

AGENDA
ISHPEMING CITY COUNCIL REGULAR MEETING
Wednesday, July 12, 2017, at 7:00 p.m.
Ishpeming City Hall Conference Room, 100 E. Division Street, Ishpeming MI
City Hall Telephone Number: (906) 485-1091

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment
 - a. Letters of Commendation to DPW Employees Donald Nardi and Kaleb Rundman
5. Approval of Agenda
6. Agenda Comment
7. Consent Agenda
 - a. Minutes of Previous Meeting (June 7th and June 28th: Closed Session June 28th)
 - b. Approval of Disbursements (Mayor Juidici and Councilman Koski)
 - c. Approve travel for Finance Director to attend MERS Annual Conference: September 21 and 22
 - d. UP Travel and Recreation Association Annual Investment Allocation of \$300
 - e. Northern Michigan Public Service Academy 2017/18 Annual Dues
 - f. Special Event Application and Parade Permit for St. Rocco/St. Anthony: 7/29/17
 - g. Special Event Application: NORTHIRON Church Speed the Light 5K Run: 8/4/17
 - h. Special Event Application/Temporary Liquor License: Brogies Tavern-Joe Diffie Concert: 7/28/17
 - i. Special Event Application: Ore to Shore: 8/12/17
8. Monthly Financial Statement Report
9. Presentation of 2016 Audit by Anderson, Tackman and Company, PLC
10. Water Fund Deficit Elimination Plan
11. Award Bid for Heat Pump/Air Conditioning – City Council Chambers
12. Second Reading of Ordinance #2-1400, To Regulate Smoking and Use of Tobacco Products in Outdoor Public Places
13. Second Reading of Ordinance #3-1300, To Regulate Mobile Food Vendors
 - a. Adopt Resolution #9-2017 Establishing Fees for Mobile Food Vendors
 - b. Adopt Resolution #10-2017 Establishing Operating Locations for Mobile Food Vendors
14. Award Bid for Malton Road Trail Extension
15. Charitable Gaming License for the Ski Hall of Fame
16. Otis Elevator Company Service Agreement – City Hall
17. Cable television broadcast of Council meetings
18. 2017 Mid-year Budget Amendments
19. Schedule special meeting for 2018 Goals, Budget Workshop, and Capital Improvement Plan
20. Old Business
21. New Business
 - a. Set date for Council photograph
22. Mayor and Council Reports
23. Manager's Report
24. Attorney's Report
25. Adjournment


Mark Slown, City Manager

7d



MICHIGAN'S UPPER PENINSULA
TRAVEL AND RECREATION ASSOCIATION

June 27, 2017

Mr. Mark Slown, Manager
City of Ishpeming
100 E. Division St.
Ishpeming, MI 49849-2084

Dear Mr. Slown:

The growth of the tourism industry in the Upper Peninsula during the last few years can largely be attributed to the marketing efforts cooperatively undertaken by the Upper Peninsula Travel & Recreation Association (UPTRA), its members, and supporters.

The leadership role UPTRA has provided has placed the Upper Peninsula in a position of strength in the industry as the largest tourism marketing area in Michigan. While others have dissolved due to state budgetary problems, UPTRA stands firm and strong, continually presenting its members to the traveling public as a destination too attractive to overlook.

Sustaining and furthering the economic contribution tourism growth has produced requires the continued financial investment of the new and creative-marketing programs UPTRA develops on a continuing basis. We respectfully request your support with an Investment Allocation in the amount of \$300.

We sincerely appreciate your consideration of this request on behalf of the Upper Peninsula tourism industry. Also enclosed is a copy of our current Upper Peninsula Four Season Travel Planner.

Sincerely,

Tom Nemacheck
UPTRA Executive Director

Sincerely,

Linda Stabile
UPTRA Board President



MICHIGAN'S UPPER PENINSULA
TRAVEL AND RECREATION ASSOCIATION

INVOICE

June 27, 2017

Mr. Mark Slown, Manager
City of Ishpeming
100 E. Division St.
Ishpeming, MI 49849-2084

| DATE | DESCRIPTION | AMOUNT |
|--|-----------------------|----------|
| June 27, 2017 | Investment Allocation | \$300.00 |
| PAYABLE UPON RECEIPT MAKE CHECKS PAYABLE TO: UPTRA | | |
| | Total Due: | \$300.00 |

P.O. BOX 400, IRON MOUNTAIN, MICHIGAN 49801-0400 • PHONE 800-562-7134 • 906-774-5480 • FAX 906-774-5190

EST. 1911

E-MAIL info@uptravel.com • www.uptravel.com

City of Ishpeming
Mark Slown
100 E. Division Street
Ishpeming, MI 49849

June 11, 2017

RE: NMPSA MEMBERSHIP RENEWAL

CITY OF ISHPERING
JUL 05 2017
RECEIVED

WITH YOUR
MEMBERSHIP

THE COST TO ATTEND A
NMPSA SEMINAR IS
ONLY \$25 PER PERSON!

With your 2017/18 membership, you will continue to receive high quality, low-cost training focused on the specific needs of U.P. municipalities and affiliate organizations. By holding training in a central location, your organization is saving a significant amount on hotel costs, mileage expense, and loss of employee productivity. Employees who attend local NMPSA sponsored training also receive invaluable networking opportunities with colleagues that are working toward similar goals and dealing with similar issues across the Upper Peninsula.

The input from our members regarding seminar topics is very important! As a member, you can view NMPSA as a type of training department for your organization. If your staff has interest in a specific training or seminar opportunity, it is likely that other Upper Peninsula entities, such as yours, have similar needs. Let's bring the educational opportunity closer to us by utilizing this great resource - NMPSA! As always, combining efforts is a win for everyone. Please contact me with your requests and ideas. I will do the coordinating work for you!

UPCOMING SEMINARS:

- Medical Marijuana Law Update and U.P. related issues - presented by Brad Neuman of MSUE & Tim Sholander of UPSET, *August 2017*
- Employment Law - presented by local attorneys, *September 2017*
- Microsoft Office Excel Training - presented by NMU faculty, *October 2017*

NMPSA is currently working to schedule seminars for 2017/18 on additional topics such as:

- Brownfield Redevelopment
- "Reasonable Suspicion Training" (required by DOT for certain supervisors)
- Municipal Finance – reading financial statements
- Negativity in the Workplace
- Tax Tribunal/Dark Stores
- Risk Management
- Workplace Safety/Active Shooter
- Environmental Regulations/Enforcement
- CPR/First Aid Training
- AND MORE! – please send your requests!

Please contact me with any questions you may have regarding the enclosed documents or your membership, I will be happy to assist you.

Kate Sholander

Kate Sholander, NMPSA Coordinator

INVOICE

INVOICE #:116

DATE: JUNE 11, 2017

TO:

CITY OF ISHPEMING
100 E DIVISION
ISHPEMING MI 49849

FOR:

NMPSA 2017/18 Annual Dues
July 1, 2017-June 30, 2018

| DESCRIPTION | AMOUNT |
|--|-------------------|
| Number of Full Time Employees | 38 |
| Multiplied by \$15 per employee = (\$75 min./\$1,875 max.) | 570 ⁰⁰ |
| <p><i>Make checks payable to NMPSA</i></p> <p>Please remit payment to:</p> <p>NMPSA</p> <p>PO Box 87</p> <p>Marquette, MI 49855</p> <p><i>Thank you for your support and membership!</i></p> | |
| TOTAL ANNUAL DUES PAID: | 570 ⁰⁰ |

If you have questions concerning this invoice,
please email **Kate Sholander** at nmps@mqtcity.org or call (906) 225-8105.

Thank you!

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Organization's Name St. Rocco / St. Anthony Phone

Organization's Agent Jim Bertucci Phone 486-4919

Agent's Address 801 N. Maple St.

Event purpose Community Picnic

Event Times 11:00am to 1:00pm

Event Location Al Othaybi

☐ City Operated Event ☐ Co-Sponsored Event
☒ Other Non-Profit Event ☐ Other For-Profit Event
☐ Political or Ballot Issue Event

2. Annual Event: Is this event expected to occur next year? ☒ [YES] ☐ [NO]

If yes, you can reserve a date for next year with this application. To reserve dates for next year, please provide the following information:

Normal Event Schedule July 28 2023

Next year's Specific Dates: _____

3. An Event Map [Is] ☒ [Is Not] attached. If your event will use streets and/or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. Also please show any streets or parking lots that you are requesting to be blocked off.

4. Vendors: Food Concessions? ☒ [Yes] ☐ [No] Other vendors? ☒ [Yes] ☐ [No]

5. Event signs: Will this event include the use of signs? ☒ [Yes] ☐ [No]

6. Other Requests: _____

7. CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:

a. A certificate of Insurance must be provided which names the City of Ishpeming as an additional named insured party on the policy.

b. Event organizers and participants will be required to sign Indemnification Agreement forms.

c. All food vendors must be approved by the Marquette County Health Department and each food vendor must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.

d. All liquor vendors must obtain a liquor license for the event which must be approved by the Michigan Liquor Control Commission and must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.

e. The approval of this special event may include additional requirements based on the City's review of this application in accordance with the City's Special Event Policy. The event will be operated in conformance with the written confirmation of approval.

f. The organization will provide a security deposit for the estimated fees as may be required by the City and will promptly pay any billing for City services which may be rendered.

As the duly authorized agent of the organization, I hereby apply for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the Written Confirmation of Approval, and all other City requirements, ordinance and other laws which apply to this Special Event.

6/30/17
Date

Jim Bertucci
Signature of Organization's Agent

Return this Application at least thirty (30) days prior to the first day of the event to:

City Manager's Office
City Hall
E. Division Street
Ishpeming, Michigan 49849



PARADE PERMIT APPLICATION FORM

I, Jim Bertucci, an official representative of (Name of Organization)

St Rocco / St Anthony

hereby make application to conduct a parade on (date) 7/30/17. It will begin at
9:45 am and end at 11:00 am.

The parade will form at (location) Main Street in front St. John the Evangelist Catholic Church.

Line of march will be as follows (List Streets and Directions). _____

South on Main to Johnson Street, East on Johnson Street to First, North on First Street to

Pearl Street, East on Pearl to Third Street, North on Third Street to Cleveland Avenue,

West on Cleveland Avenue to Pine Street, South on Pine Street to K/D Hall.

I wish to have parking restricted on the following streets: None

I wish to have the following intersections blocked: None

Estimated number of units to be in the parade: one (1)

Equestrian (horse) units: None

Number of people provided to monitor the parade: two (2)

We understand that the parade route, parking restrictions, and street intersections to be blocked are subject to review and approval by officials of the City. It is also understood that the assignment of City personnel will be subject to review by the proper City officials.

I, hereby, assume full responsibility for the conduct of this parade.

Signature of Applicant: Jim Bertucci

APPROVED BY:

Chief of Police: _____ City Clerk: _____

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CITY OF ISHPEMING

SPECIAL EVENT APPLICATION

Please complete this application and return it to the City Manager's Office at least 30 calendar days prior to the starting date of the event.

Organization's Name NORTHIRON Church Phone 906-485-5561

Organization Address 910 Palms Ave

Organization's Agent Travis Ryan Phone 906-251-1067

Agent's Title Assistant Pastor

Agent's Address 910 Palms Ave

Event Name Speed the Light Rock-N-Run

Event purpose Community wide run to raise money for Speed the Light - a missions humanitarian organization

Event Dates August 4th 2017 (August 5th if cancelled due to weather)

Event Times 8:30 - 9:30 (2:00 PM setup)

Event Location NORTHIRON Church

1. Type of Event:

- ☐ City Operated Event ☐ Co-Sponsored Event
☒ Other Non-Profit Event ☐ Other For-Profit Event
☐ Political or Ballot Issue Event

7h

CITY OF ISHPEMING
SPECIAL EVENT APPLICATION

Please complete this application and return it to the City Manager's Office at least 30 calendar days prior to the starting date of the event.

Organization's
Name Brogie's Tavern LLC Phone 906-204-9675

Organization Address 106 N 2nd St Ishpeming MI 49849

Organization's Agent Matthew DeWitt Phone 906-204-9675

Agent's Title Owner/ Managing Member

Agent's Address 106 N 2nd, Apt 2 Ishpeming, MI 49849

Event Name Joe Diffie Live with special guest Donald Benjamin

Event purpose Concert performance

Event Dates 7/28/17

Event Times 7 PM to 12AM

Event Location 114 N 2nd St and 106 N 2nd St

1. Type of Event:

- ☐ City Operated Event ☐ Co-Sponsored Event
☐ Other Non-Profit Event ☒ Other For-Profit Event
☐ Political or Ballot Issue Event

7/21/15

2. Annual Event: Is this event expected to occur next year? [YES] ☒ [NO]

If yes, you can reserve a date for next year with this application. To reserve dates for next year, please provide the following information:

Normal Event Schedule _____

Next year's Specific Dates: _____

3. An Event Map ☒ [Is Not] attached. If your event will use streets and/or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. Also please show any streets or parking lots that you are requesting to be blocked off.

4. Vendors: Food Concessions? ☒ [Yes] [No] Other vendors? [Yes] ☒ [No]

5. Event signs: Will this event include the use of signs? [Yes] ☒ [No]

6. Other Requests: We are requesting the closure of 2nd St between Bank St and Cleveland Ave

as well as the alley behind 114 N 2nd

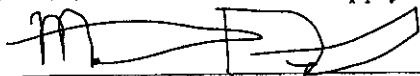
7. CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:

- a. A certificate of Insurance must be provided which names the City of Ishpeming as an additional named insured party on the policy.
- b. Event organizers and participants will be required to sign Indemnification Agreement forms.
- c. All food vendors must be approved by the Marquette County Health Department and each food vendor must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.
- d. All liquor vendors must obtain a liquor license for the event which must be approved by the Michigan Liquor Control Commission and must provide the City with a Certificate of Insurance which names the City as an additional named insured on the policy.
- e. The approval of this special event may include additional requirements based on the City's review of this application in accordance with the City's Special Event Policy. The event will be operated in conformance with the written confirmation of approval.
- f. The organization will provide a security deposit for the estimated fees as may be required by the City and will promptly pay any billing for City services which may be rendered.

7/21/15

As the duly authorized agent of the organization, I hereby apply for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the Written Confirmation of Approval, and all other City requirements, ordinance and other laws which apply to this Special Event.

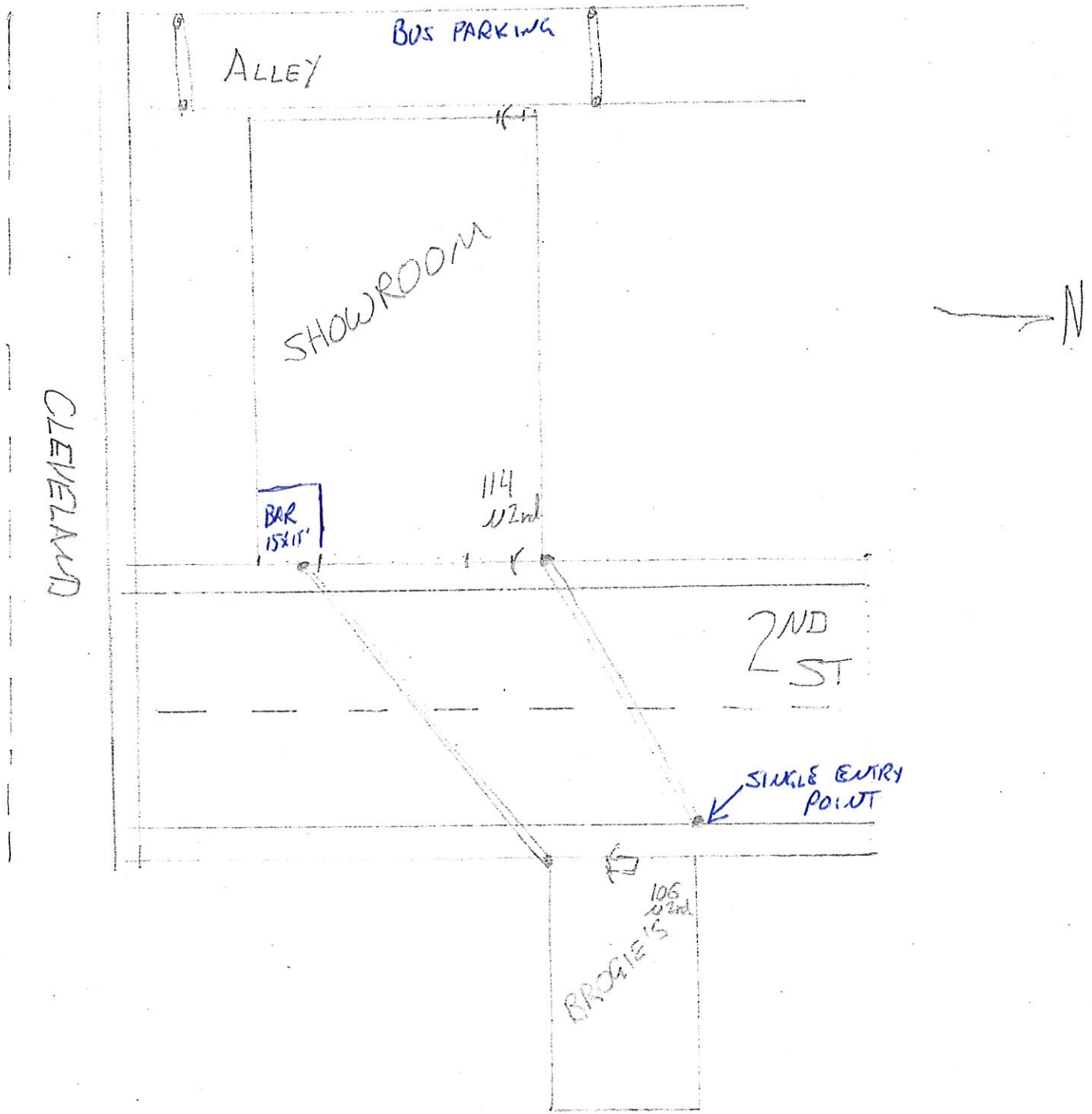
7/5/17
Date


Signature of Organization's Agent

Return this Application at least thirty (30) days prior to the first day of the event to:

