

Commissioner Minutes of March 12, 2013

The Gladwin County Board of Commissioners met in Regular Session March 12, 2013. The meeting was called to order at 9:00 a.m. by Chairman Reid. The Pledge of Allegiance was recited. Roll call found all Commissioners present.

*Commissioner Carl asked that the GIS pricing changes and the BS&A proposal be added to the agenda for discussion. Motion by Commissioner Carl, supported by Commissioner Walters, to approve the consent agenda as amended. Ayes carried, **motion passed.***

The **cash balances** were then read by Commissioner Whittington. *General Fund - \$41,590.11.*

Public Comments – Donna Schwan asked the Board about which attorneys are retained. Chairman Reid explained that Mr. Boroushko and Attorney Jacobson are retained and Attorney Stoker would only bill the County in the event he is used for “contract language revisions”.

*Commissioner Walters then reviewed the outline of the Dog Ordinance and the response from Magistrate Greer. Jim Maveal, Animal Control Supervisor, clarified the issues as asked by the Board. Commissioner Birgel felt it should be noted in the ordinance that those individuals who breed dogs would not fall under the “dog limit”, unless the puppies are over 4 months old. Mr. Maveal stated each Township could draft their own that would supersede the County’s ordinance, noting those who don’t draft their own would be subject to the County’s enforcement. Magistrate Greer spoke on the need for the ordinance based on Court enforcement issue and the great collection of County vs. State revenues. Discussion. Motion by Commissioner Carl, supported by Commissioner Walters, to forward the proposed ordinance and the supporting documents to the Townships for their consideration. The County Affairs committee will then meet to recommend the ordinance for Board approval after the input from the Townships has been received. Ayes carried, **motion passed.***

Gina Conrad, GIS, came before the Board with a listing of proposed increases to the GIS pricing. Ms. Conrad reviewed each of the cost structures comparing it to the old pricing and pointing out new areas of revenue that have not been collected in the past. Discussion. *Motion by Commissioner Carl, supported by Commissioner Walters, to allow for the pricing as outlined with the understanding that the pricing is for business/public business and not to be used as Township pricing. Ayes carried, **motion passed.***

Commissioner Reid then reviewed the BS&A pricing, noting the cost is over \$100,000 but the annual cost maintenance would be cheaper for the County and Townships. This project was not budgeted for and no plans were discussed in Finance on how to pay for it. The committee is recommending that the County has a meeting with the Townships to discuss a plan for payment and conversion to the new system.

Christy VanTiem, County Treasurer, came before the Board with three resolutions for consideration. Discussion. *Motion by Commissioner Birgel, supported by Commissioner Carl, to adopt the Resolution to Borrow Against Anticipated Delinquent 2012 Real Property Taxes.* Roll call vote as follows: Carl – yes, Walters – yes, Reid – yes, Whittington – yes, Birgel – yes. 5 yes, 0 no. Ayes carried, **resolution 2013-007 declared adopted.** *Motion by Commissioner Birgel, supported by Commissioner Carl, to adopt the Resolution for Depository Designation.* Roll call vote as follows: Walters – yes, Reid – yes, Whittington – yes, Birgel – yes, Carl – yes. 5 yes, 0 no. Ayes carried, **resolution 2013-008 declared adopted.** *Motion by Commissioner Carl, supported by Commissioner Birgel, to adopt the Resolution for Authorizing Deposit and Investment of County Funds and Approving County Investment Policy.* Roll call vote as follows: Reid – yes, Whittington – yes, Birgel – yes, Carl – yes, Walters – yes. 5 yes, 0 no. Ayes carried, **resolution 2013-009 declared adopted.** The Treasurer then asked that the Board allow a set-up of **\$25.00 for petty cash for the Equalization Department.** *Motion by Commissioner Walters, supported by Commissioner Carl, to allow for the petty cash as requested.* Ayes carried, **motion passed.**

Commissioner Carl stated that the County Affairs committee would meet on April 1, 2013 at 2:00 pm to review any responses to the dog ordinance so that it can be brought back to the Board for adoption.

Chairman Reid noted that each year the Townships have the ability to make changes to the ORV map. He would like to include in the ordinance that they have until March 1st of each year to make changes and if they don't make such request then the Board can proceed. Chairman Reid will have a resolution prepared for the next meeting.

Commissioner Reports by District -

Commissioner Walters reported:

- That he attended the Gladwin City Council meeting on the 4th, noting the Board is very excited about the purchase of the "Old Fruchey Building" and the renovations.
- On the County Affairs meeting regarding the dog ordinance.
- That his Township meetings are coming up.

Commissioner Carl reported:

- That he attended the County Affairs meeting on the 6th.
- On his Township meetings starting tonight.

Commissioner Birgel reported:

- On attending the Grout and Beaverton Township meetings.
- That he attended the Central Michigan Board of Health meeting, noting they have an opening for a Nurse Practitioner in Gladwin County.

Commissioner Whittington reported:

- On attending the Bentley Township meeting last night.

- That the Grim and Bourret Township meetings are tonight.
- On attending several Finance meetings over the past couple weeks.

