agreements within the next few months.
 - 3. The following changes to the budget will be executed upon approval:

Reduce Revenue

| Item | Org Key | Object Line | Amount |
|---------------------|---------|-------------|-----------|
| Sale of GIS Service | 101220 | 643081 | -\$37,543 |

Reduce Expense

| Item | Org Key | Object Line | Amount |
|-------------|---------|-------------|-----------|
| Contingency | 101890 | 989000 | -\$37,543 |

- C. **Legal/Policy** – Our attorney has reviewed and revised the agreement. This contract will formalize a long standing informal agreement.

- D. **Timing** – We have delayed billing until an agreement could be reached between the County and the Road Commission. Upon approval, the County will bill for the revenue.

IV. Alternatives – Take no Action

- A. Without a formal contract we have no legally bound agreement between the two entities. The Road Commission has expressed a desire to reduce their cost for GIS services and will likely pursue alternative routes to provide this service without an agreement.

V. Recommendation

The Administrator/Controller's Office recommends the Board approve the Contract between the Jackson County Road Commission and the County of Jackson for GIS Services, reduce the revenue (101222) budget by \$37,543 and reduce contingency (101890) by \$37,543.

Attachments: Contract

**GEOGRAPHICAL INFORMATION SYSTEM
AGREEMENT BETWEEN
JACKSON COUNTY, MICHIGAN
AND JACKSON COUNTY ROAD COMMISSION**

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This Agreement (the "Agreement") is made and entered into this 11 day of April, 2012, (the "Effective Date") by and between the County of Jackson ~~Jackson County~~, a Michigan municipal corporation, having its principal offices at 120 W. Michigan Avenue, Jackson, Michigan (hereinafter referred to as the "County") and the Jackson County Road Commission, having its principal offices at 2400 N. Elm Road, Jackson, Michigan (hereinafter referred to as the "Road Commission").

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WHEREAS, the County created a Geographical Information System (hereinafter referred to as the System) and associated web-site¹ and²

WHEREAS, the Road Commission desires to have access to and use of all data on the System;

NOW, THEREFORE, in consideration of the mutual covenants and benefits set forth herein, the adequacy of which is hereby acknowledged, the County and the Road Commission, by and through their duly appointed representatives, hereby agree as follows:

1. Grant of License. The County hereby grants to the Road Commission a license to access and use all data on the System subject to the terms and conditions contained in this Agreement. Installation of software, updates and technical assistance will be provided by the County to the Road Commission on an as-needed basis not to exceed 240 hours annually. Software licensing, ~~and~~ maintenance and all other associated fees will be the responsibility of the Road Commission.
2. Fees. The Road Commission shall pay to the County an annual fee. The annual fee shall be computed based on the total number of parcels in the County, minus excluding parcels located in the City of Jackson, on each anniversary of this agreement. This fee will be calculated each year at \$0.75 per parcel. The first annual fee of \$47,790.00 is based on 63,720 parcels and will be due and payable at the time of the execution of this Agreement. The second and subsequent annual fees shall be due and payable on the anniversary date of the date of the execution of this Agreement. The County shall annually invoice the Road Commission for the annual fee, which shall become due and payable within sixty (60) days of the invoice.