City Manager's Office
City Hall
E. Division Street
Ishpeming, Michigan 49849

7/21/15





Temporary Authorization Application

(Authorized by R 436.1023(2),(3), R 436.1403(2), R 436.1407, and R 436.1419)

*****This application, all required documents, and a \$70.00 inspection fee must be submitted at least ten (10) days in advance of your event for your request to be considered by the Commission.*****

Part 1 - Licensee Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

| | | |
|---------------------------------------|---------------------|--------------------------------|
| Licensee name(s): Brogie's Tavern LLC | | |
| Address: 106 N 2nd St | | |
| City: Ishpeming | Zip Code: 49849 | |
| Contact name: Matthew DeWitt | Phone: 906-204-9675 | Email: brogiestavern@gmail.com |

☐ \$70.00 Inspection Fee - Make Check Payable to **State of Michigan** MLCC Use - Fee Code 4037

Part 2 - Temporary Authorizations Available

A licensee may request up to twelve (12) daily authorizations for each type of temporary authorization in a calendar year. Select all that apply to this application:

| | |
|--|---|
| <input checked="" type="checkbox"/> Temporary Outdoor Service - Complete Parts 3, 8, and 9 | <input type="checkbox"/> Temporary Extended Hours Permit - Complete Parts 6 and 9 |
| <input type="checkbox"/> Temporary Dance Permit - Complete Parts 4 and 9 | <input type="checkbox"/> Temporary Specific Purpose Permit - Complete Parts 7, 8, and 9 |
| <input type="checkbox"/> Temporary Entertainment Permit - Complete Parts 5 and 9 | |

Part 3 - Temporary Outdoor Service Information

Temporary Outdoor Service requires a recommendation from the local law enforcement agency that has primary jurisdiction over the licensed premises. **The local law enforcement agency must complete Part 8 of this application.**

| | |
|---------------------------|-------------------------|
| Date(s) of event: 7/28/17 | Describe event: Concert |
| Date(s) of event: | Describe event: |
| Date(s) of event: | Describe event: |

1. Check below if the event(s) listed above will include any of the following:

☒ Dancing ☐ Contests ☐ Tournaments ☐ Classic Cars ☐ Motorcycles ☒ Concerts ☐ Festivals

2. List the exact dimensions of the proposed area: feet X feet = square feet
Submit a diagram of outdoor area with application

3. Describe type and height of the barrier that will be used to enclose the area: 48" orange snow fence

4. Will the proposed outdoor service area be connected to the licensed premises? ☒ Yes ☐ No

If **No**, what is the distance from the licensed premises to the proposed area? feet

5. Is the entrance/exit point(s) for the proposed area through the licensed premises? ☒ Yes ☐ No

6. Are there any dedicated streets or intervening property between proposed area and the licensed premises? ☒ Yes ☐ No

7. Describe type of security that will be used for event(s) and how it will be utilized to secure and monitor to prevent sales to minors and visibly intoxicated persons:

Police academy cadets and private security will ID and wristband all participants as well as mark the hands of underage persons

Part 3 Continued - Temporary Outdoor Service Information

| | |
|---|---|
| 8. Is the location of the proposed area owned, rented, or leased by the licensee? | <input checked="" type="radio"/> Yes <input type="radio"/> No |
| If No , submit a lease or written permission to use the proposed area, including permission from a city, township, or village if the proposed area is located on municipally owned-property. | |
| 9. Is the proposed area located in the same local governmental unit as the licensed premises? | <input checked="" type="radio"/> Yes <input type="radio"/> No |
| If No , please explain: | |
| 10. Does the licensee currently hold an Additional Bar Permit that will be utilized in the proposed area? | <input checked="" type="radio"/> Yes <input type="radio"/> No |
| If No , the licensee will be restricted to providing only table service in the proposed area unless a new Additional Bar Permit has been requested by the licensee and approved by the Commission. | |

Part 4 - Temporary Dance Permit Information

| |
|--|
| <ul style="list-style-type: none">Licensees that currently hold a Dance Permit at the licensed premises <u>do not</u> need to request a Temporary Dance Permit for dancing in a Temporary Outdoor Service area.The dance floor must be at least 100 square feet, be clearly marked, and shall not have tables, chairs, or other obstacles on the dance floor while customers are dancing. |
| 1. List the dates requested for a Temporary Dance Permit: |

Part 5 - Temporary Entertainment Permit Information

| |
|--|
| <ul style="list-style-type: none">Licensees that currently hold a Entertainment Permit at the licensed premises <u>do not</u> need to request a Temporary Entertainment Permit for entertainment in a Temporary Outdoor Service area.A Temporary Entertainment Permit does not allow for topless activity on the licensed premises. |
| 1. List the dates requested for a Temporary Entertainment Permit: |
| 2. Describe the type of entertainment provided: |
| 3. Will the entertainment provided under the Temporary Entertainment Permit include a contest with prizes totalling over \$250.00 in retail value? |
| <input type="radio"/> Yes <input type="radio"/> No |
| If Yes , the licensee must complete Form LCC-207 and submit with this application. <i>No alcoholic beverages may be used as part of any contest or as a prize for a contest. No licensee may provide anything of value from another licensee without prior Commission approval.</i> |

Part 6 - Temporary Extended Hours Permit Information

| |
|--|
| <ul style="list-style-type: none">Licensees that currently hold an Extended Hours Permit in conjunction with a Dance or Entertainment Permit at the licensed premises <u>do not</u> need to request a Temporary Extended Hours Permit for use with a Temporary Outdoor Service area. |
| 1. Select the permit type that requires a Temporary Extended Hours Permit*: <input type="checkbox"/> Dance Permit <input type="checkbox"/> Entertainment Permit |
| 2. List the dates and hours requested for a Temporary Extended Hours Permit: |

Part 7 - Temporary Specific Purpose Permit Information

| |
|--|
| <ul style="list-style-type: none">Licensees that currently hold a Specific Purpose Permit for an approved purpose at the licensed premises <u>do not</u> need to request a Temporary Specific Purpose Permit for the same purpose for use with a Temporary Outdoor Service area.A Temporary Specific Purpose Permit requires a recommendation from the local law enforcement agency that has primary jurisdiction over the licensed premises. The local law enforcement agency must complete Part 8 of this application. |
| 1. Indicate the activity that requires extended hours* (e.g. food service): |
| 2. List the dates and hours requested for a Temporary Specific Permit: |

*Hours of Operation

Weekdays and Saturdays - Beer, wine, and spirits may be sold from 7:00 a.m. to 2:00 a.m. of the next day, provided that the sale of spirits is legal in the governmental unit where the license is desired.

Sundays - Legal hours of sale on Sundays are from 7:00 a.m. until 2:00 a.m. of the next day, provided the sale of alcoholic beverages on Sunday is legal in the governmental unit and the appropriate permit has been approved by the Commission and the permit has been issued.

Part 8 - Local Law Enforcement Recommendation for Temporary Outdoor Service and Temporary Specific Purpose Permit

The local law enforcement agency with primary jurisdiction over the event location must complete this section.

| | | |
|--|---|------|
| Name of law enforcement agency: Ishpeming City Police | | |
| Address of law enforcement agency: 100 E Division St | | |
| Phone number of officer: 906-486-4416 | Email of officer: policechief@ishpemingcity.org | |
| I certify that I have reviewed this application and recommend the approval of the Temporary Outdoor Service or Temporary Specific Purpose Permit by the Michigan Liquor Control Commission. | | |
| Print Name & Title of Reviewing Officer: | Signature of Reviewing Officer | Date |

Part 9 - Signature of Licensee

If approved, the license shall not sell, or allow the consumption of alcoholic beverage outdoors, except in the defined area, under administrative rule R 436.1419.


If approved, the licensee shall provide service of alcoholic beverages in the outdoor area only by wait staff servicing the tables, unless the licensee uses an approved additional bar in the area where customers may obtain their alcoholic beverages from a bartender using a currently authorized additional bar or receiving approval by the Commission for a new Additional Bar Permit.

Refrigeration trucks and/or trailers cannot include an alcoholic beverage logo and must be rented by the licensee from a non-wholesale company. If the refrigeration truck/trailer allows customer access to obtain alcoholic beverages, an Additional Bar Permit must be obtained unless an existing Additional Bar Permit will be utilized.

Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this application by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

Submit this application, all required documents, and a \$70.00 inspection fee at least 10 days at least ten (10) days in advance of your event for your request to be considered by the Commission. Make check payable to State of Michigan.

| | | |
|---|--|--------|
| MATTHEW DE WIT OWNER/MANAGING MEMBER |  | 7/5/17 |
| Print Name of Licensee & Title | Signature of Licensee | Date |

Please return this completed form along with corresponding documents and fees to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933
Fax to: 517-373-4202

7(i)

CITY OF ISHPEMING

SPECIAL EVENT APPLICATION

Please complete this application and return it to the City Manager's Office at least 30 calendar days prior to the starting date of the event.

Organization's

Name NOQUEMANON TRAIL NETWORK

Phone _____

Organization Address

401 FAIR AVE
LAKEVIEW AVENUE MARQUETTE MI 49855

Organization's Agent

JAN BECKER

Phone

458 4221

Agent's Title

RACE ORGANIZER

Agent's Address

1101 OWASSA NEENAWEE MI 49866

Event Name

ORE TO SHORE

Event purpose

mountain bike event

Event Dates

SAT Aug 12 2017

Event Times

10 AM - NOON (as pertains to Ishpeming)

Event Location

various - course enters city off 7th St at 10th
follows 10th to Hematite to Sno-mo Trail #8

1. Type of Event:

☐ City Operated Event

☒ Co-Sponsored Event

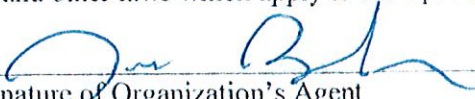
☒ Other Non-Profit Event

☐ Other For-Profit Event

☐ Political or Ballot Issue Event

As the duly authorized agent of the organization, I hereby apply for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the City's Special Event Policy, the terms of the Written Confirmation of Approval, and all other City requirements, ordinance and other laws which apply to this Special Event.

7/5/17
Date


Signature of Organization's Agent

Return this Application at least thirty (30) days prior to the first day of the event to:

City Manager's Office
City Hall
E. Division Street
Ishpeming, Michigan 49849

Memorandum

To: City Council
CC: Mark Slown, City Manager
From: Jim Lampman, Finance Director
Date: 07/07/2017
Re: Annual update to the Deficit Elimination Plan

The Water Fund had a deficit reported in the 2015 audit report, and the City of Ishpeming submitted to the Michigan Department of Treasury a multi-year deficit elimination plan, which Treasury approved on September 1, 2016. Treasury requires that the deficit be eliminated within five years of the occurrence, in this case December 31, 2020, and Treasury requires an annual update to the deficit elimination plan. Failure to eliminate the deficit within five years and/or failure to file an annual update to the deficit elimination plan will trigger the financial emergency processes set forth by the State of Michigan under the Local Fiscal Stability and Choice Act (Act 436 of 2012). **The City of Ishpeming has until July 30, 2017 to file an updated deficit elimination plan and certified resolution to Treasury or Treasury “may withhold 25% of the local unit’s State Incentive Payments or payments issued under 1971 PA 140, the Glenn Steil State Revenue Sharing Act of 1971. Once withheld, payments are released not when a plan and certified resolution have been field, but when a plan and certified resolution have been evaluated and certified by Treasury.”**

Management is presenting the following updated deficit elimination plan for action with supporting exhibits:

Exhibit A – The deficit in the Water Fund largely stems from three different issues; (1) two terrible back-to-back winters that resulted in freezing pipes and mains causing significant damage to the water system infrastructure, (2) the approximately \$500,000 non-participating water system infrastructure replacement that took place as part of the US 41 and connector round-a-bout projects, (3) and the roughly \$800,000 in upfront engineering costs on the USDA Rural Development (RD) Water System Improvement Project. The RD costs will be reimbursed to the City when the bond closes on July 20, 2017.

Fiscal year 2016 ended with a reportable deficit in the Water Fund. The original multi-year plan that was filed for fiscal year 2015 and approved by Treasury estimated fiscal year 2016 with a deficit of \$(1,117,187). I am pleased to report to Council that the actual reportable Water Fund deficit at the end of fiscal year 2016 was \$(1,078,057), which is \$39,130 less than the projected deficit. The original plan called for a 35% increase in water rates for 2017, a 15% increase for 2018, and 5% increases in each subsequent year. **While the 35% rate increase was enacted for 2017, the revised plan (Exhibit A) only calls for a 12% increase for fiscal year 2018, which is 3 % less than the 15% called for in the original plan.**

This revised deficit elimination plan is now factoring in costs that were unknown at the time the original plan was developed, such as recording the annual changes in the unfunded pension liability that was required by GASB 68, and the various reserves required by RD as outlined in the bond ordinance recently approved by Council. These factors have pushed the expected elimination of the deficit from fiscal year 2018 to fiscal year 2020, which is the last year the City of Ishpeming has to eliminate the deficit by law.

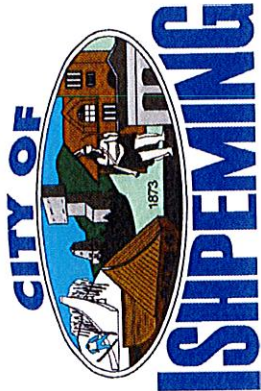
Exhibit B – I have included the original deficit elimination plan for your reference, which was approved by both Council and the Michigan Department of Treasury.

Exhibit C – I have attached the letter from Treasury showing approval of the deficit elimination plan that was filed as a result of the reportable deficit in fiscal year 2015.

Exhibit D – Treasury Numbered Letter 2016-1 provides the current guidelines for deficit elimination plans. The Water Fund is a Proprietary Fund and follows the formula for determining a deficit for a Proprietary Fund.

Exhibit E – It is management's intent to eliminate the deficit within the allowed five year window. Having said that, I thought it would be prudent to include some information for Council as to the State of Michigan's process for local units of government that fail to correct a deficit within the five year period.

Please feel free to contact me should you have any questions.



City of Ishpeming
 100 E. Division St.
 Ishpeming, MI 49849
 Phone: 906-485-1091 Fax: 906-485-6246
www.ishpemingcity.org

Deficit Elimination Resolution for Water Fund

Moved, seconded that;

WHEREAS, the City of Ishpeming Water Fund has a **\$(1,078,057) deficit on December 31, 2016;** and

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

NOW THEREFORE, IT IS RESOLVED that the City of Ishpeming Water Fund Deficit Elimination Plan:

| | Note | Deficit Year 2015 Actual | Year 1 2016 | | Year 2 2017 Estimated | Year 3 2018 Estimated | Year 4 2019 Estimated | Year 5 2020 Estimated |
|---|------|--------------------------------|----------------|----------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | | Approved Plan | Actual | | | | |
| Unrestricted Net Position (Deficit) Jan. 1 | 1 | \$ (1,532,950) | \$ (1,764,071) | \$ (1,764,071) | \$ (2,829,098) | \$ (1,834,694) | \$ (1,608,570) | \$ (1,232,116) |
| Revenue | | | | | | | | |
| License & permits | | 200 | 100 | 100 | - | 100 | 100 | 100 |
| Charges for services: | | | | | | | | |
| Turn on/off fees | | 12,055 | 8,000 | 3,890 | 3,800 | 3,800 | 3,800 | 3,800 |
| Public notice of disconnect | | - | - | 9,500 | 2,000 | - | - | - |
| Meter repair | | - | 500 | - | - | - | - | - |
| Metered water sales | 2 | 1,446,488 | 1,390,000 | 1,550,281 | 1,876,500 | 2,101,680 | 2,206,764 | 2,317,102 |
| Rebates & other credits | 2 | \$ (36,465) | \$ (8,000) | \$ (52,217) | \$ (44,000) | \$ (44,000) | \$ (44,000) | \$ (44,000) |

