

Muskegon County
Board of Commissioners
Hall of Justice, 990 Terrace, 4th Floor
Muskegon, MI 49442

Susie Hughes, Chairman
Marcia Hovey-Wright
Zach Lahring
Kenneth Mahoney
Charles Nash

Gary Foster, Vice Chair
Robert Scolnik
I. John Snider II
Rillastine R. Wilkins

Board Minutes may be found on the web at <https://www.co.muskegon.mi.us/AgendaCenter/Board-of-Commissioners-2>

Electronic/WebEx Full Board Meeting

Tuesday, April 14, 2020

3:30 p.m.

Chairman Susie Hughes, Presiding

The Electronic/WebEx Full Board Meeting of the Board of Commissioners was called to order by Chairman Susie Hughes via WebEx. An Invocation was given by Commissioner Wilkins. The Pledge of Allegiance was led by Commissioner Mahoney and recited in unison.

Roll Call

Present: Gary Foster, Marcia Hovey-Wright, Susie Hughes, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins

Absent: None

Also present: Mark Eisenbarth, County Administrator
Beth Dick, Finance Director/Assistant County Administrator
Nancy A. Waters, County Clerk
Linda Sue Schutter, Deputy Clerk
Michael D. Homier, Corporate Counsel
Ivan Phillips, Information Systems Director

2020-143 **APPROVAL OF THE AGENDA**

Moved by Commissioner Wilkins, seconded by Commissioner Nash, to approve the agenda.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring

Motion Carried

Commissioner Lahring asked about people having problems getting in. Chairman Hughes indicated that IT is standing by to help people log on.

Commissioner Lahring indicated that there were a lot of items on agenda that were not sent to committee for debate and conversation.

2020-144 **APPROVE THE MINUTES OF MARCH 26, 2020**

Moved by Commissioner Hovey-Wright, seconded by Commissioner Scolnik, to approve the minutes of March 26, 2020.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: None

Motion Carried

PRESENTATION: DIRECTOR OF PUBLIC HEALTH KATHY MOORE – COVID-19

The Health Department continues to update statistics for residents. Currently there are 75 positive cases, up from 41 last week, with 5 deaths. Last weekend they talked about the prevalence within the African American population, which is 56% of the total cases. Across the State of Michigan the rate is 14% positive for the African American population, and nationally the rate is 33%.

PRESENTATION: FINANCE DIRECTOR/ASSISTANT COUNTY ADMINISTRATOR BETH DICK – FY2020 BUDGET REPORT

2020-145 **APPROVE THE VOLUNTARY FURLOUGH OF 23 EMPLOYEES BEGINNING MONDAY, APRIL 20, 2020, AND ENDING WHEN THE EXECUTIVE STAY AT HOME ORDER IS OVER. THIS DECISION IS TO BE REVIEWED AGAIN ON OR BEFORE APRIL 30, 2020, BY A COMMITTEE OR BOARD FOR POSSIBLE ADDITIONAL FURLOUGHS BASED ON UPDATED INFORMATION**

Administrator Eisenbarth recommended, moved by Commissioner Nash, seconded by Commissioner Hovey-Wright, that 23 employees be voluntarily furloughed beginning Monday, April 20, 2020, and ending when the Executive Stay at Home Order is over. This decision is to be reviewed again on or before April 30, 2020, by a Committee or Board for possible additional furloughs based upon updated information.

Discussion ensued.

Roll call:

Yes: Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Gary Foster, Zach Lahring, Robert Scolnik

Motion Carried

PUBLIC COMMENT (on an agenda item)

William Rudd emailed Chairman Hughes with a question regarding Administrator's Motion 12-C. Chairman Hughes indicated that the Board does not answer questions during Public Comment, and that she would have Administrator Eisenbarth get back with him.

Anna Derouin addressed the Board regarding the safety measures and closing down of MATS, and also responsible spending regarding the Judgment Bond.

Dennis Nauss, Business Agent with Teamsters Local 214, addressed the Board regarding transportation (MATS) lay offs, and regarding Administrator's Item 12-I, Sheriff's request for Hazard Pay. Mr. Nauss also represents JTC employees and hoped that consideration is given to them also since there was no specific request by JTC for Hazard Pay.

COMMUNICATIONS

The following Communications were presented to Commissioners for informational purposes and placed on file:

- A. Mecosta County Board of Commissioners Resolution affirming support of the Constitution of United States

COMMITTEE/BOARD REPORTS

2020-146 **APPROVE THE ADOPTION OF THE LICENSE AGREEMENT WITH UNITY CHRISTIAN EVENTS/ALIVE ON THE LAKESHORE TO PROVIDE A LICENSE FOR THE USE OF HERITAGE LANDING AUGUST 5-8, 2020 FOR THE UNITY CHRISTIAN MUSIC FESTIVAL, AND TO AUTHORIZE THE CHAIRPERSON OF THE COUNTY BOARD TO EXECUTE THE AGREEMENT**

CD/SP20/04 - 04

The Community Development and Strategic Planning Committee recommends, moved by Commissioner Hovey-Wright, seconded by Commissioner Mahoney to approve the adoption of the License Agreement with Unity Christian Events/Alive On The Lakeshore to provide a license for the use of Heritage Landing August 5-8, 2020 for the Unity Christian Music Festival, and to authorize the Chairperson of the County Board to execute the agreement.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: None

Motion Carried

TR20/03-08 Removed from agenda.

CHAIRMAN'S REPORT/COMMITTEE LIAISON REPORTS

Chairman Hughes thanked IT staff for help with the 191 people who were logged in to WebEx to watch the Board meeting. Chairman Hughes also thanked employees who stepped up with furlough options and have worked from home.

