

FINANCE, PERSONNEL, & RULES COMMITTEE

September 10, 2024

10:30 AM

Meeting will be at the conference room at the Mason County Airport Terminal

A. Roll Call

B. Approval of the Agenda

C. Approval of the Minutes

D. Reading of Correspondence

E. Limited Public Comments

F. Committee Work

- 1. Consideration of Oakview Medical Care Facility's millage request**
- 2. Consideration of a request for compensation pay**
- 3. Consideration of exceptions to the CDBG Conflict of Interest policy**
- 4. Consideration of Finance, Personnel, and Rules Transfers**
- 5. Consideration of a request related to reimbursement of capital costs**

G. Limited Public Comments

H. Any other business

I. Adjournment

Finance, Personnel, & Rules Committee Meeting
August 27, 2024
Mason County Airport

Commissioner Andersen called the Finance, Personnel, & Rules Committee Meeting (FPR) to order at 9:00 a.m. in the conference room of the Mason County Airport. Members present: Commissioners: Andersen and Bacon. Absent: Hull. Others present: Deputy Administrator Szczypka, Administrator Knizacky, Probate Administrator Gunsell, and Clerk Kelly. Public: Lena Bluestein, Blue Hat Ministries, and Bill Kerans, Scottville Senior Director.

Motion by Bacon and seconded by Andersen to approve the agenda with the addition of the My Neighborhood Grant. Motion carried.

Motion by Bacon and seconded by Andersen to approve the minutes of the August 13, 2024 meeting. Motion carried.

Correspondence: None.

Limited Public Comment: None.

Committee Work:

Consideration of Child Care Fund grant budget: Probate Court Administrator Gunsell reviewed the Child Care Fund Grant. Funding changes included 100% reimbursement if housed in Mason County verses only 25% reimbursement if sent out of County. Motion by Andersen and seconded by Bacon to send the Consideration of Child Care Fund Grant Budget to the full Board. Motion carried.

Consideration of 2024 Senior Services Budget: Continued discussion resulting in the need for further information from Scottville Senior Center, Free Soil Senior Center, Blue Hat Ministries, and an outside legal opinion as County legal is unable to provide an opinion at this time.

Consideration of 2024 Senior millage rate: Motion by Bacon and seconded by Andersen to send the Consideration of 2024 Senior Millage rate to the full Board with the recommendation to levy the full millage. Motion carried.

Consideration of a Public Hearing in Order to Comply with Act 5 of 1982 (Truth in Taxation): Annual required Public Hearing for Truth in Taxation. Motion by Andersen and seconded by Bacon to send the Consideration of a Public Hearing in Order to Comply with Act 5 of 1982 (Truth in Taxation) to the full Board. Motion carried.

Approval of September 30, 2024 as the date for the Annual Budget Work Session Meeting: Administrator Knizacky asked to formalize the date for the Annual Budget Work Session. Motion by Andersen seconded by Bacon to send to the full Board for approval the date of September 30, 2024 (7 p.m.) as the date for the Annual Budget Work Session. Motion carried.

Consideration of the 5-year Capital Improvement Plan: Administrator Knizacky reviewed the 5-year Capital Improvement Plan that is required to be completed annually. Motion by Andersen and seconded by Bacon to send the Consideration of the 5-year Capital Improvement Plan to the full Board. Motion carried.

Consideration of Medicare Plus Blue PPO Group Benefit and Rate Summary: Administrator Knizacky reviewed the Medicare Plus Blue PPO Group Benefit and Rate Summary that covers retirees. Noted was a 28.3% increase in rates, along with a Headlee Roll back that will also impact the County's General fund, which covers these costs. Motion by Bacon and seconded by Andersen to send the Consideration of Medicare Plus Blue PPO Group Benefit and Rate Summary to the full Board. Motion carried.

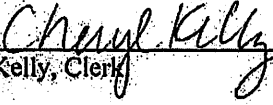
Consideration of a request to purchase Time Sheet Module from the Equipment Replacement: Deputy Administrator Szczypka reviewed the Time Sheet Module from BSA that would increase work efficiency not only in the payroll department, but for all employees. Training for Department heads will be required for implementation in the 2025 calendar year. Requested implementation now due to the lower cost of the product now at \$18,900 with annual software cost of \$2,600.00. Administrator Knizacky noted that there are no funds in the Equipment Replacement to cover. Motion by Bacon and seconded by Andersen to send the Consideration of a request to purchase Time Sheet Module from the Equipment Replacement Fund to the full Board. Motion carried.