Finance Matters:

1. An employee's vehicle was hit with a snowplow causing damage. A claim was filed a claim with MMRMA, but due to the amount being less than the County's \$1000 deductible, it is the recommendation that the County pay \$670.99 to Deputy Goss for the damage to his vehicle. Payment would be made from 101-851-720.000 upon proof of repair. *Motion by Commissioner Whittington, supported by Commissioner Walters, to approve the reimbursement for damages.* Ayes carried, **motion passed.**
2. Deb Lechner has made a request to donate 35 hours of sick time to a Treasurer's department employee. This is allowable under current policy. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow for the donation of hours as outlined.* Ayes carried, **motion passed.**
3. Hotel reservations have been made for two employees in the Probate Court Office to attend training in Gaylord. The rate of \$55.00 was only for non-governmental employees with a 6% state tax cost. The governmental rate, waiving state tax, was \$120.00. The rooms have been reserved at the \$55.00/night rate with the state tax being paid to save money. The costs are to be paid from 101-148-860.000. *Motion by Commissioner Whittington, supported by Commissioner Carl, to approve the training costs as outlined.* Ayes carried, **motion passed.**
4. Lt. Rabidue has requested that Deputy Guild attend Taser training in Elk Rapids, Michigan. Total cost for the training is \$175.00 with a room rate of \$71.95. Costs to be paid from 101-301-804.000 upon approval. *Motion by Commissioner Whittington, supported by Commissioner Birgel, to allow for the training as requested.* Ayes carried, **motion passed.**
5. Darrell Schlese, Court Administrator, is requesting an upgrade to the JAVS system. Total cost is \$10,697.66 with a \$3000 "credit" based on payment for 2013 maintenance that has already been paid. Total amount still owing is \$7697.66. It is recommended that the purchase be made from 101-900-970-131, with budget amendments as follows:

101-148-705.000	\$3321.00
101-148-706.000	\$2072.00
101-215-933.000	\$2305.00

101-900-970.131	\$7697.00
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Motion by Commissioner Whittington, supported by Commissioner Walters, to allow for the JAVS upgrade with payment coming from the budget amendment as provided. Ayes carried, **motion passed.**

6. The County Clerk's office is working with the local fire departments for preparation of ID badges. The Clerk will invoice the respective fire hall \$3.00/badge to cover the cost of preparation. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow for the preparation of the badges.* Ayes carried, **motion passed.**
7. The 2013 Marine Safety Administrators workshop will be held March 28th in Houghton Lake. A motion is needed to allow the administrator to register those individuals who need to attend. There is no cost for this training and lunch is provided. There will only be mileage to and from the training. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow the Marine Coordinator to make the reservations as needed.* Ayes carried, **motion passed.**
8. Mike Brubaker, 911 Director, has submitted the 2012 reimbursement of overtime costs for transfer from the 282 fund to the General fund. A motion is needed to allow the Treasurer to make the transfer for 2012 even though the year is closed. This is based on the recommendation of the Financial Coordinator. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow the Treasurer to transfer \$2952.48 from 282-000-804.001 to 101-422-704.000 and \$1059.61 from 282-000-804.001 to 101-422-706.004.* Ayes carried, **motion passed.**
9. A motion is needed to allow the Treasurer permission to make a transfer from Unallocated as needed to pay the finance bills and payroll. This is only as needed for cash flow and all borrowing will be repaid to the fund by the end of the year. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow the Treasurer to make the appropriate transfers as outlined.* Ayes carried, **motion passed.**

10. Aaron Miller, Prosecuting Attorney, has made a request to the committee to hire a 26 hour/week employee for Victims Rights services. The total wage and fringe is reimbursable through State grant funding. *Motion by Commissioner Whittington, supported by Commissioner Walters, to allow the Prosecutor to post for the position as discussed with the Finance committee. Ayes carried, motion passed.*
11. Doug Jacobson has completed the 2013 Remonumentation Grant application. *Motion by Commissioner Whittington, supported by Commissioner Walters, to allow Mr. Jacobson to sign the grant for submission to the State. Ayes carried, motion passed.*
12. The updated Personnel Policies are ready for distribution. *Motion by Commissioner Whittington, supported by Commissioner Carl, to allow the Secretary to distribute the updated Personnel Policies including the new mileage vouchers. Ayes carried, motion passed.*
13. 211 has made a request for appropriations of funding for their 2013 program. The committee has no recommendation for funding at this time. Discussion. Commissioner Carl commented the Bill Rhode sits on the 211 committee and would ask that he come to the Board with an update before making their decision.
14. Janet Luplow, Maximus, came before the committee to ask that the County retain her services for the Cost Allocation Plan. The Board previously voted to change services to MGT and will need to correct their actions. Ms. Luplow is offering her services at 80% of 2012 costs in order to retain the County's business. *Motion by Commissioner Whittington, supported by Commissioner Walters, to reconsider the motion to hire MGT. Ayes carried, motion passed. Motion by Commissioner Whittington, supported by Commissioner Carl, to allow Maximus to keep the Gladwin County Cost Allocation services rather than hiring MGT. Ayes carried, motion passed.*

Commissioner Reid reported:

- On working with the Financial Coordinator to attain a 16% fund balance in the General Fund by basing government functions on surrounding demographics to cut costs.
- That the time clock issue was discussed again. Commissioner Walters believes research should be done on drafting a policy for use of time clocks. Several Board members spoke about being on the same page with County goals and address better ways to handle accountability within offices. Chairman Reid stated that he will work on a policy to present at a later date.
- That he has been in contact with Joel Johnson and Dave Camp on their involvement in the Wixom Lake matter. County Affairs will be taking over the matter with the Townships similar to how they handled the FEMA issues. Commissioner Whittington noted there would be a meeting on March 21st at 7pm at Billings Township Hall to address the concerns of the residents. Attorney Jacobson will be asked to attend the meeting to answer questions and give advice.