ADMINISTRATOR'S REPORT

2020-147 **APPROVE PAYMENT OF THE ACCOUNTS PAYABLE \$3,323,235.52 COVERING THE PERIOD OF MARCH 24, 2020 THROUGH APRIL 9, 2020 FOR CHECKS AND PCARD PAYMENTS COVERING THE PERIOD MARCH 1, 2020 THROUGH MARCH 31, 2020 AS PRESENTED BY THE COUNTY CLERK**

Admin 12-A (Administration)

Moved by Commissioner Mahoney, seconded by Commissioner Hovey-Wright to approve payment of the accounts payable \$3,323,235.52 covering the period of March 24, 2020 through April 9, 2020 for checks and Pcard payments covering the period March 1, 2020 through March 31, 2020 as presented by the County Clerk.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring **Motion Carried**

2020-148 **APPROVE THAT THE BOARD CHAIR SIGN THE ATTACHED ENGAGEMENT LETTER AUTHORIZING PLANTE & MORAN, PLLC TO PERFORM DEPRECIATION RECAPTURE SERVICES FOR THE FORMER BROOKHAVEN MEDICAL CARE FACILITY**

Admin 12-B (Finance)

Moved by Commissioner Snider, seconded by Commissioner Mahoney to approve that the Board Chair sign the attached engagement letter authorizing Plante & Moran, PLLC to perform depreciation recapture services for the former Brookhaven Medical Care Facility.

Discussion ensued including information from Finance Director Beth Dick.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: None **Motion Carried**

2020-149 **APPROVE THE ATTACHED RESOLUTION AUTHORIZING ISSUANCE OF 2020 JUDGMENT BONDS (LIMITED TAX GENERAL OBLIGATION) AND AUTHORIZE THE COUNTY CLERK AND THE CHAIR TO SIGN SAID RESOLUTION**

Admin 12-C (Finance)

Moved by Commissioner Mahoney, seconded by Commissioner Hovey-Wright to approve the attached Resolution Authorizing Issuance of 2020 Judgment Bonds (Limited Tax General Obligation) and authorize the County Clerk and the Chair to sign said resolution.

Discussion ensued including information from Finance Director Beth Dick.

2020-150 **TABLE BOARD MOTION 2020-149**

Moved by Commissioner Lahring, seconded by Commissioner Wilkins to table Board motion 2020-149.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Charles Nash, I. John Snider II, Rillastine R. Wilkins

No: Kenneth Mahoney, Robert Scolnik, Susie Hughes **Motion Carried**

2020-151 **AUTHORIZE THE COMMISSIONER'S BOARD CHAIRPERSON TO SIGN THE CHECKLIST OPTING INTO THE CARES ACT PENALTY-FREE WITHDRAWAL PROVISION FOR MUSKEGON COUNTY EMPLOYEES**

Admin 12-D (Human Resources)

Moved by Commissioner Nash, seconded by Commissioner Mahoney to authorize the Commissioner's Board Chairperson to sign the checklist opting into the CARES Act penalty-free withdrawal provision for Muskegon County employees.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring, Robert Scolnik, I. John Snider **Motion Carried**

2020-152 **CREATE A DEPUTY CHIEF PUBLIC DEFENDER POSITION WITH PAY GRADE NX-00421, \$37.501/HR - \$47.702/HR AND APPOINT MANDA MITTEER TO STEP 5, \$45.455/HR EFFECTIVE OCTOBER 1, 2019**

Admin 12-E (Public Defender)

Moved by Commissioner Mahoney, seconded by Chairman Hughes to create a Deputy Chief Public Defender position with pay grade NX-00421, \$37.501/hr - \$47.702/hr and appoint Manda Mitteer to Step 5, \$45.455/hr effective October 1, 2019.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring **Motion Carried**

2020-153 **AUTHORIZE LOCAL MUNICIPALITIES TO REPURPOSE AND/OR ADJUST A PORTION OF THEIR FY20 SENIOR MILLAGE ALLOCATION FOR EMERGENCY COVID-19 CRISIS RESPONSE AND SUPPORT**

Admin 12-F (Public Health)

No motion or support. **Motion Failed**

Commissioner Hovey-Wright requested an emergency meeting of the Senior Activities Committee and have this come back to the Board.

2020-154 **APPROVE FY20 SENIOR MILLAGE EMERGENCY COVID-19 CRISIS GRANTS IN THE AMOUNT OF \$5,000 EACH, EFFECTIVE IMMEDIATELY THROUGH SEPTEMBER 30, 2020, FOR THE FOLLOWING AGENCIES: AGEWELL SERVICES, ASSOCIATION FOR THE BLIND & VISUALLY IMPAIRED, CITY OF MUSKEGON, CITY OF MUSKEGON HEIGHTS, COMMUNITY ENCOMPASS, LOVE INC, MUSKEGON YMCA, ORCHARD VIEW COMMUNITY EDUCATION, PIONEER RESOURCES, AND RAVENNA TOWNSHIP; AND TO AUTHORIZE THE DESIGNATED SENIOR MILLAGE GRANTS ADMINISTRATOR, SENIOR RESOURCES TO PROCEED WITH THE ADMINISTRATION OF THE PROGRAMS**

Admin 12-G (Public Health)

Chairman Hughes recommended bringing this motion back to committee. **Motion Failed**

Discussion ensued with Public Health Director Kathy Moore regarding motions 2020-153 and 2020-154.

