AGENDA
FINANCE & PHYSICAL RESOURCES COMMITTEE

Tuesday, December 19, 2006 – 8:30 a.m.
Board Room – County Administration Building

1) Public Comment

2) Consent Agenda – All items listed under this item are considered to be routine by the Finance Committee and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda upon request of any Committee member and will be considered separately.

   a) Approval of the Minutes of December 5, 2006
   b) Auditing of Checks and Purchase Order Activity
   c) Fiscal Services – Approve the Building Authority Debt Service Fund Budget Amendment
   d) Public Works – Kentwood Landfill Budget Amendment
   e) Various – Bid Award

Bd. 1/02 3) Administrator’s Office – Senior Millage Administration

Bd. 1/02 4) Fiscal Services – Biennial Update of Fiscal Policies

Bd. 1/02 5) Health – Request for New Fee for the Human Papillomavirus (HPV) Vaccine

6) Miscellaneous

7) Adjournment

The mission of Kent County government is to be an effective and efficient steward in delivering quality services for our diverse community. Our priority is to provide mandated services, which may be enhanced and supplemented by additional services to improve the quality of life for all our citizens within the constraints of sound fiscal policy.
ACTION REQUESTED:

Recommend to the Board of Commissioners to approve the appropriation of an additional $84,500 to the Kent County Building Authority (KCBA) Debt Service Fund budget from General Fund Reserves.

PROPOSED TO GO TO THE BOARD ON JANUARY 2, 2007

SUMMARY OF REQUEST:

- In November 2005, the KCBA Series 1998 Bonds were refunded.
- The savings, generated from refunding the bond issue, equated to a present dollar value of $3.1 million (equivalent to 5.77% of refunded bonds).
- The additional expenses incurred, as a result of refunding the bond issue, for FY 2006 is $84,500.
- Fiscal Services is requesting the additional $84,500 be appropriated to the Building Authority Debt Service Fund from General Fund reserves.

THIS ACTION RELATES TO AN ACTIVITY WHICH IS:

☐ MANDATED  ☑ NON MANDATED  AGREEMENT  ☐ NEW ACTIVITY


ADMINISTRATION RECOMMENDATION:

☑ RECOMMENDED  ☐ NOT RECOMMENDED  ☐ ALTERNATIVES:

GOVERNING/ADVISORY BOARD APPROVAL DATE: __________________________

COUNTY ADMINISTRATOR: __________________________________________ DATE: December 12, 2006
MEETING DATE: December 19, 2006

FINANCE AND PHYSICAL RESOURCES COMMITTEE

DEPARTMENT: Public Works
PREPARED BY: Marvin Van Nortwick, Budget Manager
SUBJECT: Kentwood Landfill Budget Amendment

ACTION REQUESTED:
Recommend to the Board of Commissioners to approve the appropriation of an additional $166,000 to the Department of Public Works (DPW) Solid Waste Fund budget for the Kentwood Landfill.

PROPOSED TO GO TO THE BOARD ON JANUARY 2, 2007

SUMMARY OF REQUEST:
- The Kentwood Landfill Perpetual Care budget is based on interest revenue.
- Perpetual Care interest revenues are estimated at $216,000.
- In order for the Kentwood Landfill Perpetual Care to have sufficient funds to pay future expenses, the interest revenue is offset by a Perpetual Care expense.
- DPW budgeted $50,000 in FY 2006 for the Kentwood Perpetual Care expense budget.
- The FY 2006 estimate for the Kentwood Perpetual Care expenses is $216,000.
- DPW is requesting an additional $166,000 be appropriated from interest revenue.

THIS ACTION RELATES TO AN ACTIVITY WHICH IS:
☐ MANDATED ☒ NON MANDATED ☐ AGREEMENT ☒ NEW ACTIVITY

COST/FUNDING RECOMMENDATION: $166,000. Use of $166,000 in DPW Solid Waste Fund additional interest revenue.

ADMINISTRATION RECOMMENDATION:
☒ RECOMMENDED ☐ NOT RECOMMENDED ☐ ALTERNATIVES:

GOVERNING/ADVISORY BOARD APPROVAL DATE: __________________________
COUNTY ADMINISTRATOR: __________________________________________ DATE: December 12, 2006
**FINANCE AND PHYSICAL RESOURCES COMMITTEE ACTION REQUEST**

**MEETING DATE:** December 19, 2006

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<th>DEPARTMENT:</th>
<th>Administrator’s Office</th>
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<td>PREPARED BY:</td>
<td>Wayman Britt, Assistant County Administrator</td>
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<td>SUBJECT:</td>
<td>Senior Millage Administration</td>
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**ACTION REQUESTED:**

Recommend to the Board of Commissioners to extend the contract with the Area Agency on Aging of Western Michigan, Inc. (AAAWM) for administration of the Senior Millage Funds through December 31, 2008, with a County option for 2009 that reflects additional economies of scale, segregation of administrative activities, and coordination with services of the State’s Office of Services to the Aging.

