



Manistee County Board of Commissioners

Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

CHAIRPERSON
Jim Krolezyk
VICE-CHAIRPERSON
Ken Hilliard

Duane Anderson
Ervin Kowalski
Glenn Lottie
Carl Rutske
Richard Schmidt

CLERK

Marilyn Kliber
(231) 723-3331

CONTROLLER/ADMINISTRATOR

Thomas Kaminski
(231) 398-3500

WAYS & MEANS COMMITTEE REPORT

Tuesday, May 10, 2011
9:00 A.M.

Courthouse and Government Center
Board of Commissioner's Room

Members Present: Ervin Kowalski, Chairperson; Glenn Lottie; and Jim Krolezyk

Others Present: Thomas Kaminski, County Controller/Administrator; Russell Pomeroy, County Treasurer; Roger Elbers, Equalization Director; Elaine Bush, Extension Educator for Michigan State University Extension, Jeri Lyn Prielipp, Finance Assistant; and Ken Grabowski, Manistee News Advocate

The meeting was called to order at 9:00 A.M.

ITEMS REQUIRING BOARD ACTION

Jeri Lyn Prielipp, Finance Assistant, presented the Committee with Claiming Summaries for April 19, 2011 through May 10, 2011, and a summary of the On-Demand checks for their review and approval. Totals are as follows:

101 General Fund	\$165,510.54
201 County Road Fund	0.00
215 Friend of the Court Fund	0.00
216 Department Contingency Fund	0.00
218 Elections Fund	0.00
225 Recycling Fund	0.00
230 County Employee Training Fund	152.26
234 Judicial Technology Fund	0.00
235 District Court Services Fund	964.65
236 Maintenance of Effort Fund	2,132.82
241 JAWS of Life Fund	0.00
242 Bear Lake Improvement Fund	1,500.00
243 Brownfield Redevelopment Authority Fund	0.00
244 Brownfield Redevelopment-Joslin Cove	0.00
245 Public Improvement Fund	0.00
246 Township Improvement Revolving Fund	0.00
251 Capital Improvement Fund	5,465.99
252 Tax Refund Fund	0.00
253 Remonumentation Fund	0.00
254 Medical Care Depreciation Fund	0.00
255 Brownfield Site Assessment Fund	48,988.02
256 Register of Deeds Automation Fund	0.00

257 Budget Stabilization Fund	0.00
258 Mounted Search and Rescue	0.00
259 Legal Defense Fund	0.00
260 Health Insurance Fund	127,446.58
261 9-1-1 Service Fund	0.00
262 Dive Equipment Fund	89.09
263 Sheriff's Office Forfeited Assets Fund	0.00
264 Family Counseling Services Fund	0.00
265 Juvenile Drug Court Fund	0.00
266 Law Enforcement Training Fund	385.52
267 Friends of Animal Control Fund	0.00
268 Homeland Security Grant Fund	0.00
269 Law Library Fund	1,871.89
271 County Library Fund	0.00
272 County Library Trust Fund	0.00
273 Computer Technology Fund	13,797.66
274 Drug Testing - District Court Fund	0.00
275 Dial-A-Ride Fund	0.00
276 Forestry Fund	0.00
277 Air Photo Fund	0.00
278 LEPC Grant Fund	0.00
279 Economic Development - Housing Fund	1,871.00
280 MSHDA Grant Fund	0.00
281 Law Enforcement Technology Fund	0.00
282 EDO CDBG Grant Fund	26,952.41
283 F.I.A. Benzie County	0.00
284 Community Corrections Fund	1,168.95
285 Drunk Driving Case Flow Fund	0.00
286 Juvenile Intervention Fund	1,266.96
287 JABGN Grant Fund	0.00
288 Sheriff Dog Census Fund	0.00
290 Department of Human Services Fund	0.00
292 Child Care Fund	5,778.79
293 Soldiers & Sailors Relief Fund	0.00
294 Veterans Trust Fund	0.00
295 Airport Authority Fund	31,735.43
296 Juvenile Justice Fund	0.00
297 Compensated Services Fund	72,034.25
298 County Employee Separation Fund	0.00
299 Unemployment Fund	0.00
356 Fair Board Debt Fund	0.00
360 9-1-1 Expansion Construction Fund	0.00
361 Jail Expansion Construction Fund	0.00
362 Jail Building Bond	0.00
368 Library Loan Fund	0.00
369 Building Authority Debt Fund	0.00

370 County Road Building Debt Fund	0.00
461 Building Authority Construction Fund	0.00
462 County Road Construction Fund	0.00
512 Medical Care Facility Fund	0.00
603 Vehicle Fund	0.00
606 Tax Revolving Fund	0.00
620 Tax Revolving - State Sales	193.05
701 Trust and Agency	<u>0.00</u>
Total:	\$509,305.86 =====
On Demand checks total:	74,721.33 =====

Mr. Lottie recommended that the on demand checks and bills issued, be accepted in the amount of \$509,305.86 and that the same be placed on file. No alternative recommendation was proposed.

The Committee considered approving the payment of unused accumulated vacation and personal hours to Susan Wagner, former employee of the Manistee County Planning Department, who retired from employment with the County effective April 30, 2011 = \$6,319.24 (APPENDIX A).

Mr. Lottie recommended approving the payment of unused accumulated vacation and personal hours to Susan Wagner in the amount of \$6,319.24, said leave time to be paid from the Separation Fund. No alternative recommendation was proposed. (APPENDIX A)

The Committee considered an invoice dated May 4, 2011, from Northern Michigan Substance Abuse Services, Incorporated (NMSAS), in the amount of \$25,066.50 (APPENDIX B), which represents 50% of the substance abuse portion of the Convention Facility Development Fund (Cobo Hall Liquor Tax). The Northern Michigan Substance Abuse Services, Incorporated, is a designated regional substance abuse coordinating agency, serving Manistee County. Section II of Public Act 2 of 1986 states that "the proceeds received by the taxing unit shall be distributed to the coordinating agency designated for that county pursuant to Section 6226 of Act 368 of the Public Acts of 1978, being Section 33.6226 of the Michigan Compiled Laws, to be used only for substance abuse prevention and treatment programs in the county from which the proceeds originated." According to the check stub received from the State of Michigan, this payment is a distribution of Convention Facility Tax Funds collected in January, February, and March 2011. The July payment will distribute the revenues collected in April through June, 2010.