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3. Term of Agreement. This Agreement shall commence ~~upon~~ its ~~execution~~ Effective Date and continue until it is terminated as provided below. This Agreement may be terminated by either party without cause upon sixty (60) days written notice to the other party. In the event this Agreement is terminated as outlined, both parties shall continue to abide by the provisions of this Agreement through the close of the business day on the effective date of termination, unless otherwise mutually agreed to in writing. The annual fee shall be pro-rated to the effective date of termination.
4. Accuracy of Information/Warranty/Indemnification.
- a. The information furnished through and compiled in the System shall be obtained from the County records and is believed to be reliable. However, the accuracy, completeness, timeliness, or correctness of the information is not guaranteed by the County. The Road Commission specifically acknowledges and agrees that it is using this data and information at its own risk.
 - b. The Road Commission agrees that the County shall have no liability, contingent or otherwise, for the accuracy, completeness, timeliness, or correctness of the data or for any decision made or action taken by the Road Commission or anyone using the information from the County and acting in reliance upon the data contained in the System.
 - c. There is no warranty of merchantability, no warranty of fitness for a particular use, and no warranty of any kind, express or implied, regarding the accuracy or reliability of the information contained in the System or for any aspect of the County's services provided herein.
 - d. To the extent not otherwise prohibited by law, the Road Commission shall hold the County (including for purposes of this paragraph, its commissioners, officers, employees and/or agents) harmless, indemnify them for, and defend them (with legal counsel reasonably acceptable to them) against any cause of action, claim, damage, or liability, including reasonable attorney fees, that may arise as a result of the services provided by the County to the Road Commission as contemplated in this Agreement. This indemnification shall survive the termination of this Agreement.
5. Notices. Any notice desired or required to be given by either the County or the Road Commission pursuant to this Agreement shall be addressed as follows:

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To the County:

Chairperson
Jackson County Board of Commissioners
120 W. Michigan Avenue
Jackson, MI 49201

To the Road Commission:

Chairperson
Jackson County Road Commission
2400 N. Elm Road
Jackson, MI 49204

6. Entire Agreement/Requirement of a Writing. It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and all negotiations between the parties relating to the subject matter hereof. Any alterations, variations or modifications of the provisions of this Agreement shall be valid only when they have been reduced to writing and duly signed by the parties herein. The headings in the Agreement are for convenience only, and shall not be considered a part of the Agreement but the Recitals are an integral part of the Agreement.
7. No Creation of Legal Entity. This Agreement does not create a separate legal entity, a public body corporate, or a joint venture. The Road Commission is a separate, legal entity operating under the laws of the State of Michigan, subject to direction and control by its board of commissioners.
8. Governing Law. The terms and conditions of the Agreement shall be governed by the laws of the State of Michigan.
9. Governmental Immunity. Nothing in this Agreement shall be construed as a waiver of governmental immunity or other defenses to liability of either party or any officer or employee of either party.
10. Approval and Authorization. This Agreement is approved by the Jackson County Board of Commissioners and the Jackson County Road Commission and the individuals signing on behalf of their respective parties have the authority to do so.

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IN WITNESS WHEREOF, the County and the Road Commission, acting by and through their duly-authorized representatives, have executed this Agreement as of the date and year first above written.

JACKSON COUNTY ROAD
COMMISSION

JACKSON COUNTY,
MICHIGAN

By: _____
Its: _____

By: _____
Chairperson
Its: Chairperson

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**Jackson County Department on Aging
May 2012 Budget Adjustment Summary**

| | Revenue Change | Expense Change | Net Org Key Change |
|----------------------------------------------|-------------------|-------------------|---------------------------------|
| 101670 Home Care | 80 | 300 | 220 |
| 101671 Senior Centers | | 7,000 | 7,000 |
| 101672 Case Coord., MMAP, Chore, Adm. | -2,200 | -2,200 | 0 |
| 101673 Meals on Wheels | 31,000 | 24,826 | -6,174 |
| 101674 Congregate Meals | -6,550 | -4,896 | 1,654 |
| 101678 Geriatric Mental Health | 3,000 | 300 | -2,700 |
| | 25,330 | 25,330 | 0 Zero net change to department |

Summary:

Grant, Medicaid Waiver, and other revenue changes in all Org Keys.

Adjust expense line items to reflect 2011 Actual.

101671: Pay all Sr. Health Promotion expenses (Prof. Services) from Senior Center; bill to two grants;
decrease 101674 Congregate Prof. Services accordingly.

**COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
REVENUE
2012**

| LINE ITEM | | | | | | | | |
|------------------|--------------|----------------|-----|----------------------------|-----------------------|-----------------|-----------------|-----------------------|
| FUND | DEPT. | ACCOUNT | | ACCOUNT DESCRIPTION | CURRENT BUDGET | INCREASE | DECREASE | AMENDED BUDGET |
| | | | | | | | | 0 |
| 101 | 670 | 676 | 006 | Respite Care Grant | 53,000 | 2,800 | | 55,800 |
| 101 | 670 | 696 | 030 | Caregiver Services Grant | 10,160 | 3,800 | | 13,960 |
| 101 | 670 | 623 | 050 | Program Income | 50 | | 50 | 0 |
| 101 | 670 | 623 | 055 | Caregiver Ed Donations | 0 | 15 | | 15 |
| 101 | 670 | 696 | 047 | Homemaker Medicaid Waiver | 34,300 | | 6,500 | 27,800 |
| 101 | 670 | 623 | 060 | Caregiver Suppl Donations | 0 | 15 | | 15 |
| | | | | | | | | 0 |
| | | | | | | | | 0 |
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| | | | | | | 6,630 | 6,550 | 80 |

REASONING:

| |
|-----------------------------------------------------------------------|
| Grant increases for Respite and Caregiver Supplemental (unmet needs). |
|-----------------------------------------------------------------------|

Program Income (donations from clients) revenue now deposited to Caregiver Ed or Caregiver Supplemental donations.

Less Medicaid Waiver revenue for Homemaker only.

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012

[illegible][illegible]

DEPT HEAD Mance Wandell

BUDGET DIR

DATE 4/27/11

DATE _____

COMMITTEE _____ DATE _____

ADMIN _____ DATE _____

BOARD OF COMM DATE

**COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012**

[illegible][illegible]

DEPT HEAD

Mavis Wandell

DATE _____

4/27/12

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
REVENUE
2012

[illegible][illegible]

DEPT HEAD

DATE _____

BUDGET DIR

DATE _____

COMMITTEE

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012

[illegible]

REASONING:

Chore grant funding cut: less cost for winter snow removal (Prof. Services) Jan.-Feb. 2012; and reduce Chore supply cost.

DEPT HEAD

DATE _____

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
REVENUE
2012

[illegible]

REASONING:

USDA 2011 year-end reimbursement lower than past two years; adjust 2012 budget accordingly.

Medicaid Waiver revenue higher than expected; increase to 2011 actual received.

Meals on Wheels client donations lower than usual.

Community donations low in 2011; lower 2012 expected amount.

DEPT HEAD

DATE _____

COMMITTEE.

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012

| LINE ITEM | | | | ACCOUNT DESCRIPTION | CURRENT BUDGET | INCREASE | DECREASE | AMENDED BUDGET |
|-----------|-------|---------|-----|-----------------------|----------------|----------|----------|----------------|
| FUND | DEPT. | ACCOUNT | | | | | | |
| 101 | 673 | 705 | 500 | Casual | 99,033 | 8,000 | | 107,033 |
| 101 | 673 | 718 | 000 | Retirement | 49,250 | | 11,000 | 38,250 |
| 101 | 673 | 718 | 100 | RHS Employer Contrib. | 173 | 4,100 | | 4,273 |
| | | | | | | | | 0 |
| 101 | 673 | 728 | 025 | Bad Debt Expense | 0 | 70 | | 70 |
| 101 | 673 | 728 | 000 | Printing | 500 | 500 | | 1,000 |
| 101 | 673 | 729 | 000 | Postage | 315 | 125 | | 440 |
| 101 | 673 | 741 | 000 | Food Charges | 360,000 | 18,000 | | 378,000 |
| | | | | | | | | 0 |
| 101 | 673 | 811 | 000 | Dues & Publications | 200 | 31 | | 231 |
| 101 | 673 | 864 | 000 | Gasoline Usage | 20,000 | 5,000 | | 25,000 |
| | | | | | | | | 0 |
| | | | | | | | | 0 |
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| | | | | | | | | |
| | | | | | | 35,826 | 11,000 | 24,826 |

REASONING:

| | |
|--|------------------------------------------------------|
| | Increase Casual pay to 2011 actual; for MOWs drivers |
|--|------------------------------------------------------|

Full-time employee changed from retirement to RHS.

Bad Debt Expense for bank fees should a client donation check have insufficient funds.

Increase food cost to 2011 amount spent, and funds for larger serving of vegetables to meet dietary requirement.