2020-155 **APPROVE THE SHERIFF'S OFFICE ACCEPTING THE HURON-MANISTEE NATIONAL FOREST COOPERATIVE LAW ENFORCEMENT AGREEMENT (16-LE-11090400-017) BETWEEN THE MUSKEGON COUNTY SHERIFF'S OFFICE AND THE USDA, FOREST SERVICE AND TO HAVE THE SHERIFF SIGN THIS AGREEMENT**

Admin 12-H (Sheriff)

Moved by Commissioner Mahoney, seconded by Commissioner Wilkins to approve the Sheriff's Office accepting the Huron-Manistee National Forest Cooperative Law Enforcement Agreement (16-LE-11090400-017) between the Muskegon County Sheriff's Office and the USDA, Forest Service and to have the Sheriff sign this agreement.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring **Motion Carried**

2020-156 **APPROVE A \$125.00 WEEKLY "HAZARD PAY" STIPEND TO ALL MCOLES CERTIFIED AND CORRECTIONS CERTIFIED STAFF FOR AN ESTIMATED PERIOD OF MARCH 16 – JUNE 1, 2020, OR UNTIL THE GOVERNOR'S EXECUTIVE ORDER IS LIFTED**

Admin 12-I (Sheriff)

Moved by Commissioner Wilkins, no support given. **Motion Failed**

2020-157 **APPROVE THE CREATION AND FILLING OF TWO (2) ADDITIONAL PT SHERIFF MARINE DEPUTY SEASONAL POSITIONS AT PAY TABLE/GRADE TS-00200, \$9.45/HR - \$9.95/HR, APPROVE AN ADDITIONAL \$1,000.00 FOR TRAINING AND AMEND THE BUDGET ACCORDINGLY**

Admin 12- J (Sheriff)

Moved by Commissioner Snider, seconded by Commissioner Mahoney to approve the creation and filling of two (2) additional PT Sheriff Marine Deputy Seasonal Positions at Pay Table/Grade TS-00200, \$9.45/hr - \$9.95/hr, approve an additional \$1,000.00 for training and amend the budget accordingly.

Discussion ensued.

Roll call:

Yes: Marcia Hovey-Wright, Kenneth Mahoney, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: Zach Lahring, Charles Nash, Gary Foster **Motion Carried**

2020-158 **APPROVE TO WAIVE THE FORMAL BIDDING LEVEL REQUIREMENT AND ACCEPT THE DEPARTMENT LEVEL QUOTES TO DELL FOR THE PURCHASE OF WINDOWS 10 DESKTOP SOFTWARE AND AUTHORIZE THE BOARD TO SIGN THE AGREEMENT WITH DELL FOR \$241,726.00 AND ADJUST THE BUDGET ACCORDINGLY**

Admin 12-K (Information Systems)

Moved by Commissioner Nash, seconded by Commissioner Snider to approve to waive the Formal Bidding Level requirement and accept the Department Level Quotes to Dell for the purchase of Windows 10 desktop software and authorize the Board to sign the agreement with Dell for \$241,726.00 and adjust the budget accordingly.

Discussion ensued with input from IT Director Ivan Phillips.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: None

Motion Carried

2020-159 **APPROVE TO WAIVE THE REQUIREMENT FOR PROCUREMENT LEVEL QUOTES AND ALLOW DEPARTMENT LEVEL QUOTES AWARDING TO SENTINEL THE PURCHASE OF BACKUP HARDWARE AND SOFTWARE, AUTHORIZE THE BOARD CHAIR TO SIGN THE AGREEMENT WITH SENTINEL FOR \$146,824.00 AND AMEND THE BUDGET ACCORDINGLY**

Admin 12-L (Information Systems)

Moved by Commissioner Nash, seconded by Commissioner Hovey-Wright to approve to waive the requirement for Procurement Level Quotes and allow Department Level Quotes awarding to Sentinel the purchase of backup hardware and software, authorize the Board Chair to sign the agreement with Sentinel for \$146,824.00 and amend the budget accordingly.

Discussion ensued with input from IT Director Ivan Phillips.

Roll call:

Yes: Gary Foster, Marcia Hovey-Wright, Zach Lahring, Kenneth Mahoney, Charles Nash, Robert Scolnik, I. John Snider II, Rillastine R. Wilkins, Susie Hughes

No: None

Motion Carried

Sheriff Poulin addressed questions regarding staffing at jail, furloughs, and the motion that failed regarding hazard pay.

OLD BUSINESS

2020-160 **AUTHORIZE LOCAL MUNICIPALITIES TO REPURPOSE AND/OR
ADJUST A PORTION OF THEIR FY20 SENIOR MILLAGE
ALLOCATION FOR EMERGENCY COVID-19 CRISIS RESPONSE AND
SUPPORT**

Admin 12-F (Public Health)

Moved by Commissioner Lahring, seconded by Vice-Chair Foster to revisit Administrator's Item 12-F.

Discussion ensued.

Roll call:

Yes: Gary Foster, Zach Lahring, Robert Scolnik, Rillastine R. Wilkins

No: I. John Snider, Marcia Hovey Wright, Kenneth Mahoney, Charles Nash,
Susie Hughes **Motion Failed**

NEW BUSINESS

None.

PUBLIC COMMENT

Rebecca Place thanked the Board regarding furloughs.

Anna Derouin clarified that her previous comments were agenda items. She is concerned about people who ride bus. Ms. Derouin also addressed the Board regarding the Webex meetings, that voices phase out, and that there are phones ringing and papers rustling in the background.

Jennifer Hodges, Supervisor Muskegon Charter Township, thanked the Administrator for his communication during the last couple of weeks.

Christine Morris addressed the Board that if they are thinking about layoffs to keep in mind the bumping that would happen. Ms. Morris also commented that the Governor is not allowing motorized boats on the water.

Tony Barnes, Dalton Township Supervisor, commented that Administration is doing an excellent job with communication. Mr. Barnes also wanted to caution Commissioners from putting too much on Kathy Moore, stating she's done an excellent job. He also spoke regarding MATS and the airport.

FINAL BOARD COMMENTS

Commissioner Lahring suggested that people file an Open Meetings Act violation if they couldn't get in to make comments.

Commissioner Nash suggested the Board give the staff a hand (applause given) regarding the hard work and due diligence that they are doing through this pandemic.