Mr. Krolczyk recommended approving the payment of \$25,066.50 to Northern Michigan Substance Abuse Services, Inc., which is the designated regional substance abuse coordinating agency serving Manistee County. No alternative recommendation was proposed. (APPENDIX B)

The Committee considered a resolution imposing 2011 Summer Property Tax Levy pursuant to Public Acts 357 of 2004 and Notice of Certification of County Allocated Tax Levy, which is adopted each year (APPENDIX C). Mr. Elbers explained that adoption of this resolution is required but is more of a formality. Mr. Kaminski indicated that this resolution affirms that the Board approves the collection of those taxes in July.

Mr. Lottie recommended that the County Board of Commissioners adopt a Resolution Imposing 2011 Summer Property Tax Levy pursuant to Public Act 357 of 2004, and Notice of Certification of County Allocated Tax Levy. No alternative recommendation was proposed. (APPENDIX C)

Mr. Kaminski reported that he recently approved a voucher from the 85th District Court for the purchase of three new desktop printers for that office in the amount of \$878.97. There was a notation on the voucher requesting that these funds be transferred from the District Court's Contingency Surplus Fund. Mr. Kaminski requested that the District Court put this request in writing (APPENDIX D).

Mr. Kowalski recommended transferring \$878.97 from the District Court Contingency Surplus Fund line item #216 000 390.004 to the District Court General Fund Budget for the purchase of three new desktop printers for the District Court office, and authorize the County Controller to make the proper budget amendments. No alternative recommendation was proposed.

Ms. Bush requested that the Committee consider authorizing the use of Title III funds under the Secure Rural Schools Federal Funding Program for funding the MSU Extension Firewise community program. Mr. Kaminski provided background information to the Committee and explained that Counties that receive over \$100,000 but less than \$350,000 MUST set aside 15 to 20% for special Title III projects. The County has accumulated \$84,154.30 in 2009, 2010 and 2011 Title III funds which pass through the County and must be used by the County for one or more of the following types of projects (or returned to the federal government):

- Carrying out Fire wise Community Programs
- Developing community wildfire protection plans
- Reimburse for emergency services paid for by counties and performed on Federal land (e.g. search and rescue, firefighting) (APPENDIX E).

Ms. Bush gave a brief presentation to the Committee on the fire wise programs that MSU Extension offers and distributed a proposed Memorandum of Agreement between the Manistee County Board of Commissioners and Michigan State University (APPENDIX E-4). Ms. Bush explained that the fire wise field assistants are considered a temporary on call person and can only work 19 hours a week at the rate of \$15.00 per hour, with very little fringe benefits. MSU Extension is requesting \$11,000 of the Title III funds to cover the assistants' salary, fringes and operating costs in the amount of \$2,000 through the 2011 calendar year, as outlined in the Memorandum of Agreement. Mr. Kaminski requested that MSU Extension provide the County with invoices each month for said wages and operating costs.

Mr. Lottie recommended approving the Memorandum of Agreement between the Manistee County Board of Commissioners and Michigan State University to use Secure Rural Schools Title III funds to continue the MSU Extension Firewise community program through the 2011 calendar year, at a cost not to

exceed \$11,000.00, and authorize the County Board Chair to sign said agreement. No alternative recommendation was proposed.

The Committee considered the following proposals to complete Manistee County's Cost Allocation Plan for FY 2010:

- | | | |
|----|--|----------|
| A) | Maximus (one year option) = | \$9,000 |
| B) | Maximus (three year option) =
(\$8,000 for 2010; \$8,500 for 2011; \$9,000 for 2012)
(APPENDIX F) | \$25,500 |
| C) | MGT of America, Inc. (one year option) = | \$7,500 |
| D) | MGT of America, Inc. (three year option) =
(\$7,500 for 2010; \$7,500 for 2011; \$7,500 for 2012)
(APPENDIX G) | \$22,500 |

(MGT also offering to perform a Court Administration Cost Allocation Plan for a fixed fee of \$3,000.)

Mr. Kaminski explained that for a number of years the County as contracted with Maximus to do the Cost Allocation Plans, whereby they come in and determine indirect costs which are then billed to the State of Michigan to fund various programs, such as CRP Contracts, the Child Care Fund, etc.. The contract is based on what is collected for the County and Maximus receives 50% of what is received from the State of Michigan up to \$9,000 per year. Mr. Kaminski indicated that a few years ago, Jim Olson, who is probably the most knowledgeable and leading expert in this field in the State of Michigan, left Maximus and formed MGT of America, Inc., and a lot of counties are switching from Maximus to MGT of America, Inc.. MGT is also offering to do a Cost Allocation Plan for the Court/Child Care Fund, which probably won't be necessary. The Committee was asked to consider whether or not to switch from Maximus to MGT of America, Inc., and whether to go with the one-year or three-year option. Both Mr. Kaminski and Mr. Pomeroy recommended switching to MGT and to go with the three-year option.

Mr. Krolczyk recommended entering into a contract with MGT of America, Inc., to complete Manistee County's Cost Allocation Plan for the next three years , at a total cost of \$22,500, and request that the contract include an option to perform a Court Administration Cost Allocation Plan for a fixed fee of \$3,000, if needed. No alternative recommendation was proposed. (APPENDIX G)

ITEMS NOT REQUIRING BOARD ACTION

Mr. Kaminski announced that he and Mr. Pomeroy are working on putting together a request for proposals for bids on the annual audit/contract.

Mr. Kaminski presented a FY 2011/12 budget preparation calendar (APPENDIX H).

Mr. Kaminski informed the Committee that the County Treasurer has proposed that the County look at increasing dog license fees. Lengthy discussion took place on this issue.

Mr. Kaminski brought the Committee's attention to APPENDIX I which is a report on the Direct Feed Health Insurance Savings program. He was pleased to report that the program is working and has saved the County over \$32,600 through April 2011. He explained that instead of paying Blue Cross Blue Shield for a PPO 3 program, the County is paying for a PPO 15 program, which has increased deductibles and reduces the monthly fee to BCBS. The County is self funding the difference between the PPO 3 and PPO 15 programs.