**PROPOSED TO GO TO THE BOARD ON JANUARY 2, 2007**

**SUMMARY OF REQUEST:**

- Kent County’s contract with AAAWM for administration of the Senior Millage program expires December 31, 2006. The County has contracted with AAAWM for administration of the Senior Millage since 1999.

- In August 2003, the Board authorized staff to solicit proposals for the administrative function beginning January 1, 2004, including a proposal to perform the administrative function internally. The review committee found that both agencies demonstrated sufficient capacity to provide the service, and that AAAWM’s experience with senior services and senior service funding presented additional opportunities in terms of existing relationships with the provider network, and the potential for leveraging cost efficiencies through State and Federal services dollars. In addition, AAAWM is highly visible in the community as a clearinghouse for senior services and is a natural contact point for seniors seeking services.

- AAAWM has met its contractual obligations with respect to the millage administration. AAAWM is willing to continue to administer the millage for a base rate of $270,000 with increases in 2008 and 2009 (County option) based on the Consumer Price Index (CPI).

- A two-year extension of the Contract with a third year option will allow the County to reevaluate the need to issue a Request for Proposal for services to be rendered in future years.

- Corporate Counsel has approved the agreement as to form.

**THIS ACTION RELATES TO AN ACTIVITY WHICH IS:**

- ☒ MANDATED
- ☐ NON MANDATED
- ☐ NEW ACTIVITY

**COST/FUNDING RECOMMENDATION:** $270,000. Funds have been budgeted in the 2007 budget.

**ADMINISTRATION RECOMMENDATION:**

- ☒ RECOMMENDED
- ☐ NOT RECOMMENDED
- ☐ ALTERNATIVES:

**GOVERNING/ADVISORY BOARD APPROVAL DATE:** ____________________________

**COUNTY ADMINISTRATOR:** ____________________________ DATE: December 12, 2006
ACTION REQUESTED:

Recommend to the Board of Commissioners to approve the revisions to certain Fiscal Policies regarding travel.

PROPOSED TO GO TO THE BOARD ON JANUARY 02, 2007

SUMMARY OF REQUEST:

- A team representing a cross section of County departments was assembled to review existing fiscal policies and recommend changes as required. The team consisted of Gail Brink, Finance Director – Health Department; Stephen Duarte, Deputy Director - Fiscal Services; Francine Farrington, Accounting Manager – Fiscal Services; Brian Picardat – Aeronautics Department – Finance & Administration; Paula Taylor – Circuit Court Finance Manager; Marvin VanNortwick – Fiscal Services Budget Coordinator; Dan Kendall – Public Works Finance Division Director; Ken Parrish – County Treasurer; and Robert White – Fiscal Services Director.

- All of the Fiscal Policies were reviewed by the work team. The team identified the potential for change to be incorporated into three policies regarding employee business expense and one policy regarding Fund Balance/Fund Equity. A subcommittee of Fiscal Service office staff was assigned with the responsibility of drafting changes to the Employee Business Expense Policies (3), consolidating the policies where possible/practical. The new recommended policy consolidates three prior documents. The updated policy further provides additional clarification concerning employee reimbursements which may be considered taxable compensation. Section 3.d. was revised to eliminate the allowance for additional travel time beyond that necessary to attend the conference.

- Recommended revisions to the Fund Balance/Fund Equity Policy have been reviewed and approved by a majority of the work team. Alternate revisions are still being considered prior to presentation to the Finance Committee.

THIS ACTION RELATES TO AN ACTIVITY WHICH IS:

☐ MANDATED ☒ NON MANDATED ☑ NECESSARY ☐ NEW ACTIVITY

COST/FUNDING RECOMMENDATION: None required.

ADMINISTRATION RECOMMENDATION:

☑ RECOMMENDED ☐ NOT RECOMMENDED ☐ ALTERNATIVES:

GOVERNING/ADVISORY BOARD APPROVAL DATE: ____________________________

COUNTY ADMINISTRATOR: ____________________________________________ DATE: December 12, 2006
Fiscal Policy - Employee Business Expenses

I. POLICY

1. Policy: The Board of Commissioners will provide for direct reimbursement of business expenses incurred by County officials, the Judiciary and personnel employed by the County, as a function of their employment or association with Kent County. Expenses covered by this policy are those ordinary and necessary costs incurred during the performance of employment-related functions.