Dues and Publications for annual food licenses, % of Crouch Kitchen costs for Meals on Wheels.

Increase fuel cost to 2011 amount spent.

DEPT HEAD Maureen Connelly

DATE 4/27/12

COMMITTEE _____ DATE _____

BUDGET DIR

DATE _____

ADMIN _____ DATE _____

BOARD OF COMM DATE

**COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
REVENUE
2012**

[illegible]

REASONING:

| |
|-----------------------------------------------------------------------------------------------|
| Congregate grant cut \$2,550 at beginning of grant year, plus an additional \$2,550 in March. |
| Reg. 2 Area Agency on Aging to reinstate \$2,550 March cut with non-grant Reg. 2 AAA funds. |
| Change Max Meal revenue (reimbursement for food) to 2011 amount received. |
| Client donations lower than expected. |

DEPT HEAD

DATE _____

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012

[illegible]

REASONING:

Full-time employee changed from retirement to RHS.

Food Cost increasing.

Cleaning Supplies covers meal trays for cold Congregate 2nd meal; increase budgeted amount to 2011 actual.

Professional Services for Sr. Health Promotion Health Educator, pay all from 101671 Sr. Center; increase 101671 Professional Services by this amount.

Increase fuel cost to 2011 amount spent.

Vehicle repair increase so that Cong. program pays full share of delivery van repair cost related to nutrition sites.

More cost for nutrition site rental; billed to grant.

DEPT HEAD

DATE _____

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

**COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
REVENUE
2012**

[illegible]

REASONING:

Non-grant clients, bill Medicare first for counseling (MCBR revenue); Medicaid Waiver pays after Medicare is billed.

DEPT HEAD

Marcel Wanders

DATE _____

4/27/12

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

**COUNTY OF JACKSON
DEPT. ON AGING BUDGET ADJUSTMENT
EXPENSE
2012**

[illegible][illegible]

DEPT HEAD

Marshall

DATE _____

4/27/12

COMMITTEE

DATE _____

BUDGET DIR

DATE _____

ADMIN

DATE _____

BOARD OF COMM

DATE _____

Commissioner Board Appointments – May 2012

| <u>BOARD</u> | <u>NEW TERM EXPIRES</u> | <u>CURRENT MEMBER</u> | <u>APPLICANTS</u> | <u>COMMITTEE RECOMMENDED APPOINTMENTS</u> |
|---------------------------------------------------|---------------------------------|-----------------------|-------------------------------------------------------------|---------------------------------------------------|
| <u>LifeWays</u> | | | | |
| 1) One Public Member | 3/2015 | Michael Hoover | Frank Van Goethem Andrell Thomas Clevester Moten, Jr. | Clevester Moten, Jr. |
| <u>Region 2 Planning Commission</u> | | | | |
| 1) One public member | 12/2012 | Kyle Jansen | Teresa Abbey | Teresa Abbey |
| 1) One public member | 12/2012 | Robert Sutherby | Mark Baker | Mark Baker |
| <u>Retirement Board</u> | | | | |
| 1) One Commissioner member (Chair appointment) | 5/2015 | David Elwell | David Elwell | David Elwell |
| <u>Upper Grand River Watershed Alliance</u> | | | | |
| 1) One public member | 5/2014 | Jeffrey Heston | Jason Moritz | Jason Moritz |
| 1) One public member | 5/2014 | Geoff Snyder | Geoff Snyder | Geoff Snyder |
| 1) One public member | 5/2014 | Kenneth Price | Kenneth Price | Kenneth Price |
| 1) One public member | 5/2014 | Patricia Rayl | Patricia Rayl | Patricia Rayl |
| 1) One public member | 5/2014 | David Reeverts | | |
| 1) One public member | 5/2014 | Harley Darnell | | |

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson -- Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
Persons who wish to serve should complete the following information.