Mr. Kaminski reported that the AES Contract expires July 1, 2011, and the proposal is to keep the contract amount of \$90,000 the same for 2011/12, with a 2.5% increase for the next 2 years thereafter.

The meeting adjourned at 10:30 A.M.

Ervin Kowalski, Chairperson

Jim Krolczyk, Commissioner

Glenn Lottie, Commissioner

JP c:\office\Ways & Means\W&M 5-10-2011



Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

(APPENDIX A)

OFFICE OF
CONTROLLER/
ADMINISTRATOR
231-398-3500 • Fax 231-723-1795
www.manisteecountymi.gov

MEMORANDUM

TO: Manistee County Board of Commissioners

FROM: Karen M. Molby, Personnel Officer/Administrative Assistant *KMM*

DATE: May 3, 2011

RE: Unused Accumulated Vacation, Sick Time and Personal Day Payment

Employee Name: Susan Wagner
Department: Planning Department
Employee #: 1301
Hourly Rate: \$24.83
Termination Date: April 30, 2011

2011 Unused Vacation Hours:	150.0
2012 Earned Vacation Hours:	61.0
2011 Unused Accumulated Sick Hours:	0.00
2011 Unused Personal Day Hours:	43.5
2011 Unused Vacation Payment:	\$3,724.50
2012 Earned Vacation Payment:	\$1,514.63
2011 Unused Sick Time Payment:	\$0.00
2011 Unused Personal Day Payment:	\$1,080.11
2011 Unused Cleaning Allowance Due County:	\$0.00
2011 Shift Differential Due Employee:	\$0.00
Total Amount Due:	<u>\$6,319.24</u>

Payment to be made from the "Employee Separations" Account #298 000 701.001.

Approved for payment by the Manistee County Board of Commissioners on Tuesday, May 17, 2011.

Jim Krolczyk, County Board Chairperson

(APPENDIX B)



NMSAS

Northern Michigan Substance Abuse Services, Inc.

*building resources,
guiding services,
restoring hope*

May 4, 2011

Russell A. Pomeroy, Manistee County Treasurer
Manistee County
415 Third Street
Manistee, MI 49660

Dear Mr. Pomeroy:

Northern Michigan Substance Abuse Services, Inc. (NMSAS) is the designated regional substance abuse Coordinating Agency serving Manistee County.

Please accept this letter as the invoice for the substance abuse portion of the Convention Facility Development Funds (Cobo Hall Liquor Tax). The amount of this invoice is \$25,066.50 for April. Section II of Public Act 2 of 1986 states that "The proceeds received by the taxing unit shall be distributed to the Coordinating Agency designated for that county pursuant to Section 6226 of Act 368 of the Public Acts of 1978, being Section 33.6226 of the Michigan Compiled Laws to be used only for substance abuse prevention and treatment programs in the county from which the proceeds originated."

If you have any questions regarding this invoice please do not hesitate to contact me at (989) 732-1791.

Received
$$\begin{array}{r} \$50,133.00 \\ \times 50\% \\ \hline \$25,066.50 \end{array}$$

Sincerely,

Anita Lawnichak
Deputy Director Finance & Administration

(APPENDIX C-1)

CHAIRPERSON
Jim Krolezyk
VICE-CHAIRPERSON
Ken Hilliard

Manistee County Board of Commissioners



Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

Duane Anderson
Ervin Kowalski
Glenn Lottie
Carl Rutske
Richard Schmidt

CLERK

Marilyn Kliber
(231) 723-3331

CONTROLLER/ADMINISTRATOR

Thomas Kaminski
(231) 398-3500

**RESOLUTION IMPOSING 2011 SUMMER PROPERTY TAX LEVY
PURSUANT TO PUBLIC ACT 357 OF 2004,
AND NOTICE OF CERTIFICATION OF COUNTY ALLOCATED TAX LEVY**

At a regular meeting of the Manistee County Board of Commissioners held in the Manistee County Courthouse & Government Center, 415 Third Street, Manistee, Michigan, on the 17th day of May, 2011.

PRESENT:

ABSENT:

The following resolution was offered by _____ and seconded by _____:

WHEREAS, Manistee County is authorized under the General Property Tax Act, Public Act 206 of 1893, as amended, to levy and collect County allocated property taxes; and

WHEREAS, the General Property Tax Act has been amended by Public Act 357 of 2004, being MCL 211.44a, to require all Michigan Counties to impose a summer tax levy, with the summer tax levies for 2005 and 2006 to be in the amount of 1/3 and 2/3, respectively, of the total County allocated tax, with the full amount of the County allocated tax to be levied and collected as a summer tax levy in 2007 and each year thereafter;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Public Act 357 of 2004, the Manistee County allocated tax shall be levied and collected on July 1, 2011, at the full amount allocated after application of the "Headlee" millage reduction fraction, or 5.4615 mills; and

BE IT FURTHER RESOLVED, that Manistee County will comply with MCL 141.412, "Notice of Hearing for Proposed Budget" and Section 16 of the Uniform Budgeting and Accounting Act, MCL 141.436, to fulfill requirements for "Truth in Taxation", MCL 211.24e; and

BE IT FURTHER RESOLVED, that this resolution constitutes certification of the levy of the County allocated tax and authorized collection of the County allocated tax on July 1, 2011, at the full amount allocated after application of "Headlee" millage reduction fraction, or 5.4615; and

BE IT FURTHER RESOLVED, that the Treasurer of each Township and City in Manistee County is directed to account for and deliver the full amount of County allocated tax collections for 2011 in accordance with the provisions of Public Act 357 of 2004; and

BE IT FURTHER RESOLVED, that the County Clerk shall deliver a copy of this resolution by first class mail to the Treasurer of each Township and City in Manistee County.