Consideration of the MI Neighborhood Grant Agreement: Administrator Knizack noted the County was awarded a grant from MI Neighborhood for \$236,000 with a County match of \$52,000.00. He recommends sending to the full Board for approval and acceptance. Motion by Andersen and seconded by Bacon to send the Consideration of MI Neighborhood Grant Agreement to the full Board. Motion carried.

Limited Public Comment: Bill Kerans, thanked the Committee for the information.

Any other business: None.

Meeting adjourned at 9:54 a.m.


Cheryl Kelly, Clerk



Dept. of Health & Human Services Board

Patricia A. Olson, Chair
David R. Swathwood, Vice Chair
Charles M. Lange, Member

Oakview Medical Care Facility

1001 Diana Street | Ludington, MI 49431
p. 231-845-5185 | f. 231-845-8815
Jannice L. Lamm, CRTS, NHA, Administrator
Noelle Franklyn, MD, Medical Director

September 10, 2024

TO: The Finance, Personnel & Rules Committee

Re: FY 2025 Preliminary Operating Budget – Oakview Medical Care Facility

At this time, we are requesting the full .9715 of one mill be levied for the operating year 2025. Oakview Medical Care Facility's FY 2025 Operating Budget is attached for your review and consideration. This preliminary budget is based on the following assumptions:

Revenues:

- An average daily census of 93.7% for the year with 79 beds available;
- Reduction of 17 beds with construction project; 96 beds to 79 beds;
- Private Pay daily reimbursement rate of \$470 – approximately 7% of residents;
- Medicaid daily reimbursement rate of \$445.48 – approximately 91% of residents;
- An average Medicare and Medicare Advantage daily reimbursement of \$500.00 – 2% of residents;
- Continued receipt of the Medicaid Quality Assurance Supplement (QAS) and Quality Measure Initiative (QMI) funding;
- Reimbursement by State of Michigan of the \$3.40 per hour bonus for eligible employees (Hero Pay);
- Receiving a Medicaid Cost Settlement for fiscal year 2023.
- Receiving the full levy of .9715 of one mill be levied for operating year 2025.

Expenditures

- A 3% wage increase for all staff;
- Use of Agency staff for CNA, LPN and RN vacant positions;
- Offering a \$5,000 employee sign on bonus to new hires;
- Paying \$3.40 per hour bonus (Hero Pay) to all employees;
- Continuing our self-funded Priority Health Insurance plans including a fully funded HSA plan;
- Contributing to the MERS Defined Benefit fund using the monthly No Phase In rate of \$56,918.00;
- Contributing either 6% or 8% to the MERS Defined Contribution plan for eligible employees.
- Maintenance of Effort (MOE) expenses at \$12.96 per day for each Medicaid census day.
- Continued payment of the Medicaid Quality Assurance Supplement (QAS) and Quality Measure Initiative (QMI) taxes.
- Capital Expenditures of needed equipment or building repairs and improvements.
- Anticipate inflationary increases to goods and services.

Year End Balance

- Approximately six months of operational expenses

In addition, it is anticipated that the approximate 2025 year-end cash balances for the following accounts will be:

1. Worker's Compensation Fund	\$300,000.00
2. Public Improvement Fund	\$50,000.00
3. Short-Term Disability Fund	\$75,000.00
4. Employee PTO Benefits Fund	\$330,000.00



If you have any questions regarding our millage request, please feel free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Jannice Lamm". The signature is written in a cursive, flowing style.

Jannice Lamm, CTRS, LNHA, Administrator

Attachment: OMCF FY 2025 Preliminary Operating Fund Budget
Additional Information Sheet