NAME: Van Goethem Frank _____
Last First, Middle Initial

HOME ADDRESS: 11104 Northview Drive Jerome 49249
Street City Zip Code

TELEPHONE: (517) 688-5266 (H), (517) 780-5779 (W) frankvg@frontiernet.net
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. LifeWays 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|--------------------------------------------|--------------------------|--------------------|
| <u>Big Brother-Big Sister</u> | <u>10 years</u> | <u>Big Brother</u> |
| <u>Jackson Police department (Reserve)</u> | <u>6 years (ongoing)</u> | <u>Sargeant</u> |
| _____ | _____ | _____ |

Employment:

| | | |
|------------------------------------------|------------------------------|-----------------------------------------|
| <u>State of Michigan + self-employed</u> | <u>Clinical psychologist</u> | <u>1987 - preset and 1991 - present</u> |
| Current Employer: | Position: | Dates of Employment: |

Education:

Graduate degree Clinical Psychology, Limited Licensed Psychologist, Licensed Social Worker.

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

As a mental health professional (MDOC, private practice, and as a reserve Police Officer), I would like to represent the voices of many individuals who do not have a voice.

Additional Information you feel may be helpful in considering your request for appointment:

Frank Van Goethem

Signature:

2/26/2012

Date:

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson -- Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
Persons who wish to serve should complete the following information.

NAME: Thomas _____ Andrell _____
Last First, Middle Initial
HOME ADDRESS: 517 Quarry Street Jackson 49201
Street City Zip Code
TELEPHONE: 517-392-3042 Thomasa8@michigan.gov
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. LIFEWAYS 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|----------------------------------------|------------------------|-------------------------------|
| <u>Minority Male Mentoring Program</u> | <u>2/2010-Present</u> | <u>Program Leader</u> |
| <u>Church of God Youth Group</u> | <u>12/2004-Present</u> | <u>Friday Preteen Teacher</u> |
| _____ | _____ | _____ |

Employment:

| | | |
|--------------------------------------------|--------------------------------------|----------------------|
| <u>Cooper Street Correctional Facility</u> | <u>Clinical Supervisor/Therapist</u> | <u>04/30/2010</u> |
| Current Employer: | Position: | Dates of Employment: |

Education:

Bachelor of Arts in Criminal Justice, Master of Arts in Family Studies, and currently studying ED. D in Education.

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

I believe my current experience in the mental health field can be contributed back to the community. I have a strong desire to assist community based programs grow to help assist individuals in the community.

Additional Information you feel may be helpful in considering your request for appointment:

I have experience working with adult and juvenile offenders that have mental health and substance abuse issues. I have experience working closely with community based programs to assist in the growth of clients that may be in need of therapeutic intervention.

Andrell D. Thomas
Signature:

2/27/2012
Date:

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson -- Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
Persons who wish to serve should complete the following information.

NAME: Moten, Jr. Clevester
Last First, Middle Initial

HOME ADDRESS: 2528 Gilman Pl. Jackson 49203
Street City Zip Code

TELEPHONE: (517) 936-3531 clevester.moten@gmail.com
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Life Way's 2. Community Planning Committee 3. Human Service Board

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|--------------------------------------------|-------------------------|-------------------------------------|
| <u>Mentoring Network of Jackson County</u> | <u>Present (2 yrs.)</u> | <u>Mentor Recruitor</u> |
| <u>Salvation Army Board of Directors</u> | <u>2 yrs.</u> | <u>Board Member</u> |
| <u>City of Jackson-Recreational Dept.</u> | <u>2yrs.</u> | <u>Volunteer-Community Programs</u> |

Employment:

| | | |
|-------------------|----------------------------------|-------------------------|
| <u>Shar, Inc.</u> | <u>Counselor-Substance Abuse</u> | <u>07/11/12-Present</u> |
| Current Employer: | Position: | Dates of Employment: |

Education:

PhD Candidate (ABD) Walden University, Public Policy and Administration, specializing in public leadership and management

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

Have been an influential administrator and human service professional for ten-years now with expertise in mental-health, substance abuse, stress management, crisis intervention. In addition, I have many credentials and a strong background in administration and public policy.

Additional Information you feel may be helpful in considering your request for appointment:

Have multiple years of training and experience in the private and public sector; including non-profit management.