(C-2)

STATE OF MICHIGAN)
)ss.
COUNTY OF MANISTEE)

I, Marilyn Kliber, County Clerk, do hereby certify that the foregoing is a true copy of a Resolution adopted by the Manistee County Board of Commissioners at its regular monthly meeting held on the 17th day of May, 2011 by the following vote:

YEAS:

NAYS:

NOT VOTING:

I further certify that the foregoing Resolution is a true, correct and complete transcript of the original of said Resolution appearing on file and of record in my office. I further certify that the meeting was held and the minutes therefore were filed in compliance with Act No. 267 of the Public Acts of 1976.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the County of Manistee this 17th day of May, 2011.

CLERK OF THE COUNTY COMMISSION
MANISTEE COUNTY, MICHIGAN

Marilyn Kliber, County Clerk

(11_07)
[m h:\resolutions\11_07 tax]



(APPENDIX D)

State of Michigan
85th District Court
Manistee County Courthouse
Manistee, Michigan 49660
(231) 723-5010

Brent Danielson
District Judge

Antoinette Gorch
Magistrate

May 4, 2011

Manistee County
Ways and Means Committee

Dear Ways and Means Committee,

The District Court is requesting a line item transfer so that we may fund the purchase of three (3) new desktop printers. We are requesting that \$878.97 be transferred from our contingency line item to the line item for District Court equipment.

If you need any further information regarding this matter, please feel free to contact me.

Sincerely,

Antoinette M. Gorch

Antoinette M. Gorch
Magistrate

AMG/bqq



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT
LANSING



REBECCA A. HUMPHRIES
DIRECTOR

(APPENDIX E)

July 7, 2010

RECEIVED
JUL 14 2010

County Board of Commissioners

SUBJECT: Payments to your County from National Forest Revenues

Dear County Board of Commissioners:

The Secure Rural Schools and Self-Determination Act of 2000 was passed in October of 2000. On October 3, 2008, H.R. 1424 became Public Law (P.L.) 110-343. Section 601 in Division C of H.R. 1424 reauthorized and amended the Secure Rural Schools and Community Self-Determination Act of 2000 as originally enacted in P.L. 106-393. This law has been extended through fiscal year 2011. At that time, your county was given the choice to receive the 25-percent payment or the State payment amount. Your county chose the state payment.

Background Information

State Payment Amount

Amount Paid to the County: To calculate a State payment, the "adjusted share" for each eligible county within the State is multiplied by the "full funding amount" for the fiscal year for which the payment is made. The State payment is the sum of these amounts. The full funding amount decreases each fiscal year.

How Funds can be Used:

- a. **Counties that receive under \$100,000 - MAY** set aside 15 to 20 percent of their share for the special projects described below, but are not required to do so. The remaining 80 to 85 percent must continue to be used for public schools and public roads (Title I funds).
- b. **Counties that receive over \$100,000 but less than \$350,000 - MUST** set aside 15 to 20 percent of their payment for special projects which includes one or a combination of the three areas below. The remaining 80 to 85 percent must continue to be used for public schools and public roads (Title I funds).
 - **Title II Projects (Federal Projects):** Funds are reserved by the Federal Treasurer and can be used by the USFS for a variety of land management projects on federal lands. Local resource advisory committees must be established to guide use of the funds by the USFS.

This is the category we fall under.

(E-2)

Action Required:

- Since your county is a state payment county you must notify the Department of Natural Resources and Environment (DNRE) of your intentions for the following fiscal year under the state payment method no later than September 15 of each fiscal year. If your county fails to notify the DNRE by this date, the county is deemed to have elected to expend 85 percent of the funds to be received in a ratio of 75 percent to local school districts for school purposes and 25 percent to townships for improvement of county roads and shall remit the balance to the Treasury of the United States.
- You will be required to provide documentation and reports to the State of Michigan regarding your distribution and expenditure of the funds received, including detailed reports on the monies expended for Title III projects.

Please submit your letter with your decision of what percent of your payment will go to Title I, Title II, and Title III projects to the following address:

Office of Financial Services
Department of Natural Resources and Environment
P.O. Box 30028
Lansing, Michigan 48909-7925
ATTENTION: Amy Henderson

- The DNRE will notify the Secretary of Agriculture of your decision. If we do not receive your response by September 15, 2010, the DNRE will assume you want to receive 85% of your payment as Title I funds and remit the 15% balance to the Treasury of the United States.

If you have any questions, please contact Mr. Brandon Reed of the Fund and Revenue Accounting Section in the DNRE's Office of Financial Services. Mr. Reed can be reached at 517-335-9297.

517-335-0393 *WILT questions*

Sincerely,

Amy Henderson 517-241-2468

Amy Henderson, Manager
Fund and Revenue Accounting
Financial Services

Title III

cc: *26,071.91 (2011)*
28,789.39 (2010)
29,293.00 (2009)

Encl

\$ 84,154.30

(E-3)

- **Title III Projects (County Projects):** Funds are paid to the State and passed through to the county and must be used by the county for one or more of the following types of projects:
 - ✓ Carrying out Fire wise Community Programs
 - ✓ Developing community wildfire protection plans
 - ✓ Reimburse for emergency services paid for by counties and performed on Federal land (e.g. search and rescue, firefighting)
 - **Return Money to the Federal Treasury**
- c. **Counties that receive over \$350,000 - MUST** set aside 15 to 20 percent of their payment for special projects which includes one or a combination of the three areas below except that the allocation for Title III projects MAY NOT exceed 7%. The total of percentage amounts allocated to Title II and Title III combined must be no less than 15% and no greater than 20%. The remaining 80 to 85 percent must continue to be used for public schools and public roads (Title I funds).
- **Title II Projects (Federal Projects):** Funds are reserved by the Federal Treasurer and can be used by the USFS for a variety of land management projects on federal lands. Local resource advisory committees must be established to guide use of the funds by the USFS.
 - **Title III Projects (County Projects):** Funds are paid to the State and passed through to the county and must be used by the county for one or more of the following types of projects:
 - ✓ Carrying out Fire wise Community Programs
 - ✓ Developing community wildfire protection plans
 - ✓ Reimburse for emergency services paid for by counties and performed on Federal land (e.g. search and rescue, firefighting)
 - **Return Money to the Federal Treasury**

Enclosed please find a payment projection report for fiscal year 2010 which is broken down by each County for the State of Michigan. All of the information, including the determination of each county's share, is provided to the State by the U.S. Department of the Agriculture, Forest Service. If you have questions about payment amounts, please contact your local USFS office included below. Also, additional information about this program can be found at <http://www.fs.fed.us/srs/>.