OAKVIEW MEDICAL CARE FACILITY

**FY 2025 Operating Fund Budget
PRELIMINARY**

	2022 <u>Actual</u>	2023 <u>Actual</u>	2024 <u>Budgeted</u>	2024 <u>Projected</u>	2025 <u>Projected</u>
BEGINNING BALANCE	\$ 7,852,855.73	\$ 8,041,959.44	\$ 7,966,041.60	\$ 7,966,041.60	\$ 8,382,529.98
RECEIPTS					
Patient Services	\$ 8,056,189.81	\$ 9,652,938.34	\$ 10,492,698.00	\$ 11,025,223.36	\$ 12,150,855.05
Other Revenue	\$ 22,319.92	\$ 17,384.25	\$ 15,000.00	\$ 21,525.71	\$ 18,000.00
Medicaid CPE Revenue	\$ 130,761.53	\$ 895,647.29	\$ 550,000.00	\$ 1,126,120.28	\$ -
Medicaid Cost Settlements	\$ -	\$ -	\$ 900,000.00	\$ 1,423,285.00	\$ 230,000.00
Quality Assurance Supplement	\$ 1,497,171.28	\$ 618,856.16	\$ 1,163,292.00	\$ 1,341,873.04	\$ 1,263,292.00
Quality Measure Initiative	\$ 221,760.00	\$ 64,884.48	\$ 175,820.00	\$ 233,703.80	\$ 175,819.20
Investment Interest	\$ 95,606.73	\$ 157,059.58	\$ 80,000.00	\$ 193,303.24	\$ 90,000.00
Millage Levied	\$ 2,228,826.49	\$ 2,362,050.59	\$ 2,360,000.00	\$ 2,442,568.47	\$ 2,443,000.00
COVID Reimbursement Testing	\$ 331,439.39	\$ 99,776.04	\$ -	\$ -	\$ -
COVID Hero Pay Reimbursement	\$ 245,013.38	\$ 301,270.03	\$ 300,000.00	\$ 328,529.10	\$ 410,000.00
COVID - Federal Grants	\$ 273,688.45	\$ -	\$ -	\$ -	\$ -
COVID - State Grants	\$ 17,753.37	\$ 46,931.23	\$ 101,760.00	\$ 101,760.00	\$ -
TOTAL RECEIPTS	\$ 13,120,530.35	\$ 14,216,797.99	\$ 16,138,570.00	\$ 18,237,892.00	\$ 16,780,966.25
DISBURSEMENTS					
Administrative & General	\$ 4,338,352.10	\$ 4,383,577.37	\$ 4,675,406.00	\$ 4,595,068.22	\$ 4,796,704.62
Social Services	\$ 238,024.65	\$ 229,101.25	\$ 280,123.00	\$ 258,366.65	\$ 285,227.07
Plant Operations	\$ 602,291.80	\$ 714,963.97	\$ 759,788.00	\$ 719,821.30	\$ 778,174.63
Purchasing	\$ 45,050.97	\$ 49,262.50	\$ 56,554.00	\$ 53,497.44	\$ 59,891.41
Laundry	\$ 145,401.18	\$ 161,733.19	\$ 189,787.00	\$ 167,383.82	\$ 188,826.23
Housekeeping	\$ 346,740.70	\$ 408,487.49	\$ 446,837.00	\$ 450,468.25	\$ 463,278.09
Dietary	\$ 1,023,974.05	\$ 1,071,078.89	\$ 1,243,466.00	\$ 1,209,333.14	\$ 1,269,307.53
Pharmacy	\$ 94,541.92	\$ 115,615.94	\$ 117,000.00	\$ 101,005.37	\$ 113,874.02
Nursing Services	\$ 3,697,175.88	\$ 4,591,934.97	\$ 5,373,192.00	\$ 5,693,315.02	\$ 5,738,082.42
Rehabilitation Services	\$ 261,337.92	\$ 279,894.55	\$ 318,321.00	\$ 297,190.83	\$ 326,102.26
Oxygen, Lab, X-Ray	\$ 39,126.37	\$ 36,841.17	\$ 43,000.00	\$ 36,532.23	\$ 42,000.00
Recreational Therapy	\$ 258,232.97	\$ 307,644.35	\$ 339,374.00	\$ 327,319.88	\$ 375,497.95
Professional & Dental	\$ 500.00	\$ -	\$ -	\$ -	\$ -
Capital Expenditure	\$ 49,087.73	\$ 149,467.16	\$ 250,000.00	\$ 249,968.20	\$ 200,000.00
COVID Hero Pay	\$ 495,208.18	\$ 545,606.35	\$ 600,000.00	\$ 686,667.33	\$ 789,000.00
COVID Testing Expenditures	\$ 18,134.00	\$ 17,610.50	\$ 20,000.00	\$ 8,331.00	\$ 5,000.00
Grant Money Expenditures	\$ 17,753.37	\$ 47,061.78	\$ -	\$ -	\$ -
Construction Project Expenses	\$ -	\$ 28,291.76	\$ -	\$ 2,000,000.00	\$ -
Paid Time Off Fund Transfer	\$ 15,000.00	\$ 35,000.00	\$ 50,000.00	\$ 30,000.00	\$ 30,000.00
Public Improvement Fund Transfer	\$ 100,000.00	\$ 30,000.00	\$ -	\$ 50,000.00	\$ 30,000.00
Short Term Disability Fund Transfer	\$ 60,000.00	\$ 10,000.00	\$ 50,000.00	\$ 30,000.00	\$ 30,000.00
Workers Comp Fund Transfer	\$ 60,000.00	\$ 25,000.00	\$ 50,000.00	\$ 50,000.00	\$ 30,000.00
Maintenance of Effort	\$ 247,110.36	\$ 288,030.12	\$ 288,000.00	\$ 297,411.28	\$ 300,000.00
Quality Assurance Supplement Tax	\$ 683,946.39	\$ 687,342.12	\$ 823,000.00	\$ 822,696.40	\$ 830,000.00
Quality Measure Initiative	\$ 94,436.10	\$ 79,170.39	\$ 96,000.00	\$ 95,247.70	\$ 100,000.00
TOTAL DISBURSEMENTS	\$12,931,426.64	\$14,292,715.83	\$16,069,848.00	\$18,229,624.07	\$16,780,966.24
YEAR END BALANCE	\$ 8,041,959.44	\$ 7,966,041.61	\$ 8,034,763.60	\$ 7,974,309.53	\$ 8,382,529.99
Difference	189,103.71	(75,917.84)	68,722.00	8,267.93	0.00