Commissioner Scolnik stated that the motion to table the Judgment Bond motion was made too quickly since the interest is adding up. Commissioner Nash noted that they could get the interest information from Finance Director Beth Dick so that they can make a decision as soon as possible.

2020-160 **MOVED TO ADJOURN**

Meeting adjourned at 6:25 p.m.

Nancy A. Waters, County Clerk

NAW/lss

To Be Approved at the next Full Board Meeting.

Impact of the COVID-19 Crisis



Impact of COVID-19 Crisis

- ▶ Unlike the businesses that operate in the private sector, we in public service have a different purpose entirely. In those rare and extreme circumstances when our offices must be closed to the public, the needs of those we serve not only remain, they are often magnified. The restaurant that has been closed for the past three weeks will never again need to prepare and serve the meals that were never ordered. The shuttered bowling alley doesn't need to reschedule every frame that its patrons didn't bowl.
- ▶ However, every day since March 16th there have been citizens in this county that have needed things like birth or death certificates, have needed to have their legal claims heard by a judge, have needed the protection of our laws as provided by our law enforcement officers as well as needed public health and mental health services. Those needs not only remain, they continue to grow every day – whether we are open or closed – and eventually each one needs to be addressed. That is why it is crucial that we have trained and capable staff available to meet and address the needs of our citizens during the Governor's Stay Home Stay Safe Executive Order as well as the very moment that we are able to safely open our doors to the public.

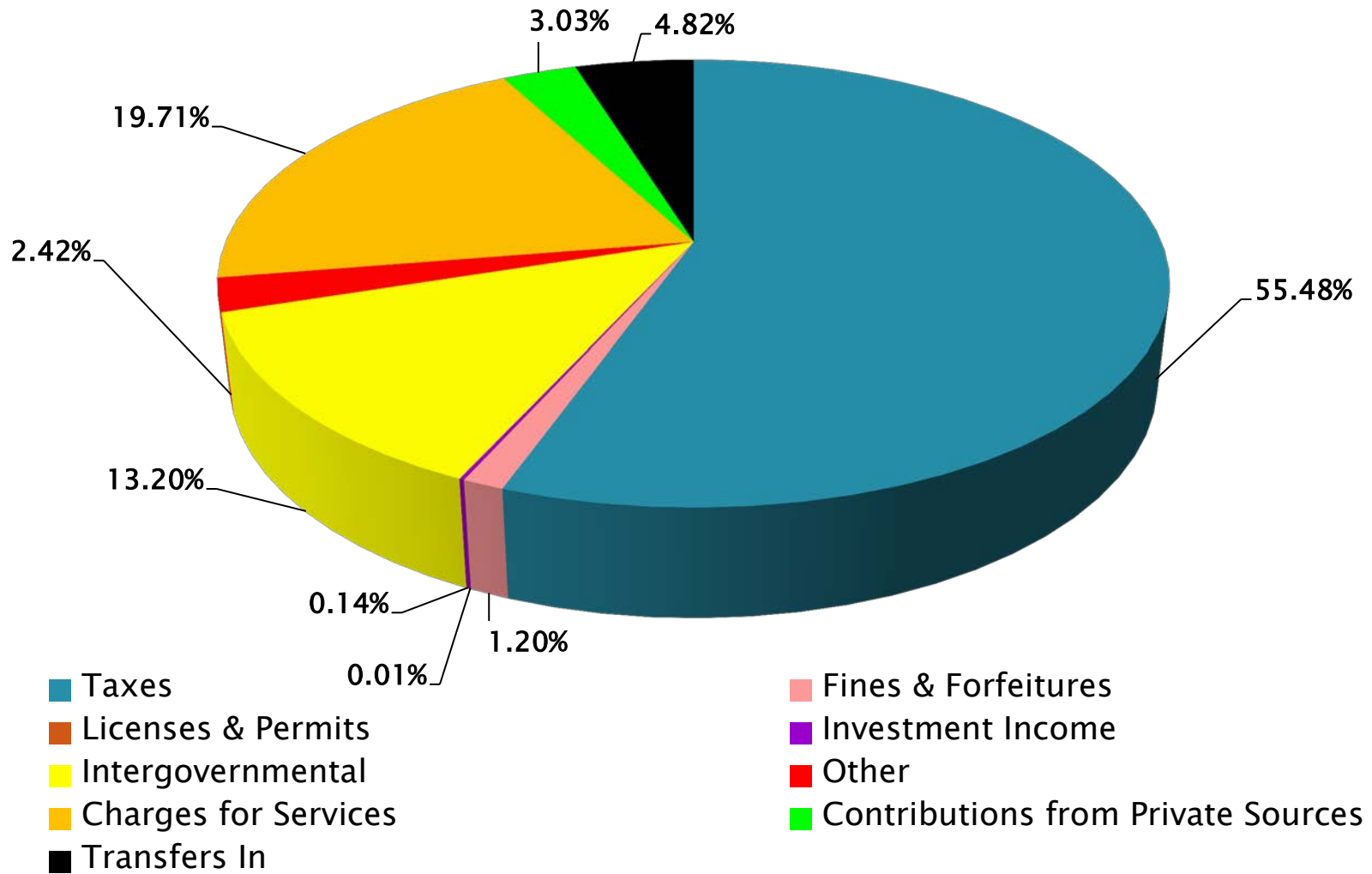
Impact of COVID-19 Crisis

- ▶ The Board requested information on the impact of the COVID-19 crisis on the County's finances
- ▶ Information gathering has been occurring over the last 2 weeks
- ▶ Depts. were asked to estimate impact on revenues due to the COVID-19 crisis
- ▶ There are still many unknowns
 - How long will the crisis/closure last?
 - What revenue losses are permanent?
 - What revenue losses will be recovered when we are back open?
 - What state/federal assistance is available?