Janel Crooks, Public Affairs Officer, Hiawatha National Forest
906-789-3329, jmcrooks@fs.fed.us

Ken Arbogast, Public Affairs Officer, Huron-Manistee National Forests
231-775-5023, ext. 8726, karbogast@fs.fed.us

Lisa Klaus, Public Affairs Officer, Ottawa National Forest
906-932-1330, ext. 328, lklaus@fs.fed.us

(App. E-4)

MEMORANDUM OF AGREEMENT
Between the
Manistee County, Michigan, Board of Commissioners
and
MICHIGAN STATE UNIVERSITY

This agreement is entered into in good faith by Manistee County Board of Commissioners and Michigan State University for the purpose of collaboratively funding a Michigan State University Extension Firewise Field Assistant (Extension Program Worker) position under Secure Rural Schools Title III funds. This agreement shall cover the period beginning June 1, 2011 through December 31, 2011. This agreement may be terminated by either party provided a written notice of such intent is given to the other party at least sixty (60) days prior to the intended termination date.

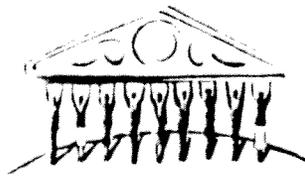
Manistee County Board of Commissioners agrees to:

1. Provide Michigan State University the sum equivalent to \$9000.00 in salary and fringe benefits at \$15.00 per hour with fringe benefit costs at 7.65 percent for this part-time temporary position.
2. The Extension Program Worker may work no more than 38 hours in a 2-week pay period, coinciding with on-going MSU pay periods. He/she may work less than 38 hours during any pay period as needed and directed by the supervising MSUE Extension Educator.
3. Retain an amount of \$2000 to provide direct reimbursement to the employee to support operating funds including travel, (non-office) supplies, and copying/printing as related to Firewise business. Employee will submit these expenses directly to the county for reimbursement utilizing the appropriate county form and submission schedule.
4. Accept and process monthly billing statements from MSU for salary and fringe benefits with payment due within 30 days upon receipt of billing statement.
5. Supply adequate office furniture and facilities, office supplies and equipment, and secretarial assistance; and other costs associated with carrying out the position's responsibilities according to county guidelines.

Michigan State University agrees to:

1. Employ a qualified person to fill this position per Michigan State University employment policies and procedures.
2. Assume liability for worker's compensation and unemployment compensation.
3. The person occupying this position shall be subject to the same terms of employment, supervision and control as any other so classified employee of Michigan State University.

Date	Chairperson, Manistee County Board of Commissioners
Date	County Clerk, Manistee County
Date	District Coordinator, District #3, MSU Extension
Date	Director, Greening Michigan Institute, MSU Extension
Date	Director, Michigan State University Extension
Date	Director, MSU Contract & Grant Administration



MAXIMUS
HELPING GOVERNMENT SERVE THE PEOPLE®

(APPENDIX F-1)

April 19, 2011

RECEIVED

APR 25 2011

Mr. Thomas Kaminski
Administrator
Manistee County
415 Third Street
Manistee, Michigan 49660

Dear Mr. Kaminski:

Enclosed please find three (3) copies of the agreement between Manistee County and MAXIMUS Consulting Services, Inc., a wholly owned subsidiary of MAXIMUS, Inc. We have included a one (1) year contract for preparation of FY 2010 and a three (3) year contract for the preparation of FY 2010, 2011 & 2012 Central Services Cost Allocation Plan. Please secure the appropriate signatures on the chosen contract and return all copies of the contracts to our office in the enclosed envelope. We will then have the contracts fully executed and return two (2) copies to your office.

If you should have any questions, please feel free to contact our office.

Sincerely,
MAXIMUS Consulting Services, Inc.

Janet Luplow

JL/klw
Enclosures

(F-2)

**AGREEMENT TO PROVIDE
PROFESSIONAL CONSULTING SERVICES**

THIS AGREEMENT is entered into this ____ day of _____, 2011, by and between MAXIMUS Consulting Services, Inc., a wholly owned subsidiary of MAXIMUS, Inc. (hereinafter "Consultant"), and the Manistee County, Michigan (hereinafter "Client"). The parties hereto, in consideration of mutual promises and covenants, agree as follows:

- (1) Scope of Services. Consultant shall perform in a professional manner the services as detailed in Exhibit A, incorporated herein by reference as if fully set forth as part of this Agreement.
- (2) Term. This Agreement shall be in full force and effect for the term as stated in Exhibit A.
- (3) Compensation. Client shall pay Consultant a fee for services rendered as set forth in Exhibit B, incorporated herein by reference as if fully set forth as part of this Agreement.
- (4) Termination. Upon Consultant's material breach, Client may terminate this Agreement upon thirty (30) days prior written notice to Consultant wherein Client shall specify the nature of the default and the effective termination date. Upon such notice, Consultant shall be entitled to the opportunity to cure any such default prior to the effective date of termination.

Client may terminate this Agreement for any reason upon sixty (60) days prior written notice to Consultant. Client shall reimburse Consultant for all reasonable costs incurred by Consultant due to such early termination.

Upon termination for whatever reason and regardless of the nature of the default (if any), Client agrees to pay Consultant in full for all goods and/or services provided to, and accepted by, Client under this Agreement, or any amendment thereto, as of the effective date of the Agreement. In no event shall the making of any payment to Consultant constitute or be construed as a waiver by Client or shall in no way impair or prejudice any right or remedy available to Client.

- (5) Services and Materials to be Furnished by Client. Consultant shall provide guidance to Client in determining the data required. The Client acknowledges and agrees that Consultant shall be entitled to rely upon the accuracy and completeness of the data provided by the Client to perform the work under this contract.
- (6) Records and Inspections. Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for six (6)

years after the completion of the Services. During such period, Client shall have the right to examine and audit the records and to make transcripts therefrom. Client shall provide thirty (30) days written notice of its intent to inspect or audit any such records and shall conduct such inspection or audit only during Consultant's normal business hours. Any Client's employee, consultant, subcontractor or agent who may have access to such records shall execute a non-disclosure agreement prior to being granted such access.

