

Economic Vitality Incentive Program/County Incentive Program Certification of Consolidation of Services

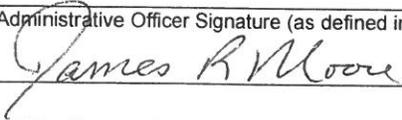
Issued under authority of 2013 Public Act 59. Filing is mandatory to qualify for payments.

Each city/village/township/county applying for Consolidation of Services payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a Consolidation Plan as required by 2013 Public Act 59. The plan shall be made available for public viewing in the clerk's office or posted on a publicly accessible Internet site.
2. Submit to Treasury a Consolidation Plan.

City/village/township: This certification, along with a Consolidation Plan, **must be received by February 1, 2014** to receive the February and April payments or on or before March 31, 2014 to receive the April payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

County: This certification, along with a Consolidation Plan, **must be received by February 1, 2014** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

| PART 1: LOCAL UNIT INFORMATION | | | |
|--|------------------------------------|--|-------------------------|
| Local Unit Name Kinross Charter Township | | Local Unit County Name Chippewa | |
| Local Unit Code 171080 | | Contact E-Mail Address accountant@kinross.net | |
| Contact Name Michael Hoolsema | Contact Title Accountant | Contact Telephone Number (906) 495-5381 | Extension 104 |
| Website Address, if plan is available online kinross.net | | | |
| PART 2: CERTIFICATION | | | |
| <i>In accordance with 2013 Public Act 59, the undersigned hereby certifies to Treasury that the above mentioned local unit has produced a Consolidation Plan and has made the plan available for public viewing in the city, village, township, or county clerk's office or has posted the plan on a publicly accessible Internet site. The Consolidation Plan is attached to this signed certification.</i> | | | |
| Chief Administrative Officer Signature (as defined in MCL 141.422b)  | | Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) James R. Moore | |
| Title Township Supervisor | | Date 1-21-14 | |

Completed and signed form (including required attachment) should be e-mailed to: TreasRevenueSharing@michigan.gov

If you are unable to submit via e-mail, fax to (517) 335-3298, or mail the completed form and required attachment to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

| TREASURY USE ONLY | | |
|---------------------------------|----------------------------------|----------------|
| EVIP/CIP Eligible Y N | Certification Received | EVIP/CIP Notes |
| Final Certification | Plan Received | |
| | 1st C/P Submission Y N | |

Kinross Charter Township
Consolidation of Services
Prepared January 2014

Update on the status of collaboration, cooperation, and consolidation proposals submitted for the 2012-13 fiscal year:

Joint road work – Kinross Charter Township proposed a joint road improvement project with a neighboring township to repave 1.0 mile of road that borders our two townships. The money is in our budget to do this project. We would like to complete it by December 2014. We do not want to see this road revert back to gravel form. The main barrier to implementing this project would be that we are dependent on the other township board budgeting their share of the cost.

Total estimated savings \$39,025

Update: The Road Commission for Chippewa County has now joined as an additional partner, and the project has expanded to about 3.5 miles of this road. They have secured Federal funding to help finance this \$504,000 project. The federal aid agreement requires 20% local matching funds, half of which will be paid by the County Road Commission. Our share of the local match will be \$36,417, with the neighboring township paying the balance of \$14,006. The bids have been let for this project and the work is scheduled to begin in the spring as soon as the weather allows. The work is expected to be completed by August 2014.

Revised estimated savings \$288,083

Contracted Police services – The proposal was to contract with the county sheriff’s department to provide police services that are currently provided by our own police department, which is funded with a special assessment tax. The estimated date of implementation is by December 2016. It is estimated that the maximum special assessment tax rate of 10 mills will no longer be sufficient to fund the department at that time, and it will be presented to taxpayers to either raise the maximum special assessment tax rate or to look to other ways to provide police services, such as contracting with the county sheriff’s department. The barriers to implementation will be securing support from the public, and also from a majority of the Township Board.