2025 Budget Assumptions:

- 3% Raise to Employees
- Using Census Data Projected from 8/23/24
- 79 Total Beds Available
- \$3.40 Hero Pay for all employees; State Reimburses approx. 50%
- Using projected Medicaid reimbursement

September 3, 2024

Oakview's Request for Full Millage Additional Information:

Rising Costs:

1. Our Medicaid daily reimbursement rate is based on our costs. On January 1, 2021 it was \$320.54; beginning October 1, 2024 it will be \$445.48. This demonstrates that costs have increased over the last 5 years.
2. On November 2022 we started using Agency CNAs, LPNs and RNs to help with our staffing shortage. What we pay for these services are more than double. Housing is a problem which is also limiting Oakview in getting agency staff.
3. In 2024, we increased the wage scale for all RNs and LPNs an additional \$3.00 per hour to close the gap between our competitor's wages. We are still below our competitor's wages.
4. In 2023, we increased the wage scale for CNAs to be more in line with competitor wages.
5. We offer a sign on bonus of \$1000 to all employees and \$5000 to RNs & LPNs.
6. We have had to purchase additional supplies and services due to COVID.
7. Inflation has driven up the cost of food and other supplies/services.
8. We chose to pay all our employees the "hero pay" not just the ones reimbursed by the State.
9. Parts of our building are almost 60 years old and in need of repair.

Census & 85% Occupancy:

1. The State of Michigan requires a nursing facility to maintain an 85% occupancy rate to receive the maximum Medicaid reimbursement. 85% of 96 beds means 82 beds must be full at all times.
2. Oakview's occupancy rate in 2019 (pre-COVID) was 96.2%. Our occupancy rate fell to 71.46% in 2021. Out of 96 beds we only averaged 68 beds being used.
3. In 2022, the State allowed providers to enter into 6-month non-available bed plans to be able to achieve the 85% occupancy rate and not lose funding. The State has extended this program until September 30, 2026.
4. Oakview has taken advantage of this opportunity by decreasing their beds from 96 to 72 beginning February 1, 2022.
5. On February 1, 2023 we were able to add 5 beds back online, resulting in 77 available beds.
6. On August 1, 2023 we added 2 more beds online, resulting in 79 available beds.
7. On August 1, 2024 we added 1 more bed online, resulting in 80 available beds.
8. In 2023, had we not reduced our available beds from 96 we would have only achieved 73.49% occupancy.
9. If we had not achieved the required 85% occupancy, it was predicted we could lose up to \$8 million in Medicaid reimbursement across 3 years.
10. In response to the occupancy issues and staffing shortages, Oakview has decided to permanently reduce the available beds to 79 with our proposed building project.