Clevester Moten, Jr. 2/23/2012
Signature: Date:

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson -- Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
Persons who wish to serve should complete the following information.

NAME: Abbey _____ Teresa _____
Last First, Middle Initial
HOME ADDRESS: 216 S. Waterloo _____ Jackson _____ 49201
Street City Zip Code
TELEPHONE: 517-240-2801 _____ teresa.abbey@gmail.com
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Region II Planning Commission - reappointment 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|---------------------------------------------|-------------------|---------------------------------------------------------|
| <u>Region II Planning Commission</u> | <u>3 yrs</u> | <u>member full commission & executive committee</u> |
| <u>Department on Aging Advisory Council</u> | <u>2 yrs</u> | <u>member</u> |
| _____ | _____ | _____ |

Employment:

| | | |
|---------------------------|-----------------------------------------------|--------------------------------|
| <u>Orion Systems, Inc</u> | <u>Configuration Manager - SW Development</u> | <u>March 1999 thru present</u> |
| Current Employer: | Position: | Dates of Employment: |

Education:

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

I would like to continue serving on the Region II Planning Commission

Additional Information you feel may be helpful in considering your request for appointment:

Teresa J Abbey _____ 4/14/2012
Signature: Date:

Please Type or Print
With Black BallpointPlease Type or Print
with Black Ballpoint

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson – Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions. Persons who wish to serve should complete the following information.

NAME: Baker **Mark** E
Last First Middle Initial

HOME ADDRESS: 404 Hibbard Ave Jackson 49202
Street City Zip Code

TELEPHONE: 517-414-0267 (cell) 517-990-9595 (Work) mbaker@cqlc.edu
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Region 2 Planning Commission 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|-------------------------------------|-------------------|-------------------------------|
| <u>East Jackson Nazarene Church</u> | <u>4 years</u> | <u>Church Board Secretary</u> |
| <u>MI District Missions Council</u> | <u>7 years</u> | <u>District Secretary</u> |
| _____ | _____ | _____ |

Employment:

| Current Employer: | Position: | Dates of Employment: |
|--------------------------------------|-------------------------------------|-----------------------------|
| <u>Career Quest Learning Centers</u> | <u>Business Development Manager</u> | <u>April 2010 - Present</u> |

Education:

Bachelor's Degree in Christian Counseling - Nazarene Bible College, Associate Applied Science - I.T.T. Technical Inst.

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

I am a strong advocate for Workforce and Economic Development. I believe everyone should have the opportunity to work.

Additional Information you feel may be helpful in considering your request for appointment:

Mark Baker

Signature:

4/17/2012

Date:



Please Type or Print
With Black BallpointPlease Type or Print
With Black Ballpoint

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson – Administrator/Controller's Office – 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(317) 788-4335 FAX (317) 780-4735

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
 Persons who wish to serve should complete the following information.

NAME: Moritz Jason M.
Last First Middle Initial

HOME ADDRESS: 7181 Brills Lake Rd. Jackson, MI 49201
Street City Zip Code

TELEPHONE: 517-522-3641 (H) jason_moritz@yahoo.com
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Upper Grand River 2. _____ 3. _____
Watershed Alliance

Community Activities/Civic Organization/Boards/Commissions:

| <u>Activity / Organization:</u> | <u>Length of Service</u> | <u>Position (s) Held:</u> |
|--------------------------------------|---------------------------|---------------------------|
| <u>Jackson Area Trans. Auth.</u> | <u>March 2012-Present</u> | <u>Board member</u> |
| <u>Partnership Park Comm. Garden</u> | <u>May 2009-Present</u> | <u>Volunteer</u> |
| <u>NAACP, Albion Branch</u> | <u>2010-Present</u> | <u>Member</u> |

Employment:

| <u>Current Employer:</u> | <u>Position:</u> | <u>Dates of Employment:</u> |
|--------------------------|------------------------------|-----------------------------|
| <u>Albion College</u> | <u>Certification Officer</u> | <u>11/2007-Present</u> |

Education:

Northwestern Univ. (BA, econ. & geography); Univ. of Iowa (MA, geography);
and UCLA (MIS, info. studies)

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

My wife and I enjoy the outdoors in Jackson Co, and I
want to help preserve it for future generations.