Total estimated savings \$70,000

Update: After the resignation of one of our full-time officers, the department has filled the vacated hours with part-time employees. This results in an estimated savings of \$18,707 by not paying employee fringe benefits. The hours of the department’s clerical employee were reduced, but we are still dipping into Fund Balance to cover the current year’s operating expenses. For several years we have had an agreement with the Sault Tribe of Chippewa Indians where they provide a full-time officer based in Kinross, and we allow him to work out of our police office.

The Sault Tribe has now assigned an additional part-time officer to the Kinross area. We still expect to eventually reach a point when the maximum approved tax rate of 10 mills will not be sufficient to fund the department. The new estimated date of implementation is December 2017.

Total estimated savings \$70,000

Snowmobile Trail Grooming – The change proposed was to transfer responsibility for grooming our township’s snowmobile trails over to a local snowmobile club. This proposal began to be implemented September 30, 2011, with the expiration of the final contract between Kinross Charter Township and the Michigan DNR. The sale of one of our groomers to this snowmobile club was completed November 18, 2011, and they began grooming our snowmobile trails December 1, 2011. After paying the last of our expenditures in this fund we were able to transfer the residual proceeds from the sale of the groomer to our General Fund, to use for our other recreational programs. Our participation in this endeavor of providing a secure location for the snowmobile club to store the groomer when not in use, and an outlet to plug in the groomer’s engine block heater, is ongoing.

Total residual proceeds and estimated savings \$15,965

Update: Since the route for the snowmobile trail still runs through our township we are committed to continue to provide an electrical hook up and storage location, which is easily accessible by vehicle, for the snowmobile club’s groomer. All other aspects of this project have been fully and successfully implemented.

Joint funding of our recreation center with the Sault Ste. Marie Tribe of Chippewa Indians

– The proposal was to secure a long-term commitment from the Sault Tribe to help finance the operating costs of our recreation center. We are not able to continue indefinitely to provide the level of funding needed to run this facility out of our General Fund. A partnership whereby the Tribe supplied approximately half of the necessary annual appropriation would allow us to continue to provide recreational opportunities to our community. We received a grant from the Sault Tribe on December 3, 2012 in the amount of \$38,000 to assist with funding the operations of the recreation center for our 2012 – 2013 fiscal year, but they did not give us a long-term commitment. We hope to secure this commitment by December 2013. The barrier to implementation is securing approval from the Sault Tribe Board for the long-term commitment. Without it, the ongoing operation of the recreation center will be uncertain from year to year.

Total annual savings to our General Fund \$40,000 – 45,000

Update: In 2013 we resubmitted our request for a long-term commitment for operating funds for our recreation center. The Sault Tribe of Chippewa Indians has been experiencing financial issues of their own, and has yet to provide us with a long-term commitment. We expect to

receive their decision on our request by spring of 2014. We continue to receive one-time grants from the Sault Tribe for specific projects, but we have not yet received any money for operating expenses in our current fiscal year. The Kinross Charter Township Board put a recreation millage proposal to the voters at the November 4, 2013 election and it was defeated by a large margin. If we do not secure a long-term commitment by March 2015 we may have to make some major decisions regarding the operations of the recreation center.

Revised estimated savings \$38,000 – 45,000

Proposed:

Sharing grass mowing duties with the Chippewa County EDC - In 2013 Kinross Charter Township acquired a deed from the State of Michigan to a vacant parcel of land located along our main business district corridor. This land is bordered by a grassy area that is owned and mowed by the County EDC. The County EDC has a parcel of land that is near property owned and mowed by Kinross Charter Township. Beginning in the spring of 2014, we are proposing to mow the parcel of the EDC’s land that is near our other property if they will mow our parcel that is located near their property. This would be more convenient for each entity through reduced travel to and from our respective parcels, and would save on labor and fuel costs. We wouldn’t need to travel to our parcel located near their land and they wouldn’t have to travel to mow their parcel located near our land. The barrier to this project would be a rejection of this proposal by the County EDC Board.

Total estimated annual cost savings \$2,000