Commissioner Walters commented that the Farm and Garden show is March 21st at the Ice Arena.

Public Comments –

Kelly Gower gave an update to the proposed county morgue project, noting the hospital will be handling the matter from here.

Sheriff Shea asked that the ORV maps that are for sale be updated showing a new expiration date since there were no changes to the map.

*Commissioner Walters then read the Veterans who have been lost: **Merle Ross**, City of Beaverton – WWII, **Elbert Hoskinson**, Gladwin City – WWII, **Gordon Dugan**, Beaverton City – WWII, **Floyd Cingano**, Gladwin City – WWII, **Don McDonald**, Gladwin City – WWII, **Donald Campbell**, Butman Township – WWII, **Robert Boyer**, Tobacco Township – Korean.*

*Motion by Commissioner Carl, supported by Commissioner Walters, to receive and file various correspondence and reports. Ayes carried, **motion passed**.*

*Motion by Commissioner Carl, supported by Commissioner Walters, to adjourn. Ayes carried, **motion passed**. Meeting adjourned at 10:02 a.m., until March 26, 2013 at 9:00 a.m., unless otherwise ordered.*

Laura Brandon-Maveal
County Clerk

Josh Reid
Chairman

**RESOLUTION TO BORROW AGAINST
ANTICIPATED DELINQUENT 2012 REAL PROPERTY TAXES**

At a Regular meeting of the Board of Commissioners of the County of Gladwin, State of Michigan, held at Gladwin, Michigan, on the 12th day of March, 2013.

PRESENT: Carl, Walters, Reid, Whittington, Birgel

ABSENT: -

Birgel offered the following resolution and moved its adoption. The motion was seconded by Carl.

WHEREAS, the Board of Commissioners of the County of Gladwin (the "County") has heretofore adopted a resolution establishing the Gladwin County Delinquent Tax Revolving Fund (the "Fund") pursuant to Section 87b of Act No. 206, Public Acts of Michigan, 1893, as amended ("Act 206"); and

WHEREAS, the purpose of the Fund is to allow the Gladwin County Treasurer (the "County Treasurer") to pay from the Fund any or all delinquent real property taxes that are due and payable to the County and any school district, intermediate school district, community college district, city, township, special assessment district, the State of Michigan or any other political unit for which delinquent tax payments are due; and

WHEREAS, it is hereby determined to be necessary for the County to borrow money and issue its notes for the purposes authorized by Act 206, particularly Sections 87c, 87d and 87g thereof; and

WHEREAS, it is estimated that the total amount of unpaid 2012 delinquent real property taxes (the "delinquent taxes") outstanding on March 1, 2013, will be approximately Two million dollars (\$2,000,000.00), exclusive of interest, fees and penalties.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Gladwin, State of Michigan, as follows:

Authorization of Borrowing

1. Pursuant to and in accordance with the provisions of Act 206, Public Acts of Michigan, 1893, as amended, and especially Sections 87c, 87d and 87g thereof, the County shall borrow the sum of not to exceed Two million five hundred thousand Dollars (\$2,500,000.00) and issue its notes (the "notes") therefor for the purpose of continuing the Fund for the 2012 tax year. The exact amount to be borrowed shall not exceed the amount of delinquent taxes outstanding on March 1, 2013, exclusive of interest, fees and penalties. The County Treasurer shall designate the exact amount to be borrowed after the amount of the 2012 delinquent taxes outstanding on March 1, 2013, or the portion of the 2012 delinquent taxes against which the County shall borrow, has been determined.

Note Details

2. Pursuant to provisions of applicable law and an order of the County Treasurer, which order is hereby authorized, the notes may be issued in one or more series; shall be known as "General Obligation Limited Tax Notes, Series 2013" with a letter designation added thereto if the notes are issued in more than one series; shall be in fully registered form in denominations not exceeding the aggregate principal amounts for each maturity of the notes; shall be sold for not less than 98% of the face amount of the notes; shall bear interest at fixed or variable rates not to exceed the maximum interest rate permitted by applicable law; shall be dated, payable as to interest and in principal amounts, be subject to redemption in whole or in part prior to maturity,

including any redemption premiums, and be subject to renewal, at such times and in such amounts, all as shall be designated in the order of the County Treasurer. Notes or portions of notes called for redemption shall not bear interest after the redemption date, provided funds are on hand with the note registrar and paying agent to redeem the same. Notice of redemption shall be given in the manner prescribed by the County Treasurer, including the number of days' notice of redemption and whether such notice shall be written or published, or both. If any notes of any series are to bear interest at a variable rate or rates, the County Treasurer is hereby further authorized to establish by order, and in accordance with law, a means by which interest on such notes may be set, reset or calculated prior to maturity, provided that such rate or rates shall at no time be in excess of the maximum interest rate permitted by applicable law. Such rates may be established by reference to the minimum rate that would be necessary to sell the notes at par; by a formula that is determined with respect to an index or indices of municipal obligations, reported prices or yields on obligations of the United States or the prime rate or rates of a bank or banks selected by the County Treasurer; or by any other method selected by the County Treasurer.

