

Ottawa PA2 Funding Issue Resolution

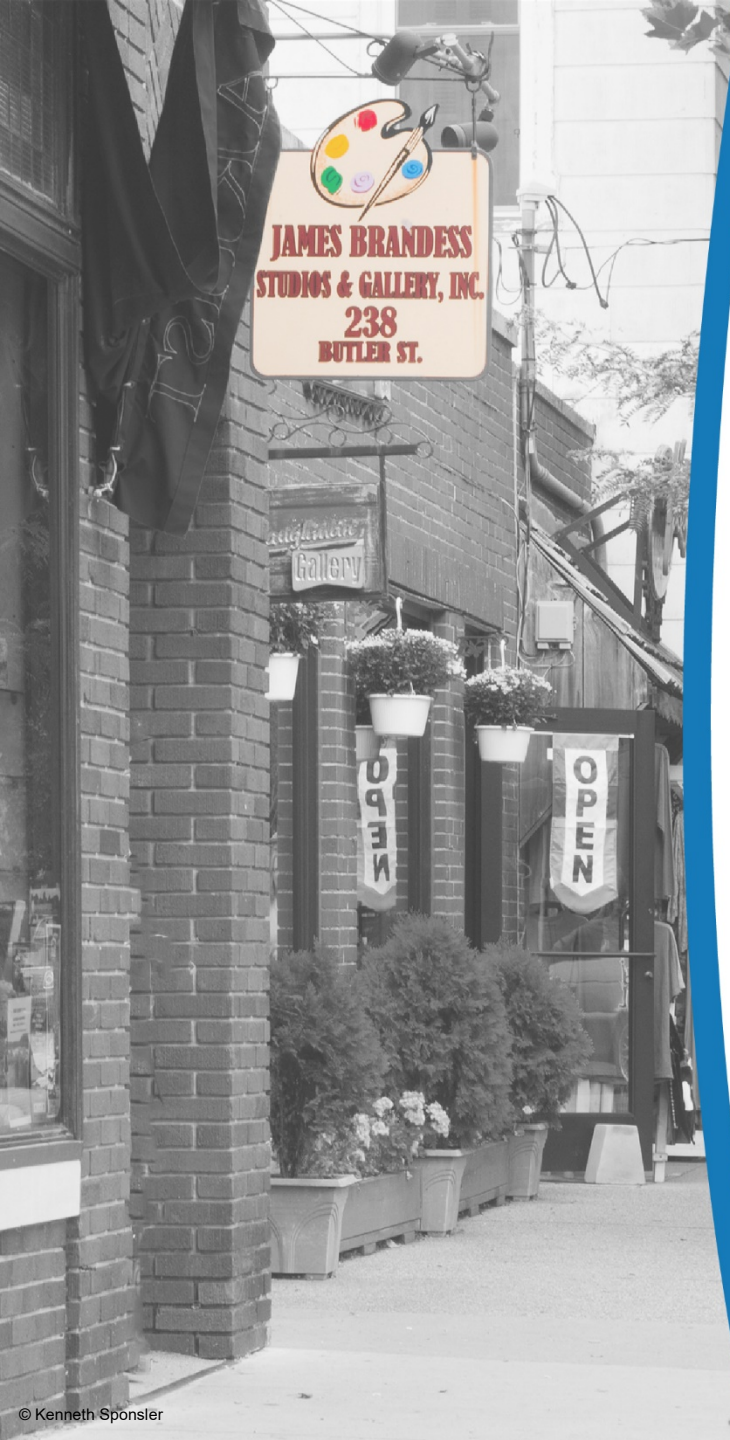
PA2 Legislation

- MCL 221.24e(11) - If the sum of a county's operating property tax levy for the ensuing fiscal year plus the county's distribution to be received pursuant to section 10 of the state convention facility development act, 1985 PA 106, MCL 207.630, exceeds the product of the county's taxable value for the ensuing fiscal year times the greater of the county's base tax rate or concluding fiscal year's operating millage rate, then an amount equal to the lesser of 50% of the excess or 50% of the state convention facility development act distribution shall be used for substance abuse treatment programs within the county. The proceeds received by the taxing unit shall be distributed to the coordinating agency designated for that county pursuant to section 6226 of the public health code, 1978 PA 368, MCL 333.6226, and used only for substance abuse prevention and treatment programs in the county from which the proceeds originated.

[http://www.legislature.mi.gov/\(S\(u1nbsjsqikowmnxgsmcw52ai\)\)/mileg.aspx?page=getObject&objectName=mcl-211-24e](http://www.legislature.mi.gov/(S(u1nbsjsqikowmnxgsmcw52ai))/mileg.aspx?page=getObject&objectName=mcl-211-24e)

- PA500 of 2012 – Establishes authority of Lakeshore Regional Entity, to create an Oversight Policy Board that oversees PA2 funds





Resolution for FY20 PA2

- Amount received Ottawa County in FY20 to date
\$932,973
- Amount owed to Coordinating Agency in accordance to MCL 221.24e(11) i.e. Lakeshore Regional Entity
\$466,486
- Current amounts owed to Ottawa County Providers
\$258,496

Ottawa County has agreed to release \$258,496 to the LRE for provider expenses

Resolution for Year to Date Cost Settlement

	CMH of Ottawa County SUD Treatment	County of Ottawa PA2
9/30/19 Balance due to LRE	\$ 1, 060,221.79	\$ 547,881.04
9/30/20 Pending Balance due to LRE	\$ -	\$ 466,486.50
Payments Made to Date	\$ -	\$ (258,496)
Balance Due to LRE During Settlement	\$ 1, 060,221.79	\$ 755,871.54



NEXT STEPS:

- Ottawa County CMH and LRE will continue to collaborate and align with Regional Goals and Objectives
- LRE and Ottawa County have resolved FY21 payments to Ottawa County providers and completed contracts
- County of Ottawa to pay LRE for recent years of PA2 revenue owed
- CMH of Ottawa County settlement with LRE for unspent SUD Tx expenses
- LRE settlement with CMH of Ottawa County for expenditures exceeding MC/HMP budgets
- Regular reporting of PA2 revenue and expenditures
- Continue expense reimbursement method vs. cost settlement for PA2



Thank you



LAKE SHORE
REGIONAL ENTITY