Financial Structure

General Fund	Special Revenue	Debt/Capital Projects	Internal Service	Enterprise
Board	HealthWest	Jail/JTC	Equipment Revolving	Airport
Circuit/District/ Probate Courts	Public Health	Hall of Justice	Information Technology	Solid Waste
Sheriff Jail, Road Patrol, Court & Bldg Security	Family Court	CMH Building	Office Services	Regional Water System
Prosecutor	Child Care Fund (JTC)	Public Improvement	Insurance	Wastewater System
County Clerk	Parks	Pension Bonds		Land Bank
Treasurer	Accommodations Tax (CVB)			Transit
Register of Deeds	Blight Elimination			Delinquent Taxes
Drain Commissioner	Community Corrections			
Administration	Marine Safety			
Finance	Emergency Services			
Human Resources	Township Patrols			
Equalization	Senior Millage			
Facilities Mgmt	Dept. of Vets			
	Public Defender			
			BMD	

General Fund Revenues by Category



Impact of COVID-19 Crisis

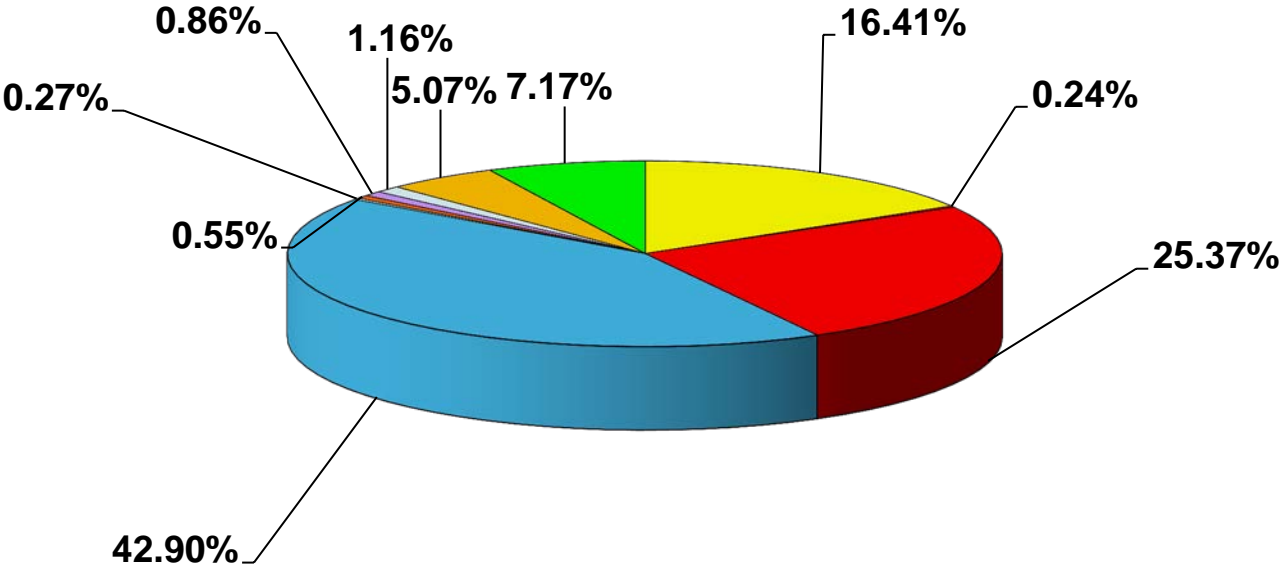
- ▶ General Fund – FY2020 \$50.289M in budgeted revenues
- ▶ Property tax revenues – \$26.843M – 53%
 - Not expected to be impacted by crisis
 - Levied on July 1st collected through September
 - Budgeted 3.0% increase in TV, est. to date is 3.5% increase
 - Possibility of more delinquent taxes due to COVID-19
 - Cash flow could be impacted as a result
- ▶ State Revenue Sharing – \$3.774M
 - Funds come from sales taxes collected by State
 - County receives payments quarterly
 - COVID-19 will definitely impact not sure to what extent

Impact of COVID-19 Crisis

- ▶ Personal Property Tax Reimbursement – \$1.487M
 - State reimburses County for personal property exemption losses
 - Receive one payment in October and one in May
 - These payments are not subject to annual appropriation
 - Legislature could amend the Local Community Stabilization Act to cut

- ▶ Charges for Services – \$10.111M
 - Various depts. receive revenues for services performed
 - Register of Deeds – \$1.196M
 - District Court – \$1.709M
 - Circuit Court – \$.240M
 - Equalization – \$1.089M
 - Sheriff – \$1.950M
 - Animal Control – \$.446M
 - County Clerk – \$.472M
 - Administrative Cost Allocation – \$2.232M

All Funds Revenues by Category



- | | |
|------------------------------------|----------------------|
| Taxes | Licenses & Permits |
| Intergovernmental | Charges for Services |
| Fines & Forfeits | Investment Income |
| Contributions from Private Sources | Rents |
| Other | Transfers In |

Impact of COVID-19 Crisis

- ▶ **District Court/Sobriety Court – \$2.323M GF/\$538k Other Revenues**
 - Revenues down \$35,600/week of closure
 - 50 staff – 10 working FT, 36 working PT, 4 not working
- ▶ **Circuit Court/Family Court – \$252k GF/\$6.853M Revenues**
 - No change in revenues
 - 86 staff – all working FT
- ▶ **Probate Court – \$50k GF Revenues**
 - Revenues down 25% during the closure
 - 7 staff – all working FT
- ▶ **Equalization – \$1.089M GF Revenues**
 - No change in revenues
 - 20 staff – all working FT
- ▶ **County Clerk/Circuit Court Records/Elections – \$519k GF/\$78k Other Revenues**
 - Revenues could be down some – amount unknown
 - 12 staff – 3 working FT, 9 working PT