Payment of Principal and Interest

3. The principal of and interest on the notes shall be payable in lawful money of the United States from such funds and accounts as provided herein. Principal shall be payable upon presentation and surrender of the notes to the note registrar and paying agent when and as the same shall become due, whether at maturity or earlier redemption. Interest shall be paid to the owner shown as the registered owner on the registration books at the close of business on such date prior to the date such interest payment is due, as is provided in the order of the County Treasurer. Interest on the notes shall be paid when due by check or draft drawn upon and mailed by the note registrar and paying agent to the registered owner at the registered address, or by such other method as determined by the County Treasurer.

Note Registrar and Paying Agent

4. The County Treasurer shall designate, and may enter into an agreement with, a note registrar and paying agent for each series of notes that shall be the County Treasurer or a bank or trust company that is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The County Treasurer may from time to time designate a similarly qualified successor note registrar and paying agent. Alternatively, the County Treasurer may serve as note registrar and paying agent if so designated by written order of the County Treasurer.

Disposition of Note Proceeds

5. The proceeds of the sale of the notes shall be deposited into a separate account in the Fund and shall be used to continue the Fund. The County Treasurer shall pay therefrom and from unpledged funds in the Fund, uncommitted funds in the County General Fund and/or any other legally available funds, if the notes are sold at a discount, the full amount of the delinquent tax roll against which the County has borrowed, delivered as uncollected by any tax collector in the County and that is outstanding and unpaid on or after March 1, 2013, in accordance with the provisions of Act 206. If the notes are sold at a premium, the County Treasurer shall determine what portion of the premium, if any, shall be deposited in the 2013 Collection Account established in Section 6 hereof.

2013 Collection Account

6. There is hereby established as part of the Fund an account (hereby designated the "2013 Collection Account") into which account the County Treasurer shall place delinquent taxes against which the County has borrowed, and interest thereon, collected on and after March 1, 2013, all County property tax administration fees on such delinquent taxes, after expenses of issuance of the notes have been paid, any premium as determined pursuant to Section 5 hereof, and any amounts received by the County Treasurer from the County, the State of Michigan and any taxing unit within the County, because of the uncollectibility of such

delinquent taxes. The foregoing are hereby established as funds pledged to note repayment. The County Treasurer shall designate the delinquent taxes against which the County shall borrow for each series of notes.

Note Reserve Fund

7. There is hereby authorized to be established by the County Treasurer a note reserve fund for the notes (the "2013 Note Reserve Fund") if the County Treasurer deems it to be reasonably required as a reserve and advisable in selling the notes at public or private sale. The County Treasurer is authorized to deposit in the 2013 Note Reserve Fund from proceeds of the sale of the notes, unpledged moneys in the Fund, uncommitted funds in the County General Fund and/or any other legally available funds, an amount not exceeding ten percent (10%) of the face amount of the notes.

Security for Payment of Notes

8. All of the moneys in the 2013 Collection Account and the 2013 Note Reserve Fund, if established, and all interest earned thereon, relating to a series of notes are hereby pledged equally and ratably as to such series to the payment of the principal of and interest on the notes and shall be used solely for that purpose until such principal and interest have been paid in full. When moneys in the 2013 Note Reserve Fund, if established, are sufficient to pay the outstanding principal of the notes and the interest accrued thereon, such moneys may be used to retire the notes. If more than one series of notes is issued, the County Treasurer by order shall establish the priority of the funds pledged for payment of each such series. In such case the County Treasurer may establish sub-accounts in the various funds and accounts established pursuant to the terms of this resolution as may be necessary or appropriate.

Additional Security

9. Each series of notes, in addition, shall be a general obligation of the County, secured by its full faith and credit, which shall include the County's limited tax obligation, within

applicable constitutional and statutory limits, and its general funds. The County budget shall provide that if the pledged delinquent taxes and any other pledged amounts are not collected in sufficient amounts to meet the payments of principal and interest due on each series of notes, the County, before paying any other budgeted amounts, will promptly advance from its general funds sufficient moneys to pay that principal and interest. The County shall not have the power to impose taxes for payment of the notes in excess of constitutional or statutory limitations. If moneys in the 2013 Collection Account and the 2013 Note Reserve Fund, if established, are not sufficient to pay the principal of and interest on the notes, when due, the County shall pay the same in accordance with this section, and may thereafter reimburse itself from the delinquent taxes collected.

Release of Pledge of 2013 Collection Account

10. Upon the investment of moneys in the 2013 Collection Account in direct non-callable obligations of the United States of America in amounts and with maturities that are sufficient to pay in full the principal of and interest on the notes when due, any moneys in the 2013 Collection Account thereafter remaining may be released from such pledge created pursuant to Section 8 hereof and may be used to pay any or all delinquent real property taxes that are due the County and any school district, intermediate school district, community college district, city, township, special assessment district, the State of Michigan or any other political unit to which delinquent tax payments are due for any year or for any other purpose permitted by law.

