

**THE CITY OF DEXTER
CITY COUNCIL MEETING
MONDAY, OCTOBER 10, 2016**

A. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:30 PM by Mayor Keough at the Dexter Senior Center located at 7720 Ann Arbor Street in Dexter, Michigan.

B. ROLL CALL: Mayor Keough	J. Carson	D. Fisher
	J. Knight	Z. Michels
	J. Smith	R. Tell

Also present: Courtney Nicholls, City Manager; Marie Sherry, Treasurer/Finance Director; Michelle Aniol, Community Development Manager; Dan Schlaff, Public Services Superintendent; Justin Breyer, Assistant to the City Manager; Carol Jones, Interim City Clerk; Chief Robert Smith, Dexter Area Fire Department; Patrick Droze, Orchard, Hiltz & McCliment; residents and media.

C. APPROVAL OF THE MINUTES

1. Regular City Council Meeting – September 26, 2016

Motion Smith; support Knight to approve the minutes of the September 26, 2016, Regular City Council Meeting as presented.

Unanimous voice vote approval.

D. PRE-ARRANGED PARTICIPATION

None

E. APPROVAL OF THE AGENDA

Motion Tell; support Smith to approve the agenda with additional information under the consent agenda of a change in the Bills and Payroll to include bond payments for a total \$344,819.78.

Unanimous voice vote approval.

F. PUBLIC HEARINGS

None

G. NON-ARRANGED PARTICIPATION

Roy Townsend, Managing Director of the Washtenaw County Road Commission, spoke about the upcoming .5 mill millage for four years on the November ballot. He also provided handouts on the Road Commission and the millage. Mr. Townsend noted that 20% of the money collected would go to non-motorized path improvements and all monies raised would stay in Washtenaw County.

H. COMMUNICATIONS:

1. Upcoming Meeting List
2. Sign Calendar

I. REPORTS

1. Public Services Superintendent – Dan Schlaff

Mr. Schlaff submits his written report as per packet. Mr. Schlaff gave the following updates and answered questions:

- Staff would like to do a contract extension with Bio Tech rather than bid it out. Bio Tech has indicated that they would prefer a 3-year contract. Their current contract is for \$0.0342 per gallon and that would change to \$0.39 per gallon. I am asking for feedback. Discussion followed with a suggestion of looking at a 5-year extension of the contract.
- Question – You ordered a new Billy Goat, what is it? (Something used to clean up leaves in the downtown area.)
- Question – What is going on with the blowers? (The company sent the wrong filter in the correct box and had to have the proper one sent over night.)
- Question – How is NUBCo doing? (The Cambrian System is in place and running smoothly.)
- Question – Have road repairs been completed? (They were here today doing power washing, etc. I hope they will finish this week.)
- We have also been working on flushing hydrants.

2. Community Development Manager – Michelle Aniol

Ms. Aniol submits her report as per packet. Ms. Aniol gave the following updates and answered questions:

- At the last Planning Commission meeting, Grandview Commons asked for a discussion on tree removal and replacement on the property. They are also asking for proposed contribution to the Tree Fund of \$100 per tree rather than the required \$250. Discussion followed.
- Ms. Aniol reported on the conversion of Mill Creek Sport Center into a kayak launch with beer garden and outdoor seating. The current building will come down and they will construct a new building but not as deep as the current footprint.
- Question - How can the liquor license be granted in Webster and be used in Scio/City? (The applicant is getting more information.). Discussion followed.

- Received an email from MC3 regarding installing directional signage for Bishop Circle East and West as MC3 staff are often being interrupted and asked for directions. Discussion followed.
- Staff received a request from a resident of Dexter Crossing for tree trimming in the right-of-way. I received a quote of around \$3,500 and will work with Kurt and Dan on coordinating the project.

3. Boards, Commissions. & Other Reports-“Bi-annual or as needed”

Gateway Initiative (Big 400) – Carol Jones

Ms. Jones gave a brief description of the event “Cranes, Colors & Cabernet Festival (and Cider too!) on Saturday, October 15, 2016 that will highlight the fall activities of the Big 400.

Washtenaw Area Transportation Study Policy Committee (WATS) – Jim Carson

Mr. Carson spoke of the Resolution of Support for Regional Transit in Southeast Michigan. He stated that he was not asking for support of the resolution from the City of Dexter, but that he wanted to present the information because it is a tax increase and will come before WATS at their next meeting. Discussion followed.

4. Subcommittee Reports

Facilities – Mr. Smith reported that the next Facilities Committee meeting will be Friday, October 21, 2016 at 9 AM at the City Office.

5. City Manager Report

Ms. Nicholls submits her report as per packet. Ms. Nicholls gave the following updates and answered questions:

- Mr. Breyer has been beating the bushes for voter registration. The last day to register to vote is October 11. Absentee ballots can be requested until 4 PM, Monday, November 7.
- Included in the packet is the Retiree Health Care Valuation which is 41% funded. With the recent payment, we should be closer in funding the liability.
- Lacaria is in town starting the sidewalk project.
- I have a request from a resident for a stop sign and Second and Edison. I will do some data collection and work with OHM to conduct a traffic study.
- Had a call from a resident on Lake Street that Comcast was implementing a data cap on home internet. As this is not the City’s jurisdiction, it was suggested that the resident contact their State Representative.
- I participated in a conference call to DTE along with Mr. Keough and Mr. Munzel regarding the sub-station demolition.
- Mr. Breyer reported on the First Street Park meeting on Sunday (October 9). About 40 people showed up and the interns will analyze the data that they collected that day.
- We had a good weather on Saturday (October 8) at the Mill Creek Park Work Day.
- Question – Why is there all of the tape in Lion’s Park? (Doing seeding and spreading of mulch. There was an area left as an entry to the park.)
- Comment – Mr. Tell spoke of issues with electrical lines behind his house that are arcing.

- Comment – A request was made for a budget review work session at the October 24 meeting.
- Question – Did you get any feedback on the proposed DPW signage? (Yes, one comment about the lettering being too light.)

6. Mayor's Report

Mr. Keough submits his report as per packet. Mr. Keough gave the following updates and answered questions:

- I anticipate the proposed budget for the Fire Department at the October 20 DAFD meeting. I will get that document to Council as it is available.
- I am working setting up a meeting with a candidate for the Arts, Culture & Heritage Committee.
- Question – When will we have another meeting on 3045 Broad Street? (We anticipate having information back from Foremost by October 20 and then scheduling a public meeting sometime during the week of October 31.)

J. CONSENT AGENDA

1. Consideration of: Bills and Payroll in the amount of \$344,819.78

Motion Fisher; support Smith to approve item 1 of the Consent Agenda.

Unanimous voice vote approval.

K. OLD BUSINESS-Consideration and Discussion of:

None

L. NEW BUSINESS-Consideration of and Discussion of:

1. Consideration of: Scope of Services from OHM for Drainage Study

Motion Fisher; support Carson to approve the scope of services from Orchard. Hiltz and McCliment for a drainage study at Third and Broad Streets in an amount not to exceed \$4,000.

Ayes: Tell, Carson, Michels, Smith, Fisher, Knight and Keough

Nays: None

Motion carries

2. Discussion of: Water Reliability Study

Mr. Droze spoke about the completed Water Reliability Study which is required every five years. It looks at the demand on the system now, what has changed and what the future may hold. It was noted that significant improvements have been made since the previous study and the system is in very good shape overall.

It is recommended to replace the 4” main on Grand Street and the old mains on Second Street and Baker Road.

- Question – Do we have some cast iron pipes on Second Street and why weren’t they replaced? (Yes, there are some cast iron pipes, but we are getting good flows currently. The 8” will need to be replaced in the future.)
- Question – Do we have any lead pipes? (Not in the distribution pipes. However, there may be some lead in service pipes, but they should be coated.)
- Question – Are you happy with the report? (Ms. Nicholls reported that staff has reviewed the report and are happy with it.)

3. Discussion of: Planned Unit Development Ordinance

A discussion was held on the PUD Amendment regarding the change of lot coverage and its relation to a major or minor amendment. More information will be gathered and brought back to Council.

M. COUNCIL COMMENTS

- Tell None
- Fisher None
- Carson None
- Jones Another history note – Old Wooden Row (first called Peanut Row) lasted until 1941 from Broad to Central Streets with the exception of the corner brick building. The wooden buildings were raised for a Kroger Store, next it became Dancer’s Department Store, then Huron Camera and now 3bird.
- Smith None
- Knight None
- Michels When looking on Zillow, noticed that housing in Dexter is expensive. We should be looking to see how we can keep housing in the City affordable. Do we have a Sister City? (Yes, it is Oferdingen, Germany.) Maybe we can have a competition among neighboring communities for getting out the vote.

N. NON-ARRANGED PARTICIPATION

None

O. ADJOURNMENT

Motion Smith; support Fisher to adjourn at 9:31 PM.

Unanimous voice vote approval.

Respectfully submitted,

Carol J. Jones
Interim Clerk, City of Dexter

Approved for Filing: _____

submitted by: Dan Kauling

Agenda: 10/24/2016
Item: D-1

RECEIVED

DEXTER SIDEWALK PLAN ALTERNATIVES

OCT - 6 2016

CITY OF DEXTER

Dexter residents who responded to the 2011 Master Plan Update Survey were asked in one part of the survey, "How important should each of the following be to the Village of Dexter government?". They were given 19 issues to rate in importance. The item that received the "most important" rating out of all 19 issues was "Pedestrian and bicycle pathways".

Many cities have sidewalks on only one side of the street to lower the initial cost of construction and the cost of maintenance, while still providing safety and the ability to walk places for residents and visitors. It is an objective of the City, as outlined in the Master Plan, to make sure that every street in the City has at least a sidewalk on one side of the street. With that in mind, Dexter needs a plan to reach that objective.

The current plan is to have a requirement that new construction requires sidewalks to be put in. This requirement does not go very far in reaching the objective of providing for the safety and the ability to walk anywhere in the City for its residents and visitors. It will result in a patchwork of sidewalks on streets that currently have no sidewalks. Some of that patchwork will be on one side of the street and some on the other. This patchwork does not provide any useful passage for individuals, while increasing the cost of construction and possibly discouraging the development of new houses on available empty lots. We should be encouraging new construction because it will result in a substantial increase in taxes, which will increase the income to the City.

With the above in mind, the following proposal is suggested. On streets with sidewalks or substantial partial sidewalks on the side of the street that the new construction is on, the developer of that lot would be required to put sidewalks on that side of the street on their lot, if there is no current sidewalk on the lot. This would be the same as has been the practice currently.

The change in policy would take place on streets that have no sidewalks, or that have only partial sidewalks on the opposite side of the street. On these streets, the lot developer would be assessed \$1,000 (or an amount to be determined by the Council) to be contributed to a sidewalk fund for that street. Each resale house on that street would also be assessed \$500 (or an amount to be determined) to be contributed to the sidewalk fund for that street. Also, when a permit is issued for improvements to an existing property on that street, a \$500 (or an amount to be determined) assessment for that street's sidewalk fund would be required. Other residents, who desire a sidewalk on that street could also voluntarily contribute to the sidewalk fund for that street. After the fund reached a certain amount (to be determined by the City Council), the City would put a sidewalk on that street into their budget for the next year. The City Engineer would determine which side of the street the sidewalk would be installed.

OPTION 2:

Another approach would be to do a special sidewalk assessment, which might be added to taxes over a period of years. This may have to be approved by voters, but since pedestrian and bicycle pathways was top rated on the survey, we may find that this could get approved. The advantage of making it part of taxes is that it would be tax deductible on federal tax returns, thus lowering the cost to residents.

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OFFICE OF THE CITY MANAGER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

Memorandum

To: Mayor Keough and City Council

From: Courtney Nicholls, City Manager
Justin Breyer, Assistant to the City Manager

Re: Pre-Arranged Participation: First Street Park

Date: October 18, 2016

In July 2016, staff interviewed several candidates to assist with developing an area plan for First Street Park. The purpose of the First Street Park Plan is to guide future investment in that Park. Yuchen Ding and Sara Pizzo, both University of Michigan Master of Planning students, were brought on board as interns to develop the plan. Through meetings with staff, the interns developed a process to solicit stakeholder and public input.

To date, Sara and Yuchen have: conducted background research on First Street Park, met with parks professionals regarding design standards, met with the Parks and Recreation Commission and Planning Commission, hosted a public meeting at First Street Park, and met with community stakeholder groups. They are now coming before City Council to present the feedback collected thus far and to gather feedback to be incorporated in the First Street Park Plan.

First Street Park Project

City Council Meeting

Date: October 24, 2016

Overview of Park History

- On February 22, 1988, the City (then Village) entered into an Exchange Agreement with Edward and Donna Palmer in which the Palmer's conveyed 0.94 acres of property to the Village in exchange for Village vacating a portion of First Street, a public alley and an easement area. This exchange of property facilitated the development of Cottonwood Condos. Staff had OHM transcribe the legal description (in 2015) and discovered that a portion of First Street, from Cottonwood Condos to its terminus behind the Adair Printing building, had already been vacated.
- On June 22, 1998, the Village Council designated the 0.94 acres, formerly known as the Palmer Property, as Village park land. It should be noted, this designation does not mean land use approval had been granted.
- On April 3, 2006, the Parks Commission requested special land use approval for the 0.94-acre Village owned property, previously designated as Village parkland, for park use. The property was zoned R-3 Multiple Family Residential. Park use was a special land use in the R-3 Zoning District. The purpose of the request was due to the Dexter Ringers asking the Parks Commission if the group could construct horseshoe pits in the park. Staff noted in her memo the following:
 - Any conditions of approval would be placed on the Parks Commission
 - The Parks Commission would have to work with the Dexter Ringers to meet the conditions of approval
 - Additional funding requests would have to be made to the Village Council, if desired by the Parks Commission
- On April 3, 2006, the Planning Commission recommended that the Village Council approve the Special Land Use application submitted by the Parks Commission to officially designate First Street Park and to permit the Dexter Ringers to construct horseshoe pits at the park, subject to the following conditions:
 - The hours of operation of First Street will be from dawn to dusk;
 - The DPW to install a "private property—no trespassing" sign at the Cottonwood Condos property line; and
 - The Parks Commission should consider adding a split rail fence along the railroad tracks and should work with the Dexter Ringers to determine how the bathroom situation is to be addressed. A fence and bathroom should be added to the Park Commission's CIP. The Planning Commission also granted a request to waive landscaping requirements, in accordance with Article VI, Landscaping.

- On April 10, 2006, Village Council approved recommendation (requested by the Parks and Recreation Commission) to grant special land use approval for the end of Edison Street.
- On May 1, 2013, Village Council discussed the “need for improvements to Horseshoe Park”; the “need for seed money to begin building a shelter and storage facilities,” and estimated the cost between \$3,000 and \$5,000, during a budget work session.
- On May 21, 2013, the Community Development Manager (at that time) updated the Parks and Recreation Commission regarding cleanup of “Horseshoe Park,” following up on an apparent discussion at the PaRC’s April 2013 meeting. In addition, the PaRC was provided with a rendering of a 20’x20’ shelter on a concrete slab.
- On May 22, 2013, Village Council discussed “improvements to Horseshoe Park,” during a budget work session.
- On June 10, 2013, Village Council discussed “improvements to Horseshoe Park,” during its public hearing to consider the budget for FY 2013-14.
- On June 24, 2013, Village Council, in a 3-2 vote, approved \$5,000 for the First Street Park shelter.
- On January 25, 2016, City Council approved rezoning from R-3 Multiple Family Residential to PP Public Park.
- On March 2, 2016, City Council discussed the First Street Park shelter and was interested in seeing a strategic plan for the park before approving the expenditure for the structure.
- On June 22, 2016, City Council approved \$15,000 in the FY 2016-17 budget for First Street Park improvements.

Stakeholder Input

Planning Commission

- Motion-activated lights (to improve safety for police officers without attracting people to the park at night)
- General clean-up to improve park aesthetic (i.e. remove broken patio furniture)
- Legal Concerns
 - Organized groups should be required to pay a fee for hosting events in the park
 - Groups who use the park regularly need to have a permit and insurance
 - Groups who have alcohol in the park must have a permit
 - Contracted parties should be the only group authorized to build a pavilion (or other park assets), unless a community-build-day is organized
- Note: There were mixed feelings regarding improving the park for horseshoe use at the September 6th Planning Commission meeting. A few commissioners were in support of horseshoes (assuming legal concerns were addressed); however, one commissioner felt that the Ringers should go elsewhere and did not want the city to spend \$15,000 for major improvements.

Parks and Recreation Commission

- Signage design
 - Add a park sign consistent with the design of park signs in either Mill Creek Park or Dexter Community Park
 - Use sign to display park hours
- Utilize the official horseshoes pits design standards in terms of dimensions (for either leisure or tournament use)
- Count the exact number of users on league and tournament days (Wednesday evenings and Saturdays). *However, league games and tournaments are over for this season.
- Design the park to be multipurpose
 - A popular place for nearby workers (i.e. truck drivers; DTE substation employees) to take a lunch break
- Enhance visibility at night for security purposes (without attracting people to the park)

Sergeant at the Washtenaw County Sheriff's Office

- Visibility should be improved so that the park can be observed from a greater distance
- Lighting for police officer safety for night time patrolling and investigation purposes

Input from Dexter Residents (through survey and First Street Park Event Oct. 9)

- Add Pavillion/gazebo
- Add better park signage
- Improve the picnic facilities and concentrate in one area
- Keep wooded area (add possible trail?) and keep the grassy area
 - Decrease noise by having more trees
 - No more concrete paved area
- Keep the park low use (no desire for development)

- Improve safety
 - Prevent drug use
 - Install sign indicating park hours
- Upgrade facilities
 - No more plastic chairs left in the park
 - Use Mill Creek as example for benches and signs, etc.
- Landscape along First Street edge to provide shade and to provide a buffer between park and DTE substation
- In addition to horseshoes, some other interested uses include:
 - Yoga
 - Chess
 - Dog Park

Dexter Ringers Representative

- 10 pairs of horseshoe pits (40 feet apart each) are needed to meet weekly needs (the additional 2 pairs at the southeast corner help with meeting tournament demand)
- Park assets include:
 - Horseshoe pits
 - Moveable tables and chairs
 - Tent (with hopes of being replaced by a pavilion) that provides shelter over food and papers
 - Picnic table with umbrella
 - Porta-potty
 - Fence and landscaping at park entrance to protect children from running into pits
- Desired improvements include:
 - Pavilion to serve as storage for chairs, rakes, shovels, and horseshoes as well as a sheltered area (open to a new design for the structure)
 - Improve safety with regard to horseshoes that are accidentally thrown past pits
 - Increase signage at park entrance (Second Street and Edison Street)

Questions or comments can be directed toward Sara Pizzo at srpizzo@umich.edu or Yuchen Ding at yuchend@umich.edu

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Meeting Calendar

Board	Date	Time	Location	Website	City Representative
Dexter Area Fire Board	10/20/2016	6:00 p.m.	Dexter Township Hall	http://dexterareafire.org/	Shawn Keough/Jim Carson
Downtown Development Authority	10/20/2016	7:30 a.m.	Dexter Senior Center	http://www.dextermi.gov	Shawn Keough
Facility Committee	10/21/2016	9:00 a.m.	City Offices	http://www.dextermi.gov	
Dexter Community Schools Board of Education	10/24/2016	7:00 p.m.	Creekside Intermediate School	http://dexterschools.org/	
Dexter City Council	10/24/2016	7:30 p.m.	Dexter Senior Center	http://www.dextermi.gov	
Western Washtenaw Area Value Express	10/25/2016	8:00 a.m.	Catherine Crippen Building	http://www.ridethewavebus.org/	Jim Carson
Election Commission	10/26/2016	3:00 p.m.	City Offices	http://www.dextermi.gov	
Huron River Watershed Council	10/27/2016	5:30 p.m.	1100 N. Main, Suite 210, Ann Arbor	http://www.hrwc.org/	Paul Cousins
Arts, Culture, and Heritage Committee	11/1/2016	6:30 p.m.	Dexter Senior Center	http://www.dextermi.gov	Donna Fisher
Washtenaw Area Transportation Study - Technical	11/2/2016	9:30 a.m.	200 N Main St., Basement	http://www.miwats.org/	Rhett Gronevelt
Dexter Area Historical Society Board	11/3/2016	7:00 p.m.	Dexter Area Historical Museum	http://dexterhistory.org	
Dexter District Library Board	11/7/2016	7:00 p.m.	Dexter District Library	http://www.dexter.lib.mi.us/	Pat Cousins
Planning Commission	11/7/2016	7:00 p.m.	Dexter Senior Center	http://www.dextermi.gov	Jim Smith
Election Day	11/8/2016	7:00 a.m.	Dexter Senior Center	http://www.dextermi.gov	
5H - Dexter Coalition	11/8/2016	5:30 p.m.	Dexter Wellness Center		Becky Murillo
CAPT/DART - As Needed	11/9/2016	7:00 p.m.	TBD	http://www.ewashtenaw.org/	Jim Carson
Dexter Area Chamber of Commerce	11/9/2016	5:30 p.m.	Payroll Vault, 7444 Ann Arbor St.	http://www.dexterchamber.org/	Julie Knight
Gateway Initiative (Big 400)	11/11/2016	9:30 a.m.	Waterloo Recreation Area		Paul Cousins, Carol Jones
Dexter Community Schools Board of Education	11/14/2016	7:00 p.m.	Creekside Intermediate School	http://dexterschools.org/	
Dexter City Council	11/14/2016	7:30 p.m.	Dexter Senior Center	http://www.dextermi.gov	

Due to the possibility of cancellations, please verify the meeting date with the listed website or City representative