Impact of COVID-19 Crisis

- ▶ **Register of Deeds – \$1.3M GF/\$174k Other Revenues**
 - March revenues are down 37% from last year
 - 6 staff – all working FT
- ▶ **Treasurer/Delinq. Tax/Land Bank – \$39.3M GF/\$4.1M Other Revenues**
 - No change in revenues
 - 12 staff – 8 working FT, 4 working PT
- ▶ **Drain Commissioner – \$77k GF Revenues**
 - No change in revenues
 - 2 staff working FT
- ▶ **Prosecutor – \$48k GF/\$475k Other Revenues**
 - No change in revenues
 - 33 staff – 3 working FT, 30 working PT
- ▶ **Human Resources – \$85k GF Revenues**
 - No change in revenues
 - 12 staff – depending on week 4–10 working FT, 2–8 working PT

Impact of COVID-19 Crisis

▶ Sheriff – \$2.316M GF/\$1.310M Other Revenues

- Some revenue reductions due to lower inmate population reducing state reimbursements and other fees
- Staff
 - Jail – 51 staff – 50 working FT, 1 on military leave
 - Road Patrol – 35 staff all working FT
 - Courtroom Security – 11 staff all working FT
 - Building Security – 7 hourly staff none working
 - Community Corrections – 6 staff – 1 working FT, 5 not working
 - Administration – 4 staff all working FT
 - Records – 8 staff – 6 working FT, 2 not working

Impact of COVID-19 Crisis

▶ Accounting

- No revenues
- 9 staff – 7 working FT, 2 working PT

▶ Administration

- No revenues
- 4 staff all working FT

▶ Public Health – \$6.324M Revenues

- Possible grant revenue loss resulting in deficit of \$262k
- 55 Staff – 7 working FT, 34 working PT, 14 not working

▶ HealthWest – \$66.527M Revenues

- No financial loss anticipated, more state revenues available
- 379 staff all working FT

▶ Public Defender – \$2.703M Revenues

- No reduction in grant revenues is anticipated
- 21 staff – 1 working FT, 20 working PT

▶ JTC – \$2.627M Revenues

- No change in revenues
- 31 staff all working in accordance with their schedule (some hourly)

Impact of COVID-19 Crisis

- ▶ **Convention and Visitors Bureau – \$1.799M Revenues**
 - Hotel rooms are at 5–25% occupancy
 - Anticipate loss in revenues of \$86k for April and \$122k in May
 - 6 staff – 4 working FT, 2 not working
- ▶ **Parks – \$854k Revenues**
 - Lost in revenues for May est. \$35k
 - 3 staff – 2 working FT, 1 working PT
- ▶ **Emergency Services – \$339k Revenues**
 - No change in budgeted revenues, possibility of additional grant revenues available
 - 1 staff working FT
- ▶ **Transit – \$7.487M Revenues**
 - Loss in local fare revenues, advertising revenues, commissions and concession revenues
 - Federal resources have been made available to offset these losses
 - 47 staff – 11 working FT, 21 working PT, 15 not working
- ▶ **Airport – \$1.583M Revenues**
 - Estimate loss of \$50,000 in parking lot, commissions and passenger facility charges
 - 7 staff – all staff working FT

Impact of COVID-19 Crisis

- ▶ **Information Systems – \$2.966M Revenues**
 - No change in revenues
 - 12 staff – all working FT
- ▶ **Office Services – \$534k Revenues**
 - Revenues are based on usage by internal depts.
 - 2 staff both working PT
- ▶ **Dept. of Veterans Affairs – \$412k Revenues**
 - No change in revenues
 - 2 staff both working FT
- ▶ **Public Works (Facilities Mgmt/Solid Waste/Regional Water) – \$247k GF/\$7.238M Other Revenues**
 - Facilities Management – no change in revenues
 - Solid Waste and Regional Water revenues are up
 - 22 staff – 21 working FT, 1 working PT
- ▶ **Wastewater – \$19.718M Revenues**
 - Revenues are currently higher than budget
 - 42 staff – 40 working FT, 2 not working

Impact of COVID-19 Crisis (in millions)

General Fund Revenues	Budget	Adjs.	Revised
Taxes	\$27.874		\$27.874
Federal	.044		.044
State	6.583	(.472)	6.111
DTE Test & Tune	1.521		1.521
Charges for Svcs	10.111	(.514)	9.597
Fines & Forfeits.	.602		.602
Investment Income	.070		.070
Rentals	.133		.133
Other	1.152		1.152
Transfers In	<u>2.199</u>		<u>2.199</u>
Total	\$50.289	\$.986	\$49.303

Note: Adjustments reflect the impact of COVID-19 crisis through May 1st

Impact of COVID-19 Crisis

Options

Furlough	Layoff
1) Maintain status as County employee	1) Employee is separated from County employment
2) Flexibility on how many unpaid hours/week	2) 100% of hours are not paid by County
3) Maintain employee health insurance benefits	3) Health insurance benefits terminated
4) Maintain sick and vacation leave accruals and seniority	4) Accumulated sick and vacation balance would be paid out
5) No union bumping option	5) Bumping rights involved with union positions
6) Employee is able to file for unemployment	6) Able to file for unemployment
7) Flexibility to resume working	7) Recall process involved to return to work with County
8) Can implement next day	8) Requires notification period of 7 to 14 days

Impact of COVID-19 Crisis Options

- ▶ Recommendation
 - Permission to begin the furlough process with Department Heads on an individual basis



Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

March 9, 2020

Ms. Susie Hughes
Brookhaven Medical Care Facility
990 Terrace Street
Muskegon, MI 49442

Dear Susie:

Thank you for your request for Plante & Moran, PLLC ("PM") to assist you. This letter and the accompanying Professional Services Agreement, which is hereby incorporated as part of this engagement letter, confirms our understanding of the nature, limitations, and terms of the services Plante & Moran, PLLC (PM) will provide to Brookhaven Medical Care Facility ("The Maples").