- (7) Copyright for Consultant's Proprietary Software. To the extent that the service and/or deliverables provided by Consultant are generated by Consultant's proprietary software, nothing contained herein is intended nor shall it be construed to require Consultant to provide such software to Client. Client agrees that all ownership, including copyright, patents or other intellectual property rights to the software, lie with Consultant. Nothing herein shall be construed to entitle Client to any pre-existing Contractor materials.
- (8) Insurance. Consultant shall maintain appropriate general liability insurance, workers' compensation insurance, automobile insurance, and professional liability insurance.
- (9) Indemnification. Consultant shall defend, indemnify and hold harmless Client from and against damages, liability and costs (including reasonable attorney fees) directly caused by the negligent actions or willful misconduct of Consultant, its employees or agents. Consultant shall not be responsible for any damages or liability resulting from the negligence or willful misconduct of Client, its employees, consultants, or agents or any third party.
- (10) Limitation of Liability. Client agrees that Consultant's total liability to Client for any and all damages whatsoever arising out of or in any way related to this Agreement from any cause, including but not limited to contract liability or Consultant's negligence, errors, omissions, strict liability, breach of contract or breach of warranty shall not, in the aggregate, exceed the annual value of the contract.

In no event shall Consultant be liable for indirect, special, incidental, economic, consequential or punitive damages, including but not limited to lost revenue, lost profits, replacement goods, loss of technology rights or services, loss of data, or interruption or loss of use of software or any portion thereof regardless of the legal theory under which such damages are sought even if Consultant has been advised of the likelihood of such damages, and notwithstanding any failure of essential purpose of any limited remedy.

(F-4)

Any claim by Client against Consultant relating to this Agreement must be made in writing and presented to Consultant within one (1) year after the date on which Consultant completes performance of the services specified in this Agreement.

(11) Consultant Liability if Audited. The Client represents that all financial and statistical information provided to Consultant by Client, its employees and/or agents is accurate and complete to the best of Client's knowledge. Consultant shall, upon notice of audit, make work papers and other records available to the auditors. The Consultant's sole responsibility under an audit shall be to provide reasonable assistance to the Client through the audit and to make those changes to the work product as required as a result of the audit. Under no circumstances shall the Consultant be liable for any audit disallowances or any missed or lost revenue associated with, or related to, the services provided pursuant to this Agreement.

(12) Notices. Any notices, bills, invoices, or reports required by this Agreement shall be sufficient if sent by the parties in the United States mail, postage paid, to the address noted below:

Manistee County, Michigan
County Courthouse
415 Third Street
Manistee, Michigan 49660

MAXIMUS Consulting Services, Inc.
3941 Traxler Court, Suite 300
Bay City, Michigan 48706
(989) 684-4111 phone
(989) 684-6062 fax

Such notice shall be deemed delivered five (5) days after deposit in the U.S. mailbox.

(13) Changes. The terms of this Agreement may be changed via a mutually executed written instrument.

(14) Miscellaneous.

- a. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any right or benefit, whether directly or indirectly or otherwise, to third persons.
- b. The parties intend that Consultant, in performing the services specified in this Agreement shall act as an independent contractor and shall have full control of the work and the manner in which it is performed. Consultant and Consultant's employees are not to be considered agents or employees of Client for any purpose

(F-5)

- c. Should any part, term, portion, section or provision of this Agreement be decided finally to be in conflict with law or otherwise be unenforceable or ineffectual, the remaining parts, terms, portions, sections or provisions shall be deemed severable and shall remain in full force and effect.
- d. The titles of the sections, subsections, and paragraphs set forth in this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Agreement.
- e. This Agreement and any additional or supplementary document or documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement or any part thereof shall have any validity or bind any of the parties hereto.
- f. Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder on account of strikes, shortages, riots, insurrection, fires, flood, storm, explosions, earthquakes, acts of God, war, governmental action, labor conditions, material shortages or any other cause which is beyond the reasonable control of such party.
- g. Each individual signing this Agreement certifies that (i) he or she is authorized to sign this Agreement on behalf of his or her respective organization, (ii) such organization has obtained all necessary approvals to enter into this Agreement, including but not limited to the approval of its governing board, and (iii) when executed, this Agreement is a valid and enforceable obligation of such organization.

(F-6)

IN WITNESS WHEREOF, the Client and the Consultant have executed this Agreement as of the date first written below.

By: _____
(Client Official)

Name: _____

Title: _____

Date: _____

MAXIMUS Consulting Services, Inc.

By: _____

Name: _____

Title: _____

Date: _____

(F-7)

EXHIBIT A
Term and Scope of Services

This Agreement shall become effective on _____, 2011. The services to be performed hereunder by the Consultant shall be undertaken and completed in such sequence as to assure their expeditious completion and to best carry out the purposes of this Agreement.

Consultant represents that it has, or will secure at its own expense, all personnel required in the performance of services under this Agreement. All of the services required hereunder will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be fully qualified to perform the services described herein. Consultant shall commence, carry on, and complete the services with all practicable dispatch, in a sound, economical, and efficient manner, in accordance with the provisions herein and all applicable laws.

Consultant reserves the right to subcontract for services hereunder. Consultant agrees to notify Client in writing of any such subcontracts.

The Consultant shall do, perform, and carry out in a good and professional manner the following services:

- A) Development of a central services cost allocation plan, which identifies the various costs incurred by the Client to support and administer Federal and State programs. The plan will contain a determination of the allowable costs of providing each supporting service, such as purchasing, legal counsel, disbursement processing, etc. The plan will be based upon the Client's year-end financial data for 2010 and will be the basis for the plan to be used beginning October 1, 2011.
- B) Negotiation of the completed cost allocation plan with the representatives of DHHS and/or the State when required.
- C) Consultant will, upon request, provide assistance in preparing the initial claims to the State for recovery of funds due the Client. Consultant will also monitor the progress of claims through the State to insure the Client receives recoveries due it.