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	Name of Group	Dates	Number Approved	Approval Date	Locations		Name of Group	Dates	Number Approved	Approval Date	Locations
January	Dexter Winter Marketplace-Farmers Market 2 X Mos.	1/4-1/9 & 1/18-1/23	2-2' X 3' & 3-18 X 24	9/8/2015	1,2,4,5,44	July	St. Andrews-American Red Cross Blood Drive	7/7-7/18	2-2' X 3'	9/17/2015	8 & 22
	St. Andrews-American Red Cross Blood Drive	12/28-1/4	2-2' X 3'	9/17/2015	8 & 22		Dexter Wellness-Monthly Community Walks	7/4-7/9	5 - 18 X 24	2/9/2016	1,2,4,5,44
	Dexter Community Players-Production of Avenue Q	1/9-1/23	2 - 18 X 24, 1 - 4' X 8'	11/12/2015	2 & 5		St. Joseph Festival Flea Market & Rummage Sale	6/26-7/10	5 - 18 X 24	3/30/2016	1,2,4,5,10
	K of C Ladies Auxiliary-Quarter Mania	1/13-1/21	4 - 18 X 24	1/13/2016	1,2,4,44		St. Joseph- Festival	7/5-7/18	5 - 18 X 24	3/30/2016	1,2,4,5,10
	K of C Ladies Auxiliary-Rummage Sale	1/21-2/6	5 - 18 X 24	1/15/2016	1,2,4,5,10		Dexter Wellness Coalition-Dexter Fitness Festival	7/1-7/14	5 - 18 X 24	5/16/2016	1,2,4,5,44
	Dexter Little League-Spring Registration	1/25-2/8	5 - 18 X 24	1/20/2016	1,2,4,5,44		Dexter Touchdown Club-Fundraising event golf outing		5 - 18 X 24	6/23/2016	1,2,4,5,44
	Friends of the Dexter District Library	1/3-1/10	5 - 18 X 24	1/20/2016	1,4,44,10,3		Dexter Youth Football League-Registration	7/22-8/3	5 - 18 X 24	6/24/2016	1,2,4,5,44
	St. Andrews-Monthly Dinners	1/26-2/4	1 - 2 X 3	1/26/2016	8		Dexter Community Players-Little Mermaid	7/5-7/17	2 - 3' X 4'; 1 - 4' X 8'	6/30/2016	1,2,3
							St. Andrews-Ice Cream Social	7/22-8/4	5 - 18 X 24	6/28/2016	1,2,4,5,44
February	Dexter Winter Marketplace-Farmers Market 2 X Mos.	2/1-2/6 & 2/15-2/20	2-2' X 3' & 3-18 X 24	9/8/2015	1,2,4,5,44		Dexter Soccer Club-Kickin it w/girls/Community Park	7/11-7/25	5 - 18 X 24	7/8/2016	1,2,4,5,44
	Dexter Community Orchestra Concerts	2/11-2/21	2 - 3' X 4'	9/28/2015	5 & 9		Educatius International-Families to host Internat'l Students	7/22-8/5	4 - 18 X 24	7/12/2016	2,4,5,44
	Dexter Drama Club-"Chicago"	1/30-2/14	2 - 2' X 4', 3 - 18 X 24	1/15/2016	1,2,4,44,10						
	Dexter Little League-Spring Registration	1/25-2/8	5 - 18 X 24	1/20/2016	1,2,4,5,44	August	Friends of the Dexter District Library	8/6-8/14	5 - 18 X 24	1/20/2016	1,4,44,10,3
	Friends of the Dexter District Library	1/31-2/7	5 - 18 X 24	1/20/2016	1,4,44,10,3		Dexter Wellness-Monthly Community Walks	8/8-8/13	5 - 18 X 24	2/9/2016	1,2,4,5,44
	St. Andrews-Monthly Dinners	1/26-2/4 & 2/23-3/3	1 - 2 X 3	1/26/2016	8		Dexter Wellness Coalition-Dexter Fitness Festival	8/1-8/14	5 - 18 X 24	5/16/2016	1,2,4,5,44
	Dexter Lacrosse Assoc.-Spring Registration Boys	2/9-2/23	4 - 18 X 24	2/5/2016	1,2,36,45		St. James Episcopal Church/Chicken Dinner	8/6-8/13	1 - 2' X 10'	6/20/2016	3279 Broad
	Dexter Wellness-Monthly Community Walks	2/8-2/13	5 - 18 X 24	2/9/2016	1,2,4,5,44		St. James Episcopal Church/Chicken Dinner	8/5-8/13	3 - 18 X 24	6/20/2016	1,4,5
	Dexter Little League-Final week Spring Registration	2/25-3/1	5 - 18 X 24	2/18/2016	1,2,4,5,44		Educatius International-Families to host Internat'l Students	7/22-8/5	4 - 18 X 24	7/12/2016	2,4,5,44
							Dexter Daze-Festival 8/12-8/13	8/7-8/14	5 - 18 X 24	7/21/2016	1,4,5,44,10
March	Dexter Winter Marketplace-Farmers Market 2 X Mos.	2/29-3/6 & 3/14-3/19	2-2' X 3' & 3-18 X 24	9/8/2015	1,2,4,5,44		St. Andrews-Monthly Dinners	8/25-9/8	1 - 2' X 3'	8/3/2016	8
	Friends of the Dexter District Library	2/28-3/6	5 - 18 X 24	1/20/2016	1,4,44,10,3		Great Day to be Alive-Rummage Sale	8/13-8/21	3-18X24 & 2-2'X3'	8/10/2016	1,2,4,44,10
	St. Andrews-Monthly Dinners	2/23-3/3 & 3/29-4/7	1 - 2 X 3	1/26/2016	8						
	Dexter Wellness-Monthly Community Walks	3/7-3/12	5 - 18 X 24	2/9/2016	1,2,4,5,44	September	St. Andrews-American Red Cross Blood Drive	9/8-9/19	2-2' X 3'	9/17/2015	8 & 22
	Peace Lutheran Church-Easter Egg Hunt	3/5-3/19	1 - 2' X 3"	2/19/2016	1		Dexter Wellness-Monthly Community Walks	9/5-9/10	5 - 18 X 24	2/9/2016	1,2,4,5,44
	Columbus Ladies Auxiliary-Quarter Mania	3/9-3/17	4 - 18 X 24	3/9/2016	1,2,4,44		St. Andrews-Monthly Dinners	9/22-10/6	1 - 2' X 3'	8/3/2016	8
							St. Vladimir/ 4th Annual Russian Festival	9/5-9/19	5 - 18 X 24	8/22/2016	1,2,4,5,44
April	Dexter Winter Marketplace-Farmers Market 2 X Mos.	3/28-4/2 & 4/11-4/16	2-2' X 3' & 3-18 X 24	9/8/2015	1,2,4,5,44		Michigan Ovarian Cancer Alliance-Turn the Town Teal	9/1-9/15	purple ribbons	8/17/2016	downtown
	St. Andrews-American Red Cross Blood Drive	4/7-4/18	2-2' X 3'	9/17/2015	8 & 22		Dexter Lions Club-Apple Daze	9/26-10/2	5 - 18 X 24	9/12/2016	2,4,5,44,10
	Friends of the Dexter District Library	3/27-4/3	5 - 18 X 24	1/20/2016	1,4,44,10,3		Webster United Church of Christ-Webster Fall Festival	9/12-9/25	5 - 18 X 24	9/12/2016	1,2,4,5,44
	St. Andrews-Monthly Dinners	3/29-4/7 & 4/26-5/5	1 - 2 X 3	1/26/2016	8		Columbus Ladies-Quarter Mania	9/8-9/22	2-2X3; 3-18X24	9/7/2016	1,2,4,44,10
	Dexter Wellness-Monthly Community Walks	4/4-4/9	5 - 18 X 24	2/9/2016	1,2,4,5,44		His Eye is on the Sparrow/5K Run Fundraiser/Hudson Mills	10/1-10/8	5 - 18 X 24	10/3/2016	1,2,4,5,44
	Red Cross/Blood Drive-In Memory of Jeremy Loy	4/15-4/26	5 - 18 X 24	4/14/2016	1,4,5,44,10		Dexter Drama Club-Treasure Island	10/12-10/24	3 - 18 X 24	10/3/2016	1,2,10
	Dexter Drama Club /Hercules	4/23-5/9	3-18X24 & 2-5X10	4/15/2016	1,2,4,44,10						
	Dexter United Methodist/Spring Rummage Sale	4/21-5/1	2-2X3 & 3-18X24	4/19/2016	1,2,5,44,10	October	Friends of the Dexter District Library	9/25-10/2	5 - 18 X 24	1/20/2016	1,4,44,10,3
							Dexter Wellness-Monthly Community Walks	10/3-10/8	5 - 18 X 24	2/9/2016	1,2,4,5,44
May	Dexter Community Orchestra Concerts	5/5-5/15	2 - 3' X 4'	9/28/2015	5 & 9		St. Andrews-Monthly Dinners	9/22-10/6	1 - 2' X 3'	8/3/2016	8
	Friends of the Dexter District Library	5/1-5/8	5 - 18 X 24	1/20/2016	1,4,44,10,3		St. Andrews/ Fall Rummage Sale	10/22-10/29	4 - 18 X 24	9/8/2016	1,2,4,44
	St. Andrews-Monthly Dinners	4/26-5/5	1 - 2 X 3	1/26/2016	8		Dexter K of C/Chicken Broil	9/30-10/10	5 - 18 X 24	9/19/2016	1,2,4,5,10
	Dexter Wellness-Monthly Community Walks	5/9-5/14	5 - 18 X 24	2/9/2016	1,2,4,5,44		Dexter American Legion/Saurerkraut Dinner	10/14-10/22	2 - 18 X 24	10/13/2016	1 & 44
	Ann Arbor Track Club-Dexter to Ann Arbor Run	5/22-6/6	5 - 18 X 24	3/28/2016	1,2,4,5,44		Dexter High School Boosters/Halloween Concert	10/20-10/26	2 - 2' X 3'	10/19/2016	1,4
	Dexter Area Historical Society/Railroad Workers Ball	5/27-6/13	5 - 18 X 24	4/11/2016	1,4,5,44,10						
	Gordon Hall-Train Days	5/27-6/13	5 - 18 X 24	4/11/2016	1,4,5,44,10	November	Friends of the Dexter District Library	10/30-11/6	5 - 18 X 24	1/20/2016	1,4,44,10,3
	Dexter Drama Club /Hercules	4/23-5/9	3-18X24 & 2-5X10	4/15/2016	1,2,4,44,10		Dexter Wellness-Monthly Community Walks	11/7-11/12	5 - 18 X 24	2/9/2016	1,2,4,5,44
	St. Joseph /Annual Plant Sale	5/3-5/15	5 - 18 X 24	4/20/2016	1,2,4,5,10		St. Andrews-Monthly Dinners	10/20-11/3	1 - 2' X 3'	8/3/2016	8
	Rotary Club/Memorial Day Parade	5/16-5/30	5 - 18 X 24	4/21/2016	1,2,4,44,10		Dexter Lions Club-Annual Christmas Tree Sale	11/25-12/23	1 - 2' X 4'	9/13/2016	1
	Ann Arbor Trout Unlimited-2016 Dexter Trout Fest	5/5-5/14	1 - 18 X 24	5/5/2016	55		Anne Young/ Dexter Winter Marketplace	11/7-11/12 & 11/21-11/26	3-18X24 & 2-2'X3'	10/5/2016	1,2,4,5,44
	St. Andrew's Church-Annual Rummage Sale	5/28-6/4	5 - 18 X 24	5/12/2016	1,2,4,5,10		Dexter Community Orchestra/ Monthly concerts	10/26-11/7	2- 3'X4'	10/13/2016	5 & 9
	Knights of Columbus-Memorial Day Chicken Broil	5/18-5/31	5 - 18 X 24	5/17/2016	1,2,4,5,44						
	Dexter Little League/Summer Baseball Registration	5/24-6/7	5 - 18 X 24	5/19/2016	1,2,4,5,44	December	Friends of the Dexter District Library	11/27-12/4	5 - 18 X 24	1/20/2016	1,4,44,10,3
							Dexter Wellness-Monthly Community Walks	12/5-12/10	5 - 18 X 24	2/9/2016	1,2,4,5,44
June	Dexter Community Orchestra Concerts	6/6-6/16	2 - 3' X 4'	9/28/2015	5 & 9		St. Andrews-Monthly Dinners	11/17-12/1	1 - 2' X 3'	8/3/2016	8
	Friends of the Dexter District Library	5/29-6/4	5 - 18 X 24	1/20/2016	1,4,44,10,3		Anne Young/ Dexter Winter Marketplace	12/5-12/10 & 12/26-12/31	3-18X24 & 2-2'X3'	10/5/2016	1,2,4,5,44
	Dexter Wellness-Monthly Community Walks	6/6-6/11	5 - 18 X 24	2/9/2016	1,2,4,5,44		Dexter Community Orchestra/ Monthly concerts	11/30-12/12	2- 3'X4'	10/13/2016	5 & 9
	Ann Arbor Track Club-Dexter to Ann Arbor Run	5/22-6/6	5 - 18 X 24	3/28/2016	1,2,4,5,44						
	St. Joseph Festival Flea Market & Rummage Sale	6/26-7/10	5 - 18 X 24	3/30/2016	1,2,3,4,10						
	Dexter Lion's Club/White Cane Days Fundraiser	6/17-6/18	5 - 2 X 3	4/8/2016	49,50,51,52,53						
	Dexter Soccer Club-Tryouts	6/4-6/20	5 - 2 X 3	5/5/2016	1,2,4,5,44						
	Dexter Wellness Coalition-Dexter Fitness Festival	6/1-6/14	5 - 18 X 24	5/16/2016	1,2,4,5,44						
	Dexter Little League/Summer Baseball Registration	5/24-6/7	5 - 18 X 24	5/19/2016	1,2,4,5,44						
	American Legion-Flea Market/Rummage Sale	6/17-6/25	5 - 18 X 24	6/1/2016	1,2,4,5,10						
	Dexter Touchdown Club-Fundraising event golf outing	6/28-7/12	5 - 18 X 24	6/23/2016	1,2,4,5,44						

Location Listing: 1 - Baker/Main, 2 - Central/Mill, 3 - Dexter Ann Arbor/Copeland, 4 - Main/Alpine, 5 - Baker/Cemetery, 6 - Monument Park, 7 - Creekside, 8 - 7610 Dexter Ann Arbor, 9 - Peace Park, 10 - Dexter Ann Arbor/Limits, 11 - Cornerstone, 12 - Bates, 13 - 3443 Inverness, 14 - 7720 Ann Arbor Street, 15 - S. Main/Broad, 16 - N. Main/Broad, 17 - Edison/Ann Arbor Street, 18 - Dover/Fifth, 19 - Central/Fifth, 20 - Broad/Fifth, 21 - Mill Creek Middle School, 22 - Fourth/Inverness, 23 - Dexter Bakery, 24 - Lighthouse, 25 - Dexter Pharmacy, 26-Warrior Creek Park Driveway, 27- Dexter Flowers, 28-Terry B's, 29-7795 Ann Arbor St, 30 - 7915 Fourth, 31 - 7651 Dan Hoey, 32 - Wylie, 33-Lions Park, 35-Dexter Crossing Entrance, 36 - Dan Hoey/Dexter Ann Arbor; 37 - Dover/Main, 38 - Fourth/Central, 39 - Baker/Hudson, 40 - Inverness/Ann Arbor, 41 - Main/Jeffords, 42 - Third/Broad; 43 - 3rd/Dover; 44 - Ryan/Dexter Ann Arbor, 45 - Meadowview/Dexter Ann Arbor, 46 - Ice Rink, 47-Dexter Mill/RR tracks, 48-7444 Dexter-Ann Arbor, 49-Post Office, 50-8135 Main-gas station, 51-Hackney, 52-TCF, 53-DQ, 54-Busch's 55-Mill Creek Park N.

** Dexter Farmers Market will place up to 5 signs on Friday, Saturday and Tuesday from May through October to advertise for the market ** Dexter Area Chamber will place 4 signs on Friday night to announce the summer series (1, 2, 5, 44)

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Report to the City Council Fourth Quarter Fiscal Year 2016-2017

I am pleased to present to Council the financial report for the City of Dexter, as well as the activity for the Treasurer/Finance Director's Office, for the Fourth quarter of Fiscal Year 2016-2017.

Activities Section

This report is intended to inform Council of activities throughout that may be of interest from a financial, operational or educational standpoint. Because it may address items included in the other two sections, it will go at the beginning of this report.

Revenue and Expenditure Section

Revenue and expenditure reports are used to track how the City is performing for a particular time period, as compared to its adopted budget. A general guideline is that each quarter represents 25% of the budget, although timing of receipts, projects or other types of expenses may cause a department to be over or under this guideline in any given quarter. If management is aware that a particular department or line item may become out of budgetary compliance, budget amendments will be submitted to Council for their consideration.

In its adopted budget document, the City identifies major funds, which are those funds that constitute more than 10% of the revenue and/or expenditures of the total appropriated budget or are of special interest to management. For the current fiscal year, these funds are the General Fund, Major Streets Fund, Local Streets Fund, Municipal Streets Fund, Solid Waste Fund, Sewer Fund and Water Fund. This report will present financial information for these funds on an individual basis, and will consolidate reporting for the City's non-major funds.

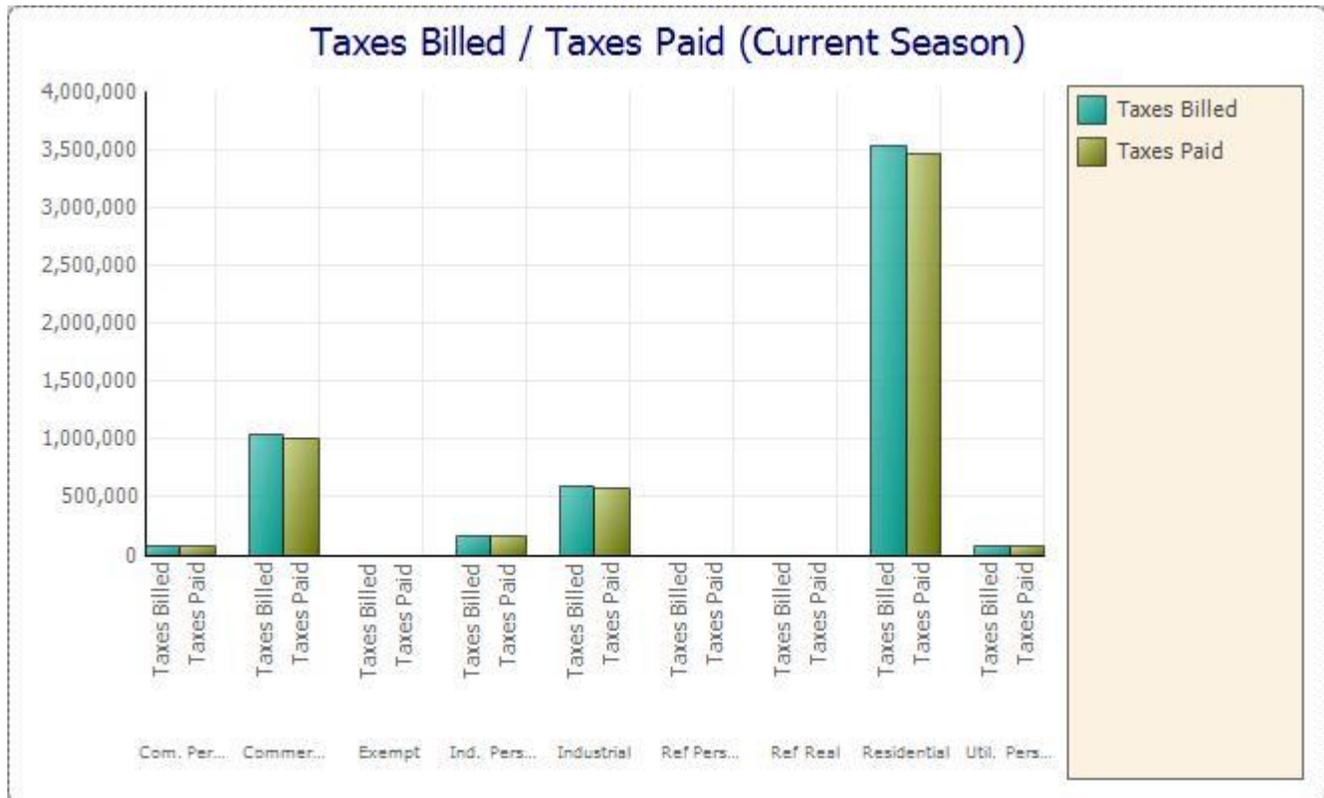
Cash Balances Section

Included in the financial section of this report are the City's cash balances, formatted by fund, which gives an overall picture of the cash flow available for the various activities. Some accounts are pooled, which means that the monies in those accounts are spread across several funds. Examples of this type of account are the Pooled Account and the Tax Savings Account. Included in this report is a table that shows available cash less the 15% fund balance that is set aside by budget policy, as well as the remaining expected revenue and expenditures for the fiscal year according to the revenue and expenditure reports.

Department Activities

2016 Tax Collection

Summer tax collection has been largely completed, with an overall payment rate of 97.55%. Reminder notices were sent to delinquent taxpayers shortly after the September 15th due date.



Winter tax bills will be mailed to taxpayers on or about December 1st, with a due date of February 15, 2017.

Postmarks and Tax Payments

About a dozen bills were received past the due date, which meant that they were late as the City no longer accepts postmarks. After receipt of a reminder notice for the penalty due, one of our taxpayers informed me that he had mailed the bill here in Dexter on September 12th and questioned its receipt on the 16th. His envelope was postmarked as "Metroplex MI" on the 14th. Research discovered that Metroplex MI is the Post Office's cancelling facility in Pontiac, and all of the late payments went to that same facility. So I am going to try to modify the tax bill message for winter to tell residents to allow five business days for delivery in hopes of avoiding Post Office generated delays and subsequent penalties to our taxpayers.

2017 Property Tax Multiplier

The inflation multiplier for 2017 has been set at 1.009 (.09%).

Personal Property Taxes

I have filed jeopardy tax assessments on three businesses in the City. A jeopardy tax assessment is a tool that allows a treasurer to put owners (and real estate agents) on notice that there are current and/or future personal property taxes due. The jeopardy assessment is filed with the County Register of Deeds, and it places a lien on the personal property so that it cannot be moved, sold, or disposed of in any way without the taxes first being paid.

Two of the assessments were filed on businesses that are currently for sale (Katie's has paid their summer taxes), and the third is on an active business that I had a problem collecting for the 2015 year. That assessment was filed for 2015 and 2016 combined, and the owner put on notice that if the 2016 taxes were not paid by February 15th, they would be subject to immediate seizure without further notice.

Fiscal Year 2015-2016 Audit

Fiscal Year 2015-2016 has been closed, and the audit process has been started. Fieldwork commences October 24th.

Fiscal Year 2016-2017 Budget Amendments

Staff will propose budget amendments for capital projects following the November 8, 2016 election. This election will determine where the funds for the Shield Road water main project will come from.

Education and Training

- In August, I attended the Association of Public Treasurers of the United States and Canada's national conference in Grand Rapids (presented jointly with the Michigan Municipal Treasurers Association). The conference was formatted with three tracks – cash management, investment management and technology. I was able to attend a nice assortment of sessions from across all three tracks, and conference speakers included fraud specialist Frank Abagnale (of the "Catch Me if you Can" fame), and representatives from agencies such as US Rural Development, the World Bank, and the Federal Reserve. The session on cyber threats given by an agent of the Federal Bureau of Investigations was particularly interesting.
- In September, I attended the Michigan Government Finance Officers Association's Fall Conference. The conference kicked off with legislative, election and economic updates, including a session by Lt Governor Brian Calley giving his thoughts on the status of our state and its future. We also heard from the Finance Director and the Treasurer of Detroit, who talked about the post-bankruptcy challenges that they face. This conference focuses more on the accounting and finance than treasury, and I have included in this report the power point from the bond rating session, as that is a topic that occasionally comes up in Council discussions.

Credit Cards

The City has been taking credit and debit card payments for three years now. We have seen a steady increase in credit and debit card use, especially for utility billing. Over the next few months I will be exploring whether or not there is a better alternative in regard to user fees than our current service provider.