Millage & Bed Size

1. The millage is to provide funds for the operation, maintenance and capital costs of the facility.
2. Oakview originally had 76 beds. A 20-bed memory care unit was added in 2009.
3. Oakview did not increase the millage amount request when the 20 beds were added.

MEMORANDUM

TO: FINANCE PERSONNEL AND RULES COMMITTEE

FROM: BETH M. HAND, Mason County Prosecuting Attorney

SUBJECT: COMPENSATION PAY FOR KRISTLE RILEY

DATED: SEPTEMBER 2, 2024

This memorandum is to request that Krystle Riley, the officer manager, for the office of the Prosecuting Attorney be paid for hours she has worked. As of August 26, 2024, Ms. Riley has earned 303.75 hours of compensation time. Due to the current workload of our office as well as other staff taking time off work as deserved; Ms. Riley consistently works in excess of a 40-hour work week. She frequently comes in early and stays late to ensure the workload is properly maintained and that the defendant's attorneys are being provided the necessary discovery.

The ability to use the hours earned (as time off) is not feasible as it would only cause a backload in the work or result in other staff having to work longer hours, increasing their compensatory hours. The maximum hours that can be carried over to the next calendar year are 80 hours of compensation time. I am requesting that Ms. Riley be paid out at her wage of \$22.21 per hour for all the hours she has earned in compensation time, less 40 hours that can be carried over to next year.

I respectfully make this request. Our dedicated employees are entitled to be paid for the hours they work.

Proceeds of sale can be used to pay off a construction mortgage or reimburse grantee equity financing in the project if development and homebuyer subsidy limits are observed. Remaining proceeds of sale are considered Program Income, and Program Income is returned to MSHDA within 90 days of closing.

Grantee equity financing is local resources committed to the project to facilitate development and includes, funds used for the reconstruction, the appraised value of the property (as determined by a third-party appraisal), and other eligible costs related to the reconstruction that occur within the grant term. Grantee equity financing does not include granted funds from other sources or resources expended outside the grant term (i.e., the start date of the grant listed in the grant agreement).

While it has been determined that CHILL DRR funds cannot be used to pay for Acquisition or Demolition, these uses qualify as grantee equity financing if they occur within the grant term and can be reimbursed from the proceeds of sale, provided development and homebuyer subsidy limits are observed.

CONFLICT OF INTEREST

The CDBG requirements pertaining to conflict of interest are summarized in the following paragraphs.

Conflicts Prohibited

Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons (described below under "Persons Covered") who exercise, or have exercised, any functions or responsibilities with respect to CDBG activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Persons Covered

The conflicts of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the State, the unit of local government, or of any designated public agencies or subrecipients that are receiving CDBG funds.

Exceptions

Upon the written request of the applicant/recipient, the MSHDA may forward a request for exception to the provisions of this section to HUD on a case-by-case basis when it determines that such an exception will further the purposes of Title I and the effective and efficient administration of the program, project of the State, or the unit of local government. Forwarding an exception request to HUD will only be considered after the local government has provided the following:

1. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
2. A certification that the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question; and
3. An opinion of the local government's attorney that the interest for which the exception is sought would not violate State or local law. In addition, grant administration may also require an opinion from the State Ethics Board that the conflict does not violate State law.

Factors To Be Considered for Exceptions

In determining whether to forward a requested exception after the local government has satisfactorily met the above requirements, the MSHDA shall consider the cumulative effect of the following factors, where applicable:

1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available.
2. Whether an opportunity was provided for open, competitive bidding, or negotiation.
3. Whether the person affected is a member of a group of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class.
4. Whether the interest or benefit was present before the affected person was in a position as previously described.
5. Whether undue hardship will result either to the State or local government or the person affected when weighed against the public interest served by avoiding the prohibited conflicts.
6. Any other relevant considerations.

COMPLAINT PROCEDURE

Under the CHILL Program, Urban General Local Governments (UGLGs) are required to comply with the following established complaint procedure policy bulletin. This policy outlines the process for handling complaints from various parties, including applicants for assistance, dissatisfied owners, and participating contractors. The procedure includes steps for local resolution, referral to Dispute Resolution Services if necessary, and a final review by the MSHDA if the dispute remains unresolved. It's important to note that all liability arising from the actions or failure to act on the part of the UGLG or its subcontractors falls under the responsibility of the UGLG, not the MSHDA.