Exhibit A

| | Note | Deficit Year 2015 | Year 1 2016 | | Year 2 2017 | Year 3 2018 | Year 4 2019 | Year 5 2020 |
|---|------|----------------------|----------------|-----------|----------------|----------------|----------------|----------------|
| | | Actual | Approved Plan | Actual | Estimated | Estimated | Estimated | Estimated |
| Other sales | | \$ 3,155 | \$ 1,500 | \$ 225 | \$ - | \$ - | \$ - | \$ - |
| Connection fees | | 600 | 300 | - | - | - | - | - |
| Penalties | | 38,905 | 39,000 | 32,757 | 33,000 | 33,000 | 33,000 | 33,000 |
| Interest income | | 64 | 500 | - | - | 100 | 100 | 100 |
| Miscellaneous income | | 3,542 | 3,200 | 7,530 | 3,500 | 3,500 | 3,600 | 3,600 |
| Loan proceeds - USDA Rural Development | 3 | - | - | - | 5,400,000 | 3,580,000 | - | - |
| Grant proceeds - USDA Rural Development | 3 | - | - | - | - | 3,020,000 | - | - |
| Total Revenue | | 1,470,559 | 1,437,116 | 1,552,066 | 7,276,817 | 8,700,198 | 2,205,383 | 2,315,722 |
| Expenditures | | | | | | | | |
| Personnel services | 4 | 697,528 | 522,040 | 586,500 | 592,050 | 603,891 | 615,969 | 628,288 |
| Contractual services | 4 | 573,756 | 564,300 | 499,292 | 627,500 | 550,000 | 525,000 | 525,000 |
| Supplies | 4 | 92,113 | 84,000 | 78,131 | 84,000 | 88,000 | 85,000 | 85,000 |
| Utilities | 5 | 13,134 | 18,500 | 15,031 | 18,500 | 19,380 | 19,770 | 20,165 |
| Equipment rentals | 6 | 146,744 | 211,000 | 162,160 | 181,000 | 200,000 | 170,000 | 170,000 |
| Other expenses | 6 | 45,014 | 72,705 | 96,604 | 74,950 | 76,500 | 77,000 | 77,000 |
| Depreciation | 7 | 73,853 | 76,000 | 73,525 | 76,000 | 300,076 | 300,076 | 300,076 |
| MDOT Water Main Project - will capitalize | 8 | - | 578,500 | 517,734 | - | - | - | - |
| USDA Water System Replacement Project - will capitalize | 3 | 131,376 | 450,000 | 661,641 | 4,606,983 | 6,600,000 | - | - |
| USDA Water System Replacement Loan Interest Payment | 3 | \$ - | \$ - | \$ - | \$ 95,413 | \$ 189,285 | \$ 186,171 | \$ 182,994 |

| | Note | Deficit Year | Year 1 | | Year 2 | Year 3 | Year 4 | Year 5 |
|---|------|--------------|---------------|-------------|-------------|-------------|-------------|------------|
| | | 2015 | 2016 | | 2017 | 2018 | 2019 | 2020 |
| | | Actual | Approved Plan | Actual | Estimated | Estimated | Estimated | Estimated |
| | | | | | | | | |
| USDA Water System Replacement Loan Principal Payment | 3 | \$ - | \$ - | \$ - | \$ - | \$ 145,000 | \$ 148,000 | \$ 151,000 |
| Total Expenditures | | 1,775,533 | 2,579,061 | 2,690,618 | 6,358,413 | 8,774,150 | 2,129,005 | 2,141,544 |
| | | | | | | | | |
| | | | | | | | | |
| Add back depreciation (Net Investment in Capital Assets Net Position) | 7 | 73,853 | 76,000 | 73,525 | 76,000 | 300,076 | 300,076 | 300,076 |
| | | | | | | | | |
| Unrestricted Net Position (Deficit) Dec. 31 | | (1,764,071) | (2,830,016) | (2,829,098) | (1,834,694) | (1,608,570) | (1,232,116) | (757,861) |

| | | | | | | | | |
|---|----|-------------|----------------|----------------|--------------|--------------|--------------|-------------|
| CA-CL (Deficit) Jan. 1 | | 110,142 | (51,242) | (51,242) | (1,078,057) | (562,074) | (451,787) | (191,492) |
| Revenues | | 1,470,559 | 1,437,116 | 1,552,066 | 7,276,817 | 8,700,198 | 2,205,383 | 2,315,722 |
| Expenditures | | (1,775,533) | (2,579,061) | (2,690,618) | (6,358,413) | (8,774,150) | (2,129,005) | (2,141,544) |
| Add back depreciation | | 73,853 | 76,000 | 73,525 | 76,000 | 300,076 | 300,076 | 300,076 |
| Net change in deferred outflows - pension | 9 | (143,953) | - | (19,378) | (20,000) | (20,000) | (20,000) | (20,000) |
| Net change in compensated absences | 9 | (10,332) | - | (13,022) | (15,000) | (15,000) | (15,000) | (15,000) |
| Net change in pension liability | 9 | 224,022 | - | 70,612 | - | - | - | - |
| USDA required reserves: | | | | | | | | |
| Net change in O&M | 10 | - | - | - | (373,988) | (11,219) | (11,546) | (11,882) |
| Net change in Bond & Interest Redemption | 10 | - | - | - | (52,152) | (493) | (488) | (527) |
| Net change in Bond Reserve | 10 | - | - | - | (8,400) | (33,600) | (33,600) | (33,600) |
| Net change in Repair, Replacement, & Imp | 10 | - | - | - | (8,881) | (35,525) | (35,525) | (35,525) |
| CA-CL (Deficit) Dec. 31 | | \$ (51,242) | \$ (1,117,187) | \$ (1,078,057) | \$ (562,074) | \$ (451,787) | \$ (191,492) | \$ 166,228 |

Notes to the Deficit Elimination Plan

Note 1: As enumerated in Note AA in the 2015 audit report, the net position in the Water Fund was restated as of December 31, 2014 resulting from the adoption of GASB No. 68 and GASB No. 71.

Note 2: 2015 -While not as bad as the 2013/2014 winter, the 2014/2015 winter continued with freezing temperatures resulting in water main breaks and credits to customers for "let-runs" to prevent pipes from freezing. The City of Ishpeming began the let-runs for customers early in the winter to try to head off an issue. While the staff tried to appropriately account for and credit all accounts, these were just estimates which may have resulted in higher than normal metered water sale revenues. Management lowered the budget for metered water sales revenue for e2016, and , as of August 15, 2016, the City has recorded \$801,630 of the \$1,390,000 budget, which is 58%; the City is approximately 62% through the budget year. The winter 2015/2016 was more of a normal winter which did not necessitate the extensive let-runs for the City's utility customers or the extensive water main repairs required in the previous two winters.

2016 -Management has recommended increasing the water rates 35% in 2017, 15% in 2018, and 5% in 2019. The rate increase is two-fold: (1) to meet the water sales revenue required by the USDA to repay the debt issued to improve the water system in 2017 and 2018, and (2) to satisfy the elimination of deficit in the Water Fund within the required five-year timeframe. However, these are estimates at this time. Management has commissioned GEI Consultants to perform a rate study to assist the City of Ishpeming in setting the appropriate rates to meet the aforementioned goals.

2017 -City Council approved the 35% rate increase, which took effect January 1, 2017. Management recommends a 12% rate increase for fiscal year 2018, 5% in 2019, and 5% in 2020. The rate increase is two-fold: (1) to meet the water sales revenue required by the USDA to repay the debt issued to improve the water system in 2017 and 2018, and (2) to satisfy the elimination of deficit in the Water Fund within the required five-year timeframe. While the water system improvement project costs are beginning to solidify, the expenses for future years continue to be largely based on estimates and projections.

Note 3: The City of Ishpeming is working with the USDA to replace up to 40% of the aged water system. Management expects this to be a two year project beginning in 2017 and ending in 2018. The USDA has committed \$8,980,000 in low-interest loans with another \$3,020,000 in grant funding. The loan funds must be exhausted prior to utilizing the grant funds, so management is anticipating the grant funds will not be available until 2018. The City of Ishpeming will close on the USDA bond in July 2017 with groundbreaking commencing soon after.

Note 4: 2015-As enumerated in Note 2 above, the 2014/2015 winter was unseasonably cold resulting in a large number of water main breaks, which led to increased personnel services in 2015 to repair the breaks. As the 2015/2016 winter was closer to an average winter, there were not as many water main breaks leading to reduced personnel costs.

2016- As of August 15, 2016, the City of Ishpeming has \$302,881 in personnel costs in the Water Fund, which is 58% of the budget. The City of Ishpeming is approximately 62% through the budget year. Management assumed a 2% increase to personnel costs in each of the following years.

2017- As of June 30, , the City of Ishpeming has \$238,500 in personnel costs in the Water Fund, which is 40% of the budget. The City of Ishpeming is approximately 50% through the budget year. Management assumed a 2% increase to personnel costs in each of the following years.

Note 5: The City of Ishpeming conservatively budgeted in 2016 a higher than 2015 utility usage with a 3% increase in each of the following years.

Note 6: The City of Ishpeming anticipates an increase to Equipment Rentals and Other Expenses in 2017 and 2018 as the preparation and work begins on the USDA funded water system improvement project progresses. Management expects Equipment Rentals to decrease in 2019 while Other Expenses remains relatively flat. Note that Equipment Rentals are combined with Other Expenses line item in the audit report.

Note 7: The City of Ishpeming anticipates an increase to depreciation expense in 2018 when the capitalized improvements to the water system are put into service.

Note 8: The City of Ishpeming has contracted with the Michigan Department of Transportation to replace the water liens beneath the US Hwy 41 round-about and connector round-a-bout MDOT is constructing in the City of Ishpeming during 2016. The MDOT project was completed as of the end 2016, and all project costs were capitalized.

Note 9: For fiscal year 2015, the City of Ishpeming implemented GASB 68, which required the City of Ishpeming to report the net pension liability for the unfunded portion of its pension plan, in addition to the employee compensated absences already being reported. The unfunded portion of the net pension liability will be calculated by MERS whereby MERS presents an actuarial report on an annual basis and the net change will impact Current Assets minus Current Liabilities. It is not possible to determine at this time the future impact of these changes will have on the deficit.

Note 10: As required by the bond ordinance approved by City Council on June 28, 2017, the City of Ishpeming established four bank accounts in the Water Fund required by the USDA Rural Development to provide for repayment of the bond and for operation and maintenance of the system. These accounts will be listed as non-current assets and the net annual change in balances will impact Current Assets minus Current Liabilities.

Operation and Maintenance Account (O&M) - Revenues shall be transferred each quarter of the Fiscal Year, commencing upon the effective date of this Ordinance, from the Receiving Account to the Operation and Maintenance Account to pay the reasonable and necessary current expenses of administration and operating and maintaining the System for the ensuing quarter.

Bond and Interest Redemption - Revenues shall be transferred each quarter of the Fiscal Year from the Receiving Account, before any other expenditures or transfer therefrom, and deposited in the Bond and Interest Redemption Account for payment of principal of and interest on the Series 2017 Bond and to fund the Bond Reserve Account, in the amounts and at the times specified.

Bond Reserve - Commencing with the Fiscal Year quarter beginning on October 1, 2017, there shall be withdrawn from the Receiving Account on the first day of each Fiscal Year quarter and set aside in and transferred to the Bond Reserve Account, after provision has been made for the Operation and Maintenance Account, the sum of at least \$8,400 per quarter (\$33,600 annually) until there is accumulated in such account the lesser of the sum of \$336,000 or the Reserve Amount for the Series 2017 Bond. Except as hereinafter provided, no further deposits shall be made into the Bond Reserve Account pursuant to the requirements of this Ordinance once the lesser of the sum of \$336,000 or the Reserve Amount for the Series 2017 Bond has been deposited therein.

BE IT FURTHER RESOLVED that the City of Ishpeming Finance Director, James R. Lampman, CPA, submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.



City of Ishpeming

100 E. Division St.
Ishpeming, MI 49849
Phone: 906-485-1091 Fax: 906-485-6246
www.ishpemingcity.org

Deficit Elimination Resolution For Water Fund

Moved, seconded that;

WHEREAS, the City of Ishpeming Water Fund has a \$(51,242) deficit fund balance on December 31, 2015; and

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury:

NOW THEREFORE, IT IS RESOLVED that the City of Ishpeming Water Fund Deficit Elimination Plan:

| | Note | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Unrestricted Net Position (Deficit) Jan. 1 | 1 | \$(1,532,950) | \$(1,764,071) | \$(2,830,016) | \$(2,087,896) | \$(1,371,787) |
| Revenue | | | | | | |
| License & permits | | 200 | 100 | 100 | 100 | 100 |
| Charges for Services: | | | | | | |
| Turn on/off fees | | 12,055 | 8,000 | 8,000 | 8,500 | 9,000 |
| Meter repair | | - | 500 | 500 | 500 | 500 |
| Metered Water Sales | 2 | 1,446,488 | 1,390,000 | 1,876,500 | 2,157,975 | 2,265,874 |
| Rebates & other credits | 2 | (36,465) | (8,000) | (7,500) | (7,500) | (7,500) |
| Other sales | | 3,155 | 1,500 | 1,600 | 1,600 | 1,700 |
| Connection fees | | 600 | 300 | 400 | 400 | 500 |
| Penalties | | 38,905 | 39,000 | 38,000 | 38,000 | 38,000 |
| Interest income | | 64 | 500 | 500 | 500 | 500 |
| Miscellaneous income | | 3,542 | 3,200 | 3,500 | 3,500 | 3,600 |
| Loan proceeds – USDA Rural Dev. | 3 | - | - | 6,000,000 | 2,980,000 | - |
| Grant proceeds – USDA Rural Dev. | 3 | - | - | - | 3,020,000 | - |
| Total Revenue | | \$1,468,544 | \$1,435,100 | \$7,921,600 | \$8,203,575 | \$2,312,274 |

| | Note | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|------|----------------------|----------------------|----------------------|----------------------|--------------------|
| Expenditures | | | | | | |
| Personal services | 4 | \$697,528 | \$522,040 | \$532,480 | \$543,130 | \$553,993 |
| Contractual services | 4 | 573,756 | 564,300 | 550,000 | 530,000 | 525,000 |
| Supplies | 4 | 92,113 | 84,000 | 88,000 | 85,000 | 85,000 |
| Utilities | 5 | 13,134 | 18,500 | 19,000 | 19,380 | 19,770 |
| Equipment rentals | 6 | 146,744 | 211,000 | 215,000 | 200,000 | 190,000 |
| Other expenses | 6 | 45,014 | 72,705 | 75,000 | 76,500 | 77,000 |
| Depreciation | 7 | 73,853 | \$76,000 | \$76,000 | \$300,076 | \$300,076 |
| MDOT Water Main Project – Will Capitalize | 8 | - | 578,500 | - | - | - |
| USDA Water System Replacement – Will Capitalize | 3 | 131,376 | 450,000 | 5,700,000 | 5,700,000 | - |
| USDA Water System Replacement Loan Payment | 3 | - | - | - | 333,456 | 333,456 |
| Total Expenditures | | 1,773,518 | 2,577,045 | 7,255,480 | 7,787,542 | 2,084,295 |
| | | | | | | |
| Add Back Depreciation (Net Investment in Capital Assets Net Position) | 7 | 73,853 | 76,000 | 76,000 | 300,076 | 300,076 |
| | | | | | | |
| Unrestricted Net Position (Deficit) Dec. 31 | | \$(1,764,071) | \$(2,830,016) | \$(2,087,896) | \$(1,371,787) | \$(843,732) |

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------------|-------------------|----------------------|--------------------|------------------|------------------|
| CA-CL (Deficit) Jan.1 | \$179,879 | \$(51,242) | \$(1,117,187) | \$(375,067) | \$341,042 |
| Revenues | 1,468,544 | 1,435,100 | 7,921,600 | 8,203,575 | 2,312,274 |
| Expenditures | 1,773,518 | 2,577,045 | 7,255,480 | 7,787,542 | 2,084,295 |
| Add Back Depreciation | 73,853 | 76,000 | 76,000 | 300,076 | 300,076 |
| CA-CL (Deficit) Dec. 31 | \$(51,242) | \$(1,117,187) | \$(375,067) | \$341,042 | \$869,097 |

Note 1: As enumerated in Note AA in the 2015 audit report, the net position in the Water Fund was restated as of December 31, 2014 resulting from the adoption of GASB No. 68 and GASB No. 71.

Note 2: While not as bad as the 2013/2014 winter, the 2014/2015 winter continued with freezing temperatures resulting in water main breaks and credits to customers for “let-runs” to prevent pipes from freezing. The City of Ishpeming began the let-runs for customers early in the winter to try to head off an issue. While the staff tried to

appropriately account for and credit all accounts, these were just estimates which may have resulted in higher than normal metered water sale revenues. Management lowered the budget for metered water sales revenue for 2016, and, as of August 15, 2016, the City has recorded \$801,630 of the \$1,390,000 budget, which is 58%; the City is approximately 62% through the budget year. The winter 2015/2016 was more of a normal winter which did not necessitate the extensive let-runs for the City's utility customers or the extensive water main repairs required in the previous two winters.

Management has recommended increasing the water rates 35% in 2017, 15% in 2018, and 5% in 2019. The rate increase is two-fold: (1) to meet the water sales revenue required by the USDA to repay the debt issued to improve the water system in 2017 and 2018, and (2) to satisfy the elimination of deficit in the Water Fund within the required five-year timeframe. However, these are estimates at this time. Management has commissioned GEI Consultants to perform a rate study to assist the City of Ishpeming in setting the appropriate rates to meet the aforementioned goals.

Note 3: The City of Ishpeming is working with the USDA to replace up to 50% of the aged water system. Management expects this to be a two year project beginning in 2017 and ending in 2018. The USDA has committed \$8,980,000 in low-interest loans with another \$3,020,000 in grant funding. The loan funds must be exhausted prior to utilizing the grant funds, so management is anticipating the grant funds will not be available until 2018.

Note 4: As enumerated in Note 2 above, the 2014/2015 winter was unseasonably cold resulting in a large number of water main breaks, which led to increased personnel services in 2015 to repair the breaks. As the 2015/2016 was closer to an average winter, there were not as many water main breaks leading to reduced personnel costs. As of August 15, 2016, the City of Ishpeming has \$302,881 in personnel costs in the Water Fund, which is 58% of budget. The City of Ishpeming is approximately 62% through the budget year. Management assumed a 2% increase to personnel costs in each of the following years.