2. Minimum Amount: Expenses shall be held to the minimum amount required for essential and efficient conduct of business.

II. PRINCIPLES

1. Statutory References: The Board of Commissioners may establish rules and regulations in reference to managing the interests and business of the County as provided under section 11 of Public Act 156 of 1851 [MCLA 46.11(m)].

2. County Legislative or Historical References: Resolution 4-22-99-47 adopted by the Board of Commissioners on April 22, 1999, established policies and set forth Travel Regulations for Kent County officials and personnel employed by the County.

   2.a. Internal Revenue Code: This policy is to maintain compliance with the Internal Revenue Code (Code). In areas where a conflict arises, the provisions of the Code will supersede this policy.

3. Operational Guidelines – General

   Commissioner Conference Attendance: Each Commissioner may attend one National Association of Counties (NACo) conference outside of the state, and the two Michigan Association of Counties (MAC) conferences within the State. The Chair of the Board, the Vice Chair of the Board, and the Chair and Vice Chair of each standing committee, as well as members of the NACo Standing Committees, may attend both national conferences and meetings associated with membership on the NACo Standing Committees.
Public Transportation: Travelers are expected to travel by the most economical means possible. Where multiple alternative combinations of travel are available, the method that maximizes the savings to the County will be used as the standard for reimbursement. Public transportation arrangements are to be made through the Purchasing Division. The traveler may utilize an alternate provider (e.g. Internet), however, the traveler shall save documentation concerning price comparisons of at least three (3) airlines that service the Gerald R. Ford International Airport using www.kayak.com (screen prints are acceptable). If this website is not available at a future date, the Administrator/Controller will identify an acceptable alternate site. Price comparisons are to be obtained no later than two (2) weeks prior to start date of travel. If the traveler chooses to use an alternate provider, then documentation concerning competitive pricing must be submitted with the reimbursement request.

3.a. Authorization – County Employees: All business expenses incurred by County officials, the Judiciary, employees, and non-County employees must be authorized by the appropriate individual or their designee.

3.a.1. Chair of the Board: The Chair of the Board of Commissioners shall be the authorized individual for any Commissioner, Elected Officer, Chief Judge, the County Administrator/Controller, or the Governing Board Chair. For internal control purposes, the Board of Commissioners Vice Chair will approve expenses incurred by the Chair of the Board.

3.a.2. Governing Board Chair: Governing Board chairs shall be the authorized individuals for any Department Director that reports to the Governing Board, or for Governing Board members.

3.a.3. County Administrator/Controller: The County Administrator/Controller shall be the authorized individual for any non-elected Department Director, unless such Director reports to a Governing Board, whereby the Governing Board Chair will serve as the authorized individual.

3.a.4. Department Director: The Department Director, Elected Officer or the Chief Judge responsible for the budget to which the expense will be charged will be the authorized individual for all business expenses to be charged to the budget.

3.b. Authorization - Non-County Employee: Business expenses (other than those meeting the criteria of a Business Meal) of a person other than a County official, the Judiciary or an employee, who is requested to incur expense while representing the County as a consultant, adviser or volunteer, must be authorized by the County Administrator/Controller, Governing Board Chair, Chief Judge or
the Chair of the Board of Commissioners, as appropriate, prior to incurring such expense.

3.b.1. **Business Meals**: The cost of business meals are allowed only if it can be shown that such cost is necessary to the conduct of official business. **Business** meals are governed by the same limitations and requirements as meals for County employees and officials.

3.c. **Available Funds**: No business expense will be authorized or paid unless sufficient budgeted funds are available.

3.d. **Early Departure/Delayed Return**: Employees may leave up to one day prior to the start of an out-of-state conference. If mode of travel allows for employees to return to Kent County prior to 11:00 pm, employees will be expected to return the same day as the conference ends.

4. **Operational Guidelines - Additional**: The Fiscal Services Department will only process requests for direct or reimbursable expenses that are received with all required documentation approved and certified by the authorized individual or his/her designee.

4.a. **Reimbursement Documentation**: Original itemized receipts or other legible documents to verify the amount of expenses to be reimbursed, must accompany all requests for reimbursement and be certified by the authorized individual or his/her designee. Unless otherwise stated, failure to supply receipts (where required by this policy and/or IRS procedures) shall result in reimbursement of expenses through payroll as taxable income.

4.b. **Reimbursement of Prepaid Expenses**: Air fare and the first night’s lodging may be reimbursed prior to travel only if the employee signs an affidavit permitting the County to withhold from his/her payroll check any reimbursement amount so advanced in the event that the employee terminates employment or does not travel as intended. Other expenses paid directly by the employee will be made only after the travel is completed and all required supporting documentation is certified by the authorized individual and approved by Fiscal Services.