Sale of Notes

11. The County Treasurer is hereby authorized to offer the notes at public or private sale as determined by order of the County Treasurer and to do all things necessary to effectuate the sale, delivery, transfer and exchange of the notes in accordance with the provisions of this resolution. Notes of one series may be offered for sale and sold separately from notes of another

series. If the notes are to be sold publicly, sealed proposals for the purchase of the notes shall be received by the County Treasurer for such public sale to be held at such time as shall be determined by the County Treasurer and notice thereof shall be published in accordance with law, once in *The Bond Buyer* or the *Detroit Legal News*, both of which are hereby designated as being a publication printed in the English language and circulated in this State that carries as a part of its regular service, notices of sale of municipal bonds. Such notice shall be in the form prescribed by the County Treasurer.

The County Treasurer is hereby authorized to cause the preparation of an official statement for the notes for the purpose of enabling compliance with SEC Rule 15c2-12 (the "Rule") and to do all other things necessary to enable compliance with the Rule. After the award of the notes, the County will provide copies of a final official statement (as defined in paragraph (e)(3) of the Rule) on a timely basis and in reasonable quantity as requested by the successful bidder or bidders to enable such successful bidder or bidders to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

Continuing Disclosure

12. The County Treasurer is hereby authorized to execute and deliver in the name and on behalf of the County (i) a certificate of the County to comply with the requirements for a continuing disclosure undertaking of the County pursuant to subsection (b)(5) or (d)(2) of the Rule, as applicable, and (ii) amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. The remedies for any failure of the County to comply with and carry out the provisions of the Continuing Disclosure Certificate shall be as set forth therein.

Execution and Delivery of Notes

13. The County Treasurer is hereby authorized and directed to execute the notes for the County by manual or facsimile signature and the County Treasurer shall cause the County seal or a facsimile thereof to be impressed or imprinted on the notes. Unless the County Treasurer shall specify otherwise in writing, fully registered notes shall be authenticated by the manual signature of the note registrar and paying agent. After the notes have been executed and authenticated, if applicable, for delivery to the original purchaser thereof, the County Treasurer shall deliver the notes to the purchaser or purchasers thereof upon receipt of the purchase price. Additional notes bearing the manual or facsimile signature of the County Treasurer and upon which the seal of the County or a facsimile thereof is impressed or imprinted may be delivered to the note registrar and paying agent for authentication, if applicable, and delivery in connection with the exchange or transfer of fully registered notes. The note registrar and paying agent shall indicate on each note that it authenticates the date of its authentication. The notes shall be delivered with the approving legal opinion of Dickinson Wright PLLC.

Exchange and Transfer of Fully Registered Notes

14. Any fully registered note, upon surrender thereof to the note registrar and paying agent with a written instrument of transfer satisfactory to the note registrar and paying agent duly executed by the registered owner or his or her duly authorized attorney, at the option of the registered owner thereof, may be exchanged for notes of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered note.

Each note shall be transferable only upon the books of the County, which shall be kept for that purpose by the note registrar and paying agent, upon surrender of such note together with a written instrument of transfer satisfactory to the note registrar and paying agent duly executed by the registered owner or his or her duly authorized attorney.

Upon the exchange or transfer of any note, the note registrar and paying agent on behalf of the County shall cancel the surrendered note and shall authenticate, if applicable, and deliver to the transferee a new note or notes of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered note. If, at the time the note registrar and paying agent authenticates, if applicable, and delivers a new note pursuant to this section, payment of interest on the notes is in default, the note registrar and paying agent shall endorse upon the new note the following: "Payment of interest on this note is in default. The last date to which interest has been paid is [place date]."

The County and the note registrar and paying agent may deem and treat the person in whose name any note shall be registered upon the books of the County as the absolute owner of such note, whether such note shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such note and for all other purposes, and all payments made to any such registered owner, or upon his or her order, in accordance with the provisions of Section 3 hereof shall be valid and effectual to satisfy and discharge the liability upon such note to the extent of the sum or sums so paid, and neither the County nor the note registrar and paying agent shall be affected by any notice to the contrary. The County agrees to indemnify and save the note registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of notes, the County or the note registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The note registrar and paying agent shall not be required to transfer or exchange notes or portions of notes that have been selected for redemption.

Book Entry System

15. At the option of the County Treasurer and notwithstanding any provisions of this resolution to the contrary, the County Treasurer is hereby authorized to enter into an agreement with a custodian or trustee for the purpose of establishing a "book entry" system for registration of notes to be fully registered. Pursuant to the provisions of such agreement, the notes may be registered in the name of the custodian or trustee for the benefit of other persons or entities. Such agreement shall provide for the keeping of accurate records and prompt transfer of funds by the custodian or trustee on behalf of such persons or entities. The agreement may provide for the issuance by the custodian or trustee of certificates evidencing beneficial ownership of the notes by such persons or entities. For the purpose of payment of the principal of and interest on the notes, the County may deem payment of such principal and interest, whether overdue or not, to the custodian or trustee as payment to the absolute owner of such note. Pursuant to provisions of such agreement, the book entry system for the notes may be used for registration of all or a portion of the notes and such system may be discontinued at any time by the County. The note registrar and paying agent for the notes may act as custodian or trustee for such purposes.