Mason County Board of Commissioners

5300 W. US10, Ludington, Michigan 49431
(P) (231) 843-7999 • (F) (231) 843-1972
www.masoncounty.net

APPROVAL OF FINANCE, PERSONNEL, & RULES COMMITTEE TRANSFERS

Janet S. Andersen
Chair

Steven Hull
Vice Chair

Cheryl Kelly
County Clerk

Fabian L. Knizacky
Administrator

Nick Krieger
District 1

Les Johnson
District 2

Jody Hartley
District 3

Lewis G. Squires, D.C.
District 4

Steven Hull
District 5

Janet S. Andersen
District 6

Ron Bacon
District 7

WHEREAS, the Finance, Personnel, & Rules Committee has reviewed the transfers for October 8, 2024.

THEREFORE, we, your Finance, Personnel, & Rules Committee, request your approval of the following transfers:

Road Patrol	\$213,587.50
Friend of the Court	\$153,750.00
Jail Operations	\$168,250.00
Probate Court Child Care	\$ 90,250.00
Property & Liability Insurance	\$ 11,250.00

Moved for your approval.

Knizacky, Fabian

From: Cole, Kim
Sent: Wednesday, August 28, 2024 10:22 AM
Thomas Alway
Cc: Knizacky, Fabian
Subject: RE: Sheriff's Operating Agreement

Tom,

Thanks for the email and questions.

I have copied Fabian in this email so he can address the cost related questions.

As for the other questions and additional operating procedures...

I would suggest the contract mirror what we have in Pere Marquette Township.

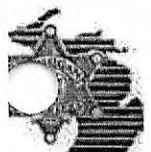
- Three year agreement for the summer months only (roughly June, July, and August)
- The deputy would not have to run starting at the signing of the contract period
- Utilize the in township School Resource Officer (SRO)
- ✓ The MCC SRO actually lives on Gordon Road in Amber Township
- We would cover liability, training costs and any discipline that would result in procedural issues
- The township car would not enforce ordinance matters but would assist a township official in doing such
- The township car would also cover the township during snow days or during times when school is not in session

The township car concept for Amber is certainly needed (in my opinion) and would be a busy car. Amber Township is our second busiest township. And with the 5-lane highway running through it, the public perception of a joint agreement, I would think, would also be well received from a traffic safety view.

Hope this helps answer any questions or concerns.

Let me know if you have anything else.

Stay safe,



RIDE TRADITION HONOR

Kim C. Cole
Mason County Sheriff
302 N Delia St
Huntington MI 49431

231.843.3475 (Voicemail 129)
Fax 231.843.1814
kcole@masoncounty.net

From: Thomas Alway <talway.ambertwp@outlook.com>
Sent: Tuesday, August 27, 2024 8:07 PM
To: Cole, Kim <kcole@masoncounty.net>
Subject: Sheriff's Operating Agreement

CAUTION: This email originated outside of Mason County's networks. Do not click links, reply or open attachments unless you have verified its authenticity.

Hello Kim,

The Amber Township Board took time to talk about the proposed operating agreement between the Mason County Sheriff's Office and Amber Township at its August meeting. There was a lot of good discussion, but no one was really saying yea or nay. I then asked if money was no object would the Board be in favor of this agreement. The answer was "yes." The sticking point is, how much? There were several questions asked regarding cost (see below).

NOTE: I apologize but I gave my copy of my agreement to another board member last night, so I am working blind right now. If the answers were in the agreement, we missed them and I have no way to verify.

Q: If we were to enter into this agreement now, what would the total annual cost be?

Q: What is the coverage period? Does it run annually from the time we sign the contract? Would it be on the calendar year? Would it run on the township's or county's fiscal year? If the latter two are the case, would the amount be prorated if a contract started mid-year?

Q: There is a statement about paying 25% of the costs of equipment. Are we paying 25% of the current cost of equipment that is already purchased for the deputy (front loading the costs) or do we pay 25% when the equipment needs to be replaced?

Q: How often does equipment need to be replaced (on average)?

Unfortunately, I do not have a feel for what the Board's "breaking point" cost wise would be. While we are not hurting for funds, we do find ourselves to be very fiscally responsible (frugal).

Thank you.

Tom Alway
Amber Township Supervisor
Box 248
Scottville, Michigan 49454
231-233-0139