Note 5: The City of Ishpeming conservatively budgeted in 2016 a higher than 2015 utility usage with a 3% increase in each of the following years.

Note 6: The City of Ishpeming anticipates an increase to Equipment Rentals and Other Expenses in 2016, 2017, and 2018 as the preparation and work begins on the USDA funded water system improvement project progresses. Management expects Equipment Rentals and Other Expenses to decrease in the latter half of 2018 and into 2019. Note that Equipment Rentals are included in the Other Expenses line item in the 2015 audit report.

Note 7: The City of Ishpeming anticipates an increase to Depreciation Expense in 2018 when the capitalized improvements to the water system are put into service.

Note 8: The City of Ishpeming has contracted with the Michigan Department of Transportation to replace the water lines beneath the US Hwy 41 round-a-bout and connector round-a-bout MDOT is constructing in the City of Ishpeming during 2016. These expenses will be capitalized at the end of 2016.

BE IT FURTHER RESOLVED that the City of Ishpeming Finance Director, James R. Lampman, CPA, submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

Exhibit C



CITY OF ISHPERING

SEP 08 2016

RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RECEIVED

NICK A. KHOURI
STATE TREASURER

DEFICIT
CERTIFICATION
52-2-010

September 1, 2016

Mr. James Lampman, Finance Director
City of Ishpeming
100 East Division Street
Ishpeming, Michigan 49849

RE: Certification Pursuant to MCL 141.921 (2)

Dear Mr. Lampman:

We have evaluated the financial plan of the City of Ishpeming, County of Marquette, for the correction of the deficit condition as of Fiscal Year Ending December 31, 2015, in the following fund:

Water Fund

The plan, as submitted under the requirements of PA 140 of 1971, as amended, should correct the deficit condition of the above-mentioned fund. Should you have any questions regarding this letter, please contact Harlan Goodrich at (517) 373-0660.

Sincerely,

Suzanne Schafer, Administrator
Local Government Financial Services Division

c: Municipal Finance Section



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

NICK A. KHOURI
STATE TREASURER

NUMBERED LETTER 2016-1

DEFICIT ELIMINATION PLANS

Issued By: Local Government Financial Services Division
Bureau of Local Government Services

Issue Date: July 11, 2016

2016-1 This numbered letter repeals numbered letter 2014-1. Significant changes since numbered letter 2014-1 include electronic filing requirements for deficits associated with audits filed on or after July 11, 2016.

The Glenn Steil State Revenue Sharing Act of 1971, 1971 Public Act (PA) 140, Section 21(2), states that units of local government (local units) who end their fiscal year in a deficit condition shall formulate a deficit elimination plan (plan). Any assessment of a local unit's deficit condition should be made at the fund level of reporting, not at the government-wide level. The plan and certified resolution shall be filed with the Department of Treasury (Treasury) for evaluation and certification. Primary local units are responsible for filing the plans of discretely presented component units.

Determining a Deficit for Governmental Funds (Modified Accrual)

For all governmental funds (not proprietary funds, fiduciary funds, or discretely presented component units), a plan is necessary to eliminate most "unrestricted fund balance" deficits. For governmental funds other than the General Fund, if the "deferred inflows of resources minus taxes and special assessments receivable" is great enough to cover the "unrestricted fund balance," no plan is necessary. Unrestricted fund balance is the sum of the Committed, Assigned, and Unassigned balances. An unrestricted fund balance deficit exists when the local unit does not have sufficient resources available to cover the deficit. This occurs when the sum of the Nonspendable and Restricted fund balances is greater than the total fund balance. Resources available to cover the deficit includes assets that are not restricted by federal, state, or local laws, regulatory authorities, bond covenants, contractual agreements, or other legal constraints. Therefore, when funds have a total fund balance surplus and an unrestricted fund balance deficit, sufficient unrestricted resources do not exist to eliminate the deficit.

Determining a Deficit for Proprietary Funds, Fiduciary Funds, and Discretely Presented Component Units (Full Accrual)

Various methods have been used to determine the amount of a deficit in a proprietary fund, fiduciary fund, or a discretely presented component unit. For purposes of uniformity among all units of local government, effective immediately, Treasury will define a deficit as stated below. Local units will be expected to apply the same test to determine if a deficit elimination plan is necessary.

Proprietary Fund, Fiduciary Fund, and Discretely Presented Component Unit Deficit Test

Step 1: Does the “unrestricted net position” or “total net position” have a deficit? If both are “no,” no plan is necessary. If one is “yes,” is the “deferred inflows of resources minus taxes and special assessments receivable” greater than the larger deficit? If “yes,” no plan is necessary. If “no,” proceed to Step 2.

Step 2: Calculate current assets minus current liabilities. For this calculation, current liabilities should not include the current portion of long-term obligations. If the answer is positive, no plan is necessary. If the answer is negative, proceed to Step 3.

Step 3: Compare A) the larger deficit between the “unrestricted net position” and the “total net position,” and B) current assets minus current liabilities.

Step 4: Submit a plan to eliminate the smaller deficit between A and B.

Example 1

Unrestricted Net Position = (430,000), Total Net Position = 1,800,000

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 60,000

Step 1: Unrestricted Net Position has a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 60,000 = 15,000$. Answer is positive. No plan is necessary.

Step 3: Not Applicable.

Step 4: Not Applicable.

Example 2

Unrestricted Net Position = (430,000), Total Net Position = 1,800,000

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 510,000

Step 1: Unrestricted Net Position has a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 510,000 = (435,000)$. Answer is negative. Proceed to Step 3.

Step 3: A **(430,000)** or 1,800,000, B (435,000).

Step 4: A is a smaller deficit than B. Submit a plan to eliminate the (430,000) unrestricted net position deficit.

Example 3

Unrestricted Net Position = (430,000), Total Net Position = 1,800,000

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 200,000

Step 1: Unrestricted Net Position has a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 200,000 = (125,000)$. Answer is negative. Proceed to Step 3.

Step 3: A **(430,000)** or 1,800,000, B (125,000).

Step 4: B is a smaller deficit than A. Submit a plan to eliminate the (125,000) difference between current assets and current liabilities.

Example 4

Unrestricted Net Position = (430,000), Total Net Position = (1,500,000)

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 510,000

Step 1: Unrestricted Net Position and Total Net Position have a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 510,000 = (435,000)$. Answer is negative. Proceed to Step 3.

Step 3: A (430,000) or **(1,500,000)**, B (435,000).

Step 4: B is a smaller deficit than A. Submit a plan to eliminate the (435,000) difference between current assets and current liabilities.

Example 5

Unrestricted Net Position = (430,000), Total Net Position = (450,000)

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 610,000

Step 1: Unrestricted Net Position and Total Net Position have a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 610,000 = (535,000)$. Answer is negative. Proceed to Step 3.

Step 3: A (430,000) or **(450,000)**, B (535,000).

Step 4: A is a smaller deficit than B. Submit a plan to eliminate the (450,000) total net position deficit.

Example 6

Unrestricted Net Position = (470,000), Total Net Position = (450,000)

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 75,000, Current Liabilities = 610,000

Step 1: Unrestricted Net Position and Total Net Position have a deficit > Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. Proceed to Step 2.

Step 2: $75,000 - 610,000 = (535,000)$. Answer is negative. Proceed to Step 3.

Step 3: A **(470,000)** or (450,000), B (535,000).

Step 4: A is a smaller deficit than B. Submit a plan to eliminate the (470,000) unrestricted net position deficit.

Example 7

Unrestricted Net Position = (130,000), Total Net Position = 1,800,000

Deferred Inflows of Resources minus Taxes and Special Assessments Receivable = 150,000

Current Assets = 55,000, Current Liabilities = 60,000

Step 1: Unrestricted Net Position has a deficit < Deferred Inflows of Resources minus Taxes and Special Assessments Receivable. No plan is necessary.

Step 2: Not Applicable.

Step 3: Not Applicable.

Step 4: Not Applicable.

Electronic Filing Requirements

It is the position of Treasury that a reasonable plan to eliminate a deficit condition is vital to the fiscal well-being of a local unit as is early implementation of that plan. By providing better guidance on what constitutes a deficit, it is the expectation of Treasury that a local unit will submit a plan and certified resolution in a more expeditious manner. A plan and certified resolution may be filed as soon as 24 hours following the submission of the local unit's audit report and Auditing Procedures Report (Form 496) to Treasury.

A plan generally should be for one year, but in no case longer than five years. Local units with multiple year plans must submit a revised plan each subsequent year, even if they meet their projection, which adheres to the time frame that was originally certified, not to exceed five years. For example, a local unit has a deficit in 2016. They file a five-year plan covering 2017-2021. When they file a revised plan in 2017, the revised plan can only go through 2021, or the end of the original five-year period. Had the local unit filed a three-year plan in 2016, covering 2017-2019, when filing a revised plan in 2017, the revised plan could be extended through 2021. Revised plans also need legislative approval by means of a certified resolution. Treasury's continued certification of a plan may be contingent on the filing of monthly update reports with Treasury, as deemed necessary.

Plans and certified resolutions will no longer be accepted through the U.S. Postal Service, by email, or by hand delivery, effective for deficits associated with audit reports filed on or after July 11, 2016. Instead, the plans and certified resolutions are to be uploaded online at <http://www.michigan.gov/MunicipalFinance>. Click on the "Deficit Elimination Plan Upload" link.

If not already acquired, users must obtain a new User ID and Password by clicking on the "Request Access New User" link on the login page. Once clicking on "Request Access New User," there is an instruction link available should you require additional assistance. The plans and certified resolutions for all of a local unit's deficit funds must be uploaded as a single file in the .pdf format. Each upload would have at a minimum one plan and one certified resolution.

Once logged in, from the drop down lists select your County, Municipality Type, and Municipality. Under the Form drop down list, select "Deficit Elimination Plan Upload." In order for "Deficit Elimination Plan Upload" to be a selection on the Form drop down list, the Auditing Procedures Report must have been filed at least 24 hours prior. Last, select the Fiscal

Year and then select Create Form. On the next page, select Browse, select your file, select Continue, and if you agree with the Certifying Information, check the box and select Submit. A confirmation of receipt is available by selecting the "Deficit Elimination Plan Upload" associated with your recent submission.

Approval and denial letters will no longer be sent via the U.S. Postal Service. Notification will now be sent via email with the letter included as an attachment. The letters, plans, and certified resolutions will be posted on our Web site within 24 hours after receipt of the notification email.

Acceptable Evidence to Support a Plan

- Projected budget approved by the legislative body as evidenced by a certified resolution itemizing yearly revenues by source, expenditures/expenses by activity, and changes in the fund balance/net position through the year of the deficit's eventual elimination. A written explanation of how the deficit will be eliminated should accompany the plan. Furthermore, should itemized revenues increase or itemized expenditures/expenses decrease by 5% or more from the prior year, an explanation of the increase/decrease is required. There is a five-year limit for an approved plan; the plan must be revised and submitted each subsequent year.
- If a deficit exists in the General Fund, the General Fund plan should include a monthly breakdown of revenues and expenditures for the first two years of the projection and annual detail for the remaining years. For example, a five-year plan would show monthly detail for 24 months, and annual detail for the remaining three years. When a revised plan is submitted in the subsequent year, it would include a monthly breakdown for two years and an annual breakdown for the remaining two years. The monthly breakdown shall be for actual revenue and expenditures expected that month. For example, property taxes should be included in the months the taxes are projected to be actually collected. It shall not be merely the annual revenue and expenditures divided by 12 months. This will allow for a more meaningful picture of how the municipality is progressing on a monthly basis.

Failure to Submit an Acceptable Plan

Upon completion of the Auditing Procedures Report, within 24 hours the local unit will be emailed a Notice of Intent to Withhold State Payments. The local unit will have 30 days from the date of the notice to file a plan and certified resolution. Should a plan and certified resolution not be filed within 30 days, we may withhold 25% of the local unit's State Incentive Payments or payments issued under 1971 PA 140, the Glenn Steil State Revenue Sharing Act of 1971. Once withheld, payments are released not when a plan and certified resolution have been *filed*, but when a plan and certified resolution have been *evaluated and certified* by Treasury.

If you have any questions, please contact our office at Treas_MunicipalFinance@Michigan.gov or (517) 373-3227.

Sample Legislative Body Resolution and Multiple Year Deficit Elimination Plan

WHEREAS (Sample Unit)'s **Park Fund** has a \$110,000 deficit fund balance on December 31, 2016; and

WHEREAS, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

NOW THEREFORE, IT IS RESOLVED that the (Sample Unit)'s legislative body adopts the following as the (Sample Unit) **Park Fund** Deficit Elimination Plan:

| | 2017 | 2018 | 2019 | 2020 |
|--|--------------------|-------------------|-------------------|------------------|
| Unrestricted Net Position (Deficit) Jan. 1 | \$(110,000) | \$(95,000) | \$(49,500) | \$(3,000) |
| Revenue | | | | |
| Property Taxes | 60,000 | 62,000 | 64,000 | 66,000 |
| Charges for Services | 95,000 | 104,500 | 104,500 | 104,500 |
| Other | 1,000 | 1,000 | 1,000 | 1,000 |
| General Fund | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Revenue | 206,000 | 217,500 | 219,500 | 221,500 |
| Expenditures | | | | |
| Salaries and Wages | 167,000 | 148,000 | 149,000 | 150,000 |
| Supplies | 15,000 | 15,000 | 15,000 | 15,000 |
| Equipment Repairs | 4,000 | 4,000 | 4,000 | 4,000 |
| Contractual Services | 5,000 | 5,000 | 5,000 | 5,000 |
| Depreciation | 15,000 | 15,000 | 15,000 | 15,000 |
| Total Expenditures | 206,000 | 187,000 | 188,000 | 189,000 |
| Add Back Depreciation (Net Investment in Capital Assets Net Position) | 15,000 | 15,000 | 15,000 | 15,000 |
| Unrestricted Net Position (Deficit) Dec. 31 | \$(95,000) | \$(49,500) | \$(3,000) | \$44,500 |

| | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|--------------------|--------------------|-------------------|-------------------|
| CA-CL (Deficit) Jan. 1 | \$(120,000) | \$(105,000) | \$(59,500) | \$(13,000) |
| Revenues | 206,000 | 217,500 | 219,500 | 221,500 |
| Expenditures | (206,000) | (187,000) | (188,000) | (189,000) |
| Add Back Depreciation | 15,000 | 15,000 | 15,000 | 15,000 |
| CA-CL (Deficit) Dec. 31 | \$(105,000) | \$(59,500) | \$(13,000) | \$34,500 |

Explanation: Increase charges for services 10% in 2018. Decrease park hours and work hours thereby decreasing salaries and wages by 11.3% in 2018.

BE IT FURTHER RESOLVED that the (Sample Unit)'s (Official's Title) submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

ADD CLERK'S CERTIFICATION.

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LOCAL GOVERNMENT

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TREASURY / LOCAL GOVERNMENT / LOCAL FISCAL HEALTH
/ LOCAL FISCAL ACCOUNTABILITY

How a Financial Emergency Works

A Summary of the Local Fiscal Stability and Choice Act Process Public Act 436 of 2012

Step One: If one or more conditions indicative of probable financial stress in a local government exist, the State Financial Authority (State Treasurer or Superintendent of Public Instruction) may conduct a preliminary review, after providing the local government with specific written notification of the review.

Step Two: The State Financial Authority must within 20 days of commencing a preliminary review provide an interim report to the local government and to the State Senators and Representatives representing the local government. The local government may provide comments within 5 days of receipt. The State Financial Authority must within 30 days of commencing a preliminary review provide a final

report to the Local Emergency Financial Assistance Loan Board (ELB) and to the State Senators and Representatives representing the local government. The ELB must within 20 days determine whether probable financial stress exists.

Step Three: The Governor must appoint a review team if the ELB determines that probable financial stress exists.

A review team consists of the State Treasurer (or his or her designee), the Director of the Department Technology, Management, and Budget (or his or her designee), a nominee of the Senate Majority Leader, a nominee of the Speaker of the House of Representatives, and any other State officials, or other persons with relevant professional experience selected by the Governor. The Superintendent of Public Instruction (or his or her designee) also is a member if a school district is involved.

Step Four: Unless the Governor specifies an earlier date, or grants a 30-day extension, a review team must report to the Governor within 60 days of its appointment whether specific statutory conditions exist or are likely to occur and must reach one of the following conclusions:

1. A financial emergency does not exist in the local government.
2. A financial emergency exists in the local government.

A review team report must also be forwarded to the State Treasurer, the chief administrative officer and governing body of the local government, the Speaker of the House of Representatives, the Senate Majority Leader, and to the State Senators and Representatives representing the local government.

Step Five: Within 10 days after receipt of the review team report, the Governor must make one of the following determinations:

1. A financial emergency does not exist in the local government.
2. A financial emergency exists in the local government.

Step Six: If the Governor determines that a financial emergency exists, he or she must provide written notification to the chief administrative officer of the unit of local government who may request within 7 days after receiving notice a hearing conducted by the State Financial Authority or his or her designee.

Step Seven: After the hearing or, if no hearing was requested, after expiration of the opportunity for a hearing, the Governor must either confirm or revoke the determination of a financial emergency.

Step Eight: A local government by a two-thirds vote of its governing body may appeal the Governor's determination within 10 business days to the Court of Claims (Ingham County Circuit Court). The determination may be set aside only if found to be either:

Not supported by competent, material, and substantial evidence on the whole record.

Arbitrary, capricious, or clearly an abuse or unwarranted exercise of discretion.