Additional Information you feel may be helpful in considering your request for appointment:

I helped teach Contemporary Env. Issues at the Univ. of Iowa.

J.M.M.

 Signature:

April 16, 2012

Date:

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT



Mail or personally deliver to: County of Jackson Administrator/Controller's Office- 6th Floor
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 fax (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions. Persons who wish to serve should complete the following information.

NAME: Price Kenneth W
Last First Middle Initial
HOME ADDRESS: 416 Bates Jackson 49202
Street City Zip Code
TELEPHONE: 517-795-6847 Kprincephotos@Comcast.net
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Upper Grand Riverwatershed Council 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity/Organization: | Length of Service | Position(s) Held: |
|--------------------------------------|-------------------|-------------------|
| <u>GREAT</u> | <u>6 yr</u> | <u>President</u> |
| <u>Jackson Conservation District</u> | <u>1 yr</u> | <u>Member</u> |
| _____ | _____ | _____ |

Employment:

| Current Employer: | Position: | Dates of Employment: |
|-----------------------|--------------|-----------------------|
| <u>K Price Photos</u> | <u>Owner</u> | <u>2009 - Present</u> |

Education:

Pearland High School - Southwest Texas University

Please indicate why you are requesting appointment to this Board(s)/Commission(s):

Interested in Keeping Grand - Grand

Additional Information you feel may be helpful in considering your request for Appointment:

Kenneth W Price 4/15/2012
Signature Date

COUNTY OF JACKSON

REQUEST FOR BOARD OR COMMISSION APPOINTMENT

Mail or personally deliver to: *County of Jackson -- Administrator/Controller's Office -- 6th Floor*
120 West Michigan Avenue, Jackson, MI 49201
(517) 788-4335 FAX (517) 780-4755

The Jackson County Board of Commissioners appoints individuals to numerous Boards and Commissions.
Persons who wish to serve should complete the following information.

NAME: Rayl Patricia L
Last First, Middle Initial

HOME ADDRESS: 3442 Roosevelt Rd. Jackson 49203
Street City Zip Code

TELEPHONE: 517) 960-4470 prayl@comcast.net
Home, Work, Cell, or Business (Include Area Code) E-mail Address

Name of Board(s) or Commission(s) to which Appointment is requested:

1. Upper Grand River Watershed Council 2. _____ 3. _____

Community Activities/Civic Organization/Boards/Commissions:

| Activity / Organization: | Length of Service | Position (s) Held: |
|------------------------------------------------|----------------------|-------------------------------------------------|
| <u>Jackson Downtown Development Authority</u> | <u>almost a year</u> | <u>Design/Economic Restructuring/Promotions</u> |
| <u>Upper Grand River Watershed Council</u> | <u>4 years</u> | <u>member</u> |
| <u>Summit Township Zoning Board of Appeals</u> | <u>2 years</u> | <u>member</u> |

Employment:

| | | |
|----------------------------------|--------------------------|-------------------------------------|
| <u>Marshall Main Street/DDA</u> | <u>Intern</u> | <u>January 2012 - present</u> |
| <small>Current Employer:</small> | <small>Position:</small> | <small>Dates of Employment:</small> |

Education:

master of public administration, graduating June 2012 from Eastern Michigan University; B.A. from EMU

Please indicate why you are requesting appointment to this Board (s) /Commission (s):

I have served two terms perviously, and the growth of the organization continues. I'd like to be part of keeping the Grand River such a vital recreation and economic feature of our community.

Additional Information you feel may be helpful in considering your request for appointment:

2011 Susan B Anthony Award member of: CEDAM, MLGMA, ASPA

Patricia Rayl
Signature:

April 10, 2012
Date:

Submit

Reset

**ASSISTANT PROSECUTOR'S ASSOCIATION
TENTATIVE ECONOMIC AGREEMENT SUMMARY
April 27, 2012**

1. Page 1. 3b. Insurance: Medical and Prescription Coverage. Propose to replace section as follows: Replace the current health insurance options with a new health insurance option through Blue Cross Blue Shield called Healthy Blue Incentives (HBI) PPO. The HBI option will be bundled to a \$10/\$20/\$40 prescription plan, dental coverage (D1) and vision coverage (V1).