Utility Bills	Transactions	Payments	Fees
06-01-2013 through 9-30-2013	10	1,825.68	58.50
10-1-2013 through 9-30-2014	79	15,103.78	483.00
10-1-2014 through 9-30-2015	137	26,869.63	819.00
10-1-2015 through 9-30-2016	260	82,187.09	2,520.00
	486	125,986.18	3,880.50

Taxes	Transactions	Payments	Fees
06-01-2013 through 9-30-2013	16	17,598.68	338.33
10-1-2013 through 9-30-2014	29	48,370.96	881.11
10-1-2014 through 9-30-2015	26	60,225.22	1,366.32
10-1-2015 through 9-30-2016	80	216,654.06	4,665.39
	151	342,848.92	7,251.15

Other	Transactions	Payments	Fees
06-01-2013 through 9-30-2013	18	3,548.00	117.00
10-1-2013 through 9-30-2014	52	6,287.00	214.50
10-1-2014 through 9-30-2015	51	12,126.61	391.50
10-1-2015 through 9-30-2016	68	21,923.00	685.50
	189	43,884.61	1,408.50

Note on tax payment amount: A large taxpayer paid their 2015 bill via credit card.

Union Negotiations

I am participating in the union negotiations for the upcoming contract renewal.

OPEB Investment Account Balance

Due to a good fourth quarter and the FY 16-17 contribution, the balance is currently above \$1M.

Committee Memberships

- Member of the Michigan Municipal League's Municipal Finance Committee.
- Member of the Michigan Municipal Treasurers Association's Fall Conference Committee
- Budget Reviewer for the Government Finance Officers Association's Distinguished Budget Award Program

Revenue and Expenditure Reports

General Fund 101

DESCRIPTION	2016-17		YTD BALANCE	AVAILABLE	% BDGT USED
	ORIGINAL BUDGET	2016-17 AMENDED BUDGET	09/30/2016	BALANCE	
			NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	
TOTAL Revenues	3,035,500.00	3,035,500.00	2,268,913.40	766,586.60	74.75
101-CITY COUNCIL	43,300.00	43,300.00	8,064.99	35,235.01	18.63
172-CITY MANAGER	331,500.00	331,500.00	80,937.63	250,562.37	24.42
201-FINANCE DEPARTMENT	13,100.00	13,100.00	1,138.31	11,961.69	8.69
210-ATTORNEY	50,000.00	50,000.00	9,720.06	40,279.94	19.44
215-CITY CLERK	14,500.00	14,500.00	904.71	13,595.29	6.24
253-TREASURER	112,100.00	112,100.00	29,270.22	82,829.78	26.11
257-ASSESSING DEPARTMENT	40,300.00	40,300.00	7,586.94	32,713.06	18.83
262-ELECTIONS	21,300.00	21,300.00	2,966.16	18,333.84	13.93
265-BUILDINGS & GROUNDS	75,900.00	75,900.00	17,504.38	58,395.62	23.06
285-CITY TREE PROGRAM	23,000.00	23,000.00	4,905.00	18,095.00	21.33
301-LAW ENFORCEMENT	580,000.00	580,000.00	119,594.25	460,405.75	20.62
336-FIRE DEPARTMENT	758,000.00	758,000.00	158,782.50	599,217.50	20.95
400-PLANNING DEPARTMENT	120,900.00	120,900.00	28,646.87	92,253.13	23.69
410-ZONING BOARD OF APPEALS	1,100.00	1,100.00	-	1,100.00	-
441-DEPARTMENT OF PUBLIC WORKS	144,400.00	144,400.00	24,555.57	119,844.43	17.01
442-DOWNTOWN PUBLIC WORKS	72,800.00	72,800.00	15,868.67	56,931.33	21.80
447-ENGINEERING	11,000.00	11,000.00	637.00	10,363.00	5.79
448-MUNICIPAL STREET LIGHTS	70,000.00	70,000.00	12,041.71	57,958.29	17.20
728-ECONOMIC DEVELOPMENT	4,000.00	4,000.00	370.00	3,630.00	9.25
751-PARKS & RECREATION	122,100.00	122,100.00	38,705.84	83,394.16	31.70
801-ARTS, CULTURE & HERITAGE	21,000.00	21,000.00	16,824.60	4,175.40	80.12
851-INSURANCE & BONDS	202,600.00	202,600.00	121,067.30	81,532.70	59.76
875-CONTRIBUTIONS	61,800.00	61,800.00	17,500.00	44,300.00	28.32
890-CONTINGENCIES	20,000.00	20,000.00	378.34	19,621.66	1.89
965-TRANSFERS OUT - CONTROL	115,300.00	115,300.00	-	115,300.00	-
TOTAL Expenditures	3,030,000.00	3,030,000.00	717,971.05	2,312,028.95	23.70
TOTAL REVENUES	3,035,500.00	3,035,500.00	2,268,913.40	766,586.60	74.75
TOTAL EXPENDITURES	3,030,000.00	3,030,000.00	717,971.05	2,312,028.95	23.70
NET OF REVENUES & EXPENDITURES	5,500.00	5,500.00	1,550,942.35	(1,545,442.35)	

Revenue:

- Revenue is at almost 75% because City taxes have been substantially collected.

Expenditures:

- Departments consisting largely of payroll items may be slightly above benchmark due to the three payday month in this quarter.
- Parks & Recreation is higher than benchmark due to the completion of the wetland delineation by JJR.
- Arts, Culture & Heritage is at 80% due to Plein Air and the purchase of the Balancing Act.
- Insurance & Bonds is at 60% due to the liability insurance being paid.
- Contributions is higher than benchmark because it contains two WAVE payments instead of one (due to payment timing).

Major Streets Fund 202

DESCRIPTION	2016-17	2016-17 AMENDED BUDGET	YTD BALANCE	AVAILABLE	% BDGT USED
	ORIGINAL BUDGET		09/30/2016	BALANCE	
			NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	
TOTAL Revenues	359,900.00	359,900.00	131,681.84	228,218.16	36.59
248-ADMINISTRATION	4,600.00	4,600.00	4,500.00	100.00	97.83
445-STORMWATER	26,600.00	26,600.00	2,934.71	23,665.29	11.03
451-CONTRACTED ROAD CONSTRUCTION	118,000.00	118,000.00	78,000.00	40,000.00	66.10
463-ROUTINE MAINTENANCE	76,200.00	76,200.00	21,265.75	54,934.25	27.91
474-TRAFFIC SERVICES	55,900.00	55,900.00	17,239.81	38,660.19	30.84
478-WINTER MAINTENANCE	68,600.00	68,600.00	5,500.33	63,099.67	8.02
890-CONTINGENCIES	10,000.00	10,000.00	-	10,000.00	-
TOTAL Expenditures	359,900.00	359,900.00	129,440.60	230,459.40	35.97
TOTAL REVENUES	359,900.00	359,900.00	131,681.84	228,218.16	36.59
TOTAL EXPENDITURES	359,900.00	359,900.00	129,440.60	230,459.40	35.97
NET OF REVENUES & EXPENDITURES	-	-	2,241.24	(2,241.24)	

Revenue:

- Revenue is lower due to budget because money is transferred as needed.

Expenditures:

- Contracted Road Construction and Traffic Services are higher than benchmark due to road projects and pavement markings.
- Routine Maintenance is higher than benchmark due to the liability insurance being paid.

Local Streets Fund 203

DESCRIPTION	2016-17	2016-17 AMENDED BUDGET	YTD BALANCE	AVAILABLE	% BDGT USED
	ORIGINAL BUDGET		09/30/2016	BALANCE	
			NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	
TOTAL Revenues	539,200.00	539,200.00	317,030.30	222,169.70	58.80
248-ADMINISTRATION	4,600.00	4,600.00	4,500.00	100.00	97.83
445-STORMWATER	28,600.00	28,600.00	856.89	27,743.11	3.00
451-CONTRACTED ROAD CONSTRUCTION	334,000.00	334,000.00	254,488.93	79,511.07	76.19
463-ROUTINE MAINTENANCE	76,700.00	76,700.00	11,192.05	65,507.95	14.59
474-TRAFFIC SERVICES	26,500.00	26,500.00	14,949.27	11,550.73	56.41
478-WINTER MAINTENANCE	58,800.00	58,800.00	3,438.32	55,361.68	5.85
890-CONTINGENCIES	10,000.00	10,000.00	-	10,000.00	-
TOTAL Expenditures	539,200.00	539,200.00	289,425.46	249,774.54	53.68
TOTAL REVENUES	539,200.00	539,200.00	317,030.30	222,169.70	58.80
TOTAL EXPENDITURES	539,200.00	539,200.00	289,425.46	249,774.54	53.68
NET OF REVENUES & EXPENDITURES	-	-	27,604.84	(27,604.84)	

Revenue:

- Revenue is higher than budget because money is transferred as needed.

Expenditures:

- Contracted Road Construction and Traffic Services are higher than benchmark due to road projects and pavement markings.

Municipal Streets Fund 204

	2016-17		YTD BALANCE	AVAILABLE	
	ORIGINAL	2016-17	09/30/2016	BALANCE	% BDGT
DESCRIPTION	BUDGET	AMENDED BUDGET	NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	USED
TOTAL Revenues	725,600.00	725,600.00	671,354.03	54,245.97	92.52
248-ADMINISTRATION	74,500.00	74,500.00	18,475.13	56,024.87	24.80
965-TRANSFERS OUT - CONTROL	521,700.00	521,700.00	250,000.00	271,700.00	47.92
TOTAL Expenditures	596,200.00	596,200.00	268,475.13	327,724.87	45.03
TOTAL REVENUES	725,600.00	725,600.00	671,354.03	54,245.97	92.52
TOTAL EXPENDITURES	596,200.00	596,200.00	268,475.13	327,724.87	45.03
NET OF REVENUES & EXPENDITURES	129,400.00	129,400.00	402,878.90	(273,478.90)	

Revenues:

- Revenue is higher than benchmark due to tax collection being substantially complete.

Expenditures:

- Transfers Out is higher than benchmark due to project-related transfers.

Solid Waste Fund 226

	2016-17		YTD BALANCE	AVAILABLE	
	ORIGINAL	2016-17	09/30/2016	BALANCE	% BDGT
DESCRIPTION	BUDGET	AMENDED BUDGET	NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	USED
TOTAL Revenues	582,500.00	582,500.00	97,064.62	485,435.38	16.66
248-ADMINISTRATION	11,000.00	11,000.00	2,557.08	8,442.92	23.25
528-SOLID WASTE	564,000.00	564,000.00	102,871.78	461,128.22	18.24
TOTAL Expenditures	575,000.00	575,000.00	105,428.86	469,571.14	18.34
TOTAL REVENUES	582,500.00	582,500.00	97,064.62	485,435.38	16.66
TOTAL EXPENDITURES	575,000.00	575,000.00	105,428.86	469,571.14	18.34
NET OF REVENUES & EXPENDITURES	7,500.00	7,500.00	(8,364.24)	15,864.24	

Revenues:

- Revenue is lower due to the July billing being moved to FY 15-16.

Expenditures:

- Departments are within budget

Sewer Fund 590

DESCRIPTION	2016-17	2016-17 AMENDED BUDGET	YTD BALANCE	AVAILABLE	% BDGT USED
	ORIGINAL BUDGET		09/30/2016	BALANCE	
			NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	
TOTAL Revenues	1,307,400.00	1,307,400.00	285,790.07	1,021,609.93	21.86
248-ADMINISTRATION	89,400.00	89,400.00	30,241.16	59,158.84	33.83
548-SEWER UTILITIES DEPARTMENT	696,550.00	696,550.00	147,154.31	549,395.69	21.13
850-LONG-TERM DEBT	468,800.00	468,800.00	340,856.12	127,943.88	72.71
890-CONTINGENCIES	15,000.00	15,000.00	-	15,000.00	-
901-CAPITAL IMPROVEMENTS	37,500.00	37,500.00	14,717.20	22,782.80	39.25
TOTAL Expenditures	1,307,250.00	1,307,250.00	532,968.79	774,281.21	40.77
TOTAL REVENUES	1,307,400.00	1,307,400.00	285,790.07	1,021,609.93	21.86
TOTAL EXPENDITURES	1,307,250.00	1,307,250.00	532,968.79	774,281.21	40.77
NET OF REVENUES & EXPENDITURES	150.00	150.00	(247,178.72)	247,328.72	

Revenue:

- Revenue in lower due to the July billing being moved to FY 15-16.

Expenditures:

- Administration is higher than benchmark due to the extra payroll being included in admin fee calculations.
- Long-Term Debt is higher than benchmark because State Revolving Loan principle payments are made in September instead of in the spring.
- Capital Improvements will need an amendment in the future as project costs are finalized.

Water Fund 591

DESCRIPTION	2016-17	2016-17 AMENDED BUDGET	YTD BALANCE	AVAILABLE	% BDGT USED
	ORIGINAL BUDGET		09/30/2016	BALANCE	
			NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	
TOTAL Revenues	805,200.00	805,200.00	223,166.85	582,033.15	27.72
248-ADMINISTRATION	79,900.00	79,900.00	25,861.04	54,038.96	32.37
556-WATER UTILITIES DEPARTMENT	409,650.00	409,650.00	118,932.87	290,717.13	29.03
850-LONG-TERM DEBT	258,000.00	258,000.00	177,212.02	80,787.98	68.69
890-CONTINGENCIES	15,000.00	15,000.00	-	15,000.00	-
901-CAPITAL IMPROVEMENTS	117,500.00	117,500.00	21,646.70	95,853.30	18.42
TOTAL Expenditures	880,050.00	880,050.00	343,652.63	536,397.37	39.05
TOTAL REVENUES	805,200.00	805,200.00	223,166.85	582,033.15	27.72
TOTAL EXPENDITURES	880,050.00	880,050.00	343,652.63	536,397.37	39.05
NET OF REVENUES & EXPENDITURES	(74,850.00)	(74,850.00)	(120,485.78)	45,635.78	

Revenue:

- Revenue in lower due to the July billing being moved to FY 15-16.

Expenditures:

- Administration is higher than benchmark due to the extra payroll being included in admin fee calculations.

- Long-Term Debt is higher than benchmark because State Revolving Loan principle payments are made in September instead of in the spring.

Non-Major Funds

- All non-major funds are within budget.

Cash Balances by Fund				
General Ledger Name	Bank & Account Name	Purpose	Balance 09/30/16	Status of Cash
General Fund - 101				
Cash	TCF Pooled	General operating	\$ 1,293,728.14	Unrestricted
Arts, Culture & Heritage	TCF Pooled	Reserved for Arts, Culture & Heritage	\$ 7,232.30	Restricted
Property Tax Savings	TCF Property Tax Savings	Clearing account for undistributed tax collections	\$ 92,440.86	Unrestricted
Chelsea Bank CD	Chelsea Bank	General operating	\$ 258,140.19	Unrestricted
Future Facility Improvements CD	Ann Arbor State Bank	Reserved for future building project	\$ 292,098.40	Restricted
Petty Cash	Office	Small cash purchases	\$ 100.00	Unrestricted
Cash Drawer #1	Office	Cash Drawer	\$ 100.00	Unrestricted
Cash Drawer #2	Office	Cash Drawer	\$ 100.00	Unrestricted
Traverse City State Bank CD	Multi-Bank Securities	General Operating	\$ 249,000.00	Unrestricted
Bank of Northern Michigan CD	Multi-Bank Securities	General Operating	\$ 200,000.00	Unrestricted
MBIA Class	MBIA Class	General operating	\$ 397,038.17	Unrestricted
Subtotal Unrestricted			\$ 2,490,647.36	
Subtotal Restricted			\$ 299,330.70	
Total General Fund			\$ 2,789,978.06	
Major Streets Fund - 202				
Cash	TCF Pooled	General operating for major streets activities	\$ 7,109.62	Unrestricted
Subtotal Unrestricted			\$ 7,109.62	
Subtotal Restricted			\$ -	
Total Major Streets Fund			\$ 7,109.62	
Local Streets Fund - 203				
Cash	TCF Pooled	General operating for local streets activities	\$ 10,251.57	Unrestricted
Metro Act Account (Pooled)	TCF Pooled	Reserved for right of way activities	\$ 37,789.95	Restricted
Subtotal Unrestricted			\$ 10,251.57	
Subtotal Restricted			\$ 37,789.95	
Total Local Streets Fund			\$ 48,041.52	
Municipal Streets Fund - 204				
Cash	TCF Pooled	Available for transfer to Major & Local Streets	\$ 508,007.20	Unrestricted
Property Tax Savings	TCF Property Tax Savings	Available for transfer to Major & Local Streets	\$ 18,121.29	Unrestricted
Multi-Bank CD	Multi-Bank Securities	Available for transfer to Major & Local Streets	\$ 100,000.00	Unrestricted
Subtotal Unrestricted			\$ 626,128.49	
Subtotal Restricted			\$ -	
Total Municipal Streets Fund			\$ 626,128.49	
Solid Waste Fund - 226				
Cash	TCF Pooled	Available for Solid Waste activities	\$ 41,978.53	Unrestricted
Property Tax Savings	TCF Property Tax Savings	Available for Solid Waste activities	\$ 413.51	Unrestricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 42,392.04	
Total Solid Waste Fund			\$ 42,392.04	
Tree Replacement Fund - 275				
Cash	TCF Pooled	Restricted for Trees	\$ -	Restricted
Multi-Bank CD	Multi-Bank Securities	Restricted for trees	\$ 125,000.00	Restricted
MBIA Class	MBIA Class	Restricted for trees	\$ 18,721.53	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 143,721.53	
Total Tree Replacement Fund			\$ 143,721.53	

General Ledger Name	Bank & Account Name	Purpose	Balance 09/30/16	Status of Cash
Debt Service Fund - Streetscape Bond - 303				
Cash	TCF Pooled	Tax collections for GO Bond payments	\$ 139,185.58	Restricted
Property Tax Savings	TCF Property Tax Savings	Tax collections for GO Bond payments	\$ 3,499.63	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 142,685.21	
Total Streetscape Bond Debt Service Fund			\$ 142,685.21	
Debt Service Fund - Facilities Bond - 352				
Cash	TCF Pooled	Restricted for Facilities Bond Payments	\$ -	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ -	
Total Facilities Bond Debt Service Fund			\$ -	
Debt Service Fund - Road Bond - 353				
Cash	TCF Pooled	Restricted for Road Bond Payments	\$ -	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ -	
Total Road Bond Debt Service Fund			\$ -	
Equipment Replacement Fund - 402				
Cash	TCF Pooled	Reserved for vehicle maintenance and purchase	\$ 86,224.90	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 86,224.90	
Total Equipment Replacement Fund			\$ 86,224.90	
Road Bond Construction Fund - 406				
Cash	TCF Pooled	Restricted for bond funded road construction	\$ -	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ -	
Total Streetscape Debt Service Fund			\$ -	
Sewer Enterprise Fund - 590				
Cash	TCF Pooled	Sewer operating	\$ 5,574.83	Unrestricted
Sewer Tap Fees Account	TCF Sewer & Water	Sewer tap-in fees	\$ 11,542.75	Unrestricted
Sewer Tap Fees Account	PNC Bank	Sewer tap-in fees	\$ 315,861.03	Unrestricted
Property Tax Savings	TCF Property Tax Savings	Tax collections for delinquent utilities	\$ 937.74	Unrestricted
Sewer Tap Fees Account	Michigan Class Sewer/Water	Sewer tap-in fees	\$ 50,983.17	Unrestricted
Subtotal Unrestricted			\$ 384,899.52	
Subtotal Restricted			\$ -	
Total Sewer Enterprise Fund			\$ 384,899.52	
Water Enterprise Fund - 591				
Cash	TCF Pooled	Water operating	\$ 9,160.08	Unrestricted
Water Tap Fees Account	TCF Sewer & Water	Water tap-in fees	\$ 8,184.76	Unrestricted
Water Tap Fees Account	PNC Bank	Water tap-in fees	\$ 180,484.46	Unrestricted
Property Tax Savings	TCF Property Tax Savings	Tax collections for delinquent utilities	\$ 547.38	Unrestricted
Water Tap Fees Account	Michigan Class Sewer/Water	Water tap-in fees	\$ 50,000.00	Unrestricted
Subtotal Unrestricted			\$ 248,376.68	
Subtotal Restricted			\$ -	
Total Water Enterprise Fund			\$ 248,376.68	

General Ledger Name	Bank & Account Name	Purpose	Balance 09/30/16	Status of Cash
Trust & Agency Fund - 701				
Site Plan Review	TCF Pooled	Escrows for payment of development related fees	\$ 41,604.57	Restricted
Performance Guarantees	TCF Performance Guarantees	Escrows for development bonds	\$ 263,122.37	Restricted
Tree Escrow	TCF Pooled	Escrows for Tree Replacement	-	Restricted
Luminary Account	PCF Luminary Account	Eacrow for luminaries	\$ 580.00	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 305,306.94	
Total Trust & Agency Fund			\$ 305,306.94	
Current Tax Collection Fund - 703				
Property Tax Savings	TCF Property Tax Savings	Tax collections for other units of government	\$ 70,099.07	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 70,099.07	
Total Trust & Agency Fund			\$ 70,099.07	
Retiree Health Care Fund - 736				
Cash	Mers	Funds reserved for OPEB	\$ 1,011,097.40	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 1,011,097.40	
Total Trust & Agency Fund			\$ 1,011,097.40	
Payroll Fund - 750				
Cash	TCF Payroll	Funds reserved for payment of accrued benefits	\$ 8,968.37	Restricted
Bancorp Acct for FSA	Bankcorp	Funds reserved for payment of FSA charges	\$ 500.00	Restricted
Subtotal Unrestricted			\$ -	
Subtotal Restricted			\$ 9,468.37	
Total Trust & Agency Fund			\$ 9,468.37	
Total Unrestricted			\$ 3,809,805.28	
Total Restricted			\$ 2,105,724.07	
Grand Total Cash			\$ 5,915,529.35	
Summary of General Funds Available for Non-Operational Use				
	General Fund Unrestricted		\$ 2,490,647.36	
	15% Fundbalance (based on revenue budget)		\$ (455,325.00)	
	Expected Revenue (based on Budget)		\$ 766,586.60	
	Expected Expenditures (based on budget)		\$ (2,312,028.95)	
	Available Unrestricted		\$ 489,880.01	
	Restricted for Streets		\$ 681,279.63	
	Restricted for Equipment		\$ 86,224.90	
	Restricted for Facilities		\$ 292,098.40	
	Restricted for Arts, Culture & Heritage		\$ 7,232.30	
	Restricted for Trees		\$ 143,721.53	