Step Nine: Within 7 days after confirmation of a financial emergency, the governing body of the local government must select one of the following:

1. Consent Agreement option.
2. Emergency Manager option.
3. Neutral Evaluation Process option.
4. Chapter 9 Bankruptcy option.

Except as otherwise provided in the Act, a local government may not utilize any of the foregoing options more than once. A local government that does not select one of the above options is required to proceed under the Neutral Evaluation Process option.

Step Ten: A local government that selects the Emergency Manager option is placed in receivership. Upon appointment of the Emergency Manager, the chief administrative officer and governing body of the local government are prohibited from exercising any powers of offices without written approval of the Emergency Manager and their compensation and benefits are eliminated, but may be restored by the Emergency Manager. A local government is removed from receivership upon one of the following:

1. When the financial conditions that were the basis for the financial emergency are corrected in a sustainable fashion.
2. If, at least 18 months after an Emergency Manager is appointed, a local governing body by a two-thirds vote removes the Emergency Manager and removes the local government from receivership.

Step Eleven: If, at least 18 months after an Emergency Manager is appointed, a local government removes the Emergency Manager and itself from receivership, but the financial emergency continues to exist, the local government is required to proceed under the Neutral Evaluation Process option.

If, at least 18 months after an Emergency Manager is appointed, a local government removes the Emergency Manager, but does not remove itself from receivership, the local government may within 10 days negotiate a consent agreement with the State Treasurer, provided the local government has not previously breached a consent agreement under the Act. If a consent agreement is not reached, the local government is required to proceed under the Neutral Evaluation Process option.

Step Twelve: If a local government selects the Chapter 9 Bankruptcy option, the Governor may place contingencies upon a local government, including the selection of an individual to act exclusively on behalf of the local government in any Chapter 9 proceedings.

LOCAL FINANCIAL STABILITY AND CHOICE ACT (EXCERPT)
Act 436 of 2012

141.1544 Determination of probable financial stress; preliminary review; conditions; school district; notification to local government; interim report of findings; final report; finding of probable financial stress; appointment of review team for municipal government; appointment of review team for local school district; staff support; duration of appointment.

Sec. 4. (1) Subject to subsection (2), the state financial authority may conduct a preliminary review to determine the existence of probable financial stress within a local government if 1 or more of the following occur:

(a) The governing body or the chief administrative officer of a local government requests a preliminary review. The request shall be in writing and shall identify the existing or anticipated financial conditions or events that make the request necessary.

(b) The state financial authority receives a written request from a creditor with an undisputed claim that remains unpaid 6 months after its due date against the local government that exceeds the greater of \$10,000.00 or 1% of the annual general fund budget of the local government, provided that the creditor notifies the local government in writing at least 30 days before his or her request to the state financial authority of his or her intention to submit a written request under this subdivision.

(c) The state financial authority receives a petition containing specific allegations of local government financial distress signed by a number of registered electors residing within the local government's jurisdiction equal to not less than 5% of the total vote cast for all candidates for governor within the local government's jurisdiction at the last preceding election at which a governor was elected. Petitions shall not be filed under this subdivision within 60 days before any election of the local government.

(d) The state financial authority receives written notification that a local government has not timely deposited its minimum obligation payment to the local government pension fund as required by law.

(e) The state financial authority receives written notification that the local government has failed for a period of 7 days or more after the scheduled date of payment to pay wages and salaries or other compensation owed to employees or benefits owed to retirees.

(f) The state financial authority receives written notification from a trustee, paying agent, bondholder, or auditor engaged by the local government of a default in a bond or note payment or a violation of 1 or more bond or note covenants.

(g) The state financial authority of a local government receives a resolution from either the senate or the house of representatives requesting a preliminary review.

(h) The local government has violated a requirement of, or a condition of an order issued pursuant to, former 1943 PA 202, the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, or any other law governing the issuance of bonds or notes.

(i) The municipal government has violated the conditions of an order issued by the local emergency financial assistance loan board pursuant to the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942.

(j) The local government has violated a requirement of sections 17 to 20 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.437 to 141.440.

(k) The local government fails to timely file an annual financial report or audit that conforms with the minimum procedures and standards of the state financial authority and is required for local governments under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a, or 1919 PA 71, MCL 21.41 to 21.55.

(l) If the local government is a school district, the school district fails to provide an annual financial report or audit that conforms with the minimum procedures and standards of the superintendent of public instruction and is required under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896.

(m) The municipal government is delinquent in the distribution of tax revenues, as required by law, that it has collected for another taxing jurisdiction, and that taxing jurisdiction requests a preliminary review.

(n) The local government is in breach of its obligations under a deficit elimination plan or an agreement entered into pursuant to a deficit elimination plan.

(o) A court has ordered an additional tax levy without the prior approval of the governing body of the local government.

(p) The municipal government has ended a fiscal year in a deficit condition as defined in section 21 of the

Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.921, or has failed to comply with the requirements of that section for filing or instituting a financial plan to correct the deficit condition.

(q) The school district ended its most recently completed fiscal year with a deficit in 1 or more of its funds and the school district has not submitted a deficit elimination plan to the state financial authority within 30 days after the district's deadline for submission of its annual financial statement.

(r) The local government has been assigned a long-term debt rating within or below the BBB category or its equivalent by 1 or more nationally recognized credit rating agencies.

(s) The existence of other facts or circumstances that, in the state treasurer's sole discretion for a municipal government, are indicative of probable financial stress or that, in the state treasurer's or superintendent of public instruction's sole discretion for a school district, are indicative of probable financial stress.

(2) If 1 or more of the following occur, the state financial authority of the school district shall conduct a preliminary review to determine the existence of probable financial stress within the school district:

(a) The school district is subject to a deficit elimination plan under section 1220 of the revised school code, 1976 PA 451, MCL 380.1220, and the state treasurer determines that the school district has failed to submit or materially comply with the requirements of the deficit elimination plan.

(b) The school district is subject to a deficit elimination plan under section 1220 of the revised school code, 1976 PA 451, MCL 380.1220, that provides for the elimination of deficit over a period exceeding 5 years.

(3) Before commencing the preliminary review under subsection (1) or (2), the state financial authority shall provide the local government specific written notification that it intends to conduct a preliminary review. Elected and appointed officials of a local government shall promptly and fully provide the assistance and information requested by the state financial authority for that local government in conducting the preliminary review. The state financial authority shall provide an interim report of its findings to the local government within 20 days following the commencement of the preliminary review. In addition, a copy of the interim report shall be provided to each state senator and state representative who represents that local government. The local government may provide comments to the state financial authority concerning the interim report within 5 days after the interim report is provided to the local government. The state financial authority shall prepare and provide a final report detailing its preliminary review to the local emergency financial assistance loan board. In addition, a copy of the final report shall be provided to each state senator and state representative who represents that local government. The final report shall be posted on the department of treasury's website within 7 days after the final report is provided to the local emergency financial assistance loan board. The preliminary review and final report by the state financial authority shall be completed within 30 days following commencement of the preliminary review. For a preliminary review conducted under subsection (2), if the final report prepared by the state financial authority confirms the existence of any of the factors provided in subsection (2)(a) or (b), the state financial authority's confirmation is prima facie evidence that probable financial stress exists for that school district. Within 20 days after receiving the final report from the state financial authority, the local emergency financial assistance loan board shall determine if probable financial stress exists for the local government.

(4) If a finding of probable financial stress is made for a municipal government by the local emergency financial assistance loan board under subsection (3), the governor shall appoint a review team for that municipal government consisting of the state treasurer or his or her designee, the director of the department of technology, management, and budget or his or her designee, a nominee of the senate majority leader, and a nominee of the speaker of the house of representatives. The governor may appoint other state officials or other persons with relevant professional experience to serve on a review team to undertake a municipal financial management review.

(5) If a finding of probable financial stress is made for a school district by the local emergency financial assistance loan board under subsection (3), the governor shall appoint a review team for that school district consisting of the state treasurer or his or her designee, the superintendent of public instruction or his or her designee, the director of the department of technology, management, and budget or his or her designee, a nominee of the senate majority leader, and a nominee of the speaker of the house of representatives. The governor may appoint other state officials or other persons with relevant professional experience to serve on a review team to undertake a school district financial management review.

(6) The department of treasury shall provide staff support to each review team appointed under this section.

(7) A review team appointed under former 1988 PA 101 or former 1990 PA 72 and serving immediately before March 28, 2013 shall continue under this act to fulfill its powers and duties. All proceedings and actions taken by the governor, the state treasurer, the superintendent of public instruction, the local emergency financial assistance loan board, or a review team under former 2011 PA 4, former 1988 PA 101, or former 1990 PA 72 before March 28, 2013 are ratified and are enforceable as if the proceedings and actions were

taken under this act, and a consent agreement entered into under former 2011 PA 4, former 1988 PA 101, or former 1990 PA 72 that was in effect immediately before March 28, 2013 is ratified and is binding and enforceable under this act.

History: 2012, Act 436, Eff. Mar. 28, 2013;—Am. 2015, Act 110, Imd. Eff. July 7, 2015.

Compiler's note: Enacting section 2 of Act 436 of 2012 provides:

"Enacting section 2. It is the intent of the legislature that this act function and be interpreted as a successor statute to former 1988 PA 101, former 1990 PA 72, and former 2011 PA 4, and that whenever possible a reference to former 1988 PA 101, former 1990 PA 72, or former 2011 PA 4, under other laws of this state or to a function or responsibility of an emergency financial manager or emergency manager under former 1988 PA 101, former 1990 PA 72, or former 2011 PA 4, under other laws of this state shall function and be interpreted to reference to this act, with the other laws of this state referencing former 1988 PA 101, former 1990 PA 72, or former 2011 PA 4, including, but not limited to, all of the following:

- (a) The charter township act, 1947 PA 359, MCL 42.1 to 42.34.
- (b) 1966 PA 293, MCL 45.501 to 45.521.
- (c) 1851 PA 156, MCL 46.1 to 46.32.
- (d) The general law village act, 1895 PA 3, MCL 61.1 to 74.25.
- (e) The home rule village act, 1909 PA 278, MCL 78.1 to 78.28.
- (f) The fourth class city act, 1895 PA 215, MCL 81.1 to 113.20.
- (g) The home rule city act, 1909 PA 279, MCL 117.1 to 117.38.
- (h) The metropolitan transportation authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426.
- (i) 1947 PA 336, MCL 423.201 to 423.217."



To: Mark Slown – City Manager
From: Jon Kangas, P.E. – DPW Director/City Engineer
Date: July 7, 2017
Regarding: Proposed Ductless AC/Heat Unit for City Council Chambers

At a 2016 City Council meeting, a priority established for City Hall was to improve the heating and cooling in the City Council Chambers. The 2017 Budget included funding for this proposed work, among other things in the Public Improvement Fund. Funding will remain in the budget to complete this work even after the proposed budget amendments are adopted by City Council (if the amendments are adopted.) The City currently utilizes two separate Mechanical contractors for the various HVAC systems throughout our facilities. Those two contractors are Dresseler Mechanical, Inc. (DMI) and Central Heating and Cooling. Typically, DMI has handled the bigger units and Central has handled the smaller units. The unit proposed for the Council Chambers can be handled by either contractor, but the electrical work will be handled separately (typically J&N Electric.)

After much debate, we have narrowed down the proposed unit to a 3-ton ductless, wall-mounted, heat pump, split unit. Below is a summary of bids received from the two contractors the City currently works with. (A third bid can be sought if Council is so inclined, but I recommend keeping the number of HVAC contractors the City uses at a minimum.)

| Contractor | Proposed Unit | Bid |
|--|-----------------------------|---|
| Central Heating and Cooling (Ishpeming) | Fujitsu 3-ton split unit | \$6,100 installed (plus electrical: not-to-exceed \$1,000) |
| Dresseler Mechanical, Inc. (Marquette) | Mitsubishi 3-ton split unit | \$6,350 installed (plus electrical: not-to-exceed \$1,000) |

The advantage of the ductless system is the majority of the noise is outside the building. In addition, the system runs on a heat pump, so you can heat or cool with the same unit. (The City Council chambers is currently lacking in both departments.) Finally, the ductless unit is one of the most efficient units available for larger spaces like the Council Chambers because it runs on an efficient pump and has negligible cooling loss due to a lack of ductwork. Long-term energy savings to the City will be significant versus other products available. The unit would be mounted on the south wall of the Council Chambers, just above the window with a separate condenser/compressor unit located on the flat roof below.

My recommendation is to award the purchase and installation of the ductless HVAC system for the City Council Chambers to Central Heating and Cooling of Ishpeming for the bid amount of \$6,100 and acquire the services of J&N Electric of Ishpeming to complete the electrical work for a not-to-exceed amount of \$1,000.

CITY OF ISHPEMING, MICHIGAN

ORDINANCE NO. _____

**AN ORDINANCE TO REGULATE SMOKING AND THE USE OF
TOBACCO PRODUCTS IN OUTDOOR PUBLIC PLACES**

THE CITY OF ISHPEMING ORDAINS:

SECTION 1.

This ordinance may be referred to as the city of Ishpeming Smoke free and Tobacco Free Outdoor Public Places Ordinance.

SECTION 2.

DEFINITIONS:

A. City Building means any building or structure owned by the City, including but not limited to parking lots and City Hall.

B. Public place means any enclosed area to which the public is invited or in which the public is permitted, including, but not limited to any business, retail store, health facility, manufacturing facility, convention hall, meeting hall, sports arena, theater, gymnasium, health spa, swimming pool, roller rink, ice rink, bowling alley, laundromat, professional office, school or public building.

C. Smoke free Outdoor Public Place means all of the following:

- a. Outdoors within 20 feet of entrances, windows and ventilation systems of any City building;
- b. Outdoors within 10 feet of bus stops;
- c. Outdoors within 20 feet of any public event;
- d. Outdoors within 20 feet of a boat launch.

D. Outdoor public event shall include the following:

- a. Music festival;
- b. Concert;
- c. Food Festival.
- d. Sporting events and races.

E. Tobacco Products mean chewing tobacco and tobacco snuff.

F. Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, e-cigarette, plant or related substance or product.

SECTION 3.

SMOKING AND THE USE OF TOBACCO PRODUCTS ARE BANNED AT AL QUAAL PARK AND ALL OTHER CITY PARKS

Smoking is hereby banned at Al Quaal Park and all City Parks within the City of Ishpeming.

SECTION 4.

SMOKING IS BANNED IN ALL ENCLOSED PUBLIC AREAS AND WITHIN TWENTY FEET OF ANY OUTDOOR PUBLIC EVENT

Smoking is hereby banned in all enclosed public areas and within twenty feet of any outdoor public event with the exception of private property located within 20 feet of an outdoor public event, such as a parade.

SECTION 5.

PENALTY:

A violation of this section shall constitute a civil infraction, which shall be punishable by a fine of \$50 for a first offense and \$100 for a second offense.

SECTION 6.

EFFECTIVE DATE:

Pursuant to Article IV, Section 4.9 (f) of the City Charter, this ordinance shall take effect ten (10) days after adoption, but not before publication.

Mayor

City Clerk

ADOPTED: _____

PUBLISHED: _____

CITY OF ISHPEMING, MICHIGAN

ORDINANCE NO. 3-1300

AN ORDINANCE TO PERMIT AND REGULATE MOBILE FOOD VENDORS

THE CITY OF ISHPEMING ORDAINS:

SECTION 1.

This ordinance may be referred to as the city of Ishpeming Mobile Food Vendor Ordinance.

SECTION 2.

DEFINITIONS:

A. Mobile Food Vehicle shall mean **any motorized or non-motorized** vehicle which may upon issuance of a license by the City Clerk and conformance with the regulations established by this ordinance may temporarily park upon a public street and engage in the service, sale or distribution of ready to eat food for individual portion service to the general public directly from the vehicle.

B. Mobile Food Vendor shall mean the registered owner of a mobile food vehicle or the owner's agent or employee; and referred to in this ordinance as vendor.

SECTION 3.

LICENSE REQUIRED:

A. It shall be unlawful for any person, including any religious, charitable or nonprofit organization, to operate within the City a mobile food vehicle without having obtained a license from the City Clerk for that purpose. All licenses shall be prominently displayed on the Mobile Food Vehicle. No vending through a Mobile Food Vehicle shall be permitted unless it meets the definition of a Mobile Food Vehicle as defined by this ordinance.

B. A person desiring to operate a mobile food vehicle shall make written application for such license to the City Clerk. The application for a license shall be on forms provided by the City Clerk and shall include the following:

1. Name, signature, phone number, e-mail contact and business address of the applicant.
2. A description of the preparation methods and food product offered for sale including the intended menu;

3. Information on the mobile food vehicle to include year, make and model of the vehicle and dimensions, which shall not exceed 36 feet in length or 9 feet in width;

4. Information setting forth the proposed hours of operation, area of operations, plans for power access, water supply and wastewater disposal;

5. Copies of all necessary license or permits issued by the Marquette County Health Department;

6. Insurance Coverage:

a. Proof of General Comprehensive Commercial Liability policy with limits of no less than \$1 million per occurrence and \$2 million general aggregate issued by an insurer licensed to do business in this state and which names the City as an additional insured;

b. The following language shall be added to the vendor's liability policy:
"It is understood and agreed that the following shall be an Additional Insured:
The City of Ishpeming, including all elected and appointed officials, all employees and volunteers. It is understood and agreed that by naming the City of Ishpeming as an additional insured, coverage afforded is considered to be primary and any other insurance the City of Ishpeming may have in effect shall be considered secondary and/or excess."

b. Proof of Public Liability and Property Damage motor vehicle policy with limits of no less than \$1 million issued by an insurer licensed to do business in this State.