Scope of Services

The preparation of the completion of Depreciation Recapture for Brookhaven Medical Care Facility.

Fees and Payment Terms

Our fee for this engagement, subject to the terms and conditions of the accompanying Professional Services Agreement, will be based on the value of services provided. It is our practice to bill for transaction assistance on an hourly basis, due to the difficulty in estimating the complexity of the issues encountered and the variability of transaction terms. Fees for ongoing cost reporting or other predictable projects are typically quoted on a fixed fee basis. Our standard hourly rates for partners range from \$350 - \$425 per hour. Fees for staff range from \$120-\$220 per hour. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice. We estimate that the preparation of the depreciation recapture will take between 10 and 20 hours and the estimated fee for the engagement will be \$3,000 to \$6,000 plus all reasonable and necessary travel and out-of-pocket costs incurred. If documentation is not received by the date indicated in the "Timing of Services" section, additional fees may be assessed.

If you are in agreement with our understanding of this engagement, as set forth in this engagement letter and the accompanying Professional Services Agreement, please sign the enclosed copy of this letter and return it to us with the accompanying Professional Services Agreement.

Ms. Susie Hughes
Brookhaven Medical Care Facility 2

March 9, 2020

Thank you for the opportunity to serve you.

Very truly yours,

Plante & Moran, PLLC



Betsy V. Rust, CPA
Partner

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement, which set forth the entire agreement between Brookhaven Medical Care Facility and Plante & Moran, PLLC with respect to the services specified in the "Scope of Services" section of this engagement letter. This agreement may be amended by written agreement between Plante & Moran, PLLC and Brookhaven Medical Care Facility.

Brookhaven Medical Care Facility

Ms. Susie Hughes

Date

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Professional Services Agreement – Consulting Services Addendum to Plante & Moran, PLLC Engagement Letter

This Professional Services Agreement is part of the engagement letter for our consulting services dated March 9, 2020 between Plante & Moran, PLLC (referred to herein as "PM") and Brookhaven Medical Care Facility (referred to herein as "The Maples").

1. **Management Responsibilities** – The consulting services PM will provide are inherently advisory in nature. PM has no responsibility for any management decisions or management functions in connection with its engagement to provide these services. Further, The Maples acknowledges that The Maples is responsible for all such management decisions and management functions; for evaluating the adequacy and results of the services PM will provide and accepting responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with PM's engagement. The Maples has designated Ms. Susie Hughes, to oversee the services PM will provide.

The Maples represents and warrants that any and all information that it transmits to PM will be done so in full compliance with all applicable federal, state, and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, "Data Privacy Laws"). The Maples shall not disclose personal data of data subjects who are entitled to certain rights and protections afforded by applicable federal, state, and foreign privacy and data protection laws ("Personal Data") to PM without prior notification to PM. The Maples shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

2. **Nature of Services** – PM's will be information and records provided to PM by The Maples. PM will rely on such underlying information and records and the will not include audit or verification of the information and records provided to PM in connection with the project activities.

The PM will perform will not constitute an examination or audit of any The Maples financial statements or any other items, including The Maples internal controls. This engagement also will not include preparation or review of any tax returns or consulting regarding tax matters. If The Maples requires financial statements or other financial information for third-party use, or if The Maples requires tax preparation or consulting services, a separate engagement letter will be required. Accordingly, The Maples agrees not to associate or make reference to PM in connection with any financial statements or other financial information of The Maples. In addition, PM's engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, PM will inform you of any such matters that come to PM's attention.

3. **Use of Report** – At the conclusion of PM's project activities, PM will provide The Maples with a written report as described in this engagement letter. PM's report will be restricted solely to use by management The Maples and The Maples agrees that PM's report will not be distributed to any outside parties for any purpose other than to carry out legal responsibilities of The Maples. PM will have no responsibility to update PM's report for any events or circumstances that occur or become known subsequent to the date of that report.

4. **Confidentiality, Ownership and Retention of Workpapers** – During the course of this engagement, PM and PM staff may have access to proprietary information of The Maples, including, but not limited to, information regarding general ledger balances, financial transactions, trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to The Maples. PM will comply with all applicable ethical standards, laws, and regulations as to the retention, protection, use and distribution of such confidential client information. Except to the extent set forth herein, PM will not disclose such information to any third party without the prior written consent of The Maples.

In the interest of facilitating PM's services to The Maples, PM may communicate or exchange data by internet, e-mail, facsimile transmission or other electronic methods. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, The Maples recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Both The Maples and PM acknowledge, however, that PM may be required to make its workpapers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in

Professional Services Agreement – Consulting Services

which PM is not a party. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform The Maples in a timely manner of such request and to cooperate with The Maples should The Maples attempt, at The Maples cost, to limit such access. This provision will survive the termination of this agreement. PM's efforts in complying with such requests will be deemed billable to The Maples as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

PM reserves the right to destroy, and it is understood that PM will destroy, workpapers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon The Maples written request, PM may, at its sole discretion, allow others to view any workpapers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. The Maples acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's workpapers, without regard to whether access had been granted with respect to any prior requests.