Issuance Expenses

16. Expenses incurred in connection with the issuance of the notes, including without limitation any premiums for any insurance obtained for the notes, note rating agency fees, travel and printing expenses, fees for agreements for lines of credit, letters of credit, commitments to purchase the notes, remarketing agreements, reimbursement agreements, purchase or sales agreements or commitments, or agreements to provide security to assure timely payment of the notes, fees for the setting of interest rates on the notes and bond counsel, financial advisor,

paying agent and registrar fees, all of which are hereby authorized, shall be paid by the County Treasurer from County property tax administration fees on the delinquent taxes, from any other moneys in the Fund not pledged to the repayment of notes and general funds of the County that are hereby authorized to be expended for that purpose.

Replacement of Notes

17. Upon receipt by the County Treasurer of satisfactory evidence that any outstanding note has been mutilated, destroyed, lost or stolen, and of security or indemnity complying with applicable law and satisfactory to the County Treasurer, the County Treasurer may execute or authorize the imprinting of the County Treasurer's facsimile signature thereon and thereupon, and if applicable, a note registrar or paying agent shall authenticate and the County shall deliver a new note of like tenor as the note mutilated, destroyed, lost or stolen. Such new note shall be issued and delivered in exchange and substitution for, and upon surrender and cancellation of, the mutilated note or in lieu of and in substitution for the note so destroyed, lost or stolen in compliance with applicable law. For the replacement of authenticated notes, the note registrar and paying agent shall, for each new note authenticated and delivered as provided above, require the payment of expenses, including counsel fees, which may be incurred by the note registrar and paying agent and the County in the premises. Any note issued under the provisions of this Section in lieu of any note alleged to be destroyed, lost or stolen shall be on an equal basis with the note in substitution for which such note was issued.

Chargebacks

18. For any principal payment date of the notes on or after January 1, 2016, the delinquent taxes on property foreclosed and sold pursuant to the provisions of Act 206 and against which the County has borrowed shall, if necessary to ensure full and timely payment of principal of and interest on the notes when due, be charged back to the taxing jurisdictions in such manner as determined by the County Treasurer. The proceeds of such chargebacks shall be

deposited in the 2013 Collection Account as security for payment of the notes as described in Section 8 hereof. The provisions of this section shall not limit the authority of the County Treasurer under the laws of the State of Michigan to charge back delinquent taxes under other circumstances or at other times.

Purchase of Notes by County

19. All or any portion of the notes may be purchased or otherwise acquired by the County if the County Treasurer by order deems such purchase or acquisition to be in the best interest of the County. In such case, the County Treasurer is authorized to take such actions to effectuate the purchase or acquisition, including without limitation entering into an agreement to purchase or repurchase the notes. The purchase or other acquisition of notes by or on behalf of the County does not cancel, extinguish or otherwise affect the notes and the notes shall be treated as outstanding notes for all purposes of this resolution until paid in full.

Issuance of Refunding Notes

20. The County shall refund all or part of the notes authorized hereunder and/or notes previously issued by the County to continue the Fund for prior tax years if and as authorized by order of the County Treasurer through the issuance of refunding notes (the "Refunding Notes") in an amount to be determined by order of the County Treasurer. Proceeds of the Refunding Notes may be used to redeem such notes and to pay issuance expenses of the Refunding Notes as authorized and described in Section 16 hereof. The County Treasurer shall have all the authority with respect to the Refunding Notes as is granted to the County Treasurer with respect to the notes by the other Sections hereof, including the authority to select a note registrar and paying agent, to apply to the Michigan Department of Treasury for approval to issue the Refunding Notes, if necessary, to cause the preparation of an official statement and to do all other things necessary to sell, execute and deliver the Refunding Notes. The Refunding Notes shall contain the provisions, shall be payable as to principal and interest and shall be secured as set forth

herein and as further ordered by the County Treasurer. The Refunding Notes may be sold as a separate issue or may be combined in a single issue with other obligations of the County issued pursuant to the provisions of Act 206 as shall be determined by the County Treasurer. The County Treasurer is authorized to prescribe the form of Refunding Note and the form of notice of sale, if any, for the sale of Refunding Notes.

Form of Notes

21. The notes shall be in the form approved by the County Treasurer, which approval shall be evidenced by the County Treasurer's execution thereof.

After discussion, the vote was:

YEAS: Carl, waeters, Reid, Whittington, Birgel
NAYS: —
ABSENT: —

A sufficient majority having voted therefor, the Resolution to Borrow Against Anticipated Delinquent 2012 Real Property Taxes was adopted.

STATE OF MICHIGAN)
)ss
COUNTY OF GLADWIN)

I, the undersigned, the duly qualified and acting Clerk of the County of Gladwin, State of Michigan, do hereby certify that the foregoing is a true and complete copy of proceedings taken at a regular meeting of the Board of Commissioners of said County, held on the 13th day of March, 2013, insofar as the same relate to the Resolution to Borrow Against Anticipated Delinquent 2012 Real Property Taxes, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended.

Laura Branden-Maveal
Clerk, County of Gladwin

COUNTY OF GLADWIN
DEPOSITORY DESIGNATION RESOLUTION
RESOLUTION #2013-008

At a regular meeting of the Board of County Commissioners of the County of Gladwin, Michigan held on March 13, 2013, in the Gladwin County Courthouse in Gladwin, Michigan, there was:

PRESENT: Carl, Walters, Reid, Whittington, Birgel

ABSENT: None

The following Resolution was offered by Birgel

And supported by Carl

RESOLUTION AUTHORIZING DEPOSITORYS DESIGNATION

WHEREAS, Public Act 40 of 1932 provides for the deposit of County public moneys in certain financial institutions as shall be authorized by the Gladwin Board of County Commissioners; and

WHEREAS, this Board of Commissioners wished to authorize the Gladwin County Treasurer to deposit the County's public moneys in the following named depositories.