What Goes into My Rating? Key Drivers for MI Local Governments

Andrew Van Dyck Dobos, Analyst
Moody's Midwest Local Government Team

MI GFOA
September 21, 2016

Agenda

Moody's Rating Process

Moody's General Obligation (GO)
Methodology

MI Local Government Trends

Moody's Rating Process

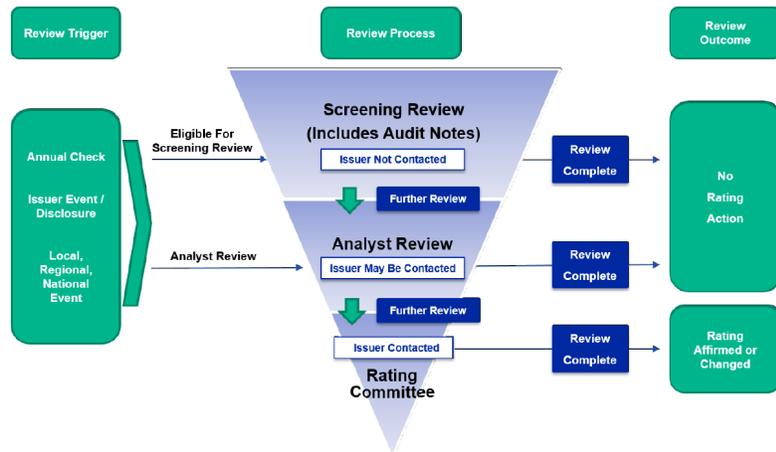


- Notification of sale and assignment of an analyst
- Selection of a methodology based on security pledged to repay the debt
- Analysis
 - Review of sale-related documents, audited financial data, other Moody's and publicly available information
- Discussions
 - In-person or telephone meeting to discuss relevant issuer information
- Rating committee
 - Ratings are determined by committee, not individual analysts
- Publication
 - Rating communicated; issuer given opportunity to review report for factual accuracy prior to publication
 - Rating and report made public

US PFG Monitoring Framework

- Once assigned a rating will be monitored on a continuing basis for possible changes in absolute and relative creditworthiness
 - Surveillance reviews are initiated when: updated financials are available, macro-level developments unfold, or credit-related events occur
 - Macro-level and micro-level credit events may result in additional targeted surveillance to determine whether there is an impact on specific sectors, groups of ratings or the ratings of an individual issuer
- Our surveillance framework includes three types of evaluations: screening reviews, analyst reviews and rating committees.
 - The process is sequential in nature, where each level or review involves an increased level or scrutiny and analyst involvement until the rating is deemed appropriately positioned
- Ratings can be withdrawn due to a lack of sufficient information
 - If rating committee agrees that we do not have either timely or sufficient information, the rating will be placed under review
 - Generally within 30 days, the rating is withdrawn for lack of sufficient information

US PFG Monitoring Framework



Moody's GO Methodology

Moody's GO Methodology

Scope of the GO Methodology:

- Applies to U.S. local governments issuing debt secured by a general obligation pledge
- Includes cities, counties, school districts, and special districts

Goals of the GO methodology and scorecard factors:

- Enhance the transparency of our rating process
- Quantify factors that Moody's previously evaluated in qualitative ways
- Formally incorporate historical trend analysis
- Capture the key considerations that correspond to particular rating categories

Use of Methodology Scorecards

Purpose and Use of Methodology Scorecards:

- Enhance the transparency of our rating process
- Capture the key considerations that correspond to particular rating categories
- Not an exhaustive list of factors that we consider in every rating assignment
- Scorecards are mostly quantitative, but include some qualitative metrics
- May adjust up or down from scorecard-indicated outcome based on additional factors
- Scorecard acts as a starting point for a more thorough and individualistic analysis
- Final rating is determined by a Rating Committee after consideration of all relevant facts

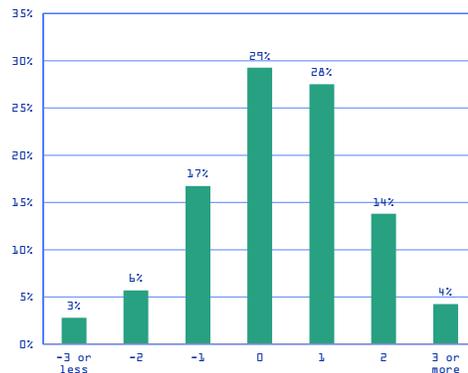
Applying the Analytical Factors



- Analysts score each subfactor in the grid
- The weighted average of the analyst-assigned scores will determine a raw score that maps to Moody's rating scale → the grid-indicated outcome
- Analyst and Rating Committee will determine any additional factors beyond the enumerated scorecard values → the adjusted scorecard outcome
- The final public rating may differ from the adjusted scorecard outcome

Scorecards generally put us in the right “zip code”

Local Government General Obligations:
Actual Ratings vs Grid-Indicated Outcomes



74% are within
1 notch

Note: A positive value in the bar chart indicates an actual rating that is higher than the scorecard rating

Scorecard Factors

- Factor 1: Economy/Tax Base – 30%
 - Full value (10%) – market value of taxable property
 - Full value per capita (10%) – provides a resources per resident metric
 - Median Family Income (10%) – measures of strength and resiliency of a tax base

	<i>Very Strong</i>	<i>Strong</i>	<i>Moderate</i>	<i>Weak</i>	<i>Poor</i>	<i>Very Poor</i>
	Aaa	Aa	A	Baa	Ba	B & Below
ECONOMY/TAX BASE (30%)						
Tax Base Size: Full Value (in 000s)	> \$12B	\$12B ≥ n > \$1.4B	\$1.4B ≥ n > \$240M	\$240M ≥ n > \$120M	\$120M ≥ n > \$60M	≤ \$60M
Full Value Per Capita	> \$150,000	\$150,000 ≥ n > \$65,000	\$65,000 ≥ n > \$35,000	\$35,000 ≥ n > \$20,000	\$20,000 ≥ n > \$10,000	≤ \$10,000
Socioeconomic Indices: MFI	> 150% of US median	150% to 90% of US median	90% to 75% of US median	75% to 50% of US median	50% to 40% of US median	≤ 40% of US median

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Scorecard Factors (cont.)

- Factor 2: Finances – 30%
 - Fund Balance (10%) – typically assigned and unassigned General Fund balance
 - Cash Balance (10%) – measures liquidity; excludes accruals, interfund loans, etc.
 - 5-Yr. \$ Change in Fund Balance and Cash Balance as % of Revs (each 5%)

	<i>Very Strong</i>	<i>Strong</i>	<i>Moderate</i>	<i>Weak</i>	<i>Poor</i>	<i>Very Poor</i>
	Aaa	Aa	A	Baa	Ba	B & Below
FINANCES (30%)						
Fund Balance as % of Revenues	> 30.0% > 25.0% for School Districts	30.0% ≥ n > 15.0% 25.0% ≥ n > 10.0% for SD	15.0% ≥ n > 5.0% 10.0% ≥ n > 2.5% for SD	5.0% ≥ n > 0.0% 2.5% ≥ n > 0.0% for SD	0.0% ≥ n > -2.5% 0.0% ≥ n > -2.5% for SD	≤ -2.5% ≤ -2.5% for SD
5-Year Dollar Change in Fund Balance as % of Revenues	> 25.0%	25.0% ≥ n > 10.0%	10.0% ≥ n > 0.0%	0.0% ≥ n > -10.0%	-10.0% ≥ n > -18.0%	≤ -18.0%
Cash Balance as % of Revenues	> 25.0% > 10.0% for School Districts	25.0% ≥ n > 10.0% 10.0% ≥ n > 5.0% for SD	10.0% ≥ n > 5.0% 5.0% ≥ n > 2.5% for SD	5.0% ≥ n > 0.0% 2.5% ≥ n > 0.0% for SD	0.0% ≥ n > -2.5% 0.0% ≥ n > -2.5% for SD	≤ -2.5% ≤ -2.5% for SD
5-Year Dollar Change in Cash Balance as % of Revenues	> 25.0%	25.0% ≥ n > 10.0%	10.0% ≥ n > 0.0%	0.0% ≥ n > -10.0%	-10.0% ≥ n > -18.0%	≤ -18.0%

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Scorecard Factors (cont.)

- Factor 3: Management – 20%
 - Institutional Framework (10%) – legal ability to match revenues with expenditures
 - Operating History (10%) – 5-yr average ratio of operating revenues to expenditures

	<i>Very Strong</i>	<i>Strong</i>	<i>Moderate</i>	<i>Weak</i>	<i>Poor</i>	<i>Very Poor</i>
	Aaa	Aa	A	Baa	Ba	B & Below
MANAGEMENT (20%)						
Institutional Framework	Very strong legal ability to match resources with spending	Strong legal ability to match resources with spending	Moderate legal ability to match resources with spending	Limited legal ability to match resources with spending	Poor legal ability to match resources with spending	Very poor or no legal ability to match resources with spending
Operating History: 5-Year Avg of Op Rev / Op Expend	> 1.05x	1.05x ≥ n > 1.02x	1.02x ≥ n > 0.98x	0.98x ≥ n > 0.95x	0.95x ≥ n > 0.92x	≤ 0.92x

MI Institutional framework scores

- Framework scores include an evaluation of governments' legal ability to adjust revenue and expenditures, as well as the predictability of revenues and expenses

Cities	MI cities have an institutional framework score of "A," or moderate.
Counties	MI counties have an institutional framework score of "A," or moderate.
School Districts	MI school districts have an institutional framework score of "Baa," or weak.

Scorecard Factors (cont.)

➤ Factor 4: Debt/Pensions – 20%

- Debt: Full Value (5%) & Operating Revenues (5%) – measures debt relative to resources
- 3-Year Average Moody's Adjusted Net Pension Liability (ANPL): Full Value (5%) & Operating Revenues (5%)
 - Moody's allocates the liabilities of cost-sharing plans (for example, TRS) in proportion to the municipality's contributions to the plan
 - We expect GASB 67/68 to have a minimal impact on our ratings

	<i>Very Strong</i>	<i>Strong</i>	<i>Moderate</i>	<i>Weak</i>	<i>Poor</i>	<i>Very Poor</i>
	Aaa	Aa	A	Baa	Ba	B & Below
DEBT/PENSIONS (20%)						
Net Direct Debt / Full Value	< 0.75%	0.75% ≤ n < 1.75%	1.75% ≤ n < 4.00%	4.00% ≤ n < 10.00%	10.00% ≤ n < 15.00%	> 15.00%
Net Direct Debt / Operating Revenues	< 0.33x	0.33x ≤ n < 0.67x	0.67x ≤ n < 3.00x	3.00x ≤ n < 5.00x	5.00x ≤ n < 7.00x	> 7.00x
3-Year Average ANPL/ Full Value	< 0.90%	0.90% ≤ n < 2.10%	2.10% ≤ n < 4.80%	4.80% ≤ n < 12.00%	12.00% ≤ n < 18.00%	> 18.00%
3-Year Average ANPL/ Op Revenues	< 0.40x	0.40x ≤ n < 0.80x	0.80x ≤ n < 3.60x	3.60x ≤ n < 6.00x	6.00x ≤ n < 8.40x	> 8.40x

GO Scorecard – Notching Factors

Adjustments/Notching Factors	
<i>Description</i>	<i>Direction</i>
Economy/Tax Base	
Institutional presence	up
Regional economic center	up
Economic concentration	down
Outsized unemployment or poverty levels	down
Other analyst adjustment to Economy/Tax Base factor (specify)	up/down
Finances	
Outsized contingent liability risk	down
Unusually volatile revenue structure	down
Other analyst adjustment to Finances factor (specify)	up/down
Management	
State oversight or support	up/down
Unusually strong or weak budgetary management and planning	up/down
Other analyst adjustment to Management factor (specify)	up/down
Debt/Pensions	
Unusually strong or weak security features	up/down
Unusual risk posed by debt/pension structure	down
History of missed debt service payments	down
Other analyst adjustment to Debt/Pensions factor (specify)	up/down
Other	
Credit event/trend not yet reflected in existing data sets	up/down

Proposed Updates to Local Government GO Methodology – Limited Tax Pledges

- Request for Comment Dated December 22, 2015
- Goal of proposed methodology update
 - Apply common approach across the sector, including various forms of limitations in different states
 - Increase transparency and consistency across states and teams
 - Allow for greater comparability of ratings with the same security

Michigan Local Government Trends

Trends for Michigan Local Governments

➤ Cities and Counties

- MI Median Rating: Aa3; National Median Rating: Aa3
- Rebounding values across the state, though gains muted by millage rate limitations
 - Headlee, Proposal A
- Leaner workforces becoming the new normal
 - Stagnant to declining revenue trends resulted in reductions in headcount
- Traditional revenue raising restrictions lead to workaround solutions
 - New charges/fees, intergovernmental arrangements, operational philanthropy, etc.
- Increasing fixed costs result in pressures for some communities
 - Debt service, pensions, OPEB

Trends for Michigan Local Governments

➤ Schools

- MI Median Rating: A2; National Median Rating: Aa3
- Considered a pressured sector
 - Significant number of recent downgrades
- Persistent enrollment declines
 - Exacerbated by student competition
- Districts have adjusted
 - Reductions in staff, innovated contracts, shared services, lower reserve targets
- Exposure to unfunded pension liabilities continues to pose long-term risks

Strong management, reserves, and financial flexibility can help mitigate external pressures

- » Has management analyzed the impact of external factors that could impact finances and are they able to quantify potential exposure?
- » Are there contingency plans in place including specific expenditure cuts or revenue enhancements?
- » Does the local government have the ability to adjust revenues?
- » Does the local government maintain a financial forecast? What are the key assumptions in the forecast?
- » Does the local government have a minimum fund balance policy?
- » Are the government's reserves strong enough to withstand additional pressures?

Key Drivers of Recent Downgrades and Characteristics of Other Lower Rated Entities

- Revenue volatility, multi-year trends of material tax base depreciation
- Trend of operating deficits resulting in declining reserves
- Elevated pensions liabilities, pension contribution shortfalls
- High dependence on state aid
- Absence of long-term financial plans

Key Drivers of Recent Upgrades and Characteristics of Other Higher Rated Entities

- Consistent growth in reserve position
- Moderate to low tax base depreciation
- Manageable direct and overlapping debt burdens
- Strong management teams with plans in place to mitigate exposure to the state

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DPW

- Reseeded ditch on Dover
- Made and installed new fence for behind 3 Bird
- Hand dug holes for roundabout signs
- Leveled dirt, seeded and spread straw at Lions Park
- "Caution" taped new playground
- Assisted with Mill Creek Park Work Day
- Trimmed trees in Huron Farms for signage installation
- Worked on GMC and leaf machine
- Watered flowers
- Fixed lights at Farmers Market
- Washed graffiti off of Boardwalk
- Got leaf machine out of storage
- Cleaned downtown
- Cleaned storm drains
- Cleaned Farmers Market
- Fixed lights
- Installed battery in generator
- Aerated and seeded Monument Park.
- Met with salesman from Truck and Trailer
- Called Chelsea Door about door at Fire Hall
- Swept
- Set radar sign on 2nd St.
- Worked on hydraulics on bucket truck
- Went to Truck and Trailer for LED lights
- Installed LED lights u Bucket Truck
- Hung Banner
- Quarterly engine hours
- Pulled photocell at WWTP
- Met Dan and OHM at Dapco sidewalk
- Met OHM at Lions Park
- Regular meeting to review/discuss budget
- Fixed detection at Meadow View and Main
- Negotiations

WATER

- Located broken curb boxes for Victoria Condos
- Hydrant flushing east side of City is completed. Working on old town, then Westridge and The Cedars
- Investigated high use complaint on Carrington: issue was internal, homeowners resolved.
- Repaired East Jordan hydrant on Grand St.
- Muller Hydrant failure during flushing behind 7931 Grand St. Currently tagged out of service. Waiting on repair parts.
- Weekly NUBC reads
- Average water use for the week of 10/3/2016 - 0.49 MGD, 10/10/2016 - 0.437 MGD
- Backwashed: 10/6/2016 - 58,000 gal, 10/13/2016 - 60,000 gal
- Depth of well 5: 10/3/2016 - 27.9, 10/10/2016 - 27.6
- Performed Miss Digs
- Meter and MXU installs and repairs

WASTE WATER

- Cintas sized all Utilities Staff for new uniforms
- Regular meeting to review/discuss budget
- Met with Hamlett Environmental about Aerzen blower failures
- F&V site visit to develop Screw Pump repair plan:
 - CPI scheduled on 10.20.16 to do repair cost evaluation for all 4 Screw Pumps
- Metro Environmental cleaned lift stations:
 - Dexter Crossings, Westridge, Industrial park & WWTP primary scum pit
- NUBC mid-month meter download
- Annual bio solids report to MDEQ
- Monthly operating report

Additional information

- 10.18.16 - Lacaria Construction/Concrete began concrete pouring for sidewalks on Alpine and Dan Hoey.
- 10.14.16 - Received the BioTech Agronomics, Inc. 5 year contract proposal for Sludge Hauling. Included as agenda item.
- 10.18.16- Leaf pick-up begins

STAFF REPORT

To: Mayor Keough and City Council
Courtney Nicholls, City Manager

From: Michelle Aniol, Community Development Manager

Date: October 19, 2016

Grandview Commons Brownfield Plan Update

- Staff attended a meeting of the DDA sub-committee established to review the draft Grandview Commons Brownfield Plan. Mayor Keough will provide a more detailed update during his report.
- Staff attended a meeting with the MDEQ regarding the draft Grandview Commons Brownfield Plan. MDEQ requiring additional testing, and suggested that "presumptive mitigation" may be more effective. In other words, MDEQ was suggesting the developer do proactive removal of the potentially impacted soils, based on the results of previous soil testing.

Planning Commission Updates

- The Planning Commission will conduct a public hearing on November 7, 2016. The purpose of the public hearing is to consider a couple of amendments to the Zoning Ordinance. The first amendment pertains to lot coverage. Current and former staff's interpretation of the intent of the zoning ordinance was/is, in regards to lot coverage and decks; that decks are included in the lot coverage calculation. This interpretation was recently questioned (not in a bad way). Thus, there may be ambiguity in the ordinance, and as such may be open to other interpretations.

Since ambiguity is the bane of any ordinance, staff is recommending the following amendment to the Lot Coverage definition (text to be added in underlined; text to be deleted is ~~struck out~~):

Section 2.02, Definitions, Lot Coverage: The part or percent of the lot occupied by ~~a building~~ buildings and/or structures, including accessory buildings and structures, such as, but not limited to decks, stairways, porches, breezeways and swimming pools.

The second text amendment pertains to essential service uses. The City has been working with DTE to decommission the Broad Street sub-station. As part of the negotiation, the city has offered to sell a portion of property it owns on Dan Hoey Road, so that the sub-station could be re-established in the future. DTE is amenable to this proposal.

The Dan Hoey parcel is currently zoned RD, Research and Development District. Essential Service uses, such as an electric sub-station, are not listed within the RD District. As such, staff is recommending the following amendment to Article 17, RD Research and Development District, Section 17.02, Permitted Principal Uses to add Essential Services as a principal use in the RD Research and Development District, as follows:

§ 17.02 Permitted Principal Uses:

17. Essential Services

1. Essential Services, as defined in Article 2, shall be permitted as authorized and regulated by franchise agreements and federal, state and local laws and ordinance, it being the intention of this Ordinance to permit modification to regulations governing lot area, building or structure height, building or structure placement, and use of land in the city when strict compliance with such regulations would not be practical or feasible.
2. Although essential services may be exempt from certain regulations, proposals for construction of essential services shall still be subject to site plan review and special

land use review, as set forth in this Ordinance, as the intention of the city is to achieve efficient use of the land and alleviate adverse impact on nearby uses or lands. Essential service shall comply with all applicable regulations that do not affect the basic design or essential operation of said services.

Miscellaneous Updates

- Administration and staff, Mayor Keough, Councilman Carson, and Rob Toth met with the City's bond council, Tom Colis, on October 17th, to discuss the City's EDC Industrial Revenue Bond program.
- A.R. Brouwer has requested a pre-application meeting to discuss a conception plan to redevelop 2830 Baker Road, formerly known as The Alley. The concept plan (attached) shows 2 offices and a warehouse and tenant storage expansion space.

The site is zoned C-1 General Commercial. Office use is a principal permitted use in the C-1 district. Warehousing as a use is not permitted in the C-1 district. Warehousing/storage can be an accessory use to a principal use in the C-1 District. In this case, it would need to be accessory to the proposed office uses.

Membership in the pre-application meeting committee rotates. For this pre-application meeting, the Committee consists of the following Council and Planning Commission members:

- Shawn Keough
- Julie Knight
- Zach Michels
- Jim Carty
- Jack Donaldson

A meeting date has not yet been identified, but staff anticipates a meeting could be scheduled the week of October 31st.

- Peters Building Company Minor PUD Amendment Request – The applicant has withdrawn the Request for a Minor amendment to the PUD for Dexter Crossing, for unit #66, 112, 115, 128 and 195. At the same time, the applicant submitted a new request for a Minor Amendment to the PUD for Dexter Crossing, but this time for just lot #66. Staff has reviewed the new request and consulted the City Attorney, Scott Munzel and Planning Consultant, Doug Lewan, and offers the following comments:

- Section 19.03, General Provision in the Zoning Ordinance states, "*All regulations within the City Zoning Ordinance applicable to setback, parking and loading, general provisions, and other requirements shall be met in relation to each respective land use in the PUD based upon the zoning districts in which the use is listed as Permitted Principle Uses. In all cases, the strictest provision shall apply.*

Notwithstanding the immediately proceeding [sic] paragraph, deviations with respect to such regulation may be granted as part of the overall approval of the PUD, provided there are features or elements demonstrated by the petitioner and deemed adequate by the City Council, upon recommendation of the Planning Commission designed into the project plan for the purpose of achieving the objectives of this Section."

In summary, deviations from zoning regulations may be granted on eligible PUD projects. No deviation from the 30% maximum lot coverage regulation was granted for the Dexter Crossing PUD. Hence, it would not be appropriate for staff to administratively approve a change to the PUD. As such, staff anticipates making a determination that the request is not a minor amendment, but rather a major amendment. According to Section 19.13, sub-section A, a major change in an approved preliminary or final site plan, as determined by the Zoning Administrator requires an amendment to the approved area plan. Furthermore, the amendment process must follow the procedures and conditions required for original submittal, review, and approval, including

a public hearing and notification. In other words, the amendment must be considered by the Planning Commission during a public hearing, followed by a recommendation by the Planning Commission to City Council, with final action by City Council.