EXHIBIT B
Compensation

(F-8)

For services provided as set forth in Exhibit A, Client agrees to pay Consultant compensation in the amount of **Nine Thousand Dollars (\$9,000)**.

Payment will be made by the Client to the Consultant from recovered funds in the agreed upon amount. Payment is due in full following submission of each completed cost allocation plan to the Client and upon receipt by the Client of recovered funds from indirect costs. Recoveries will be shared equally by the Client and Consultant until the agreed upon amount is paid in full to the Client. Should Client recover from the plan an amount less than the amount needed to satisfy Consultant's fees, no further payment shall be due Consultant.

Consultant will render to Client one or more invoices for the fees specified herein, with payment due by thirty (30) days after the due date.

(F-9)

**EXHIBIT B
Compensation**

For services provided as set forth in Exhibit A, Client agrees to pay Consultant compensation in the amount of **Twenty-Five Thousand Five Hundred Dollars (\$25,500)**. This fee will be paid at a rate of \$8,000 for 2010, \$8,500 for 2011 and \$9,000 for 2012.

~~Payment will be made by the Client to the Consultant from recovered funds in the agreed upon amount. Payment is due in full following submission of each completed cost allocation plan to the Client and upon receipt by the Client of recovered funds from indirect costs. Recoveries will be shared equally by the Client and Consultant until the agreed upon amount is paid in full to the Client. Should Client recover from the plan an amount less than the amount needed to satisfy Consultant's fees, no further payment shall be due Consultant.~~

Consultant will render to Client one or more invoices for the fees specified herein, with payment due by thirty (30) days after the due date.

MGT of America
Michigan Office
2343 Delta Road
Bay City, Michigan 48708
989-316-2220
www.mgtofamerica.com

MGT

OF AMERICA, INC.

(APPENDIX G-1)

May 3, 2011

Mr. Thomas Kaminski, Administrator
Manistee County
415 Third Street
Manistee, MI 49660

RECEIVED
MAY 04 2011

Subject: Central Services Cost Allocation Plan – FY 2010

Dear Mr. Kaminski:

MGT of America, Inc. (MGT) appreciates this opportunity to present the enclosed proposal and contract for your review for the preparation of your Indirect Cost Allocation Plan for FY 2010, 2011 and 2012. The FY 2010 plan will be prepared in calendar year 2011 for recoveries in FY 2012.

Based on the changes in the market place that have occurred in Michigan over the past year, we believe that Michigan counties are ready for a new direction in cost consulting. MGT is an employee-owned firm that is not beholden to Wall Street and the investor community. **We only need to satisfy you, our client.** We understand that focusing on our clients and our employees benefits both, and ultimately guarantees the best product to the client, and the best place to work for the employee. Results of our focus have brought many new Michigan cost plan clients to MGT in the past twelve months. They are as follows:

- | | |
|------------------|-------------------|
| ❖ Alcona County | ❖ Houghton County |
| ❖ Arenac County | ❖ Gogebic County |
| ❖ Alger County | ❖ Iosco County |
| ❖ Luce County | ❖ Newaygo County |
| ❖ Gratiot County | ❖ Saginaw County |
| ❖ Tuscola County | ❖ Ottawa County |

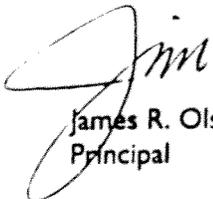
To further assist the County, we have a policy and a history of providing our clients with a "hassle free" contracting process that further assures no delays in accomplishing this project in a timely manner.

We would be available to present information regarding our services at a Board meeting and answer any questions you may have.

Thank you for your time. We look forward to hearing from you. My direct office phone number is (989) 316-2220 and my email is jolson@mgtamer.com.

Sincerely,

MGT of America, Inc.



James R. Olson
Principal

G-2

CONSULTING SERVICES AGREEMENT

By and Between

**Manistee County, Michigan
and
MGT of America, Inc.**

THIS AGREEMENT is made this ____ day of _____ 2011, by and between the County of Manistee, Michigan ("Client"), and MGT of America, Inc., a Florida Corporation ("MGT").

In consideration of the mutual covenants set forth in this Agreement, the parties agree as follows:

1. Description of Services.

MGT shall, as an independent contractor, provide the services specified in section 1.1 below ("the Services"), on the schedule specified in section 1.2 below.

1.1 Scope of Services

MGT shall provide to Client the following services:

A Countywide OMB A-87 central services cost allocation plan (CAP) based on actual costs for fiscal year 201, 2011, 2012 and two option years.

A Court Administrative Cost Allocation Plan (CCAP) to be negotiated with the Bureau of Juvenile Justice for fiscal year 2001, 2011, 2012, and two option years.

Negotiation of the cost and court administrative allocation plans with representatives of the federal cognizant agency and/or the State, as required.

Explain calculation methods and assumptions used in the indirect CAP and CCAP. This explanation may be written or verbal as requested by the Client.

Provide recommendations on methods to enhance indirect cost revenues.

1.2 Timetable for Services

The Services shall be performed and the product(s) of the services shall be delivered on the following schedule:

The proposed services will be completed within twelve months after the fiscal year ends.

2. Compensation

For its work under this Agreement, MGT shall be paid an annual fixed fee according to the following schedule:

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	Cost Allocation Plan	Court Administrative Cost Allocation Plan
FY 2010	\$7,500	\$3,000
FY 2011	\$7,500	\$3,000
FY 2012	\$7,500	\$3,000

The full payment is due to MGT when the Client has received the completed cost allocation plan and has recovered funds from the indirect costs. Recoveries will be shared equally until the annual not to exceed fee is paid in full to MGT. If the shared amount is less than the amount needed to pay MGT's fee, no further payment is due MGT. Payment is due within 30 days after invoice is submitted.

3. Term, Renewal Options, and Termination.

This agreement shall become effective upon its execution and delivery by the parties and shall remain in effect until completion of, and full payment for, the Services. At Client's option and approved by MGT, the contract may be renewed for two (2) additional one (1) year periods at the price set out above..