Premium co-pays for all employees as follows:

2012: 10% of the illustrated rates

2013: 15% of the illustrated rates

2014: 20% of the illustrated rates

Full details of the HBI plan are in the Benefits-At-A-Glance (BAAG).

Elimination of all IBP dollars.

2. Page 4. Wages.

For employees hired prior to 1/1/2004:

2012: 1% increase

2013: 2% increase

2014: 3% increase

For employees hired on or after 1/1/2004:

2012: 2% increase

2013: 2% increase

2014: 3% increase

3. Page 5. Window Periods. Revise window periods as follows:

2012, 2013, 2014: For pre-2007 hires window period for May/June and November/December to allow for retirement at age 55 with 10 years of service or any age with 25 years of service. The last day worked must be within the window period.

4. Page 8. 2. Paid Time Off – Rate of Accumulation. Revise last sentence of section as follows: There will be no accrual of paid time off while an employee is absent from work and receiving short-term disability (STD), long-term disability (LTD), **worker's compensation**, or unpaid time.

**COAM NEGOTIATIONS
TENTATIVE ECONOMIC AGREEMENT SUMMARY
April 25, 2012**

1. Page 18. **Article 19 Wages and Classifications.** Section 1. Wage Rates.

| | |
|-------------|-------------|
| <u>2012</u> | 3% Increase |
| <u>2013</u> | 2% increase |
| <u>2014</u> | 3% increase |

2. Page 19. **Article 23 Insurance.** Section 1. Hospital and Medical Insurance Coverage. Propose to replace the current health insurance options with a new health insurance option through Blue Cross Blue Shield called Healthy Blue Incentives (HBI) PPO. The HBI option will be bundled to a \$10/\$20/\$40 prescription plan, dental coverage (D1) and vision coverage (V1).

Premium co-pays for all employees as follows:

| | |
|-------|-----------------------------|
| 2012: | 10% of the illustrated rate |
| 2013: | 15% of the illustrated rate |
| 2014: | 20% of the illustrated rate |

Elimination of all IBP dollars.

3. Page 20. **Article 23 Insurance.** Section 3. Hospital and Medical Coverage/Retirees. Add language to the end of the section as follows: **Retiree Health Savings Account:** All employees hired on or after 1/1/2012 will not be eligible for health insurance in retirement. They will participate in the VantageCare Retiree Health Savings Plan (RHS) through ICMA-RC.

Parameters of the plan are:

- a. Employer contributes \$1,750.00 annually, to be increased \$100.00 every 5 years.
- b. Employee contributes \$750.00 annually, to be increased \$50.00 every 5 years.
- c. 3 year vesting.
- d. Eligible to receive medical benefit payments upon separation from service with no restrictions.
- e. Permissible medical benefit payments are those eligible under IRC Section 213 other than direct long-term care expenses and including non-prescription medications allowed under IRS guidance.
- f. In the event of the death of a participant, the surviving spouse and/or surviving dependents are immediately eligible to maintain the account and utilize it to fund eligible medical benefits.
- g. Me-too clause to honor any provisions adopted by the Police Officers Association of Michigan regarding employees participating

in a Retiree Health Savings Account and carry forward with new COAM members as they are promoted.

4. Page 22. **Article 24 Retirement. Section 1.** Remove language in first full paragraph at top of page as follows: The Employer will make contributions to the Retirement System in the amounts recommended by the actuarial study approved by the Jackson County Employees' Retirement System Board of Trustees. Employees shall pay the cost in excess of 1.77% of compensation to allow employees to retire at any age with twenty-five (25) years or more of service in addition to the cost noted above. Employee contributions to the Retirement System will be made through payroll deduction. ~~For the term of this collective bargaining agreement member contributions will be 7.85%.~~