NOW, THEREFORE BE IT RESOLVED, by the Gladwin Board of County Commissioners, hereby authorizes the Gladwin County Treasurer to deposit County public moneys in any of the financial institutions named here to pursuant to Act 40 of 1932:

BE IT FURTHERE RESOLVED, that the Gladwin County Treasurer, designate the banks or depositories for the money belonging to the county, including the time for which the deposits shall be made and all details for caring into effect the authority given in this act, and that the Gladwin County Treasurer is authorized to manage funds belonging to the County of Gladwin including depositing funds in approved financial institutions and policies, and

BE IT FURTHER RESOLVED, that the Gladwin County Board of Commissioners approves the following financial institutions as depositories of county funds:

- a) PNC Bank
- b) Chemical Bank and Trust
- c) Comerica Bank
- d) LaSalle Bank
- e) MBIA - Class
- f) Flagstar Bank
- g) USB
- h) Republic Bank
- i) First Financial Bank
- j) Chase
- k) Wolverine Bank
- l) Fifth Third Bank
- m) Independent Bank

BE IT FURTHER RESOLVED, that the Gladwin County Treasurer is authorized to rely on the continuing effect of this resolution until it is specifically amended or rescinded by a future resolution of the Gladwin County Board of Commissioners, or a new Board is seated.

A vote on the foregoing resolution was taken and was as follows:

YEAS: Walters, Reid, Whittington, Birgel
Carl

Neas: None

ABSTAIN: None

CERTIFICATION

The undersigned, being the duly qualified and acting Clerk of the County of Gladwin, hereby certifies that the foregoing is a true and complete copy of the resolution duly adopted by the Gladwin County Board of Commissioners at its regular meeting held on March 13, 2013. At which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended and that minutes of such meeting are kept and will be or have been made available as required thereby.

Laura Brandon-Maveal
Laura Brandon-Maveal, Gladwin County Clerk

DATED: March 12, 2013

2013-009



**BOARD OF COMMISSIONERS
COUNTY OF GLADWIN
STATE OF MICHIGAN**

At a regular session of the said Board, held in the City of Gladwin, in said County, Michigan on the 12th day of March, 2013 the following Resolution was adopted/amended:

RESOLUTION

Resolution for Authorizing Deposit and Investment of County Funds and Approving County Investment Policy

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

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

WHEREAS, pursuant to the provisions of Act No. 20 of the Public Acts of Michigan of 1943, as amended, ("Act 20") the Board of Commissioners of the County of Gladwin may authorize the County Treasurer to invest County funds in certain investments; and

WHEREAS, this Board wishes to authorize such investments as are permitted by Act 20; and

WHEREAS, Section 5 of Act 20 requires this Board of Commissioners in conjunction with the County Treasurer to adopt an investment policy which complies with the provisions of Act 20; and

WHEREAS, the County Treasurer has submitted a proposed Investment Policy which complies with provisions of Act 20; and

WHEREAS, all resolutions and parts of resolutions in so far as they conflict with the provisions of this resolution be and the same are hereby rescinded.

**RESOLUTION
PAGE 2**

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the County of Gladwin as follows:

1. The County Treasurer is authorized to invest funds of the County of Gladwin in investments authorized by Act 20.
2. The Investment Policy attached hereto as Appendix 1 is approved and shall take effect on January 1, 2013.
3. Before executing an order to purchase or trade the funds of the County of Gladwin, a financial intermediary, broker or dealer shall be provided with a copy of the County's Investment Policy and shall acknowledge receipt of the Investment Policy and agree to comply with the terms of the Investment Policy regarding the buying or selling of securities by executing the form attached as Appendix 2.
4. The County Treasurer is authorized to rely on the continuing effect of this resolution until and unless:
 - a. Specifically amended or rescinded by the Gladwin County Board of Commissioners, or
 - b. A new Board is seated.
5. This resolution shall take effect on January 1, 2013.

Motion by: Carl Supported by Birgel to adopt the foregoing Resolution.
The vote being Ayes: 5
Nays: 0 Absent: 0

The Resolution was adopted March 12th, 2013.

STATE OF MICHIGAN)
COUNTY OF GLADWIN)
)ss

[Signature], Chairman
Gladwin County Board of Commissioners

I, Laura Brandon-Maveal, Clerk of the Gladwin County Board of Commissioners, do hereby certify that the Investment Policy for the County of Gladwin was unanimously adopted by the said Board of Commissioners at its regular meeting held on the 12th day of March, 2013 A.D.

[Signature]
Laura Brandon-Maveal, Clerk, County of Gladwin

APPENDIX 1

INVESTMENT POLICY FOR THE COUNTY OF GLADWIN AS REQUIRED BY PUBLIC ACT 20 OF 1943, AS AMENDED

1.0 POLICY

It is the policy of Gladwin County to invest public funds in a manner which will ensure the preservation of principal while providing the highest investment return with maximum security, meeting the daily cash flow requirements of the county and conforming to all state statutes governing the investment of public funds.