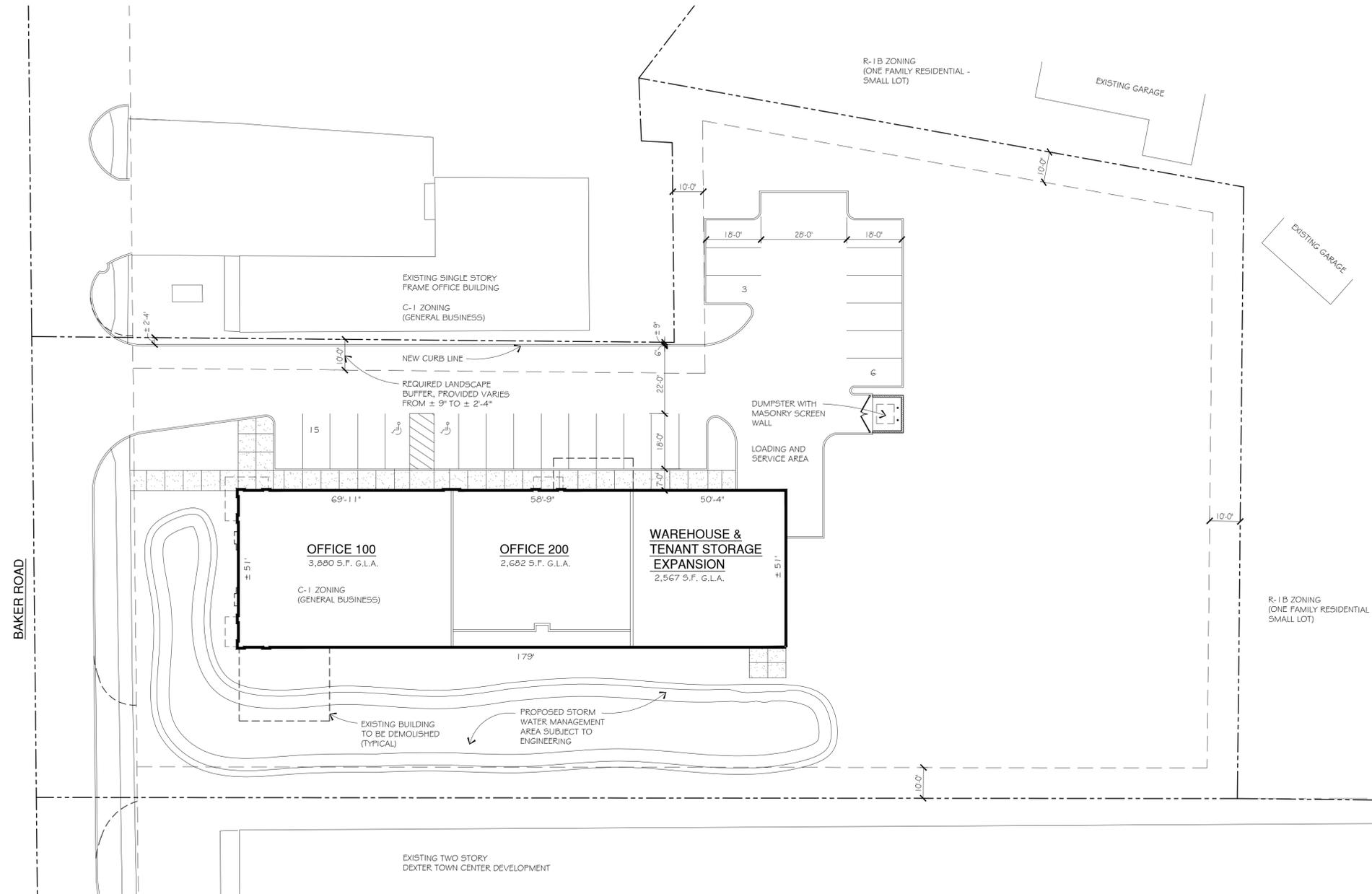
- MML Medical Marihuana Fact Sheet: The Michigan Municipal League has prepared a fact sheet following the recent adoption of laws regarding Medical Marihuana. You will notice the requirement number 4 of is bolded. The Act allows municipalities to choose whether to allow any of these marijuana facilities within their jurisdictions. If the municipality takes no action, none of the facilities are allowed. A municipality that wishes to allow these facilities must enact an ordinance explicitly authorizing them.
- Staff would like to share a couple of articles. The first was in the Your Money section of the New York Times titled, The Future of Retirement Communities: Walkable and Urban. The second came from a publication in Traverse City called, The Ticker. The article is titled Short on Options, Restaurant Owners Build Rental Housing. Housing trends and affordable housing are issues that are relevant to the City of Dexter. Staff found them interesting and thought you might too.

Enforcement Updates

- 7555 Ann Arbor St – This is a public nuisance case. The property owner did not show up for the hearing. Our code enforcement attorney will be filing a request for the city to mitigate the violation and invoice the property owner for the cost incurred, as a result.

Staff Update

- Staff will be on vacation October 19th-21st.
- Staff will be attending the Michigan Association of Planning (MAP) Annual Conference October 26th-28th.



LEGEND

LAND AREA : ± 1.64 ACRES GROSS
± 1.53 ACRES NET

BUILDING AREA :

EXISTING (OFFICE)	6,562 S.F. G.L.A.
EXPANSION (WAREHOUSE)	2,567 S.F. G.L.A.
TOTAL	9,129 S.F. G.L.A.
TOTAL	9,139 S.F. G.B.A.

NOTE : ± 1,000 S.F. OF EXISTING BUILDING AREA TO BE DEMOLISHED

PARKING REQUIRED PER ORDINANCE :

OFFICE = 3 SPACES PER 1,000 S.F. OF G.B.A.	= 6,562 / 333.33	= 19.7 = 20 SPACES
WAREHOUSE = 1.5 SPACES PER 1,000 S.F. OF G.B.A.	= 2,567 / 666.66	= 3.8 = 4 SPACES
TOTAL		= 24 SPACES

PARKING PROVIDED = 24 SPACES

SITE PLAN
SCALE: 1" = 20'-0"



BAKER ROAD OFFICE

DEXTER, MICHIGAN

OWNER/DEVELOPER:

A.R. BROUWER CO. LLC
7444 DEXTER - ANN ARBOR RD.
DEXTER, MICHIGAN 48130



WAH YEE ASSOCIATES
ARCHITECTS & PLANNERS
42400 GRAND RIVER AVENUE, SUITE 200
NOVI, MICHIGAN 48375
PHONE 248.489.9160
PROJECT NO. 4913

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ISSUED FOR :
PRE-APP.
OCT. 14, 2016

PRELIMINARY
NOT FOR CONSTRUCTION

A1.1

Medical Marihuana Facilities Licensing Act

Introduction

On September 21, Governor Snyder signed a package of bills (2016 PA 281-283) that significantly expand the types of medical marihuana facilities permitted under state law, and establishes a licensing scheme similar to the scheme for liquor licenses. Notably, these bills do not require a state license to operate as a primary caregiver under the Michigan Medical Marihuana Act, nor do they allow municipalities to prohibit operation as a primary caregiver. The existing regulatory scheme regarding primary caregivers remains in effect.

Requirements under the new Act

Among other things, the legislation:

1. Legalizes the medical use of marihuana-infused products, commonly known as “edibles,” for purposes of state law.
2. Creates the Medical Marihuana Licensing Board within the Michigan Department of Licensing and Regulatory Affairs (LARA) to issue licenses for various medical marihuana facilities.
3. Requires an annual license for any of the following entities to operate a marihuana facility:
 - Growers—licensees that cultivate, dry, trim, or cure and package marihuana for sale to a processor or provisioning center. Registered patients and primary caregivers who lawfully cultivate marihuana in the quantities and for the purposes permitted under the Medical Marihuana Act are not considered “growers” under the new legislation.
 - Processors—licensees that purchase marijuana from a grower and extract resin from the marijuana or create a marijuana-infused product for sale and transfer in packaged form to a provisioning center.
 - Provisioning centers—licensees that purchase marihuana from a grower or processor and sell, supply, or provide marihuana to patients, directly or through the patient’s caregiver.
 - Secure transporters—licensees that store marihuana and transport it between marihuana facilities for a fee.
 - Safety compliance facilities—licensees that receive marihuana from a marihuana facility or primary caregiver and test it for contaminants and other substances.
4. **Allows municipalities to choose whether to allow any of these marijuana facilities within their jurisdictions.** If the municipality takes no action, none of the facilities are allowed. A municipality that wishes to allow these facilities must enact an ordinance explicitly authorizing them.
5. Authorizes municipalities to charge an annual fee of up to \$5,000 on licensed marihuana facilities to defray administrative and enforcement costs.
6. Authorizes municipalities to adopt ordinances relating to marihuana facilities within their jurisdiction, including zoning ordinances.
7. Prohibits municipalities from imposing regulations regarding the purity or pricing of marihuana or interfering or conflicting with statutory regulations for licensing marihuana facilities.
8. Requires municipalities to provide to the Medical Marihuana Licensing Board within 90 days after notice that a license application was filed: (a) a copy of any ordinance authorizing the marihuana facility, (b) a copy of any zoning regulation applicable to the facility, and (c) a description of any previous medical-marihuana related ordinance violation.
9. Exempts from FOIA disclosure any information a municipality obtains in connection with a license application.
10. Requires the state to establish a “seed to sale” computer tracking system to compile data regarding marihuana plants throughout the chain of custody from grower to patient. The system will be able to provide this data in real-time to local law enforcement agencies.

This publication was written by the law firm of Dickinson Wright.

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The Future of Retirement Communities: Walkable and Urban



Ben and Christine Brown in West Asheville, N.C., which they says is a more walkable community than their previous home in Franklin, N.C.

MIKE BELLEME FOR THE NEW YORK TIMES

OCTOBER 14, 2016

Retiring

By JOHN F. WASIK

FEW people in America walk to work. Most of us drive to the supermarket. But more older people these days are looking for a community where they can enjoy a full life without a car.

Ben Brown and his wife, Christine, say they weren't thinking about [retirement](#) when they moved to [Franklin, N.C.](#), a small, lovely town nestled in the Smoky

Mountains near Asheville, a haven for many East Coast and Midwest retirees.

“We loved the idea of living in a small town in a rural mountain area,” Mr. Brown recalled. “And we converted a summer house to a year-round home to suit our tastes.”

Yet Mr. Brown, a 70-year-old writer, and his 66-year-old wife said they had second thoughts as they made the transition toward retirement.

“We realized ‘aging in place’ means a lot more than just a comfortable house,” Mr. Brown said. “So we began thinking more about ‘aging in community.’ That means an urban neighborhood where you can walk or take transit to just about everything you need.”

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Then they discovered West Asheville, a vibrant, urban neighborhood that is brimming with trendy new restaurants, inviting shops and a number of bus routes into the larger city next door. Nearly every place they wanted to go was within walking distance, a major benefit for those who don't want to drive everywhere as they get older.

“We always thought we'd end up in an urban environment,” Mr. Brown added. “We're in one of the few places where you can comfortably live without a car in a growing, mixed-use neighborhood.”

In the age of the Fitbit and a growing cohort of active, engaged retirees eager to take their daily 10,000 steps, retirement communities have been slow to change. Eighty percent of retirees still live in car-dependent suburbs and rural areas, according to a [Brookings Institution study](#).

Developments for independent retirees typically come in two flavors: isolated, gated subdivisions or large homes on golf courses, often in the same bland package

of multiple cul-de-sacs. Both require driving everywhere, which is a problem for those who either don't want to drive or can't.

Enter a new paradigm: the walkable, urban space. It may range from existing neighborhoods in places like Brooklyn or San Francisco to newly built housing within city and suburban cores from coast to coast. Though not primarily for retirees, places like Reston, Va., and Seaside, Fla., were early examples of the new urbanism built from the ground up. Among senior housing projects, examples include Waterstone at Wellesley along the Charles River in the Boston area and The Lofts at McKinley in downtown Phoenix. The theme is simple: Get out and walk to basic services.

Walkability, though, is much more than a hip marketing pitch. It's [linked](#) to better health, social engagement and higher property values.

The researchers Philippa Clarke and Linda George [found](#) that walkable, mixed-use environments could possibly reduce disabilities many face as they age. Pedestrian-friendly communities promote walking to a grocery store, cafe or other services like a dry cleaner or library.

Although there is clearly a growing demand for walkable, urban retirement communities, they are difficult to build within cities, said Christopher Leinberger, a developer based in Washington and a professor at the George Washington University School of Business.

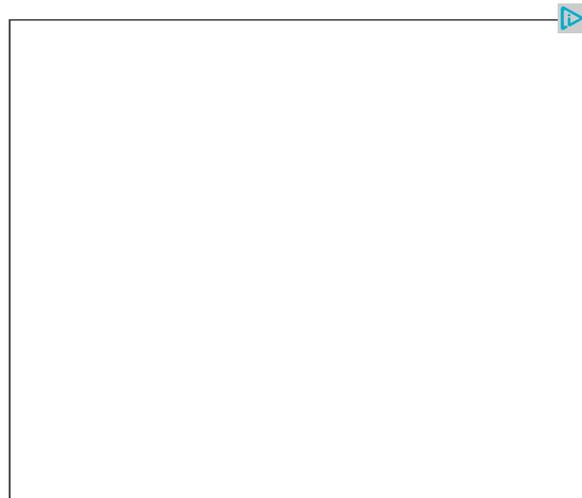
Mr. Leinberger noted that most mainstream retirement developers had traditionally favored suburban or exurban sites that involve sprawling "greenfield" building on relatively cheap farmland. The [new approach](#), by contrast, is for dense, urban or town-centered sites that are accessible for services and socially vibrant.

"The model used to be to isolate old people on cul-de-sacs backing up to a golf course," Mr. Leinberger said. "The new model just beginning to rise is for walkable urban places."

But there are many obstacles. Age-friendly communities within cities may require extensive infrastructure improvements, including wider sidewalks, bike lanes, more public transportation options and longer pedestrian signal walk times. Local officials may not want to rezone or invest in the improvements or even permit them.

Michael Glynn, a vice president with National Development in Boston, who has built walkable communities primarily for homeowners 75 and older, said he had faced many roadblocks in pursuing his projects.

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“Towns are frightened by density,” Mr. Glynn said, referring to clustering housing units in downtown areas. “But if you build in the right, walkable location, it could do a lot of good for an 85-year-old.”

Walkable areas in mature cities, though, may be unaffordable for retirees who are interested in paring their overall housing costs. Some of the most walkable cities are among the most expensive: New York, San Francisco and Boston top the list compiled by Walkscore.com, which also rates individual neighborhoods.

New York’s Little Italy and Flatiron Districts; Chinatowns in Boston, San Francisco, New York and Washington; Philadelphia’s Rittenhouse Square; and Chicago’s Near North and West Loop all scored well.

Although the price tags for these neighborhoods can be lofty, there is a financial upside. They promise higher home equity down the road, if you can afford to buy there.

Mr. Leinberger, in a G.W.U. study, found that the walkability factor added more than 72 percent in [increased housing value](#) compared with car-dominated developments, where he says prices will fall over time as America ages.

The affordability issue may be a roadblock to many retirees looking to cut housing expenses, but it shouldn’t be a high barrier to those already living in a city. They may be able to stay put if the neighborhood where they live can accommodate their changing needs.

How do you rate a neighborhood’s walkability? You can start with the [WalkScore rankings](#) and sort cities based on affordability, location and amenities.

Also keep in mind that the most walkable communities may need other services to fit your needs.

Do they have quality health care institutions nearby? Is public transportation

adequate? Will you need barrier-free sidewalks and retail establishments? How easy is it to leave and visit other parts of a city or its metropolitan region? Will you need to rent or share a car? What about local colleges for cultural amenities and lifelong learning programs?

Picking the right community also should involve your family. If you want to be close to children and grandchildren, you should consider a place accessible to them as well.

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Short On Options, Restaurant Owners Build Rental Housing

October 17, 2016



Amidst a housing rental shortage straining Traverse City employers' efforts to attract and retain staff, two local restaurateurs are taking matters into their own hands and building a downtown housing development.

Jeff and Trish Wiltse – owners of Firefly, Bubba's, The Kitchen and Maddy's Tavern – recently broke ground on a 14-unit apartment complex called Boardman Flats at 619 East Eighth Street between Railroad Avenue and Franklin Street. Scheduled to be ready for occupancy in spring 2017, the 8,200 square-foot building will house 12 single-bedroom studio apartments and two larger two-bedroom apartments.

Two homes were demolished on the site to make way for the development. "We owned one house since 1998," says Trish, "and when the other went on the market last year, we had this idea to (combine the properties) and build small flats so people could work and live downtown."

The Wiltses echo the frustrations of other local restaurateurs and retailers who've found it increasingly difficult to hire and keep staff in the wake of Traverse City's housing shortage. "We've had employees move because they could find lower-cost housing downstate," says Trish. "We've tried to be competitive with our wages. But unless you live outside the city and drive in (to the restaurants), or else pile people up in a small apartment in town, it's difficult to make it work. That's how this (project) started: our employees talking about housing."

President Chris Richter of RCI/Richter Construction – which is overseeing construction of Boardman Flats – says the development will feature "trendy touches" like arched walkways, bike racks and attractive finishes that will make it a "highly desired" addition to the corridor. "It's cool to be a part of this revitalization of Eighth Street," Richter says. "We're taking out these old buildings, helping clean up that section of Eighth Street and putting in a place people are going to want to live."

While construction has only been underway a few weeks, Richter says the job site has generated "a ton" of interest from passersby. "People constantly stop and ask us what's going in, how tall the building will be, when it will be ready," he says. But the million-dollar question – as is often the case with new Traverse City rental developments – has been: How will the rent be?

"It's not low-income housing," says Richter. "It's a valiant attempt at providing affordable housing in Traverse City, but it's not low-income."

By [Beth Milligan](#)

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As business owners and now first-time developers, the Wiltzes are experiencing both sides of the affordable housing crisis coin: the economic impact of not having housing available to workers, and the difficulty in making the numbers work to construct affordable housing – even for builders personally motivated to bring it to the marketplace.

“We really want to meet this need, but (the process) is frustrating,” says Trish. Renting out apartments significantly below market-rate – for example, to low-income tenants – typically requires public-private partnerships with entities like the Michigan State Housing Development Authority to make the development sustainable. It can take multiple application cycles to be approved for MSHDA funding, if funding is approved at all – a process Trish says can be “very difficult to work through.”

The Wiltzes instead are trying to make the apartments available as quickly as possible and still keep rent within reach for middle-income workers. The couple originally set a target goal of \$800/month for the studio units, which can accommodate 1-2 individuals. But the couple was informed by the city assessor’s office that property taxes alone could equal \$200/month per unit.

After factoring in building, development and maintenance costs, those expenses could ultimately drive rental prices closer to \$980, according to Trish. “We have to at least get a return on our investment,” she says. “We’re not trying to make a lot of money. We’re hoping to work with the city on some type of concessions.”

City Assessor Polly Cairns says tax abatement requests for housing developments typically come to city commissioners before construction begins, not after, so she's uncertain how such a request would be handled. “We do appreciate the benefit of them trying to provide housing at a reasonable cost, because Traverse City doesn’t have enough of that housing,” Cairns says. “If an abatement is what they want, we would do our best to work with them and assist them with that request.”

Richter believes no matter the final rental rates, Boardman Flats will help meet a crucial need for downtown rental housing and offer a "studio concept that does not exist in the area." He says his firm also has a “bigger vision” of developing multiple such properties in the city – smaller-scale developments integrated into the surrounding neighborhoods, rather than large-scale complexes. “We’re already looking at another piece of property right now,” he says. “There is a crying need for housing for our downtown workers.”

[Permalink](#)

Comments



[Street Closures Planned For Eighth, Ninth, Randolph](#)

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WASHTENAW COUNTY OFFICE OF THE SHERIFF



JERRY L. CLAYTON
SHERIFF

2201 Hogback Road ♦ Ann Arbor, Michigan 48105-9732 ♦ OFFICE (734) 971-8400 ♦ FAX (734) 973-4624 ♦ EMAIL sheriff@ewashtenaw.org

MARK A. PTASZEK
UNDERSHERIFF

To: Courtney Nicholls, Dexter City Manager
From: Geoff Fox, Sergeant
Through: Lisa King, Lieutenant
Cc: Marlene Radzik, Police Services Commander
Date: October 11, 2016
Re: September 1st – September 30th, 2016 Police Services Monthly Report

Agenda: 10/24/2016
Item: I-4

During the month of September there were 241 Calls for service (including traffic stops). Deputies conducted 129 traffic stops during this time with 45 citations issued.

Deputies continue to attend training throughout the year in efforts to improve overall service. Recent training initiatives include:

- All staff assigned to this area will be attending training focused on how to better manage mental health crises.

Banked Hours Update:

- We have two positions that are currently vacant due to injury. The hours from this have been banked since the beginning of the year and periodically used when staffing was low. We will continue to use these hours to reduce your overtime costs and to address any concerns that arise within the community.

Several other projects and concerns have or are being addressed. They include:

- On 9/12/16 we responded to the 3700 block of Bristol Drive for the report of two kayaks being stolen. The victim had parked her car in her driveway overnight with the kayaks on the roof of her car. When she got up the next morning they were gone.
- On 9/18/16 we responded to the 8000 block of Huron Street for the report of illegal dumping. Sometime within the previous few days someone had dumped numerous pieces of old wood on the extension in front of the house. None of the dumped items had identifying marks on them that would assist us in locating the suspect.
- On 9/30/16 deputies responded to the Country Market for the report of a retail fraud that had just occurred. Two males entered the store, loaded carts with 21 cases of beer and then walked out the front without paying. They then got in a car that was occupied by two additional males and drove away. This incident is still under investigation.



WASHTENAW COUNTY OFFICE OF THE SHERIFF



JERRY L. CLAYTON
SHERIFF

2201 Hogback Road ♦ Ann Arbor, Michigan 48105-9732 ♦ OFFICE (734) 971-8400 ♦ FAX (734) 973-4624 ♦ EMAIL sheriff@ewashtenaw.org

MARK A. PTASZEK
UNDERSHERIFF

September 2016

DEXTER CITY MONTHLY POLICE SERVICES MEETING

2016 Traffic Stops (YTD)	2015 Traffic Stops (YTD)	Percentage Change
YTD 1150	1423	-19%
MONTH 129	123	+5%

2016 Citations (YTD)	2015 Citations (YTD)	Percentage Change
YTD 276	255	+8%
MONTH 45	25	+80%

2016 Drunk Driving Arrest (YTD)	2015 Drunk Driving Arrest (YTD)	Percentage Change
YTD 5	20	-75%
MONTH 0	2	-100%

	2016 (YTD)	2015 (YTD)	Percentage Change
Calls for Service (YTD)	2199	2410	-9%
Homes Invasions (YTD)	3	1	+200%
Larceny's (YTD)	7	31	-77%
Robbery's (YTD)	1	0	---
Assaultive Crimes (YTD)	9	6	+50%
Traffic Crashes (YTD)	99	73	+36%
Verified Traffic Stops CFS	1086	1354	-20%
Non-Terminal Medical CFS	64	80	-20%

1. Animal Control Updates: (Year to date)

CALL FOR SERVICE	2016	2015	Change
Dexter City	21	20	+5%
Animal Control Service Request	13	3	+333%

CITY OF DEXTER

cnicholls@dextermi.gov

8140 Main Street Dexter, MI 48130-1092 Phone (734)426-8303 ext. 11 Fax (734)426-5614

MEMO

To: Mayor Keough and Council Members
From: Courtney Nicholls, City Manager
Date: October 19, 2016
**Re: City Manager/Assistant to the Manager Report - Meeting of
October 24, 2016**

1. Meeting Review:
 - October 12th – Union Negotiations
 - October 13th – Breakfast with the Budget
 - October 17th – Grandview Commons Brownfield Committee
 - October 18th – Senate Finance Committee
 - October 18th – Parks & Recreation Commission
 - October 18th – Farmers Market/Community Garden Oversight Committee

2. Upcoming Meetings:
 - October 20th – Downtown Development Authority
 - October 21st – Facility Committee
 - October 26th – Union Negotiations
 - October 27th – OHM Status Update
 - November 1st – Arts, Culture & Heritage Committee
 - November 5th – City Office Open for Absentee Ballots
 - November 8th – Election Day

3. **Elections Update.** Absentee ballots for the Tuesday, November 8th General Election have been sent out to those that have filed absentee ballot applications. Absentee ballots can be requested until 4 pm on Monday, November 7, 2016, however ballots requested on Monday the 7th cannot be mailed and must be voted at the City Office. The City Offices will be open on Saturday, November 5th from 9am – 2pm to accept absentee ballots. Absentee ballots that have been mailed must be returned to the City Office no later than 8:00pm on Election Day. Staff also strongly encourages residents to view a sample ballot before coming to the polls on Election Day. Sample ballots can be downloaded from www.michigan.gov/vote.