C. All vendors receiving a license under this ordinance shall pay the annual fee as set forth from time to time by the City Council.

D. The City Clerk shall issue the license which shall not be transferable and which license shall be issued for the calendar year commencing on January 1 and expiring on December 31.

E. A license is valid for one vehicle only and shall not be transferred between vehicles.

SECTION 4.

FEES:

An Application for a license shall be accompanied by a fee in the amount established by resolution of the City Council. There shall be no proration of fees. Fees are non-refundable once a license has been issued by the City Clerk. If operating on non-city property, no fee shall be charged to a business which is on the City's tax rolls whose normal business includes the sale

of food and/or beverages. No one shall hire or subcontract such vendors in an attempt to evade the provisions of this ordinance.

SECTION 5.

INVESTIGATION BY CHIEF OF POLICE:

For operation of a mobile food vehicle within residential areas, approval must be given by the Chief of Police prior to issuance of a license by the City Clerk.

SECTION 6.

REGULATIONS:

All mobile food vendors shall comply with the following requirements:

- a. No operator of a mobile food vehicle shall park, stand or move a vehicle and conduct business within areas of the city where the license holder has not been authorized to operate. The City Council shall by resolution identify those streets and public areas where parking by mobile food vehicles is permitted.
- b. The customer service area for mobile food vehicles shall be on the side of the truck that faces a curb, lawn, or sidewalk when parked. No food service shall be provided on the driving lane side of the truck. No food shall be prepared, sold or displayed outside of the mobile food vehicles.
- c. No mobile food vehicle vendor shall provide or allow any dining area within 10 feet of the mobile food vehicle, including but not limited to, tables and chairs, booths, stools, benches or stand up counters except when parked on private property or on public property if the tables and chairs are located on private property.
- d. Customers shall be provided with single service articles such as plastic utensils and paper plates and a waste container for their disposal. All mobile food vehicle vendors shall offer a waste container for public use which the vendor shall empty at its own expense. All trash and garbage originating from the operation of mobile food vehicles shall be collected and disposed of off-site by the operators each day. Spills of food or food by-products shall be cleaned up and no dumping of gray water on the streets is allowed.
- e. No mobile food vehicle shall make or cause to be made any unreasonable or excessive noise. No loud music, other high-decibel sounds, horns or amplified announcements are allowed.
- f. Signage is allowed when placed on mobile food vehicles and free-standing signs are permitted provided they are less than 10 square feet and placed within 10 feet of the vehicle and do not block pedestrian traffic.

g. No flashing or blinking lights or strobe lights are allowed on mobile food vehicles or related signage when the vehicle is parked and engaged in serving customers. All exterior lights with over 60 watts shall contain opaque hood shields to direct the illumination downward.

h. Mobile food vehicles when parked on public streets shall be parked in conformance with all applicable parking restrictions and shall not hinder the lawful parking or operation of other vehicles.

i. A mobile food vehicle shall not be parked on the street overnight or left unattended and unsecured at any time food is in the vehicle. Any mobile food vehicle found to be unattended shall be considered a public safety hazard and may be ticketed and impounded.

j. A vendor shall not operate a mobile food vehicle within 500 feet of any fair, festival, special event or civic event that is licensed or sanctioned by the City unless the vendor has obtained permission from the event sponsor.

k. The issuance of a mobile food vehicle license does not grant or entitle the vendor to the exclusive use of any service route or parking space to the license holder.

l. A vendor shall not operate on private property without first obtaining written consent to operate from the affected private property owner. A private property owner shall not permit parking by a mobile food vehicle until a special use permit has been obtained to allow for such use; however, a special use permit shall not be required for a one-time parking on private property.

m. No mobile food vehicle shall use external signage, seating or other equipment not contained within the vehicle. When extended, awnings for mobile food vehicles shall have a minimum clearance of 7 feet between the ground level and the lowest point of the awning or support structure.

n. Any power required for the mobile food vehicle located on a public way shall be self-contained and a mobile food vehicle shall not use utilities drawn from the public right-of-way. Mobile food vehicles on private property may use electrical power from the property being occupied or an adjacent property, but only when the property owner provides written consent to do so. All power sources must be self-contained. No power cable or equipment shall be extended at or across any City street, alley or sidewalk.

O. Mobile food vehicles shall not be parked within 150 feet of an existing brick and mortar restaurant during the hours when such restaurant is open to the public for business.

SECTION 7.

ENFORCEMENT:

Any license holder operating a mobile food vehicle in violation of any provision of this ordinance or any rules and regulations promulgated by the City shall be responsible for a civil infraction and subject to a civil fine of \$500 per day.

SECTION 8.

REVOCATION:

The City Clerk shall revoke the license or permit of any vendor engaged in mobile food vending who ceases to meet any requirement of this Ordinance or violates any other federal, state or local regulations, makes a false statement on their application, or conducts activity in a manner that is adverse to the protection of the public, health, safety and welfare. Immediately upon such revocation, the City Clerk shall provide written notice to the license holder by certified mail to their place of business or residence as indicated on the application. Immediately upon such revocation, the license shall become null and void.

SECTION 9.

EFFECTIVE DATE:

Pursuant to Article IV, Section 4.9 (f) of the City Charter, this ordinance shall take effect ten (10) days after adoption, but not before publication.

Mayor

City Clerk

ADOPTED: _____

PUBLISHED: _____

CITY OF ISHPERING

MOBILE FOOD VENDING LICENSE APPLICATION

Annual fee set forth by resolution of the Ishpeming City Council.

City-controlled property available for vending set forth by resolution of the Ishpeming City Council.

Applicant Name: _____

Applicant Address: _____

Phone Number: _____

DOB: _____

E-Mail Address: _____

Name of Business: _____

Food Products Offered for Sale: _____

Description of Food Preparation Methods: _____

Description of Vending Unit (Include Size): _____

Proposed Hours of Operation: _____

Intended Areas of Operation: _____

Plans for Electrical Access, Wastewater and Trash Disposal: _____

Does applicant own a brick-and-mortar restaurant in the City: ☐ Yes ☐ No

If Yes, what is the name of the brick-and-mortar establishment? _____

Applicant must include copies of all applicable license and/or permits issued by the Marquette County Health Department, as well as proof of comprehensive liability insurance, with a limit of at least Two Million (\$2 million) combined coverage, and which names the City of Ishpeming as an additional insured.

APPLICANT SIGNATURE

DATE

This section for office use only.

POLICE CHIEF

____ Approved

____ Denied

DATE

CITY TREASURER

____ Approved

____ Denied

DATE

FIRE CHIEF

____ Approved

____ Denied

DATE

DRAFT

130,

Resolution #9-2017
RESOLUTION ESTABLISHING FEES FOR MOBILE FOOD VENDORS

WHEREAS requests are made to the office of the City Clerk requiring staff time to prepare licenses, assemble information, meet and discuss requests and to prepare follow-up reports and correspondence;

WHEREAS The City Council believe that it is important that the actual costs associated with these services are not subsidized by the general taxpayer;

NOW THEREFORE BE IT RESOLVED that the fees for the Mobile Food Vendor License be established as follows:

Fee Schedule:

Fee is non-refundable once a license has been issued by the City Clerk; licenses are valid for the timeframe January 1 through December 31 of the following year.

\$100.00 If vending on City and/or private property. (Not to include a business which is on the City's tax rolls whose normal business includes the sale of food and/or beverages).

Duly adopted by the City Council on _____.

Mayor

Certified: _____
City Clerk

RESOLUTION #10-2017**ESTABLISHING OPERATING LOCATIONS FOR MOBILE FOOD VENDORS**

WHEREAS the City of Ishpeming desires to encourage mobile food vendors who add to the desirability of Ishpeming while providing a framework under which such businesses operate; and

WHEREAS the City of Ishpeming may establish by resolution hours of operating and may identify City-controlled property for permissible Mobile Food Vending;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Ishpeming that Mobile Food Vending Units may only operate within residentially zoned areas between the hours of 9 a.m. and 9 p.m. and in commercially zoned areas between the hours of 7 a.m. and midnight unless otherwise stipulated below or in conjunction with a special event application. In accordance with Ordinance #3-1300 of the City of Ishpeming, mobile food vendors are authorized to operate at the following City-owned properties:

1. Public parking lots;
2. Lake Bancroft Park during official park operating hours.
3. Al Quaal in conjunction with a special event permit only.
4. Specific street to be identified only if a road closure and/or with a special event application.
5. Main Street only as part of a special event permit.

Duly adopted by the City Council on _____.

Mayor

Certified: _____

City Clerk



CITY OF ISHPEMING, MICHIGAN

100 East Division Street • Ishpeming, Michigan 49849

| | | | | | |
|---------------|----------|------------------|----------|------------------|----------|
| City Manager | 485-1091 | Police | 486-4416 | Assessor | 485-1091 |
| City Clerk | 485-1091 | Rental Inspector | 485-1091 | Library | 486-4381 |
| Treasurer | 485-1091 | Fire | 486-4426 | Cemetery / Parks | 486-6181 |
| City Attorney | 485-1091 | Public Works | 486-9371 | Fax | 485-6246 |

February 10, 2016
Project No. 1510650

Ms. Merrie Carlock, Grant Coordinator
Finance and Operations Division
Michigan Department of Natural Resources
P.O. Box 30425
Lansing, MI 48909-7925

**RE: TF14-0265 City of Ishpeming – Malton Road Non-Motorized Trail Project
Commitment to Completion of Project Scope**

Dear Ms. Carlock:

The City of Ishpeming is formally requesting the removal of a portion of the proposed Non-Motorized Trail project as presented in the grant agreement for TF14-0265. The reason for this is that the potential water project for the following year may impact the newly constructed trail, causing reconstruction of this area only a year after it was built.


At their February 3, 2016 meeting, the Ishpeming City Council passed a motion committing to completion of a portion of the Malton Road Non-Motorized Trail in 2017, as either part of the water main replacement project, or as a stand-alone project if this water main is not constructed.

The attached map shows the location of the trail to be constructed with the project. The City expects to be under contract in the Spring of 2017 for the water main project, with construction of the trail remainder occurring in Summer or Fall of 2017.

If you have any questions, please feel free to contact our Engineer, Mark Stoor of GEI Consultants, at mstoor@geiconsultants.com or by phone at (906) 214-4147.

Sincerely,

City of Ishpeming


Mark Slown
City Manager

K:\Ishpeming_City\1510650-Malton_Road_Non-Motorized_Trail\Correspondence\To_ONR\City_Commitment.docx



*The City of Ishpeming is an equal opportunity program/employer.
Auxiliary aids and service are available upon request to individuals with disabilities.*

HOME OF THE U.S. SKI AND SNOWBOARD HALL OF FAME

The Regular Meeting of the Ishpeming City Council was held on Wednesday, February 3, 2016 at the Ishpeming Senior Center. Mayor Mike Tonkin called the meeting to order at 7:00 p.m.

Present: Mayor Mike Tonkin, Council Members Claudia Demarest, Joseph Juidici, and Mike Tall (4).
Absent: Council Member Justin Koski (1). Also present were City Manager Mark Slown and City Attorney Bonnie Hoff.

PUBLIC COMMENT

Joni Gleason thanked Council for allowing the horse crossing signs to be installed on Malton Road and also suggested Council consider changing the name of Malton Road to reflect on the history of that area, such as Union Park Drive.

Terry Austin, 417 Marquette Street, summarized the sewer issues that had been occurring and reoccurring at his residence on Marquette Street. He asked Council to consider helping resolve some of these issues during the water project in 2017. Mr. Kangas indicated he was aware of the situation and options would be investigated.

APPROVAL OF AGENDA

A motion was made by Councilwoman Demarest, supported by Councilman Juidici and carried unanimously to approve the agenda as presented.

AGENDA COMMENT - There was none.

CONSENT AGENDA

A motion was made by Councilman Juidici and supported by Councilwoman Demarest to approve the following consent agenda items.

- (a) Minutes of Previous Meetings (January 13th and 21st)
- (b) Approval of Disbursements
- (c) Monthly Financial Statements
- (d) Special Event Request – Ishpeming Ski Club on February 12th and 13th

PRESENTATION – WESTERN MARQUETTE COUNTY HEALTH FOUNDATION – 2016 TALKING TOUR

Kori Tossava, Director of the Western Marquette County Health Foundation, briefly explained the goals of the Foundation and proudly announced that over \$175,000 had been given back to the community, which included partnering with the West End School Districts, competitive grants, and supporting community events. Additional information was available on their website.

GEI CONSULTANTS – MALTON ROAD NON-MOTORIZED TRAIL PLAN

Mark Stoor, GEI Consultants, reviewed the two proposed changes to the original trail plan. First, the section of trail that would connect New York Street to Malton Road would be built in conjunction with the Rural Development Water Project and the cost savings would allow the use of a crushed limestone surface for the trail; and, second, the original picnic area at the far north end would be relocated near the crossing of the existing mountain bike trail.

Mr. Slown explained Council's approval was needed for the revisions to the Plan along with a commitment to construct the approximate 400 feet of trail between Malton Road and New York Street during the Rural Development water project. Discussion followed regarding the commitment to construct the trail connection and the estimated costs.

A motion was made by Councilman Tall, supported by Mayor Tonkin and carried unanimously to accept the revisions to the Malton Road Non-Motorized Trail Plan as presented.

REQUEST TO USE MALTON ROAD PAVILION FOR A WEDDING – JUNE 25, 2016

Mr. Kangas advised this area was not an established park, however the applicant had agreed to pay park rental fees. He recommended Council approve the wedding and authorize the issuance of a park permit. DPW would prepare the site, however, he felt the pavilion should be inspected for safety before final approval.

A motion was made by Councilman Juidici, supported by Councilwoman Demarest and carried unanimously to approve the request to use the Malton Road pavilion for a wedding on June 25, 2016 contingent upon Jon Kangas' inspection of the pavilion for safety.

ADOPT REVISED ADA GRIEVANCE POLICY

A motion was made by Councilwoman Demarest, supported by Councilman Tall and carried unanimously to approve the revised ADA Grievance Policy as presented.

GUNDLACH CHAMPION PAY REQUEST #6

A motion was made by Councilwoman Demarest, supported by Councilman Tall and carried unanimously to approve Pay Request #6 from Gundlach Champion in the amount of \$156,933.97 for the City Facilities Improvement Project.

DISCUSSION RELATED TO PUBLIC OFFICIAL TRAINING

Public official training for Councilmembers was discussed. Ms. Hoff offered to provide some training and information regarding the Open Meetings Act, Freedom of Information Act, closed session requirements, and to answer any Charter questions. Training would be scheduled within the next month.

SET DATE FOR SPECIAL COUNCIL MEETING

It was felt a joint meeting with the DDA and Planning Commission should not be scheduled until the Planning Commission met to discuss their top sites for the Redevelopment Ready Communities program.

A special meeting would be scheduled in March or April to discuss departmental goals and objectives.

OLD BUSINESS

Councilwoman Demarest questioned the balance of the revolving loan fund; Mr. Lampman reported the fund was being phased out and funds were used towards infrastructure costs during the freeze of 2014 and some structure demolition costs.

Councilman Juidici asked if the list of questions from the Events Policy Committee had been forwarded to MMRMA; Mr. Slown reported staff was waiting for the list from the Chamber of Commerce.

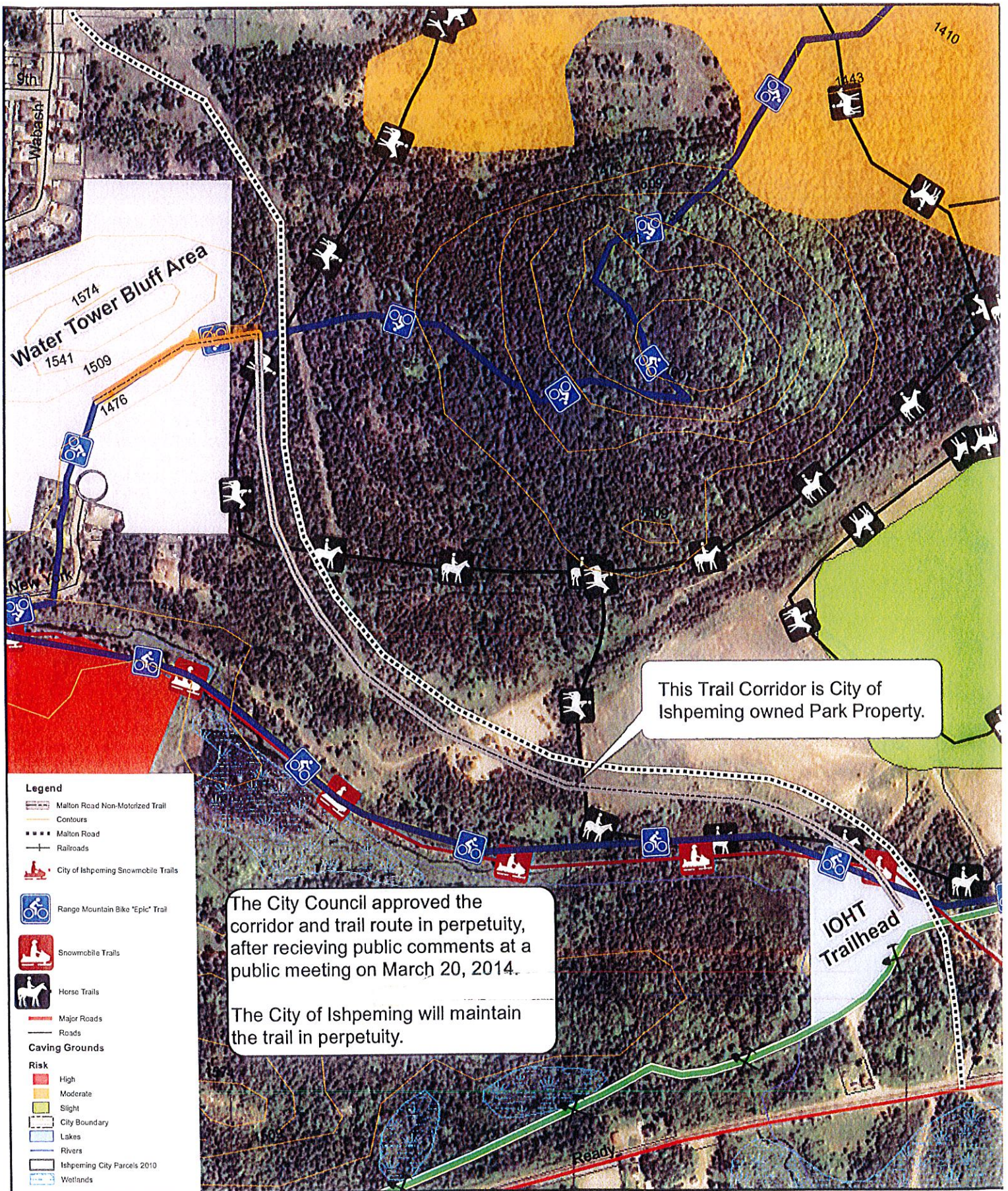
NEW BUSINESS

Mr. Kangas presented a quote for a new ACS HD Power Angle Blade in the amount of \$24,445. He indicated the funds were already allocated in the DPW budget. Other options were reviewed but were not of the same quality.