4.c. **Direct Documentation**: Invoices or similar printed material from the proposed vendor (payee) must accompany all requests for direct payment and be certified by the authorized individual or his/her designee.

4.d. **Verification**: The Fiscal Services Department shall not process any expense submitted without or not supported by the required documentation, and may verify any request which appears to conflict with the policy.
4.e. **Cash Advances:** The County will not issue cash advances to employees or officials for business expenses.

5. **Exceptions:** The Finance and Physical Resources Committee may consider requests to waive any requirement or limitation contained in this policy, so long as the request to waive is submitted prior to incurring the expense.

5.a. **Exceptions - Procedures:** The County Administrator/Controller has the authority to approve requests to waive any requirement contained in the procedures or standards adopted to implement the Policy as they apply to all County employees and non-County personnel but excluding the County Administrator/Controller, Governing Board Chairs and Commissioners, so long as it does not constitute a waiver of the Policy. The Chair of the County Board of Commissioners has the authority to waive any requirement in the procedures and standards relating to travel by a Commissioner, Elected Officer, Chief Judge, County Administrator/Controller, Department Director or a Governing Board Chair.

5.b. **Exceptions - Cash Advances:** Circuit Court Family Division Probation Officers may periodically request an advance for nominal business expenses relating to activities funded in the Child Care fund. Prior approval must be obtained from the Court Administrator and County Administrator (or his assignee).

6. **Implementation Authority:** Upon adoption of this Statement of Policy and Principles, the Board of Commissioners authorizes the County Administrator/Controller to establish any standards and procedures that may be necessary for implementation.

6.a. **Compliance:** The responsibility for ensuring compliance with these policies and the procedures promulgated under it rest with each employee’s Department Director, Elected Officer and/or the Chief Judge who is responsible for the budget to which the expense will be charged.

6.b. **Interpretation and Enforcement:** The County Administrator/Controller will be responsible for interpretation and enforcement of these policies as they apply to all County employees and non-County personnel but excluding the County Administrator/Controller, Elected Officers, Chief Judge, Governing Board Chairs and Commissioners. The Chair of the Board of Commissioners will be responsible for interpretation and enforcement of these policies as they apply to Commissioners, Elected Officers, Chief Judge, County Administrator/Controller or a Governing Board Chair.
7. **Periodic Review**: The County Administrator/Controller will review this policy at least every two years and make any recommendations for changes to the Finance and Physical Resources Committee.
ACTION REQUESTED:

Recommend to the Board of Commissioners to approve a new fee to the Health Department’s fee schedule for the Human Papillomavirus (HPV) Vaccine effective January 3, 2007.

PROPOSED TO GO TO THE BOARD ON JANUARY 2, 2007

SUMMARY OF REQUEST:

- On November 27, 2006, the Michigan Department of Community Health began providing the HPV Vaccine to Health Departments for distribution to Vaccines for Children (VFC) providers.

- The HPV Vaccine is the first vaccine developed to protect recipients from HPV, the leading cause of cervical cancer in women. The Advisory Committee on Immunization Practices (ACIP) recommends a three dose series of vaccine for females 9-26 years of age with routine administration occurring at 11-12 years of age.

- The VFC vaccine supply assures the availability of this vaccine for patients who are 9-18 years of age and are Medicaid eligible, American Indian, Alaskan Native, or without insurance coverage. The VFC program prohibits private providers from using VFC HPV vaccine to vaccinate underinsured patients. Therefore, underinsured adolescents must be referred to the Health Department for their VFC vaccine.

- To meet the needs of the non-VFC eligible recipients, the Health Department must purchase a supply of the HPV vaccine. The cost of the HPV vaccine is $119.75 per dose, resulting in a fee request of $120 to cover the cost of the vaccine. The $10 vaccine administration fee will be charged in addition to the $120 vaccine fee.

- The new fee requested for vaccinations does not generate any additional net revenue for the Health Department. The proposed fee covers the cost of the vaccine only.

- A public hearing is scheduled for December 27, 2006, to educate the public concerning the new fee.

THIS ACTION RELATES TO AN ACTIVITY WHICH IS:

☐ MANDATED  ☒ NON MANDATED  ☐ AGREEMENT  ☐ NEW ACTIVITY

COST/FUNDING RECOMMENDATION: No funding is required.

ADMINISTRATION RECOMMENDATION:

☐ RECOMMENDED  ☐ NOT RECOMMENDED  ☐ ALTERNATIVES:

GOVERNING/ADVISORY BOARD APPROVAL DATE: __________________________

COUNTY ADMINISTRATOR: ___________________________________________ DATE: December 12, 2006