4. **Grandview Commons Brownfield Committee.** A meeting of the Committee formed by DDA to review the brownfield request from Grandview Commons was held on October 17, 2016. The Committee will be making a recommendation to the DDA on the structure of the brownfield agreement.

5. **Halloween.** The Dexter Chamber of Commerce will be sponsoring a Halloween event in Monument Park on Monday, October 31, 2016 at 1 pm. Local businesses will be invited to come to the park and give out candy.

6. **Donation Acceptance Policy.** Over the last several months, the Parks and Recreation Commission has discussed the details of a potential donation policy. At their meeting on October 18th, the Commission voted and recommended approval of the policy to City Council. That document will come before Council at the November 14th meeting.
7. **Dexter Art Gardens Temporary Sculptures.** The Arts, Culture, and Heritage Committee will be discussing an agreement with the Chelsea River Gallery for a call for artists for the 2017 Dexter Art Gardens Temporary Sculpture Display at their meeting on November 1, 2016. It is likely that the Arts, Culture, and Heritage Committee will be making a recommendation to City Council at that meeting.
8. **Court of Appeals.** All required briefs have been submitted by Dexter for the Wellness Center case. The other parties (the 5 Healthy Towns Foundation and the State of Michigan) have a few briefs left to file. Once everything has been submitted, the case will be scheduled for oral arguments.
9. **2016 Sidewalk Project.** The 2016 sidewalk project is moving along. The Alpine Street and DAPCO sidewalks have been poured. The contractor has also started prepping the areas for the intersection improvements.
10. **Hydrant Replacement Project.** The replacement of the fire hydrants on Huron River Drive is scheduled for either the weekend of November 11th or 18th. The impacted businesses will be receiving a letter notifying them of these two dates and will be notified again once the final schedule is determined.
11. **Ferric Tank Replacement.** A preconstruction meeting was held on the ferric tank replacement project. There is a ten week lead time on the actual ferric tank. The tank has been ordered and the prep work for the replacement will be completed in anticipation of the arrival of the tank.
12. **Shield Road Water Main.** The Shield Road water main contractor is working on obtaining permits. The final timing of the project has not been determined. We are hoping to do the final tie in at a time when school is not in session to have as minimal disruption to the High School as possible.

**Mayor Report
Shawn Keough
Prepared on October 20, 2016**

Agenda: 10/24/2016
Item: I-7

Hello Residents and Council members,

Here is a report of my activities over the past couple weeks and my calendar of activities looking ahead:

Recent Activities

3045 Broad Redevelopment Update – Foremost Development has provided an updated project pro forma back to the City. The City has provided a letter back to Foremost with additional questions. We are targeting our next meeting between the City's committee and Foremost for either November 2nd, 3rd or 4th. It is still the goal of this Council to have a 4th public meeting, but we need to get more clarity on the financial feasibility of the project before that can be scheduled. Communication remains open between the City and Foremost. If any resident, business owner or interested person has a question about this redevelopment project, please feel to contact me or the City Manager directly for a further update.

October 12, 2016 – Union negotiation meeting with representatives (City employees) from Teamsters Local 214 (Bargaining unit of City public works, water, sewer and administrative employees). We will be meeting again on October 26th to discuss the proposals in more detail.

October 13, 2016 – Fire Chief review meeting – year one performance review

October 17, 2016 – Grandview Commons Brownfield Redevelopment Plan Committee (DDA Committee) – This committee of the Dexter Downtown Development Authority met to review the brownfield payback request submitted by AR Brouwer for the proposed Grandview Commons residential project at Grand and Baker. The full reimbursement request through the Washtenaw County Brownfield Redevelopment Authority (WCBRA) using the DDA TIF capture as payback is approximately \$2,200,000 (eligible activities plus interest and contingencies). When you add in the WC administrative fees, the contribution to the State Revolving Fund and the required contribution to the Local State Revolving Remediation Fund (Wash County fund), the total request is over \$3,000,000. Our committee, consisting of DDA members Don Darnell, Mike Fitzpatrick, Courtney Nicholls, Michelle Aniol and myself, is reviewing this request carefully. We are leaning toward a 50% reimbursement percentage which would allow the DDA to keep a portion of the taxes each year (i.e. add to our revenue stream) and spread the payback out over more years than the original request. The original request is for the DDA to direct 100% of the TIF capture toward the payback immediately. We are also reviewing a pro-forma provided by the Developer that will help us understand the “gap” in funding the project. No recommendations to the full DDA have been made yet, although our preliminary thoughts were shared at the October 20th DDA meeting.

October 17, 2016 – Rob Toth from Dexter Research requested to meet with a couple of members from the City of Dexter Economic Development Corporation regarding a potential manufacturing bond issuance for new development at his business.

October 18, 2016 – Opposition to Senate Bill 960 - State of Michigan Senate Finance Committee – I spoke in front of the Senate Finance Committee in opposition to proposed Senate Bill 960. The proposed changes greatly expand the language allowing tax breaks for non-profits. The changes go much further than clarifying the Wexford Supreme Court language and if passed would create chaos for municipalities all across the State. In Dexter, it would likely mean that the Dexter Wellness Center would be tax exempt, which is 180 degrees different than the current code and recent tax tribunal decision. I would like to encourage all Dexter residents to contact their Senator and express opposition to the proposed bill 960. If passed, the bill will create loopholes in the tax code and further erode the integrity of our tax structure.

October 19, 2016 – Opposition to Senate Bill 960 - I spoke with our Senator (Hune) for about 25 minutes and answered direct questions that he had about our dispute over the Dexter Wellness Center. I will be strongly opposing this bill if this language continues to move forward.

October 20, 2016 – Downtown Development Authority meeting – No major action items. We approved bills for the month (primarily bond payments that were due).

Upcoming Activities

October 20, 2016 – Dexter Area Fire Board meeting

October 21, 2016 – Facility Committee meeting

October 24, 2016 – City Council meeting

October 25, 2016 – Union Negotiation meeting with Local 4090 (Bargaining unit of Dexter Area Fire Department employees).

Looking Ahead

I will continue to meet with residents that have recently submitted applications for various committee positions.

Please feel free to contact me at any time with questions or suggestions. I look forward to seeing you around our town.

Shawn Keough
Mayor, City of Dexter

skeough@DexterMI.gov

(313) 363-1434 (cell)

SUMMARY OF BILLS AND PAYROLL			10/24/2016
Payroll Check Register	10/12/16	\$38,525.49	Regular Pay
Employer Costs (FICA/MERS/ICMA) paid via electronic transfer	10/12/16	\$3,502.25	Regular Pay
Account Payable Check Register	10/20/16	\$66,716.23	
		\$108,743.97	TOTAL BILLS & PAYROLL EXPENDED ALL FUNDS
The due date column on the accounts payable worksheets represents the date of the Council meeting			
ALL PAYABLES ARE WITHIN ACCEPTABLE BUDGET LIMITS EXCEPT AS NOTED BELOW DETAIL VENDOR LIST AND ACCOUNT SUMMARY PROVIDED			
<i>"This is the summary report that will be provided with each packet. Approval of the total bills and payroll expended, all funds will be necessary."</i>			

Claimant	Amount Claimed	Amount Owed	Amount Rejected
1. 44 NORTH	117.00		
2. ALEXANDER CHEMICAL CORPORATION	744.22		
3. ANN ARBOR LANDSCAPING INC.	275.00		
4. AT&T	57.41		
5. BOULLION SALES	934.00		
6. CIESA DESIGN	198.00		
7. COMCAST - DPW	114.30		
8. CORRIGAN OIL COMPANY	668.30		
9. CULLIGAN WATER CONDITIONING	34.95		
10. DEXTER SENIOR CITIZENS CENTER	1,710.00		
11. DORNBOS SIGN & SAFTEY INC.	135.65		
12. ELHORN ENGINEERING CO	560.80		
13. ETNA SUPPLY CO	36.90		
14. FIFTH STREET DENTAL CARE	40.00		
15. GREEN GUYS LAWN AND LANDSCAPE	574.00		
16. GRIFFIN PEST CONTROL INC	225.00		
17. HARPER ELECTRIC, INC	343.00		
18. I.T. RIGHT INC.	203.00		
19. KNIGHT'S GRADING & EXCAVATING	2,000.00		
20. LESSORS WELDING SUPPLY	55.00		
21. METRO ENVIRONMENTAL SERVICES	1,676.25		
22. MICHELLE ANIOL	186.34		
23. MML WORKERS COMPENSATION FUND	3,542.00		
24. MUNICIPAL CODE CORPORATION	950.00		
25. ORCHARD, HILTZ & MCCLIMENT INC	13,229.25		
26. PARAGON LABORATORIES INC	65.00		
27. PAUL EVANOFF	1,314.39		
28. PLANT WISE	1,072.50		
29. PNC	314.16		
30. RADTKE TRUCKING, LLC	1,200.00		
31. RICOH AMERICAS CORPORATION	333.80		
32. ROBERT MESTER	144.68		
33. SCOTT E. MUNZEL, PC	6,171.00		
34. SMALL BUSINESS ASSOC OF MICH	20,124.99		
35. STAPLES BUSINESS ADVANTAGE	878.80		
36. SURVEY MONKEY	204.00		
37. THOMAS L STRINGER	935.00		
38. TRUCK & TRAILER SPECIALTIES	825.65		
39. UNUM LIFE INSURANCE	972.32		
40. VERIZON WIRELESS	435.05		
41. VOGEL'S LOCK & SAFE REPAIRS, I	778.00		
42. WASHTENAW COUNTY SOIL EROSION	25.00		
43. WASHTENAW COUNTY TREASURER	2,311.52		
TOTAL ALL CLAIMS	66,716.23		

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund 101 GENERAL FUND							
Dept 101 CITY COUNCIL							
101-101-943.000	COUNCIL CHAMBERS LEASE	DEXTER SENIOR CITIZENS	RENTAL FEE	0001	10/24/16	1,575.00	
101-101-958.000	MEMBERSHIPS & DUES	PNC	SUPPLIES	10/17/16	10/24/16	55.00	
Total For Dept 101 CITY COUNCIL						1,630.00	
Dept 172 CITY MANAGER							
101-172-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	3,435.57	
101-172-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	121.56	
101-172-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	121.56	
101-172-727.000	OFFICE SUPPLIES	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	73.94	
101-172-955.000	MISCELLANEOUS	SURVEY MONKEY	YEARLY PLAN	27503689	10/24/16	204.00	
101-172-960.000	EDUCATION & TRAINING	PNC	EDUCATION	10/17/16	10/24/16	112.86	
101-172-977.000	EQUIPMENT	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	185.29	
Total For Dept 172 CITY MANAGER						4,254.78	
Dept 201 FINANCE DEPARTMENT							
101-201-802.000	PROFESSIONAL SERVICES	44 NORTH	ADMIN FEES	162882	10/24/16	117.00	
Total For Dept 201 FINANCE DEPARTMENT						117.00	
Dept 210 ATTORNEY							
101-210-810.000	ATTORNEY FEES	SCOTT E. MUNZEL, PC	LEGAL FEES	1975	10/24/16	935.00	
101-210-810.000	ATTORNEY FEES	SCOTT E. MUNZEL, PC	LEGAL FEES	1978	10/24/16	484.50	
101-210-810.000	ATTORNEY FEES	SCOTT E. MUNZEL, PC	LEGAL FEES	1973	10/24/16	340.00	
101-210-810.000	ATTORNEY FEES	SCOTT E. MUNZEL, PC	LEGAL FEES	1977	10/24/16	4,411.50	
101-210-810.000	ATTORNEY FEES	THOMAS L STRINGER	LEGAL FEES	10/17/16	10/24/16	935.00	
Total For Dept 210 ATTORNEY						7,106.00	
Dept 215 CITY CLERK							
101-215-815.000	ORDINANCE CODIFICATION	MUNICIPAL CODE CORPORA	WEB HOSTING	00276385	10/24/16	950.00	
Total For Dept 215 CITY CLERK						950.00	
Dept 253 TREASURER							
101-253-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	1,768.97	
101-253-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	36.50	
101-253-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	36.50	
101-253-727.000	OFFICE SUPPLIES	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	11.89	
101-253-977.000	EQUIPMENT	I.T. RIGHT INC.	LAPTOP	10/17/16	10/24/16	203.00	
101-253-977.000	EQUIPMENT	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	185.29	
Total For Dept 253 TREASURER						2,242.15	
Dept 265 BUILDINGS & GROUNDS							
101-265-727.000	OFFICE SUPPLIES	PNC	SUPPLIES	10/17/16	10/24/16	58.25	
101-265-727.000	OFFICE SUPPLIES	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	109.41	
101-265-803.000	CONTRACTED SERVICES	CIESA DESIGN	WEBSITE	12965	10/24/16	198.00	
101-265-920.001		AT&T	424 1790	10/19/16	10/24/16	57.41	
101-265-936.000		RICOH AMERICAS CORPORA	COPIES	5044792438	10/24/16	333.80	
Total For Dept 265 BUILDINGS & GROUNDS						756.87	
Dept 285 CITY TREE PROGRAM							
101-285-731.001	LANDSCAPE SUPPLIES - TREES	ANN ARBOR LANDSCAPING	TREES	10/17/16	10/24/16	275.00	
Total For Dept 285 CITY TREE PROGRAM						275.00	
Dept 301 LAW ENFORCEMENT							
101-301-935.000	BUILDING MAINTENANCE & REPAIR	VOGEL'S LOCK & SAFE RE	8140 MAIN	10/19/16	10/24/16	778.00	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund 101 GENERAL FUND							
Dept 301 LAW ENFORCEMENT							
Total For Dept 301 LAW ENFORCEMENT						778.00	
Dept 400 PLANNING DEPARTMENT							
101-400-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	1,648.92	
101-400-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	30.99	
101-400-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	30.99	
101-400-861.000	TRAVEL & MILEAGE	MICHELLE ANIOL	EXPENSE REPORT	10/17/16	10/24/16	115.34	
101-400-955.000	MISCELLANEOUS	MICHELLE ANIOL	EXPENSE REPORT	10/17/16	10/24/16	71.00	
Total For Dept 400 PLANNING DEPARTMENT						1,897.24	
Dept 441 DEPARTMENT OF PUBLIC WORKS							
101-441-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	1,614.38	
101-441-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	36.12	
101-441-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	36.12	
101-441-740.000	OPERATING SUPPLIES	LESSORS WELDING SUPPLY DPW		308316	10/24/16	55.00	
101-441-740.000	OPERATING SUPPLIES	STAPLES BUSINESS ADVAN SUPPLIES		10/17/16	10/24/16	115.28	
101-441-802.000	PROFESSIONAL SERVICES	GRIFFIN PEST CONTROL I	8140 MAIN	1409510	10/24/16	225.00	
101-441-920.000		COMCAST - DPW	DPW	10/17/16	10/24/16	114.30	
101-441-920.001	UTILITIES - TELEPHONES	VERIZON WIRELESS	CELLULAR	10/19/16	10/24/16	155.73	
Total For Dept 441 DEPARTMENT OF PUBLIC WORKS						2,351.93	
Dept 442 DOWNTOWN PUBLIC WORKS							
101-442-730.000	FARMERS MARKET SUPPLIES	PNC	FARMERS MARKET	10/20/16	10/24/16	10.00	
101-442-802.000	PROFESSIONAL SERVICES	DEXTER SENIOR CITIZENS	RENTAL FEE	0001	10/24/16	135.00	
Total For Dept 442 DOWNTOWN PUBLIC WORKS						145.00	
Dept 447 ENGINEERING							
101-447-830.000	ENGINEERING CONSULTING	ORCHARD, HILTZ & MCCLI	SERVICES THRU 09/17/16	10/19/16	10/24/16	1,752.50	
Total For Dept 447 ENGINEERING						1,752.50	
Dept 751 PARKS & RECREATION							
101-751-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	260.38	
101-751-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	5.83	
101-751-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	5.83	
101-751-731.000	LANDSCAPE SUPPLIES	GREEN GUYS LAWN AND LA	PARKS	10/19/16	10/24/16	99.00	
101-751-731.000	LANDSCAPE SUPPLIES	GREEN GUYS LAWN AND LA	PARKS	10/19/16	10/24/16	475.00	
101-751-731.000	LANDSCAPE SUPPLIES	PAUL EVANOFF	REIMBURSEMENT	10/20/16	10/24/16	1,314.39	
101-751-803.000	CONTRACTED SERVICES	PLANT WISE	PARK	16-1969	10/24/16	1,072.50	
101-751-970.000	CONTRACTED CAPITAL IMPROVE	PNC		10/17/16	10/24/16	78.05	
101-751-970.000	CONTRACTED CAPITAL IMPROVE	RADTKE TRUCKING, LLC	PARK	10/19/16	10/24/16	1,200.00	
101-751-970.000	CONTRACTED CAPITAL IMPROVE	WASHTENAW COUNTY SOIL	PLAY GROUND	10/17/16	10/24/16	25.00	
Total For Dept 751 PARKS & RECREATION						4,535.98	
Dept 851 INSURANCE & BONDS							
101-851-721.001	RETIREE HEALTH INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	782.85	
101-851-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	1,788.71	
Total For Dept 851 INSURANCE & BONDS						2,571.56	
Dept 890 CONTINGENCIES							
101-890-957.001	PROPERTY TAX REFUNDS	WASHTENAW COUNTY TREAS	MTT/STC	28743	10/24/16	1,664.44	
Total For Dept 890 CONTINGENCIES						1,664.44	
Total For Fund 101 GENERAL FUND						33,028.45	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund 202 MAJOR STREETS FUND							
Dept 463 ROUTINE MAINTENANCE							
202-463-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	1,353.99	
202-463-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	30.30	
202-463-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	30.30	
202-463-802.000	PROFESSIONAL SERVICES	ORCHARD, HILTZ & MCCLI SERVICES	THRU 09/17/16	10/19/16	10/24/16	146.75	
202-463-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	162.93	
Total For Dept 463 ROUTINE MAINTENANCE						1,724.27	
Dept 474 TRAFFIC SERVICES							
202-474-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	416.61	
202-474-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	9.32	
202-474-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	9.32	
202-474-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	56.67	
Total For Dept 474 TRAFFIC SERVICES						491.92	
Dept 478 WINTER MAINTENANCE							
202-478-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	833.23	
202-478-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	18.64	
202-478-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	18.64	
202-478-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	83.24	
Total For Dept 478 WINTER MAINTENANCE						953.75	
Total For Fund 202 MAJOR STREETS FUND						3,169.94	
Fund 203 LOCAL STREETS FUND							
Dept 451 CONTRACTED ROAD CONSTRUCTION							
203-451-803.006	CONTRACTED ROAD CAPE SEAL	ORCHARD, HILTZ & MCCLI SERVICES	THRU 09/17/16	10/19/16	10/24/16	1,204.25	
203-451-932.000	SIDEWALKS	ORCHARD, HILTZ & MCCLI SERVICES	THRU 09/17/16	10/19/16	10/24/16	612.75	
Total For Dept 451 CONTRACTED ROAD CONSTRUCTION						1,817.00	
Dept 463 ROUTINE MAINTENANCE							
203-463-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	416.62	
203-463-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	9.32	
203-463-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	9.32	
203-463-802.000	PROFESSIONAL SERVICES	ORCHARD, HILTZ & MCCLI SERVICES	THRU 09/17/16	10/19/16	10/24/16	483.75	
203-463-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	49.59	
Total For Dept 463 ROUTINE MAINTENANCE						968.60	
Dept 474 TRAFFIC SERVICES							
203-474-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	104.15	
203-474-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	2.33	
203-474-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	2.33	
203-474-740.000	OPERATING SUPPLIES	DORNBOS SIGN & SAFTEY	DPW	29644	10/24/16	78.19	
203-474-740.000	OPERATING SUPPLIES	DORNBOS SIGN & SAFTEY	DPW	29695	10/24/16	57.46	
203-474-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	17.71	
Total For Dept 474 TRAFFIC SERVICES						262.17	
Dept 478 WINTER MAINTENANCE							
203-478-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	208.31	
203-478-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	4.66	
203-478-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	4.66	
203-478-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	38.96	
Total For Dept 478 WINTER MAINTENANCE						256.59	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund 203 LOCAL STREETS FUND							
Total For Fund 203 LOCAL STREETS FUND						3,304.36	
Fund 204 MUNICIPAL STREETS							
Dept 248 ADMINISTRATION							
204-248-721.001	RETIREE HEALTH INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	829.83	
204-248-957.001	PROPERTY TAX REFUNDS	WASHTENAW COUNTY TREAS	MTT/STC	28743	10/24/16	547.19	
Total For Dept 248 ADMINISTRATION						1,377.02	
Total For Fund 204 MUNICIPAL STREETS						1,377.02	
Fund 303 GENERAL DEBT SERVICE FUND (VOTED BONDS)							
Dept 248 ADMINISTRATION							
303-248-957.001	PROPERTY TAX REFUNDS	WASHTENAW COUNTY TREAS	MTT/STC	28743	10/24/16	99.89	
Total For Dept 248 ADMINISTRATION						99.89	
Total For Fund 303 GENERAL DEBT SERVICE FUND (VOT)						99.89	
Fund 402 EQUIPMENT REPLACEMENT FUND							
Dept 441 DEPARTMENT OF PUBLIC WORKS							
402-441-939.000	VEHICLE MAINTENANCE & REPAIR	BOULLION SALES	DPW	298121	10/24/16	934.00	
402-441-939.000	VEHICLE MAINTENANCE & REPAIR	TRUCK & TRAILER SPECIAL	DPW	HP1315	10/24/16	825.65	
Total For Dept 441 DEPARTMENT OF PUBLIC WORKS						1,759.65	
Total For Fund 402 EQUIPMENT REPLACEMENT FUND						1,759.65	
Fund 590 SEWER ENTERPRISE FUND							
Dept 548 SEWER UTILITIES DEPARTMENT							
590-548-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	2,544.92	
590-548-721.001	RETIREE HEALTH INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	1,188.65	
590-548-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	108.35	
590-548-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	108.35	
590-548-740.000	OPERATING SUPPLIES	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	62.06	
590-548-742.000	CHEMICAL SUPPLIES - PLANT	ALEXANDER CHEMICAL CORP	WWTP	10051675	10/24/16	744.22	
590-548-742.000	CHEMICAL SUPPLIES - PLANT	ELHORN ENGINEERING CO	WWTP	266741	10/24/16	560.80	
590-548-743.000	CHEMICAL SUPPLIES - LAB	CULLIGAN WATER CONDITI	WWTP	10/17/16	10/24/16	34.95	
590-548-751.000		CORRIGAN OIL COMPANY	WWTP	6315493	10/24/16	389.45	
590-548-802.000	PROFESSIONAL SERVICES	ORCHARD, HILTZ & MCCLI	SERVICES THRU 09/17/16	10/19/16	10/24/16	1,444.50	
590-548-803.005	SEWER LINE MAINTENANCE	METRO ENVIRONMENTAL SE	WWTP	58045	10/24/16	1,676.25	
590-548-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	956.34	
590-548-920.001	UTILITIES - TELEPHONES	VERIZON WIRELESS	CELLULAR	10/19/16	10/24/16	200.73	
590-548-939.000	VEHICLE MAINTENANCE & REPAIR	HARPER ELECTRIC, INC	WWTP	18139	10/24/16	343.00	
Total For Dept 548 SEWER UTILITIES DEPARTMENT						10,362.57	
Total For Fund 590 SEWER ENTERPRISE FUND						10,362.57	
Fund 591 WATER ENTERPRISE FUND							
Dept 000 ASSETS, LIABILITIES & REVENUE							
591-000-255.000	CUSTOMER DEPOSITS	KNIGHT'S GRADING & EXC	7691 ANN ARBOR	10/19/16	10/24/16	1,500.00	
Total For Dept 000 ASSETS, LIABILITIES & REVENUE						1,500.00	
Dept 556 WATER UTILITIES DEPARTMENT							
591-556-721.000	HEALTH & DENTAL INSURANCE	FIFTH STREET DENTAL CA	PATIENT: TIM STEWART	10/20/16	10/24/16	40.00	
591-556-721.000	HEALTH & DENTAL INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	2,149.13	
591-556-721.001	RETIREE HEALTH INSURANCE	SMALL BUSINESS ASSOC O	NOV 2016	10/19/16	10/24/16	568.48	
591-556-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	NOV 2016	10/19/16	10/24/16	72.24	
591-556-722.000	LIFE & DISABILITY INSURANCE	UNUM LIFE INSURANCE	OCT 2016	10/19/16	10/24/16	72.24	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund 591 WATER ENTERPRISE FUND							
Dept 556 WATER UTILITIES DEPARTMENT							
591-556-740.000	OPERATING SUPPLIES	STAPLES BUSINESS ADVAN	SUPPLIES	10/17/16	10/24/16	135.64	
591-556-751.000		CORRIGAN OIL COMPANY	WWTP	6311815	10/24/16	278.85	
591-556-802.000	PROFESSIONAL SERVICES	KNIGHT'S GRADING & EXC	7691 ANN ARBOR	10/19/16	10/24/16	500.00	
591-556-802.000	PROFESSIONAL SERVICES	ORCHARD, HILTZ & MCCLI	SERVICES THRU 09/17/16	10/19/16	10/24/16	1,955.25	
591-556-861.000	TRAVEL & MILEAGE	ROBERT MESTER	MILEAGE	10/17/16	10/24/16	144.68	
591-556-910.000		MML WORKERS COMPENSATI	QUARTERLY	10/19/16	10/24/16	387.85	
591-556-920.001	UTILITIES - TELEPHONES	VERIZON WIRELESS	CELLULAR	10/19/16	10/24/16	78.59	
591-556-938.000	LAB EQUIPMENT MAINTENANCE	PARAGON LABORATORIES I	WWTP	42155-95807	10/24/16	65.00	
591-556-977.000	EQUIPMENT	ETNA SUPPLY CO	WWTP	S101941090.002	10/24/16	36.90	
Total For Dept 556 WATER UTILITIES DEPARTMENT						6,484.85	
Dept 901 CAPITAL IMPROVEMENTS							
591-901-974.000	CIP CAPITAL IMPROVEMENTS	ORCHARD, HILTZ & MCCLI	SERVICES THRU 09/17/16	10/19/16	10/24/16	3,715.75	
Total For Dept 901 CAPITAL IMPROVEMENTS						3,715.75	
Total For Fund 591 WATER ENTERPRISE FUND						11,700.60	
Fund 701 TRUST & AGENCY FUND							
Dept 000 ASSETS, LIABILITIES & REVENUE							
701-000-254.000-8080GR	SPR - 8080 GRAND LLC	ORCHARD, HILTZ & MCCLI	SERVICES THRU 08/20/16	10/17/16	10/24/16	64.50	
701-000-254.000-GRANDV	SPR - GRANDVIEW COMMONS	ORCHARD, HILTZ & MCCLI	SERVICES THRU 08/20/16	10/17/16	10/24/16	258.00	
701-000-254.000-NUBCCA	SPR - NUBCO CAMPRIAN SYSTE	ORCHARD, HILTZ & MCCLI	SERVICES THRU 08/20/16	10/17/16	10/24/16	135.25	
701-000-254.100-0MEDOF	CONST E - DAN HOEY MEDOFF	ORCHARD, HILTZ & MCCLI	SERVICES THRU 08/20/16	10/17/16	10/24/16	1,456.00	
Total For Dept 000 ASSETS, LIABILITIES & REVENUE						1,913.75	
Total For Fund 701 TRUST & AGENCY FUND						1,913.75	