A motion was made by Councilman Juidici, supported by Councilwoman Demarest and carried unanimously to approve the purchase of the ACS HD power angle blade in the amount of \$24,445 from Miller-Bradford & Risberg, Inc. and to waive competitive bidding per the City Manager's recommendation.

MAYOR AND COUNCIL REPORTS

Councilwoman Demarest attended the Downtown Development Authority meeting and the Library Board meeting; she also clarified 116 Canda Street was deeded to the Downtown Development Authority not the City of Ishpeming as stated in the article in the Mining Journal.



Malton Road
Non-Motorized Trail
City of Ishpeming, MI



19

Memorandum

To: City Council
CC: Mark Slown, City Manager
From: Jim Lampman, Finance Director
Date: 07/07/2017
Re: June 30, 2017 Budget Amendments

The following budget amendments are presented for your consideration. During the month of June 2017, I met with all department heads and reviewed each department's budget. In evaluating the necessary budget adjustments, all department heads made a concerted effort whenever possible to have a zero sum increase in budget expenses. These recommendations were prepared based on information from the departments and review of the City's financial statement activity through June 30, 2017.

For each fund presented, you will see a cover showing the 2014, 2015, and 2016 actual revenues and expenses in total for the fund as well as the original budget, the proposed amendments in total, and what the amended budget will be for the fund if approved by Council. Following the cover sheet is a report showing line item detail of the proposed budget amendments for that particular fund with a brief description of the change. The line item budget detail also show what the original budget amount was for each account, any prior adjustments (which should be zero as this is the first adjustment of the year), the amount of the new budget, and the budget balance.

These amendments include a \$130,000 transfer out of the General Fund to the Public Improvement Fund to cover the purchase of a loader that was approved by Council. We are working on establishing a new equipment fund that will be brought forward to Council at a future meeting.

Please feel free to contact me prior to the July 12, 2017 meeting should you have any questions. Thank you.

City of Ishpeming
Change in Fund Balance
101-General Fund
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be hereby modified as follows:

| | Actual | | 2016 | | 2017 | |
|-------------------------|--------------|--------------|--------------|-----------------|---------------------|----------------|
| | 2014 | 2015 | 2016 | Original Budget | Proposed Amendments | Amended Budget |
| Revenue & Transfers In | \$ 3,146,493 | \$ 3,122,133 | \$ 3,250,126 | \$ 3,311,940 | \$ (110,948) | \$ 3,200,992 |
| Expense & Transfers out | (2,850,351) | (2,929,178) | (3,128,790) | (3,278,979) | (144,120) | (3,423,099) |
| Net Income/(Net Loss) | 296,142 | 192,955 | 121,336 | 32,961 | (255,068) | (222,107) |
| Beginning Fund Balance | 326,451 | 622,593 | 815,548 | 936,884 | - | 936,884 |
| Ending Fund Balance | \$ 622,593 | \$ 815,548 | \$ 936,884 | \$ 969,845 | \$ (255,068) | \$ 714,777 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

PACKET: 00055-6/30/17 - 101 BUDGET ADJ

BUDGET CODE: CB-Current Budget

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|--------------------------------|-----------|---------------------|-------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000059 | | | | | | | |
| 101 000-402-000 | 6/30/2017 | | 167,920.00- | 1,405,775.00- | 0.00 | 1,237,855.00- | 0.54- |
| REAL PROPERTY TAX | | | | | | | |
| 101 000-410-000 | 6/30/2017 | | 197.00- | 154,700.00- | 0.00 | 154,503.00- | 0.94- |
| PERSONAL PROPERTY TAX | | | | | | | |
| 101 000-420-000 | 6/30/2017 | | 340.00 | 0.00 | 0.00 | 340.00- | 0.74 |
| DELINQUENT PERSONAL TAXES | | | | | | | |
| 101 000-434-000 | 6/30/2017 | | 550.00- | 20,020.00- | 0.00 | 19,470.00- | 0.46- |
| SPECIFIC ORE TAX | | | | | | | |
| 101 000-438-000 | 6/30/2017 | | 1,165.00 | 0.00 | 0.00 | 1,165.00- | 394.19 |
| PRE DENIALS | | | | | | | |
| 101 000-440-000 | 6/30/2017 | PPT REPLACEMENT | 43,588.00 | 0.00 | 0.00 | 43,588.00- | 0.06- |
| LOCAL COMM. STABILIZATION TAX | | | | | | | |
| 101 000-441-001 | 6/30/2017 | | 4,736.00 | 125.00- | 0.00 | 4,861.00- | 0.00 |
| PILT - HOUSING - PHELPS SQUARE | | | | | | | |
| 101 000-447-000 | 6/30/2017 | | 673.00 | 60,500.00- | 0.00 | 61,173.00- | 0.72 |
| TAX ADMINISTRATION FEE | | | | | | | |
| 101 000-480-001 | 6/30/2017 | | 2,650.00 | 11,000.00- | 0.00 | 13,650.00- | 3,900.00 |
| BURIALS - NON-RES. | | | | | | | |
| 101 000-619-000 | 6/30/2017 | FEEES INCREASED | 381.00 | 700.00- | 0.00 | 1,081.00- | 0.12- |
| LIBRARY COPIER FEES | | | | | | | |
| 101 000-656-000 | 6/30/2017 | | 600.00 | 600.00- | 0.00 | 1,200.00- | 61.66- |
| LIBRARY BOOK FINES | | | | | | | |
| 101 000-661-004 | 6/30/2017 | | 230.00 | 0.00 | 0.00 | 230.00- | 0.00 |
| POLICE SERVICE FEES - NSF CHEC | | | | | | | |
| 101 000-674-000 | 6/30/2017 | | 3,356.00 | 0.00 | 0.00 | 3,356.00- | 0.47- |
| LIBRARY CONTRIBUTIONS | | | | | | | |
| 101 101-860-000 | 6/30/2017 | 101-COUNCIL-FITNESS | 1,200.00 | 500.00 | 0.00 | 1,700.00 | 169.29 |
| TRANSPORTATION/MEALS | | | | | | | |
| 101 172-727-000 | 6/30/2017 | 172 - CITY MANAGER | 400.00 | 3,500.00 | 0.00 | 3,900.00 | 323.86 |
| OFFICE SUPPLIES | | | | | | | |
| 101 172-860-000 | 6/30/2017 | 172 -CITY MANAGER | 400.00- | 1,000.00 | 0.00 | 600.00 | 600.00 |
| TRANSPORTATION & MEALS | | | | | | | |
| 101 210-850-000 | 6/30/2017 | 210 - CITY ATTORNEY | 15.00- | 1,000.00 | 0.00 | 985.00 | 818.56 |
| COMMUNICATIONS | | | | | | | |

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|--|-----------|---------------------|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000059 | | | | | | | |
| 101 210-956-000 MISCELLANEOUS | 6/30/2017 | 210 - CITY ATTORNEY | 15.00 | 0.00 | 0.00 | 15.00 | 0.00 |
| 101 215-850-000 COMMUNICATIONS | 6/30/2017 | 215 - CITY CLERK | 50.00- | 2,000.00 | 0.00 | 1,950.00 | 1,783.56 |
| 101 215-956-000 MISCELLANEOUS | 6/30/2017 | 215 - CITY CLERK | 50.00 | 0.00 | 0.00 | 50.00 | 30.00 |
| 101 276-727-000 OFFICE SUPPLIES | 6/30/2017 | 276 - CEMETERY | 200.00 | 300.00 | 0.00 | 500.00 | 110.55 |
| 101 276-740-000 OPERATING SUPPLIES | 6/30/2017 | 276 - CEMETERY | 500.00- | 3,500.00 | 0.00 | 3,000.00 | 1,371.93 |
| 101 301-801-000 PROFESSIONAL SERVICES | 6/30/2017 | 301 - POLICE | 1,200.00 | 8,000.00 | 0.00 | 9,200.00 | 35.02 |
| 101 301-922-000 UTILITIES - NATURAL GAS | 6/30/2017 | 301 - POLICE | 2,000.00 | 5,700.00 | 0.00 | 7,700.00 | 2,024.77 |
| 101 301-956-000 MISCELLANEOUS | 6/30/2017 | 301 - POLICE | 1,200.00- | 3,000.00 | 0.00 | 1,800.00 | 1,212.28 |
| 101 336-922-000 UTILITIES - NATURAL GAS | 6/30/2017 | 336 - FIRE | 1,500.00 | 4,500.00 | 0.00 | 6,000.00 | 324.77 |
| 101 371-727-000 OFFICE SUPPLIES | 6/30/2017 | 371 - RENTAL INSPEC | 100.00 | 200.00 | 0.00 | 300.00 | 60.56 |
| 101 371-775-000 REPAIR & MAINTENANCE SUPPLIES | 6/30/2017 | 371 - RENTAL INSPEC | 100.00- | 500.00 | 0.00 | 400.00 | 400.00 |
| 101 441-709-000 OVERTIME | 6/30/2017 | 441 - DPW ADMIN | 6,500.00 | 1,000.00 | 0.00 | 7,500.00 | 1,376.30 |
| 101 441-775-000 REPAIR/MAINT. SUPPLIES | 6/30/2017 | 441- DPW ADMIN | 20.00 | 0.00 | 0.00 | 20.00 | 8.79 |
| 101 441-930-000 REPAIRS & MAINTENANCE | 6/30/2017 | 441 - DPW ADMIN | 2,000.00- | 4,500.00 | 0.00 | 2,500.00 | 655.20 |
| 101 441-956-000 MISCELLANEOUS | 6/30/2017 | 441 - DPW ADMIN | 900.00 | 100.00 | 0.00 | 1,000.00 | 299.49 |
| 101 441-957-000 TRAINING | 6/30/2017 | 441 - DPW ADMIN | 500.00- | 1,000.00 | 0.00 | 500.00 | 450.00 |
| 101 442-702-442 SALARIES - EQUIP MAINT | 6/30/2017 | 442 - EQUIP MAINT | 150.00- | 82,000.00 | 0.00 | 81,850.00 | 24,511.27 |

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|----------------------|-----------|---|------------|--------------------|-------------------------|---------------|-------------------|
| Budget Adj. # 000055 | | | | | | | |
| 101 442-709-401 | 6/30/2017 | 442 - EQUIP MAINT OVERTIME - DFW MAINT | 150.00 | 350.00 | 0.00 | 500.00 | 99.93- |
| 101 442-740-000 | 6/30/2017 | 442 - EQUIP MAINT OPERATING SUPPLIES | 1,000.00- | 175,000.00 | 0.00 | 174,000.00 | 100,167.88 |
| 101 442-740-301 | 6/30/2017 | 442 - EQUIP MAINT OPERATING SUPP.-POLICE VEHICLE | 500.00 | 0.00 | 0.00 | 500.00 | 298.69 |
| 101 442-740-336 | 6/30/2017 | 442 - EQUIP MAINT OPERATING SUPP. - FIRE VEHICLE | 500.00 | 0.00 | 0.00 | 500.00 | 31.28 |
| 101 444-702-000 | 6/30/2017 | 444 - STREET TREES SALARIES | 1,000.00 | 4,800.00 | 0.00 | 5,800.00 | 277.04- |
| 101 444-709-000 | 6/30/2017 | 444 - STREET TREES OVERTIME | 1,250.00 | 500.00 | 0.00 | 1,750.00 | 18.89 |
| 101 444-740-000 | 6/30/2017 | 444 - STREET TREES OPERATING SUPPLIES | 950.00- | 1,000.00 | 0.00 | 50.00 | 43.03 |
| 101 444-801-000 | 6/30/2017 | 444 - STREET TREES PROFESSIONAL SERVICES | 1,300.00- | 2,000.00 | 0.00 | 700.00 | 700.00 |
| 101 448-702-000 | 6/30/2017 | 448 - STREET LIGHTI SALARIES | 150.00 | 100.00 | 0.00 | 250.00 | 16.69 |
| 101 448-805-000 | 6/30/2017 | 448 - STREET LIGHTI CONTRACTUAL SERVICES | 5,200.00 | 3,000.00 | 0.00 | 8,200.00 | 4,056.58 |
| 101 752-702-000 | 6/30/2017 | 752 - PARKS & REC A SALARIES | 500.00 | 0.00 | 0.00 | 500.00 | 113.60 |
| 101 752-702-001 | 6/30/2017 | 752 - PARKS & REC A SALARIES - HERITAGE TRAIL | 600.00- | 1,000.00 | 0.00 | 400.00 | 400.00 |
| 101 752-709-001 | 6/30/2017 | 752 - PARKS & REC A OVERTIME | 100.00 | 0.00 | 0.00 | 100.00 | 13.06 |
| 101 757-702-001 | 6/30/2017 | 757 -AL QUAAL SALARIES - WINTER ACTIVITIES | 500.00 | 0.00 | 0.00 | 500.00 | 82.44 |
| 101 757-740-000 | 6/30/2017 | 757 -AL QUAAL OPERATING SUPPLIES | 500.00- | 5,000.00 | 0.00 | 4,500.00 | 2,302.90 |
| 101 757-956-000 | 6/30/2017 | 757 -AL QUAAL MISCELLANEOUS | 700.00- | 3,000.00 | 0.00 | 2,300.00 | 2,300.00 |
| 101 790-727-000 | 6/30/2017 | 790 - LIBRARY OFFICE SUPPLIES | 100.00- | 6,000.00 | 0.00 | 5,900.00 | 4,456.39 |

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|---|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| 101 790-740-000 | 6/30/2017 | 790 - LIBRARY OPERATING SUPPLIES | 250.00 | 700.00 | 0.00 | 950.00 | 74.73 |
| 101 965-999-274 | 6/30/2017 | 965 - TRANSFER OUT TRANSFER OUT - REVOLVING LOAN | 130,000.00 | 0.00 | 0.00 | 130,000.00 | 130,000.00 |
| TOTAL NO. ADJUSTMENTS--REVENUE: | | | | | 13 | 110,948.00- | } (255,068) |
| TOTAL NO. ADJUSTMENTS--EXPENSE: | | | | | 40 | 144,120.00 | |
| TOTAL IN PACKET-- | | | | | | 33,172.00 | |

*** BUDGET DEFICIT WARNINGS ***

| FUND ACCOUNT | NAME | BALANCE |
|-----------------|----------------------|---------|
| 101 442-709-401 | OVERTIME - DPW MAINT | 99.93- |
| 101 444-702-000 | SALARIES | 277.04- |