5. **Consent to Disclosures to Service Providers** – In some circumstances, PM may use third-party service providers to assist with an engagement. In those circumstances, PM will require any such third-party service provider to: (i) maintain the confidentiality of any information furnished; and (ii) not use any information for any purpose unrelated to assisting with PM's services for The Maples. In order to enable these service providers to assist PM in this capacity, The Maples, by its duly authorized signature on the accompanying engagement letter, consents to PM's disclosure of all or any portion of The Maples information to such service providers to the extent such information is relevant to the services the third-party service provider may provide and agrees that PM's disclosure of such information for such purposes shall not constitute a breach of the provisions of this agreement. The Maples consent shall be continuing until the services provided for this engagement agreement are completed.
6. **Protected Health Information** – If and to the extent PM needs to review protected health information ("PHI") as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") to perform the engaged services, PM and The Maples agree to separately execute a Business Associate Agreement and The Maples agrees to make reasonable efforts to limit the disclosure of any PHI to the minimum amount necessary to accomplish the intended purpose of the disclosure to PM.
7. **Fee Quotes** – In any circumstance where PM has provided estimated fees, fixed fees or not-to-exceed fees ("Fee Quotes"), these Fee Quotes are based on The Maples personnel providing PM staff the assistance necessary to satisfy The Maples responsibilities under the scope of services. This assistance includes availability and cooperation of those The Maples personnel relevant to PM's and providing needed information to PM in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from PM's Fee Quotes, those Fee Quotes will be adjusted for the additional time PM incurs as a result.

In any circumstance where PM's work is rescheduled, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadline related to the completion of PM's work. Because rescheduling its work imposes additional costs on PM, in any circumstance where PM has provided Fee Quotes, those Fee Quotes may be adjusted for additional time PM incurs as a result of rescheduling its work.

PM will advise The Maples in the event these circumstances occur; however, it is acknowledged that the exact impact on the Fee Quote may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

8. **Payment Terms** – PM invoices for professional services are due upon receipt unless otherwise specified in this engagement letter. In the event any of PM's invoices are not paid in accordance with the terms of this agreement, PM may elect, at PM's sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM's consulting work or issuance of PM's consulting report upon resumption of PM's work. The Maples agrees that in the event that work is suspended, for non-payment or other reasons, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.
9. **Fee Adjustments** – Any fee adjustments for reasons described in this agreement will be determined based on the actual time expended by PM staff at, plus related costs PM incurs, and included as an adjustment to PM's invoices

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related to this engagement. The Maples acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.

10. **Exclusion of Certain Damages** – Except to the extent finally determined to have resulted from PM's gross negligence or willful misconduct, The Maples agrees to limit the liability of PM or any of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third party service providers (collectively, "PM Persons") for any and all claims, losses, costs, and damages of any nature whatsoever so that the total aggregate liability of PM and/or the PM Persons to The Maples shall not exceed the total fees paid by The Maples to PM for the services provided in connection with this engagement agreement. The Maples and PM agree that these limitations on PM's maximum liability are reasonable in view of, among other things, the scope of the services PM is to provide, The Maples responsibility for the management functions associated with PM's consulting services, and the fees PM is to receive under this engagement. In no event shall PM be liable to The Maples, whether a claim be in tort, contract, or otherwise, for any consequential, indirect, lost profit, punitive, exemplary, or other special damages. PM and The Maples agree that these limitations apply to any and all liabilities or causes of action against PM, however alleged or arising, unless to the extent otherwise prohibited by law. This provision shall survive the termination of this engagement.

In the event this engagement agreement expressly identifies multiple phases of services, the total aggregate liability of PM to The Maples shall be limited to no more than the total amount of fees paid by The Maples for the particular phase of services alleged to have given rise to any such liability.

11. **Defense, Indemnification, and Hold Harmless** – As a condition of PM's willingness to perform the services provided for in the engagement letter, The Maples agrees to defend, indemnify and hold PM and the PM Persons harmless against any claims by third parties for losses, claims, damages, or liabilities, to which PM or the PM Persons may become subject in connection with or related to the services performed in the engagement, unless a court having jurisdiction shall have determined in a final judgment that such loss, claim, damage, or liability resulted primarily from the willful misconduct or gross negligence of PM, or one of the PM Persons. This defense, indemnity and hold harmless obligation includes the obligation to reimburse PM and/or the PM Persons for any legal or other expenses incurred by PM or the PM Persons, as incurred, in connection with investigating or defending any such losses, claims, damages, or liabilities.
12. **Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving The Maples but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, The Maples agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
13. **Termination of Engagement** – This agreement may be terminated by either party upon written notice. Upon notification of termination, PM's services will cease, and PM's engagement will be deemed to have been completed. The Maples will be obligated to compensate PM for all time expended and to reimburse PM for related costs PM incurs through the date of termination of this engagement.
14. **Time Limits** – Except for actions to enforce payment of PM's invoices and without limiting any claims for indemnification hereunder, any claim or cause of action arising under or otherwise relating to this engagement must be filed within two years from the completion of the engagement without regard to any statutory provision to the contrary.
15. **Entire Agreement** – This engagement agreement is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this agreement, signed by all of the parties.
16. **Severability** – If any provision of this engagement agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
17. **Conflicts of Interest** – PM's engagement acceptance procedures include a check as to whether any conflicts of interest exist that would prevent acceptance of this engagement. No such conflicts have been identified. The Maples understands and acknowledges that PM may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with interests of The Maples.
18. **Agreement Not to Influence** – The Maples and PM each agree that each respective organization and its employees will not endeavor to influence the other's employees to seek any employment or other contractual arrangement with it, during this engagement or for a period of one year after termination of the engagement. The

Professional Services Agreement – Consulting Services

Maples agrees that PM employees are not "contract for hire." PM may release The Maples from these restrictions if The Maples agrees to reimburse PM for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at the for the PM employee.

19. **Force Majeure** – Neither party shall be deemed to be in breach of this engagement agreement as a result of any delays or non-performance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war or other violence, or epidemic (each individually a "Force Majeure Event"). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
20. **Signatures** – Any electronic signature transmitted through DocuSign or manual signature on this engagement letter transmitted by facsimile or by electronic mail in portable document format may be considered an original signature.
21. **Governing Law** – This agreement shall be governed by and construed in accordance with the laws of the State of Michigan, and jurisdiction over any action to enforce this agreement, or any dispute arising from or relating to this agreement shall reside exclusively within the State of Michigan.

End of Professional Services Agreement – Consulting Services