This contract may be terminated prior to completion of the Services at the option of either party, upon delivery of written notice by the terminating party to the other party. In the event of early termination by Client, MGT shall be paid, upon invoicing in accordance with this Agreement, the agreed compensation. If, due to termination, there is no agreed value for the services performed to date, MGT's standard hourly rates plus expenses incurred shall apply for Services performed prior to termination.

4. Independent Contractor Status

The relationship of MGT to Client is that of an independent contractor, and nothing in this Agreement shall be construed as creating any other relationship. As an independent contractor, MGT shall comply with all laws relating to federal and state income taxes, associated payroll and business taxes, licenses and fees, workers compensation insurance, and all other applicable state and federal laws and regulations. Neither MGT nor anyone employed or subcontracted by MGT shall be, represent, act, and purport to act, or be deemed to be an agent, representative, employee or servant to Client.

5. Project Managers

James Olson shall serve as Project Manager and point of contact for MGT under this Agreement.

Thomas Kaminski shall serve as Project Manager and point of contact for the Client for the services under this Agreement.

6. Miscellaneous

6.1 No Continuing Waiver

The failure or forbearance by either party in exercising any remedy available to it upon a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent or continuing breach by either party.

(G-4)

6.2 Entire Agreement

This written Agreement represents the entire agreement of the parties, and neither party is relying upon any negotiation, representation, warranty, promise, or covenant not set forth in this Agreement. This Agreement may not be modified or amended except by a written instrument for that purpose duly executed by both parties.

6.3 Subcontracting and Assignment

MGT may utilize subcontractors in performing the Services, but MGT shall remain responsible to Client for performance under this Agreement. This contract shall be binding upon and inure to the benefit of both Client and MGT and their respective successors and assigns, if any, and legal representatives.

6.4 Interpretation, Venue, and Severability

This agreement shall be construed, interpreted, and enforced in accordance with Michigan law without regard to conflicts of laws principles. Should any provision of this Agreement be held invalid or unenforceable by final judgment of a court of competent jurisdiction, it is the parties' intention that the remainder of this Agreement shall nevertheless be given effect as written. Any action arising out of or relating to this Agreement may be brought only in the Michigan state court having jurisdiction. If more than one party executes this Agreement as Client, then each such party shall be jointly and severally responsible for Client's performance and payment under this Agreement.

6.5 Prior Performance

Services performed by MGT pursuant to Client's authorization, but before execution of this Agreement, shall be considered as having been performed pursuant to the terms and conditions of this Agreement.

6.6 Notices

All written notices, demands or requests pursuant to this Agreement may be served (as an alternate to personal service) by registered or certified mail or air freight services that provide proof of delivery, with postage and fees thereon fully prepaid, and addressed to the parties so to be served as follows:

If to MGT:

MGT of America, Inc.
2343 Delta Road
Bay City, Michigan 48706

If to Client:

Manistee County
Thomas Kaminski, County Administrator
415 Third Street
Manistee, MI 49660

(G-5)

Service of any such notice or demand so made by mail shall be deemed complete on the day of actual delivery as shown by the addressee's registry or certification receipt. Either party hereto may, from time to time, by written notice served upon the other as aforesaid, designate a different mailing address, or (a) different or additional person(s) to which or to whom all such notices or demands are thereafter to be addressed. Persons named to receive copies of notices are listed for accommodation only, and are not required to be personally served to comply with service of notice on a party.

IN WITNESS WHEREOF, this agreement has been executed and delivered by Client and MGT on the date first written above.

MANISTEE COUNTY, MICHIGAN

By: _____

Name: _____

As its: _____

Address: 415 Third Street

City/State/Zip: Manistee, MI 49660

FEID: _____

MGT OF AMERICA, INC.

By *Mark Epstein*

Name: Mark Epstein

As its: Senior Partner

Address: 2343 Delta Road

City/State/Zip: Bay City, MI 48706

FEID: 59-1576733

(APPENDIX H)

**COUNTY OF MANISTEE
2011/12 BUDGET CALENDAR
10/1/11 through 9/30/12**

- | | |
|------------------------------------|--|
| May 20, 2011
May 20, 2011 | Budget packets distributed to all Departments and Courts.
Budget request forms sent to all appropriated agencies. |
| June 10, 2011 | Completed budget request forms due in the County
Controller/Administrator's Office. |
| June 10, 2011 -
July 1, 2011 | Tentative budget recommendations prepared by the County
Controller/Administrator's Office. |
| July , 2011 | County Board of Commissioners Study Session on Tentative
Budget. |
| July , 2011 | Tentative budget recommendations reviewed by the Ways &
Means Committee. |
| Aug. 1, 2011 -
Aug. 15, 2011 | Department/Court/Agency review of recommendations. Budget
hearings take place with the Ways & Means Committee.
Tentative adjustments, if necessary, are made to the
recommended tentative budget. |
| Aug. 16, 2011 | County Board of Commissioners adopt a tentative budget. |
| Aug. 17, 2011 -
Sept 21, 2011 | Tentative budget available for public review, additional budget
hearings with the Ways & Means Committee held, if necessary.
Adjustments to tentative budget recommended by the Ways &
Means Committee, if necessary. |
| Sept. 13, 2011 -
Sept. 21, 2011 | County Board of Commissioners receive a copy of recommended
adjustments to the tentative budget for review prior to the
Board Meeting and hold a Study Session. |
| Sept. 22, 2011 | Public Hearing on the 2011/12 budget held during the County
Board Meeting. Board adopts final 2011/12 budget and General
Appropriations Act resolution. |

TOM - Just FYI
Karen

(APPENDIX I)

Direct Feed HRA Cumulative Monthly Savings Totals:

	<u>Aprx. Monthly Savings Manistee</u>		<u>Aprx. Monthly Savings Benzie</u>		<u>Aprx. Monthly Savings Library</u>	
January	\$13,624.20		\$1,536.59		\$2,765.81	
February	\$7,913.49	\$21,537.69	\$631.99	\$2,168.58	\$2,771.78	\$5,537.59
March	\$4,632.17	\$26,169.86	\$627.67	\$2,796.25	\$2,268.70	\$7,806.29
April	\$6,481.68	\$32,651.54	\$772.66	\$3,568.91	\$2,771.78	\$10,578.07
May						
June						
July						
August						
September						
October						
November						
December						