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	check #
Fund Totals:							
			Fund 101 GENERAL FUND			33,028.45	
			Fund 202 MAJOR STREETS FUND			3,169.94	
			Fund 203 LOCAL STREETS FUND			3,304.36	
			Fund 204 MUNICIPAL STREETS			1,377.02	
			Fund 303 GENERAL DEBT SERVICE FUND (V			99.89	
			Fund 402 EQUIPMENT REPLACEMENT FUND			1,759.65	
			Fund 590 SEWER ENTERPRISE FUND			10,362.57	
			Fund 591 WATER ENTERPRISE FUND			11,700.60	
			Fund 701 TRUST & AGENCY FUND			1,913.75	
Total For All Funds:						<u>66,716.23</u>	

*Application and Release of Liability for Special Events, Park Use, Facility Use
and/or Road Closures - Page 4*

Applicant Information

Event Name: Holiday Hustle 5K & 1 Mile Date(s): December 10, 2016

Time of Event: 1 mile 4pm; 5K 4:30pm, end 5:30pm Time of Road Closure (if necessary) see below

Event Description: 5K & 1 Mile Charity Run & Walk

Location: Monument Park

Park Use Facility Use Road Closure Fire/Open Burn

Organization Name (if applicable): RF Events

Applicant Name: Randal Step Phone: 734-929-9027

Applicant Email: dawn@rfevents.com

Applicant/Organization Address: 5700 Jackson Rd, Ann Arbor, MI 48103

Additional Contact: Dawn McConnachie Cell 248-756-1422

Type of Activity (check all that apply)

- Roads to be Closed, Dates and Times of Road Closures
Central Street closed race day (Dec 10, 2016) from noon-7pm for the race & 5th Street from Dover to Broad from 3:45pm-5pm on race day (dec 10/16). We have always coordinated barricades with DPW Kurt Augustine & we plan to do the same this year. Partial closure of Dexter/AA Rd from Meadowview Dr to Kensington St (Westbound only) for a short time (20-25 minutes). See attached (or to follow by email) event description/sched & 5K/1mile map. \$5 from every entry is donated to local Dexter charities. In 2015 we donated over \$9000.
- Date that Public Will be Notified of Road Closures by Dec 2, 2016
- Parade.
- Exhibitions, erection of any temporary building or structure, and/or selling or giving away food, drink or merchandise.
- Hold an assembly involving thirty (30) or more participants.
- Hold an assembly involving less than thirty (30) participants.
- Private event such as a wedding or birthday party.
- Furnish or sell alcoholic beverages.
- Fire or open burn.
- City services such as barriers, barricades, detour signs, or other use of City equipment or personal are requested. Please provide details below.

Additional information: Note 1 Mile start time is 15 minutes earlier than usual. Start time this year is 4pm for the 1 mile. 5K starts the same time as always, 4:30pm

Hold Harmless Agreement: To the fullest extent permitted by law, RUNNING FIT agrees to defend, pay in behalf of, indemnify, and hold harmless the City of Dexter, its elected and appointed officials, employees, volunteers, and others working on behalf of the City of Dexter, against all claims, demands, suits, or loss, including all costs connected therewith, and for any damages, which may be asserted, claimed, or recovered against or from the City of Dexter, its elected and appointed officials, employees, volunteers, and others working on behalf of the City of Dexter, by reason of personal injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this agreement.

[Handwritten Signature] Sept 14, 2016

Applicant's Signature _____ Date _____ Co-Applicant's Signature _____ Date _____

Staff Review: Fee: \$ _____ Date Received: 10/14/16 Receipt # _____

Required Pre-Approvals:

City Council Date: _____
 Washtenaw County Sheriff Date: 9/15/16
 Dexter Area Fire Dept. Date: 10/11/16

Signature: *[Handwritten Signature]*
 Signature: *[Handwritten Signature]*

Attachment Check List:

Yes	No	N/A	Description
			Damage Deposit.
			Homeowners Insurance.
			General Liability Insurance.
			Michigan Liquor Control Permit.
			Road Closure Diagram or Map.
			Washtenaw County Sheriff Department Contract.
			Dexter Area Fire Department Contract.
			Sign permit.
			Controlled Burn Permit.
			Other: _____

Approved _____ Denied _____ Date: _____

APPROVED OR DENIED BY: _____

CONDITIONS OF APPROVAL: _____

REASONS FOR DENIAL: _____

APPROVAL STAMP:

OFFICE OF THE CITY MANAGER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

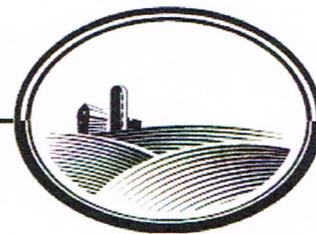
Memorandum

To: Mayor Keough and City Council
From: Courtney Nicholls, City Manager
Re: Consideration of: 5 Year Sludge Hauling Contract with BioTech
Date: October 18, 2016

As part of our Wastewater Treatment Plant process we are required to have the sludge that is created hauled from the plant periodically. The sludge is taken to farm fields and land applied. In March 2012, the City of Dexter contracted with BioTech to provide sludge hauling services. Previous to BioTech, the City contracted with Synagro at a cost of \$0.0384 per gallon. Our price from BioTech for the past five years has been \$0.0342 per gallon. Staff received a proposal from BioTech to increase the price to \$0.0390 per gallon for year 1, 2 and 3 of the contract and \$0.0398 in year 4 and 5. In FY 2015-2016 we hauled 889,000 gallons of sludge so using these numbers as an estimate, the increase in year 1-3 would be approximately \$4,000 per year. The amount of sludge hauled was slightly higher than what will be the average, however, because we completely cleaned out a digester to do an inspection in 2016. To compare this to the numbers prior to the sludge project, in 2011 we hauled over 1.1 million gallons. The contract also includes the cost of testing the sludge before it is hauled and applied to the fields. The cost of the testing will increase by \$10 for one test and \$5 for the other in years 1-3 and an additional \$7 and \$8 in years 4-5.

BioTech was the sludge hauler during our sludge project. They had to provide basically on demand services to make sure that the City could remove sludge as needed during the project. They have secured the necessary farm fields in the area to land apply the sludge. They have performed the services for their City very well and staff would like to continue working with them. BioTech is used by the City of Ann Arbor, Saline, Chelsea and Hamburg Township. The contracts with Saline, Chelsea and Hamburg all expire this year. Chelsea's current per gallon rate is over \$0.04.

Staff is recommending that Council approve the five year contract with BioTech.



Residual Management Company

1651 Beulah Highway • Beulah • Michigan • 49617

October 14, 2016

CONTRACT FOR TESTING, PUMPING, TRANSPORTATION & LAND APPLICATION OF BIOSOLIDS FROM THE VILLAGE OF DEXTER WASTEWATER TREATMENT PLANT

Village of Dexter WWTP

8360 Huron Street

Dexter, Michigan 48130

Proposal

BIOTECH AGRONOMICS, INC. is pleased to present this proposal to the Village of Dexter to define proposed work associated with the testing, pumping, hauling, and land application Biosolids generated by the Dexter WWTP located at 8360 Huron St., Dexter, Michigan.

Biosolids Loading and Transport

BIOTECH AGRONOMICS, INC. will furnish the necessary labor and equipment to efficiently and safely provide Biosolids Management services for the Dexter WWTP. BIOTECH AGRONOMICS, INC. will load Biosolids into transport vehicles, transport the Biosolids to MDEQ and federally approved application sites, and finally to land apply the Biosolids to suitable local farmland sites. All work performed will be under Michigan Part 24, Federal 503 and local regulations.

Land Application of Biosolids

BIOTECH AGRONOMICS, INC. will provide the labor and equipment to properly apply the Biosolids to suitable local application sites at agronomic rates in accordance with Michigan State University recommendations and applicable federal, state and local regulations. The Biosolids will be subsurface injected or surface applied according to a DEQ approved Residuals Management Plan using sewage sludge applicators equipped with a pressure/vacuum application system.

Determination of Quantity Removed

BIOTECH AGRONOMICS, INC. shall provide the Owner/Plant Superintendent a duplicate copy of load sheets, which detail the following items:

- Date of removal
- Time the applicator loaded in the field
- Applicator identification number
- Operator name
- Gallons of Biosolids on the applicator
- Farmer name and approved field identification number and the number of acres acceptable for use in the field
- Number of acres accepting Biosolids

One copy of the load sheet(s) will stay with the Owner's plant superintendent and the other will remain with BIOTECH AGRONOMICS, INC. The quantity of Biosolids loaded on and transported by the vehicle will be recorded as the certified capacity of the vehicle. All billed quantities will be invoiced by the gallon capacity of each vehicle transporting the material.

Agronomic Services

BIOTECH AGRONOMICS, INC. will provide agronomic management services that include the location of suitable farmland application sites. Application sites will meet the requirements for land application in accordance with applicable federal, state and local regulations for the use and disposal of Biosolids. Proposed farmland application sites shall be properly documented in accordance with Michigan Part 24 requirements. Records at a minimum shall include the following:

- Landowner agreement and permission form
- Soil analyses
- MDEQ site I.D. information
- Plat maps indicating location and ownership of property
- SCS or equivalent soil survey map indicating soil types, slope and drainage class
- Relative sludge analyses, soil analyses or cropping information
- Proof of notification to local governing bodies as per MDEQ requirements

Regulatory Reports

BIOTECH AGRONOMICS, INC. shall complete all required federal or state reports applicable to the Biosolids land application program. These records shall be maintained by BIOTECH AGRONOMICS, INC. as required by federal, state and local regulations and shall be provided to the Owner.

Laboratory Analyses and Permits

BIOTECH AGRONOMICS, INC. will be provided a MDEQ approved Residuals Management Plan (RMP) by the facility. BIOTECH AGRONOMICS, INC. will provide laboratory analyses for total metals and nutrients and fecal coliform testing as needed on the Biosolids samples prior to removal from the facility. BIOTECH AGRONOMICS, INC. will be responsible for all routine soil fertility analyses associated with land application of the Owner's Biosolids during the term of this Agreement. BIOTECH AGRONOMICS, INC. shall not be responsible for any additional analytical testing that federal, state or local regulatory agencies may require.

Health and Safety

BIOTECH AGRONOMICS, INC. shall comply with the federal, state and local laws and regulations and take any needed actions to protect the life and health of employees on the job and the safety of the public and to protect property during the performance of the Agreement.

Insurance

BIOTECH AGRONOMICS, INC. shall provide and maintain at all times during the term of this Agreement the following minimum insurance coverage:

- a) Workers Compensation Insurance in compliance with the statues of the State of Michigan which has jurisdiction of BIOTECH AGRONOMICS, INC. employees engaged in the performance of services hereunder with a limit of FIVE HUNDRED THOUSAND DOLLARS (\$500,000)
- b) General Liability Insurance with a minimum combined single limit if THREE MILLION DOLLARS (\$3,000,000), including the broad form property damage endorsement
- c) Automobile Liability Insurance (owned, non-owned or hired units) with a minimum combined single coverage limit of ONE MILLION DOLLARS (\$1,000,000)
- d) Pollution Liability Insurance with a minimum combined single limit of FIVE MILLION DOLLARS (\$5,000,000), including the broad form property endorsement

A certificate of insurance will be presented to the Owner with the Owner additionally insured, if requested, upon award of contract.

Digester or Tank Cleaning

At the request of the Owner, BIOTECH AGRONOMICS, INC. will provide confined space Digester or Tank cleaning services to remove accumulated Biosolids and or related mater for subsequent land application at the unit rate of \$385.00 per hour. Under these conditions, the Owner shall provide for all required cleaning water at no cost to BIOTECH AGRONOMICS, INC. Any material removed under this confined space option shall be billed at the appropriate hourly rate plus the unit rate per gallon for land application of the Biosolids.

Biosolids Tender

The Village of Dexter shall tender all biosolids generated by the WWTP to BIOTECH AGRONOMICS, INC. that are suitable for land application on agricultural land as specified in the scope of this Agreement.

Notification

The Dexter WWTP will provide BIOTECH AGRONOMICS, INC. with adequate advance notice of when the facility desires for BIOTECH AGRONOMICS, INC. to remove biosolids from the Facility. Depending on weather, seasonal weight restrictions, and farm land cropping cycles, additional notification may be required.

Cost of Services

3/15/2017 through 3/14/2020

Loading, hauling and land application - \$0.0390 per gallon

Metals & nutrients testing - \$373.00 per sample

Fecal coliform testing - \$400.00 per sample set of seven

Tank Cleaning services - \$385.00 per hour

3/15/2020 through 3/14/2022

Loading, hauling and land application - \$0.0398 per gallon

Metals & nutrients testing - \$380.00 per sample

Fecal coliform testing - \$408.00 per sample set of seven

Tank Cleaning services - \$393.00 per hour

Good Faith

In the event BIOTECH AGRONOMICS, INC. is unable to remove and land apply the Dexter WWTP biosolids because (i) changes in the biosolids make it unfit for utilization on agricultural land as defined or interpreted by federal, state or local regulatory agencies, or (ii) changes in law prohibit providing the services or increase the cost of providing the services, or (iii) if unfavorable climatic or agronomic conditions have impeded efforts by BIOTECH AGRONOMICS, INC. to faithfully dispose of the biosolids as contemplated by this proposal, or (iv) as the result of flood, fire, strikes, acts of God, act of war or terrorism, civil disturbance, force majeure, or other occurrences not reasonable within the province and control of BIOTECH AGRONOMICS, INC. performance is hindered or halted, BIOTECH AGRONOMICS, INC. shall not be liable for any additional costs incurred by the Village of Dexter, and BIOTECH AGRONOMICS, INC. will not be deemed in default under this proposal unless thirty (30) days after the impediment has been resolved or eliminated BIOTECH AGRONOMICS, INC. fails or refuses to remove biosolids tendered to it.

Spill Plan and Protocol

BIOTECH AGRONOMICS, INC. has a strict protocol to be followed in the untimely event of a spill. If such an event occurs the person in charge of the load, the operator of the application equipment, load stand operator or truck driver, must contact their immediate supervisor after making a visual assessment of the action and if possible taking action to contain or correct the problem. The supervisor is to contact the BIOTECH AGRONOMICS, INC. Operations Manager and the chain of contacts begins. The plant personnel are informed and an assessment will be done by personnel from both entities. At this time the decisions will be made to contact local authorities, MDEQ representative, additional emergency services and so on depending upon severity. All the above continues while the containment efforts are addressed. All assets and efforts of BIOTECH AGRONOMICS, INC. will be focused on cleanup and rectifying the problem to protect the health and safety of the public.

Fuel Cost and Adjustment

BIOTECH AGRONOMICS, INC. shall adjust the cost of services for each hauling event should fuel costs exceed \$4.00 per gallon. The fuel adjustment schedule will be the fixed document used for such purpose throughout the duration of this contract.

The unit price for biosolids management beneficial use services for any given removal operation will be subject to the adjustment below depending on the weekly fuel price (based on the week biosolids removal commences) determined by the United States Department of Energy’s Energy Information Administration publication of Retail Prices for the Midwest United States in the On-Highway Diesel Fuel Price Table.

Diesel Price \$/Gallon	% Increase to Contract Price
Below \$4.00	None
\$4.00 - \$4.149	1.0%
\$4.15 - \$4.299	2.0%
\$4.30 and above = 1% increase per each \$0.15 increase in price/gallon.	

(This information is available at the website <http://www.eia.doe.gov>).

(On-Highway Diesel Prices Table – Midwest Column)

Terms

Payment terms shall be net 30 days from the date of invoice. Overdue payments will be assessed a finance charge of 1.5% per month on the unpaid balance.

Contract Duration

This Agreement shall remain in full force and effect from 3/15/2017 through 3/14/2022

Extensions

The term of this Agreement may be extended for one (1) additional five (5) year term upon mutual agreement of both parties.

BIOTECH AGRONOMICS, INC.

Submitted by: *Don P*

Print Name: Don Popma

Its: General Manager

Date: *10/14/2016*

VILLAGE OF DEXTER

Accepted By: _____

Print Name: _____

Its: _____

Date: _____

This document is representative of a complete contract. Upon award the document can be signed by both parties to become binding.

OFFICE OF COMMUNITY DEVELOPMENT

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

STAFF MEMO

To: Mayor Keough and City Council
Courtney Nicholls, City Manager

From: Michelle Aniol, Community Development Manager

RE: **8180 Main Street (formerly Mill Creek Sports) Update**

Date: October 19, 2016

- On October 6, 2016 the City received the following:
 - a. A written request to annex a portion of 8180 Main St in to the City and connect to the city's public sanitary sewer. The request was made by Nate Pound, on behalf of Mill Creek Outdoor Adventures, LLC. A copy of the request is attached.
 - b. An Application for Preliminary Site Plan review for a Beer Garden and Canoe/Kayak Livery was submitted by AR Brouwer on October 6, 2016.
- On October 12, 2016, the applicant submitted a special land use application.

This project is complex with a number of moving pieces. Staff outlined the issues and timeline for the applicant, as follows:

- Liquor License: Webster Township granted a tavern license. The applicant has indicated it could take approximately 90 days for the MLCC to approve the application. In addition, a determination from MLCC regarding the applicability of a multi-jurisdictional license is pending.
- Annexation Request: Only that portion which is located within Scio Township has been requested for annexation into the city. At the pre-application meeting, those council members present expressed preference that both the Scio portion and the Webster portion be annexed into the City. City Council has yet to discuss, must less determine if it is willing to consider annexing only a portion of the property. Additionally, we do not know if the Webster Township Board would be amendable to a straight annexation. The next meeting of the Webster Township Board is October 19, 2016.
- Site Plan and Special Land Use: The applicant requested the applications for site plan and special land use review be placed on the Planning Commission's November 7, 2016 agenda. However, because City Council has not yet discussed the annexation request, the applicant's request for VC Village Commercial zoning has not been addressed either.