2.0 SCOPE

This investment policy applies to all financial assets of the county held by the County Treasurer. These funds are accounted for in the County Treasurer's Annual Financial Report.

3.0 OBJECTIVES

The primary objectives, in priority order, of the County Treasurer's investment activities shall be:

- 3.1 **Safety:** Safety of principal is the foremost objective in the investment of county funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Credit Risk (Custodial Risk and Concentration of Credit Risk). The County will minimize Custodial Credit Risk, which is the risk of loss due to the failure of the security issue or backer, by: limiting investments to the types of securities listed in Section 7.0 of this Investment Policy; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the County will do business in accordance with the Policy.

The County will minimize Concentration of Credit Risk, which is the risk of loss attributed to the magnitude of the County's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Interest Rate Risk. The County will minimize Interest Rate Risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by: structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the County's known cash requirements.

Foreign Currency Risk. The County is not authorized to invest in investments which have this type of risk pursuant to this Investment Policy.

3.2 **Liquidity:** The investment portfolio shall remain sufficiently liquid to enable the county treasurer to meet all operating requirements that might be reasonably anticipated.

3.3 **Return of investments:** The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

4.0 **DIVERSIFICATION**

The County Treasurer shall diversify his/her investments by security type and institution. With the exception of U.S. Treasury securities and authorized investment pools, no more than 60% of the total investment portfolio will be invested in a single security type or with a single financial institution.

5.0 **DELEGATION OF AUTHORITY**

Management responsibility for the investment policy is hereby delegated to the County Treasurer as required by state statute per MCL 48.40, who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, collateral/depositary agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Gladwin County Treasurer. The Gladwin County Treasurer shall be responsible for all transactions under taken and shall establish a system of controls to regulate the activities of subordinate officials. The Gladwin County Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The Gladwin County Treasurer can use one or more of the investment institutional raters available in the State of Michigan.

The internal control structure established will:

5.1 **Control of Collusion.** Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

5.2 **Separation of transaction authority from accounting and record keeping.** By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved. Due to the limited number of personnel available, the greatest degree of separation possible will be achieved to allow for the efficient function of the *office*.

5.3 **Custodial safekeeping.** Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.

5.4 **Physical delivery of securities.** Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities will be held in Gladwin County Treasurer's safe.

- 5.5 Clear delegation of authority to subordinate staff members. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- 5.6 Written confirmation or telephone transactions for investments and wire transfers. Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by a confirmation call or written communications and approved by the appropriate person. Written communication may be via fax if on letterhead and safekeeping institution has a list of authorized signatures.
- 5.7 Development of a wire transfer agreement with the lead bank or third party custodian. This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers. Gladwin County accomplishes this through wire transfer agreement contracts and signature cards.
- 5.8 Collateral deposit. Gladwin County reserves the right to demand evidence of collateral from institutions it invests in as permitted by Public Act 20.
- 5.9 Banking contracts. Gladwin County Treasurer will have on file signed contractual agreements with financial institution with which it does business.

6.0 AUTHORIZED & SUITABLE INVESTMENTS

The County Treasurer is authorized to invest in the following securities by Public Act 20 of 1943, as amended:

- 6.1 Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- 6.2 Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution. A public corporation that invests its funds shall not deposit or invest the funds in a financial institution that is not eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.
- 6.3 Commercial paper with a rating of not less than A1 from Moody's, P1 from Standard & Poor's, and that matures not more than 270 days after the date of purchase.
- 6.4 Repurchase agreements *consisting* of instruments in subdivision 6.1.
- 6.5 Banker's acceptances of United States banks.
- 6.6 Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.
- 6.7 Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public

corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:

- a. The purchase of securities on a when-issued or delayed delivery basis.
- b. The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
- c. The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
- d. Mutual funds are limited to securities whose intention is to maintain a net asset value of \$1.00 per share, which is not subject to fluctuation. The intention of the funds' portfolio average life will be 90 days or less.

6.8 Obligations described in subdivisions of 6.1 through 6.7 if purchased through an interlocal agreement under the Urban Cooperation Act of 1967, 1967 (ex sess) PA 7, *MCL* 124.501 to 124.512.

6.9 Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, *MCL* 129.111 to 129.118.

6.10 The investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, *MCL* 129.141 to 129.150.

7.0 SAFEKEEPING AND CUSTODY

It shall be the responsibility of the County Treasurer to determine which securities will be held by a third party custodian. A safekeeping receipt shall evidence securities held in safekeeping by a third party custodian. All investment transactions where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institutions with safekeeping receipts.

8.0 PRUDENCE

The standard of prudence to be used by the County Treasurer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well the probable income to be derived.

9.0 REPORTING

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

**ACKNOWLEDGMENT OF RECEIPT OF INVESTMENT POLICY
AND AGREEMENT TO COMPLY**

I have read and fully understand Act 20 PA 1943, as amended, and the Investment Policy for the COUNTY OF GLADWIN.

Any investment advice or recommendation given by _____
Representing _____, to the Gladwin County Treasurer shall comply with
the requirements of **Act 20 PA 1943, as amended**, and the Investment Policy of the County of
Gladwin. Any existing investment not conforming with the statute or the policy will be disclosed
promptly.

By: _____

Title: _____

Date: _____