TOTAL WARNINGS: 2

*** NO ERRORS ***

*** END OF REPORT ***

City of Ishpeming
Change in Fund Balance
202-Major Street Fund
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be hereby modified as follows:

| | Actual | | 2017 | |
|-------------------------|-------------|------------|--------------|--|
| | 2014 | 2015 | 2016 | Original Budget Proposed Amendments Amended Budget |
| Revenue & Transfers In | \$ 933,725 | \$ 506,863 | \$ 1,723,764 | \$ 430,100 |
| Expense & Transfers out | (1,049,399) | (480,856) | (1,749,771) | (437,156) |
| Net Income/(Net Loss) | (115,674) | 26,007 | (26,007) | (7,056) |
| Beginning Fund Balance | 115,674 | - | 26,007 | - |
| Ending Fund Balance | \$ - | \$ 26,007 | \$ - | \$ (7,056) |
| | | | | \$ 52,724 |
| | | | | \$ 45,668 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|---------------------|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000061 | | | | | | | |
| 202 000-687-000 | 6/30/2017 | READY ST REIMBURSEM | 45,500.00 | 10,000.00- | 0.00 | 55,500.00- | 55,500.00- |
| STATE REVENUE | | | | | | | |
| 202 000-688-000 | 6/30/2017 | EST ACT 51 INCREASE | 83,000.00 | 340,000.00- | 0.00 | 423,000.00- | 268,302.53- |
| ACT 51 MTF & LRP - GAS & WT | | | | | | | |
| 202 000-689-000 | 6/30/2017 | INCREASED SNOW PMT | 23,554.00 | 48,000.00- | 0.00 | 71,554.00- | 0.11- |
| MI GRANT - SNOW FUND | | | | | | | |
| 202 451-801-000 | 6/30/2017 | 451 - CONSTRUCTION | 5,000.00 | 0.00 | 0.00 | 5,000.00 | 2,629.25 |
| PROFESSIONAL SERVICES | | | | | | | |
| 202 452-801-000 | 6/30/2017 | 452 - PINE ST | 30.00 | 0.00 | 0.00 | 30.00 | 0.00 |
| PROFESSIONAL SERVICES | | | | | | | |
| 202 463-805-000 | 6/30/2017 | 463 - ROUTINE MAINT | 44,000.00 | 0.00 | 0.00 | 44,000.00 | 175.00 |
| CONTRACTUAL SERVICES | | | | | | | |
| 202 488-702-132 | 6/30/2017 | 488 - M-28 SWEEP/FL | 650.00 | 100.00 | 0.00 | 750.00 | 313.22 |
| SALARIES | | | | | | | |
| 202 488-725-000 | 6/30/2017 | 488 - M-28 SWEEP/FL | 650.00 | 100.00 | 0.00 | 750.00 | 375.95 |
| FRINGE BENEFITS | | | | | | | |
| 202 496-801-000 | 6/30/2017 | 496 - M-28 CULVERTS | 4,500.00 | 0.00 | 0.00 | 4,500.00 | 4,500.00 |
| PROFESSIONAL SERVICES | | | | | | | |
| 202 496-805-000 | 6/30/2017 | 496 - M-28 CULVERTS | 44,500.00 | 0.00 | 0.00 | 44,500.00 | 44,500.00 |
| CONTRACTUAL SERVICES | | | | | | | |
| TOTAL NO. ADJUSTMENTS--REVENUE: | | | | | 3 | 152,054.00 | } 52,724 |
| TOTAL NO. ADJUSTMENTS--EXPENSE: | | | | | 7 | 99,330.00 | |
| TOTAL IN PACKET-- | | | | | | 251,384.00 | |

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

City of Ishpeming
Change in Fund Balance
203-Local Street Fund
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be hereby modified as follows:

| | Actual | | 2017 | |
|-------------------------|------------|------------|------------|-----------------|
| | 2014 | 2015 | 2016 | Original Budget |
| Revenue & Transfers In | \$ 541,611 | \$ 259,559 | \$ 252,066 | \$ 243,500 |
| Expense & Transfers out | (295,611) | (285,415) | (353,496) | (340,370) |
| Net Income/(Net Loss) | 246,000 | (25,856) | (101,430) | (96,870) |
| Beginning Fund Balance | 56,599 | 302,599 | 276,743 | 175,313 |
| Ending Fund Balance | \$ 302,599 | \$ 276,743 | \$ 175,313 | \$ 78,443 |
| | | | | \$ 17,750 |
| | | | | \$ 17,750 |
| | | | | \$ 261,250 |
| | | | | (340,370) |
| | | | | (79,120) |
| | | | | 175,313 |
| | | | | \$ 96,193 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|---------------------|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000000 | | | | | | | |
| 203 000-665-000 | 6/30/2017 | | 20.00 | 0.00 | 0.00 | 20.00- | 6.01- |
| INTEREST EARNED | | | | | | | |
| 203 000-689-000 | 6/30/2017 | ADDITIONAL SNOW FUN | 17,730.00 | 40,000.00- | 0.00 | 57,730.00- | 0.86- |
| MI GRANT - SNOW FUNDS | | | | | | | |
| 203 463-702-000 | 6/30/2017 | 463 - ROUTINE MAINT | 6,100.00- | 12,800.00 | 0.00 | 6,700.00 | 5,112.64 |
| SALARIES | | | | | | | |
| 203 463-709-000 | 6/30/2017 | 463 - ROUTINE MAINT | 100.00 | 100.00 | 0.00 | 200.00 | 17.90 |
| OVERTIME | | | | | | | |
| 203 474-702-000 | 6/30/2017 | 474 - TRAFFIC SERVI | 250.00- | 5,600.00 | 0.00 | 5,350.00 | 3,138.39 |
| SALARIES | | | | | | | |
| 203 474-709-000 | 6/30/2017 | 474 - TRAFFIC SERVI | 250.00 | 100.00 | 0.00 | 350.00 | 35.61 |
| OVERTIME | | | | | | | |
| 203 478-702-000 | 6/30/2017 | 478 - WINTER MAINT | 6,000.00- | 49,000.00 | 0.00 | 43,000.00 | 22,667.76 |
| SALARIES | | | | | | | |
| 203 483-702-000 | 6/30/2017 | 483 - ADMINISTRATIO | 12,000.00 | 0.00 | 0.00 | 12,000.00 | 5,033.29 |
| SALARIES | | | | | | | |
| TOTAL NO. ADJUSTMENTS--REVENUE: | | | | | | 2 | 17,750.00 |
| TOTAL IN PACKET-- | | | | | | | 17,750.00 |

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

City of Ishpeming
Change in Fund Balance
220-Lake Bancroft
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be hereby modified as follows:

| | Actual | | 2016 | | 2017 | |
|-------------------------|-----------|-----------|-----------|-----------------|---------------------|----------------|
| | 2014 | 2015 | 2016 | Original Budget | Proposed Amendments | Amended Budget |
| Revenue & Transfers In | \$ 313 | \$ 31 | \$ 217 | \$ 20 | \$ - | \$ 20 |
| Expense & Transfers out | (1,205) | (1,026) | - | (1,100) | (6,100) | (7,200) |
| Net Income/(Net Loss) | (892) | (995) | 217 | (1,080) | (6,100) | (7,180) |
| Beginning Fund Balance | 12,720 | 11,828 | 10,833 | 11,050 | - | 11,050 |
| Ending Fund Balance | \$ 11,828 | \$ 10,833 | \$ 11,050 | \$ 9,970 | \$ (6,100) | \$ 3,870 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|-----------------------|------------|--------------------|-------------------------|-----------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000063 | | | | | | | |
| 220 772-740-000 | 6/30/2017 | | 4,200.00 | 100.00 | 0.00 | 4,300.00 | 38.31 |
| | | OPERATING SUPPLIES | | | | | |
| 220 772-801-000 | 6/30/2017 | | 1,700.00 | 0.00 | 0.00 | 1,700.00 | 50.00 |
| | | PROFESSIONAL SERVICES | | | | | |
| 220 772-850-000 | 6/30/2017 | | 200.00 | 0.00 | 0.00 | 200.00 | 49.30 |
| | | COMMUNICATIONS | | | | | |
| TOTAL NO. ADJUSTMENTS--EXPENSE: | | | | | 3 | 6,100.00 | |
| TOTAL IN PACKET-- | | | | | | <u>6,100.00</u> | |

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

City of Ishpeming
Change in Fund Balance
401-Public Improvement Fund
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be hereby modified as follows:

| | Actual | | 2017 | |
|-------------------------|------------|------------|------------|-----------------|
| | 2014 | 2015 | 2016 | Original Budget |
| Revenue & Transfers In | \$ 603,897 | \$ 573,774 | \$ 616,147 | \$ 617,770 |
| Expense & Transfers out | (846,360) | (533,724) | (702,625) | (613,415) |
| Net Income/(Net Loss) | (242,463) | 40,050 | (86,478) | 4,355 |
| Beginning Fund Balance | 495,040 | 252,577 | 292,627 | 206,149 |
| Ending Fund Balance | \$ 252,577 | \$ 292,627 | \$ 206,149 | \$ 210,504 |
| | | | | \$ (47,090) |
| | | | | \$ 163,414 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

BUDGET ADJUSTMENT REGISTER

PAGE:

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|-------------------------------|-----------|---------------------|------------|-----------------|----------------------|-------------|----------------|
| Budget Adj. # 000066 | | | | | | | |
| 401 000-402-000 | 6/30/2017 | | 43,430.95- | 468,500.00- | 0.00 | 425,069.05- | 0.00 |
| REAL PROPERTY TAXES | | | | | | | |
| 401 000-420-000 | 6/30/2017 | | 170.00 | 0.00 | 0.00 | 170.00- | 0.23- |
| DELINQUENT PERSONAL TAXES | | | | | | | |
| 401 000-434-000 | 6/30/2017 | | 30.00 | 6,670.00- | 0.00 | 6,700.00- | 0.67- |
| SPECIFIC ORE TAX | | | | | | | |
| 401 000-440-000 | 6/30/2017 | | 14,528.99 | 0.00 | 0.00 | 14,528.99- | 0.00 |
| LOCAL COMM. STABILIZATION TAX | | | | | | | |
| 401 000-675-000 | 6/30/2017 | | 10,677.00 | 0.00 | 0.00 | 10,677.00- | 9,499.92- |
| CONTRIB. FROM PRIVATE SOURCE | | | | | | | |
| 401 000-680-000 | 6/30/2017 | | 9,435.00 | 0.00 | 0.00 | 9,435.00- | 0.00 |
| MISCELLANEOUS | | | | | | | |
| 401 000-699-101 | 6/30/2017 | | 130,000.00 | 0.00 | 0.00 | 130,000.00- | 130,000.00- |
| TRANSFER IN - GENERAL FUND | | | | | | | |
| 401 253-971-000 | 6/30/2017 | 253 - FINANCE | 7,000.00 | 0.00 | 0.00 | 7,000.00 | 29.28 |
| LAND PURCHASE | | | | | | | |
| 401 265-976-001 | 6/30/2017 | 265 - CITY HALL & G | 10,000.00- | 30,000.00 | 0.00 | 20,000.00 | 19,088.00 |
| BLDG. IMPROVEMENTS-CITY HALL | | | | | | | |
| 401 276-974-001 | 6/30/2017 | 276 -CEMETERY | 7,000.00- | 9,000.00 | 0.00 | 2,000.00 | 2,000.00 |
| LAND IMPROVEMENTS | | | | | | | |
| 401 276-975-000 | 6/30/2017 | 276 -CEMETERY | 4,500.00 | 1,500.00 | 0.00 | 6,000.00 | 3,300.00 |
| BUILDING IMPROVEMENTS | | | | | | | |
| 401 276-979-001 | 6/30/2017 | 276 -CEMETERY | 2,500.00 | 0.00 | 0.00 | 2,500.00 | 1,000.00 |
| VETERAN MARKERS | | | | | | | |
| 401 301-975-000 | 6/30/2017 | 301 - POLICE | 5,000.00 | 5,000.00 | 0.00 | 10,000.00 | 5,898.98 |
| BUILDING IMPROVEMENTS | | | | | | | |
| 401 301-981-001 | 6/30/2017 | 301 - POLICE | 5,000.00- | 45,000.00 | 0.00 | 40,000.00 | 8,794.00 |
| SPORT UTILITY VEHICLE | | | | | | | |
| 401 336-984-004 | 6/30/2017 | 336 - FIRE | 5,000.00- | 5,000.00 | 0.00 | 0.00 | 0.00 |
| VOLUNTEER LONGEVITY | | | | | | | |
| 401 441-976-001 | 6/30/2017 | 441 - PUBLIC WORKS | 130,000.00 | 0.00 | 0.00 | 130,000.00 | 501.00 |
| LOADER W/ATTACHMENTS | | | | | | | |
| 401 441-976-003 | 6/30/2017 | 441 - PUBLIC WORKS | 90,000.00 | 0.00 | 0.00 | 90,000.00 | 90,000.00 |
| PICKUP | | | | | | | |

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|---|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000066 | | | | | | | |
| 401 441-976-015 | 6/30/2017 | 441 - PUBLIC WORKS MISCELLANEOUS EQUIPMENT | 8,500.00 | 0.00 | 0.00 | 8,500.00 | 6,500.00 |
| 401 752-971-000 | 6/30/2017 | NON-MOTORIZED CONNE LAND IMPROVEMENT | 30,000.00 | 0.00 | 0.00 | 30,000.00 | 30,000.00 |
| 401 805-972-000 | 6/30/2017 | 805 - CONTRACTUAL DEMOLITION | 7,000.00- | 30,000.00 | 0.00 | 23,000.00 | 11,516.66 |
| 401 805-974-000 | 6/30/2017 | 805 - CONTRACTUAL CURBS | 5,000.00- | 10,000.00 | 0.00 | 5,000.00 | 4,895.00 |
| 401 805-974-001 | 6/30/2017 | 805 - CONTRACTUAL SIDEWALKS | 20,000.00- | 40,000.00 | 0.00 | 20,000.00 | 16,048.00 |
| 401 965-999-404 | 6/30/2017 | 965 - TRANSFERS OUT TRANSFER OUT - WATER SYSTEM IM | 50,000.00- | 50,000.00 | 0.00 | 0.00 | 0.00 |
| TOTAL NO. ADJUSTMENTS--REVENUE: | | | | | | 7 | 121,410.04 |
| TOTAL NO. ADJUSTMENTS--EXPENSE: | | | | | | 16 | 168,500.00 |
| TOTAL IN PACKET-- | | | | | | | 289,910.04 |

2 (47,090)

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

City of Ishpeming
Change in Fund Balance
590-Sewer Fund
12/31/XX

WHEREAS, budgets were adopted by the City Council on **November 29, 2016**, to govern the receipts and expenditures of the various City funds for the next fiscal year; and

WHEREAS, as a result of unanticipated changes in revenues and/or needed expenditures, it is necessary to modify the aforesaid budget; and

WHEREAS, such modification will still maintain a balanced budget between revenues and expenditures as required by P. A. 621 of 1978.

NOW THEREFORE, BE IT RESOLVED that the aforesaid budget be herby modified as follows:

| | Actual | | 2017 | | |
|-------------------------|--------------|--------------|--------------|-----------------|---------------------------------------|
| | 2014 | 2015 | 2016 | Original Budget | Proposed Amendments Amended Budget |
| Revenue & Transfers In | \$ 1,357,915 | \$ 1,698,318 | \$ 1,411,739 | \$ 1,378,900 | \$ 1,378,900 |
| Expense & Transfers out | (2,195,067) | (1,342,739) | (1,504,240) | (1,355,372) | (1,355,372) |
| Net Income/(Net Loss) | (837,152) | 355,579 | (92,501) | 23,528 | 23,528 |
| Beginning Fund Balance | 9,241,786 | 8,404,634 | 8,760,213 | 8,667,712 | 8,667,712 |
| Ending Fund Balance | \$ 8,404,634 | \$ 8,760,213 | \$ 8,667,712 | \$ 8,691,240 | \$ 8,691,240 |

Motion was made by _____, supported by _____, to adopt the foregoing resolution.

Ayes: _____

Nays: _____

Resolution duly adopted at the Ishpeming City Council regular meeting held on **July 12, 2017**.

Tammie Leece, City Clerk

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|----------------------|-----------|---|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| Budget Adj. # 000064 | | | | | | | |
| 590 543-707-000 | 6/30/2017 | 543 - CUSTOMER ACCT SALARIES - PART-TIME | 200.00 | 0.00 | 0.00 | 200.00 | 27.50 |
| 590 543-709-000 | 6/30/2017 | 543 - CUSTOMER ACCT OVERTIME | 200.00- | 1,000.00 | 0.00 | 800.00 | 380.42 |
| 590 543-740-000 | 6/30/2017 | 543 - CUSTOMER ACCT OPERATING SUPPLIES | 100.00 | 100.00 | 0.00 | 200.00 | 56.00 |
| 590 543-775-000 | 6/30/2017 | 543 - CUSTOMER ACCT REPAIR/MAINT. SUPPLIES | 100.00- | 400.00 | 0.00 | 300.00 | 200.00 |
| TOTAL IN PACKET-- | | | | | | <u>0.00</u> | |

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

| FUND ACCOUNT | DATE | DESCRIPTION | ADJUSTMENT | ORIGINAL BUDGET | PREVIOUS ADJUSTMENTS | NEW BUDGET | BUDGET BALANCE |
|---------------------------------|-----------|---------------------|------------|--------------------|-------------------------|---------------|-------------------|
| ----- | | | | | | | |
| 591 000-607-000 | 6/30/2017 | | 4,200.00- | 8,000.00- | 0.00 | 3,800.00- | 1,905.00- |
| TURN ON/OFF FEES | | | | | | | |
| 591 000-643-000 | 6/30/2017 | | 36,500.00- | 7,500.00 | 0.00 | 44,000.00 | 44,000.00 |
| REBATES & OTHER CREDITS | | | | | | | |
| 591 000-662-000 | 6/30/2017 | | 5,000.00- | 38,000.00- | 0.00 | 33,000.00- | 15,692.88- |
| PENALTIES | | | | | | | |
| 591 542-707-000 | 6/30/2017 | 542 - CUSTOMER ACCO | 200.00 | 0.00 | 0.00 | 200.00 | 27.50 |
| SALARIES - PART-TIME | | | | | | | |
| 591 542-709-000 | 6/30/2017 | 542 - CUSTOMER ACCO | 200.00- | 1,100.00 | 0.00 | 900.00 | 397.75 |
| OVERTIME | | | | | | | |
| TOTAL NO. ADJUSTMENTS--REVENUE: | | | | | | 3 | 45,700.00- |
| TOTAL IN PACKET-- | | | | | | | <u>45,700.00-</u> |

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***