CASCADE CHARTER TOWNSHIP
2865 Thornhills SE Grand Rapids, Michigan 49546-7192

Date: March 9, 2021

To: Supervisor Grace Lesperance
Treasurer Ken Peirce (2021 Vice Chair)
Trustee Jim Koessel (2021 Chair)

From: Ben Swayze, Township Manager

Subject: Personnel & Finance Committee Agenda – March 10, 2021 (9:00am)

The Personnel and Finance Committee is to meet in the Large Conference Room of the Township Office (and/or via Zoom) to discuss the following:

1. **Approval of the February 10, 2021 Meeting Minutes** – The Committee is responsible for approving the previous meeting notes

   Recommended Action – Approve Minutes

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2. **2021 Cascade Township Poverty Exemption Guidelines –** The state legislature recently amended the statutes regarding poverty exemption guidelines. While some of the changes to the state statutes will require mandatory changes to our guidelines, there is a section where the Township will need to make a decision on the exemption amount allowed:

   7) Applicants found to qualify for a Poverty Exemption under both the income and assets guidelines are eligible for a reduction of their Taxable Value for the current year in the amount of [pick one: 25%, 50%, 100%] as approved by the Cascade Charter Township Board in February 2021 in compliance with PA 253 of 2020.

   I have attached a copy of the proposed update to the guidelines for your review. Manager of Assessing Services Jennifer Genter will be available to answer any questions you have.

   Recommended Action – Recommendation to the Township Board regarding 2021 Cascade Township Poverty Exemption Guidelines

3. **Proposed Contract with ITP for Bus Service (May 15, 21 – Sept 15, 21) –** In December 2020 the Township received proposed contracts with the Rapid for the 28th Street and 36th Street service. While the contract year typically begins in in October, the Rapid had agreed to extend the contracts at the previous rate for 3 additional months while they worked on adjusting rates based on State and Federal funding levels that they expected to fluctuate due to the effects of the Covid-19 pandemic.

The proposed contracts received in December contained a 12.08% increase from $68.48 to $76.75. At the time the Township indicated to the Rapid that the increase was not acceptable and that we would need to come up with alternatives, including altering the physical route, altering the route frequency or altering the funding models, before the Township would consider the new contracts.

After review the potential alternatives, The Rapid has to agreed to a funding model that takes into account the "revenue hours" model in Cascade rather then the Township bearing the "full bus cost" model that had been previously utilized. Under the full bus cost model, the Township was responsible for paying the full amount of the additional bus that had to be added to Route 28 in order to serve Cascade. Under the new revenue hours model, the Township will only pay for the time the bus is actually in Cascade Township, effectively sharing part of the cost of the service with the Rapid.

Below are the calculations of what the services would cost (May 15 – September 30) under the new model vs. the old model.

Billing Model	Billable Hours	Contract Cost
Full Vehicle Cost (current arrangement)	2,216.66	$155,776.41
Revenue Hours (proposed arrangement)	1,274.70	$97,833.23

The resulting savings is $57,943.18, or 37.2% over what it would have been utilizing the old model. It should be noted that this savings is for the 28th Street route only, the 36th Street route already was serviced under the revenue hours model. If approved it is anticipated that the savings would be allocated to the general fund portion of the payments.

I have attached both the 28th Street and 36th Street contracts for your review. The language in the contracts is the same as previous years except for the contract amount and the change in cost share model

Recommended Action – Recommendation to the Township Board regarding the contracts with the ITP for Bus Service

4. **Cash Flow Statements –** Treasurer Peirce and Deputy Treasurer Sourine have been working on cash flow statements. Attached are the first drafts of the General Fund and Fire Fund for review. These will be helpful as we work through the bonding process for the Fire Station 1 and 2021 local road projects.

   Recommended Action – No action, review only

5. **Position Realignment –** Manager Swayze will give an update on the realignment of Clerk Department positions as discussed in the previous meeting