The property at 8180 Main Street is not located in the city, thus the city does not currently have zoning jurisdiction. Zoning jurisdiction is defined in PA 110 of 2006 (the Zoning Enabling Act), as amended, as *the area encompassed by the legal boundaries of a city*. Staff consulted with our planning consultant, Doug Lewan, and we both agree, at the very least, City council must discuss the annexation request and provide some guidance regarding the requested VC zoning, before the Planning Commission can consider the site plan/special land use requests. However, the Planning Commission could not/should not take action on the site plan or special land use request until after City Council takes action on the annexation.

When the Dextech annexation request was submitted on April 16, 2013, a timeline was established to meet the needs of the company, which were aggressive, and to coordinate the review and approval processes of the Village, Scio Township, and Washtenaw County. At that time, Scio was amenable to a straight annexation, because a 425 Agreement would have delayed the process and Dextech needed to start

construction in July 2013. In addition, Scio and Dexter officials agreed it was in Dextech's best interest to go through one municipality for site plan review and approval. The Planning Commission did not consider the site plan or take action until after City Council took action on the annexation request.

- Outdoor seating is a special land use in our VC District, and as such requires a public hearing with the Planning Commission. The canoe/kayak livery is a commercial outdoor recreation use. Commercial outdoor recreation uses are not listed as principal or special land uses in the VC Zoning District. The only zoning district in the City that allows commercial outdoor recreation uses is the PP Public Park District, but taverns are not listed as a permitted or special land use in the PP District. In order to keep this project moving forward, the city could initiate a text amendment to zoning ordinance to allow commercial outdoor recreation uses as a special use in the VC District. Staff anticipates having a discussion with the Planning Commission, on November 7th regarding this project. This will get the applicant valuable feedback on the proposed concept and gives the Planning Commission a heads-up on the potential text amendment.
- The plan shows a small portion of the rear of the proposed new building, the dumpster enclosure, about a third of the parking lot, one of two kayak/canoe launches and all of the stormwater detention basin would be located on the Webster Township portion of the property. At the pre-app meeting, John Kingsley did not agree to have the city be the reviewing municipality. He retained the right of the Township to review site plan for the proposed improvements that would be located in Webster Township. The Township has zoned the property C, Commercial. According to the Township's Zoning Ordinance, both a tavern and indoor/outdoor recreation facilities are special land uses in the Commercial District. We will need to coordinate our site plan and special land use reviews with the Township, and vice versa. Staff has confirmation that the applicant submitted an application for site plan review to Webster Township. However, the applicant has not applied for special land use.

The question regarding the liquor license is the primary issue that needs to be answered, from the City's perspective. In the meantime, while we are waiting for MLCC to provide that answer, we can do the following:

1. October 24th, City Council: Discuss the annexation and future zoning requests.
2. November 7th, Planning Commission: Discuss the proposed redevelopment of 8180 Main Street and possible text amendment.
3. December 5th, Planning Commission: Conduct public hearing to consider text amendment. If recommended for approval, City Council could take action on December 12th. This would mean the amendment could become effective by December 21, 2016.
4. The next steps are dependent on MLCC and the liquor license question.

As staff was preparing this memo, the applicant sent the following message regarding a special land use in Webster Township:

"Webster Township is discussing whether a special land use application is required with their attorney. If it is they are fine with us proceeding with the site plan and doing the SLU at a later date."

Annexation fee 1000
Escrow offset 1000
\$2,000
#59460

Mill Creek Outdoor Adventures



NATHAN POUND
8180 MAIN ST.
DEXTER, MI 48130

248-660-3711

POUNDNS@HOTMAIL.COM

RECEIVED

OCT - 6 2016

CITY OF DEXTER

Mayor Keough and Dexter City Council,

This past summer I purchased the former Mill Creek Sports Center located at 8180 Main Street in Dexter. I have been working with local General Contracting Company AR Brouwer on redevelopment concepts for the property, specifically, the creation of a Canoe and Kayak Livery and Beer Garden.

8180 Main Street is unique in that it straddles two jurisdictions, Scio Township and Webster Township, and is just outside the City of Dexter limits.

While developing the site plan and business concept, we met with numerous regulatory agencies to gather information on redevelopment. We discovered that redevelopment of the property has a number of hurdles. The most significant hurdle for redevelopment of the property is sewage treatment. The site is currently served by both a failed septic system and drinking-water well. A well location has been approved by the County Health Department; however, required septic field and reserve septic field size requirements would occupy the entire parcel leaving no room for parking and/or storm water management facilities.

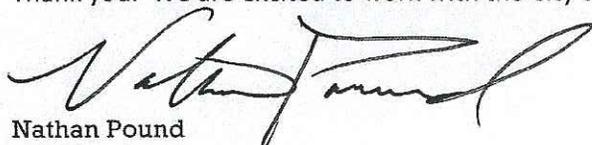
In addition to the sewage and well challenges, there are no available Liquor Licenses available in the City of Dexter or Scio Township. In September 2016, we presented our concept to Webster Township along with a request for a Michigan Liquor Control Commission (MLCC) Tavern License. Webster Township granted our request for a Tavern License and we are waiting on the State of Michigan's approval. Approval is anticipated in approximately 90 days. Please note that we are waiting on a determination from the MLCC on the jurisdictional requirements of the Tavern License granted by Webster Township and the legalities of its limitations at 8180 Main Street.

Due to the redevelopment limitations on the site, the parcel being in two jurisdictions, lack of available liquor licenses, and the City's available sanitary sewer, we would like to request that the City consider annexing the 0.89 acre, Scio Township Parcel H -08-08-200-001, in order to be able to connect to the public sanitary system. Sanitary sewer will be imperative to any commercial use at this location. Attached is a legal description and sketch of the request.

On October 6, 2016 we will submit a Preliminary Site Plan in accordance with the City's Site Plan Review Standards. In order for the City to review the site plan we are submitting the annexation request. We understand that the review process can take several weeks; therefore, we request that the City Council not take action on the annexation request until Final Site Plan approval.

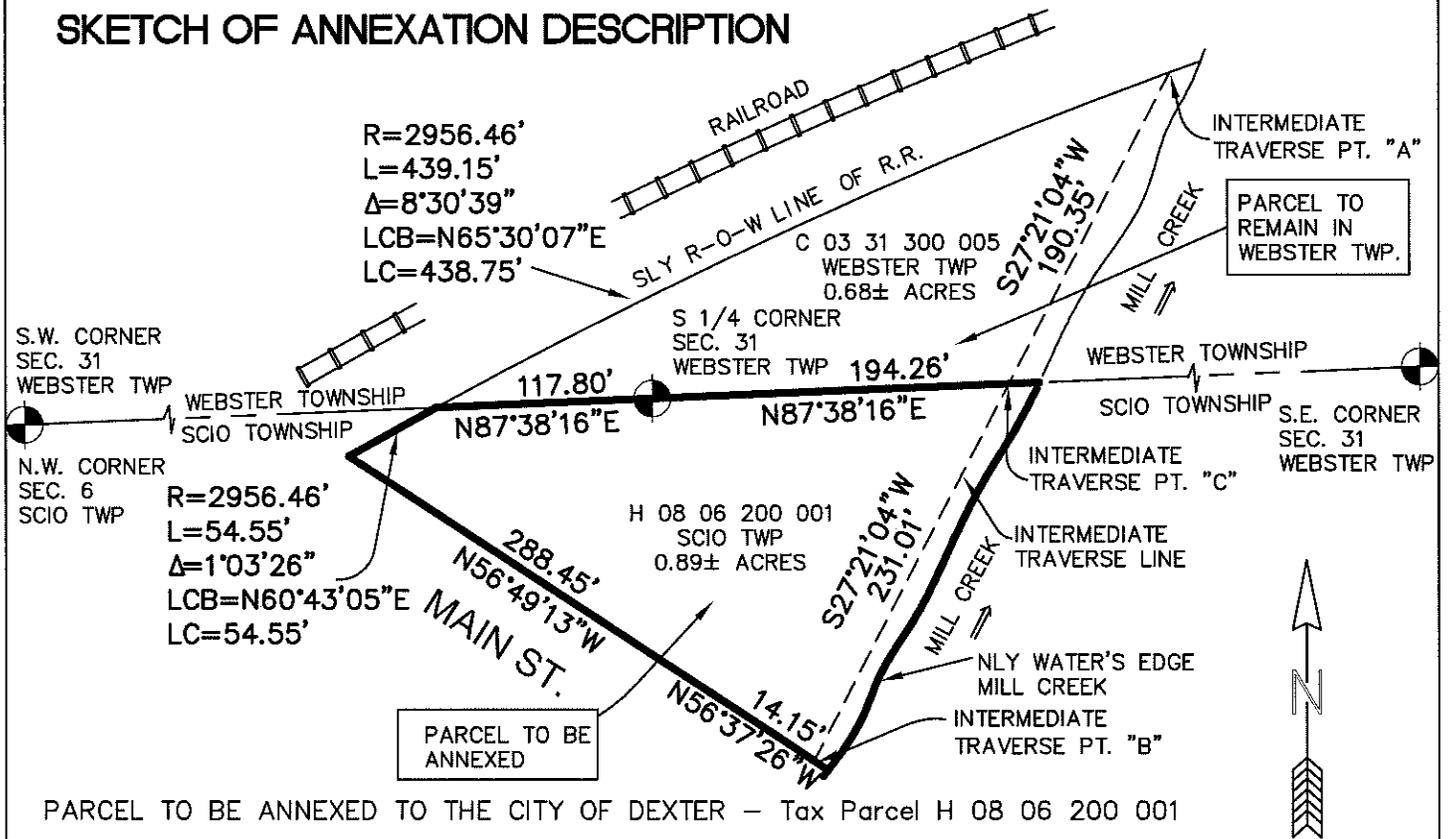
Please let us know if you have any questions or require additional information.

Thank you. We are excited to work with the City to redevelop this unique and challenging property.



Nathan Pound

SKETCH OF ANNEXATION DESCRIPTION



PARCEL TO BE ANNEXED TO THE CITY OF DEXTER – Tax Parcel H 08 06 200 001

Beginning at the South 1/4 Corner of Section 31, Township 1 South, Range 5 East, Webster Township, Washtenaw County, State of Michigan; thence N87°38'16"E 194.26 feet along the south line of said Section 31 (Township line) to a Intermediate Traverse Point "C"; thence continuing along said Township line 5 feet, more or less, to the northerly waters edge of Mill Creek; thence Southwesterly 231 feet, more or less, along said northerly waters edge of Mill Creek to a point bearing S56°37'26"E 5 feet, more or less, from Intermediate Traverse Point "B"; thence N56°37'26"W 5 feet, more or less, along the Northerly right-of-way line of Main Street to said Intermediate Traverse Point "B" which bears S27°21'04"W 231.01 feet from said Intermediate Traverse Point "C"; thence continuing along said Northerly right-of-way of Main Street the following two courses, N56°37'26"W 14.15 feet, N56°49'13"W 288.45 feet; thence non-tangentially 54.55 feet along the arc of said 2956.46 feet radius circular curve concave to the Southeast having a central angle of 01°03'26" and a chord bearing N60°43'05"E 54.55 feet along said southerly Michigan Central Railroad right-of-way; thence N87°38'16"E 117.80 along said Township line to the Place of Beginning. Being a part of the the North 1/2 of Section 6, Township 2 South, Range 5 East, Scio Township, Washtenaw County, State of Michigan an containing 0.89 acres of land, more or less.

REMAINDER OF PARCEL TO REMAIN IN WEBSTER TOWNSHIP – Tax Parcel C 03 31 300 005

Beginning at the South 1/4 Corner of Section 31, Township 1 South, Range 5 East, Webster Township, Washtenaw County, State of Michigan; thence S87°38'16"W 117.80 feet along the south line of said Section 31 (Township line); thence non-tangentially 439.15 feet along the arc of a 2956.46 feet radius circular concave to the Southeast having a central angle of 08°30'39" and a chord bearing N65°30'07"E 438.75 feet along the southerly right-of-way line of the former Michigan Central Railroad to Intermediate Traverse Point "A"; thence continuing along said southerly railroad right-of-way 5 feet, more or less, to the northerly waters edge of Mill Creek; thence Southwesterly 190 feet, more or less, along said northerly waters edge of Mill Creek to a point on the Township line bearing N87°38'16"E 5 feet, more or less, from Intermediate Traverse Point "C"; thence along said Township line S87°38'16"W 5 feet, more or less to said Intermediate Traverse Point "C" which bears S27°21'04"W 190.35 feet from said Intermediate Traverse Point "A"; thence continuing S87°38'16"W 194.26 feet along said Township line to the Place of Beginning. Being a part of the South 1/2 of said Section 31, Township 1 South, Range 5 East, Webster Township, Washtenaw County, State of Michigan an containing 0.68 acres of land, more or less.

CLIENT: A.R. BROUWER COMPANY

ANNEXATION EASEMENT

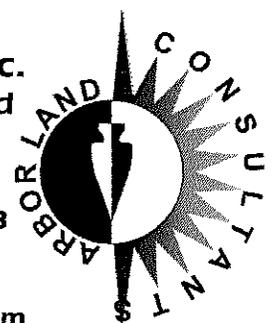
OF A PARCEL OF LAND IN THE N 1/2 OF SECTION 6, T2S, R5E SCIO TOWNSHIP, WASHTENAW COUNTY, STATE OF MICHIGAN.



Arbor Land Consultants, Inc.
Professional Land Surveyors

2936 S. Madrono
Ann Arbor, MI 48103
(734) 669-2960
Fax 669-2961

www.arborlandinc.com



JOB NO.: 08716	DATE: 9-29-2016
FLD. BOOK:	REVISED:
SHEET OF	BY: PVS

SCALE: 1" = 100'

OFFICE OF THE CITY MANAGER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

Memorandum

To: Mayor Keough and City Council
From: Courtney Nicholls, City Manager
Re: Discussion of: Senate Bill 960
Date: October 19, 2016

On October 11, 2016 Finance Director/Treasurer Marie Sherry received an e-mail from Chris Hackbarth, Director of State Affairs for the Michigan Municipal League, regarding a bill draft from the Senate Finance Committee dealing with property tax exemptions for properties owned by charitable non-profit organizations. Marie received this e-mail because she sits on the Michigan Municipal League's (MML) Municipal Finance Committee. She was asked to provide feedback to the MML. Back in May 2016 she had received a similar e-mail and draft bill and Mayor Keough and Marie provided feedback on the bill, which did not get assigned to a Committee at that time.

After receiving the e-mail, Mayor Keough drafted an e-mail to Chris Hackbarth expressing the City's concerns. That e-mail is attached. Unlike the situation in May 2016, the bill was assigned to the Senate Finance Committee who scheduled a hearing to take testimony on the bill on Tuesday, October 18, 2016. A copy of the bill discussed by the Committee is attached.

This bill is being promoted as a way to codify the current case law that governs charitable property tax exemptions, when it is actually an attempt to significantly expand the definition of charitable institution and lower the standards they must meet. The new legislation would add "promotion of health and wellness" to the definition of a charitable institution, which would allow non-profits that currently do not qualify under the law to receive the exemption. It also requires the organization to basically meet just three of the six current tests to prove that a charitable exemption is warranted.

Information about the bill was e-mailed to Council on Saturday, October 15, 2016. Mayor Keough, Council Member Carson and Scott Munzel (that we are aware of) attempted to make contact with the City's Senator along with others on the Finance Committee. Unfortunately no one was able to make direct contact with a Senator prior to the hearing.

Mayor Keough and I attended the Senate Finance Committee meeting along with Chris Hackbarth. All seven members of the Committee were present. We provided written testimony, which is attached to this memo. Mayor Keough and Chris also provided verbal testimony. The Committee members did ask several questions during the testimony. Testimony was also given by several non-profits in support of the bill and several governmental organizations opposing the bill. In the end, the Committee voted 5-1 to send the bill to the full Senate for consideration (one Committee member abstained). The bill could be voted on by the Senate as soon as Thursday, October 20, 2016.

Following the hearing we visited the office of Dexter's Senator Joe Hune. He was in his office and was able to speak with us briefly. Mayor Keough explained the City's concerns about the legislation. They scheduled a follow up call for Wednesday, October 19, 2016.

Chris Hackbarth issued a blog post about the bill on the MML website, which is attached. Staff sent this post and a summary of our concerns about the bill to the Michigan Local Government Management

Association listserv and the Michigan Municipal Treasurer's Association listserv. We will be reaching out to various media sources to tell the story of why we think Senators should vote no on this bill.

If the bill is passed by the Senate it would be transmitted to the House and read into the record the next day the House is in session (November 9th). The Speaker of the House would refer the bill to committee in the House (probably the Tax Policy Committee - <http://house.mi.gov/mhrpublic/committee.aspx>) where the bill would then be eligible for a hearing in that Committee. If the Committee votes to send the bill to the House of Representatives for consideration, it would then be eligible for action by the full House. Any changes made by the House would then require the bill to return to the Senate for a concurrence vote before going to the Governor.



City Council

Shawn Keough
Mayor

Jim Carson
Council Member

Donna Fisher
Council Member

Julie Knight
Council Member

Zach Michels
Council Member

Jim Smith
Council Member

Ray Tell
Council Member

Administration

Courtney Nicholls
City Manager

Michelle Aniol
Community
Development
Manager

Justin Breyer
Assistant to the
City Manager

Carol Jones
City Clerk

Dan Schlaff
Superintendent of
Public Services

Marie Sherry, CPFA
City Treasurer
/ Finance Director

THE CITY OF DEXTER
IS AN EQUAL
OPPORTUNITY
PROVIDER AND
EMPLOYER

www.
DexterMI.gov

October 18, 2016

Senator Jack Brandenburg
Chair, Senate Finance Committee
P.O. Box 30036
Lansing, MI 48909-7536

Re: City of Dexter Opposition to Draft Senate Bill No. 960 (Draft 2)

Dear Senator Brandenburg & Senate Finance Committee,

We appreciate the opportunity to speak in front of the Committee this afternoon. We have prepared this letter to explain our opposition to Senate Bill No. 960.

Nonprofit organizations have become increasingly sophisticated and multi-faceted. It is critical to the integrity of the tax system that only properties at which truly charitable activities occur should earn a property tax exemption. To be fair to all taxpayers, property tax exemptions should not be granted unless the organization is undertaking meaningful charitable activities at the property. Furthermore, a property tax exemption should not be granted if the property in question is being used to generate revenue unrelated to the charitable activity. These concepts would require major changes in the proposed legislation; otherwise, it is quite likely that many non-profit organizations will unfairly benefit to the detriment of private businesses, small and large.

First, we object to adding "promotion of health and wellness" as a charitable purpose. As proposed this is significantly overbroad; "health and wellness" can be pursued by any doctor, yoga studio, or marijuana dispensary. It will have a serious negative impact on the tax structure of communities in Michigan. This bill would create a huge tax loophole and potentially allow a non-profit organization who provides services in the very broad category of "promotion of health and wellness" to qualify as a charity and receive a property tax exemption. (Section (10)(A)(iii)).

Second, we object to adding as a "charitable purpose" "the promotion of a governmental purpose or alleviating the burden of government" which would result in an equally broad and unclear loophole. (Section (10)(A)(vi)) Property tax exemptions should be given only when the organization seeking an exemption is providing a service that the government would otherwise have to provide. If not, a nonprofit organization could attempt to substitute its judgment of what a government should be providing in place of the actual governmental unit. For instance, someone could seek to provide a benefit to State employees that this Legislature would not otherwise provide, and then seek a property tax exemption for the property. This proposed language is just too broad.

The City of Dexter has been litigating a tax tribunal case since 2013 with the 5 Healthy Towns Foundation (formerly the Chelsea Health and Wellness Foundation). This non-profit foundation purchased a 46,000 square foot fitness facility (the Dexter Wellness Center) for \$12,000,000 and sought a property tax exemption as a

charitable organization. Though the building is owned by the non-profit, the fitness center is operated by the for profit entity Power Wellness. The testimony given at trial by the staff and board members of the Foundation clearly indicated that it was the intention of the fitness center to sell memberships at market rate. This fitness facility functions in the same manner as any other gym and is in fact, competition for the other gyms in the City of Dexter. Why would the State of Michigan require tax payers of the City of Dexter to subsidize the market rate membership fees paid by those that choose to join the Wellness Center, (and use the specific and limited types of fitness activities in the Wellness Center), through requiring the City to provide a tax exemption?

The Tax Tribunal found that the building should remain taxable. The case is currently pending before the Court of Appeals. The total loss to the taxing jurisdictions if this one property was found to be nontaxable would be \$325,000, including a loss of \$170,000 in taxes earmarked for public education.

Not all non-profits are charitable. It should not be possible for a non-profit to meet the definition of a charity for a business that charges market rates for a completely optional service. The language should at least be amended to recognize that non-profits may have "unrelated income" that is based on activities that ARE NOT charitable; the reference to 501(c)(3) organizations should be revised to note that only properties which are not generating "unrelated income" are eligible for property tax exempt status. (Section 10(D)). The language of D(iii) should also be revised to clarify that the organization cannot make a profit at a property which is then used for the entire organization: if positive cash flow is being generated, fine, but that property should not qualify for a property tax exemption.

Continued attempts to erode the tax base are having a negative impact on communities throughout Michigan. Creating an avenue for gyms, golf courses, yoga studios, swimming facilities, kayak/canoe rental facilities, karate studios, indoor soccer fields, and ice rinks to form as non-profits and seek tax exemptions will shift the tax burden from those who choose to pay to participate in these types of recreational activities to those that don't. It also unfairly penalizes those business owners who seek to provide these types of services in the private sector- any small specialty gym owner or yoga studio will have to compete with a non-profit whose does not have to pay taxes and could then undercut their pricing. It is simply unfair to the private sector.

It is important to add that the proposed legislation would override the language of "charity" and "nonprofit charitable institution" as currently defined by the Michigan Supreme Court in the Wexford case, and could also pave the way for an organization that is providing very little charity to qualify for a property tax exemption. The legislation removes the most important Wexford standard which requires that an organization be chiefly if not solely organized for a charitable purpose. An organization should have to meet all four standards in Section D and be organized chiefly if not solely for charity to qualify for a property tax exemption. I urge this Committee to thoughtfully analyze and consider the consequences of this proposed legislation. It creates tax loopholes, hurts small business owners, and unfairly re-distributes the tax burden on regular tax-paying citizens.

Thank you for the opportunity to speak today. If you have any questions, please don't hesitate to contact me.

Sincerely,



Shawn W. Keough
Mayor, City of Dexter
313-363-1434; skeough@dextermi.gov

From: Keough_Shawn
To: chackbarth@mml.org
Cc: msherry@dextermi.gov; [Courtney Nicholls \(cnicholls@dextermi.gov\)](mailto:Courtney_Nicholls_(cnicholls@dextermi.gov))
Subject: Comments on Proposed Legislation being pushed by the non-profit association
Date: Tuesday, October 11, 2016 2:18:41 PM

Good afternoon Chris,

My name is Shawn Keough and I am the current Mayor of the City of Dexter. I am emailing you from my work email address. My full contact information is below for my role in the City of Dexter.

You may recall that I communicated with you previously about proposed changes to the tax code that would add health and wellness activities to the list of charitable activities. The City of Dexter absolutely objects to this language and we urge the MML to strongly voice opposition to these proposed changes. Health and wellness centers operated by non-profit organizations are not inherently charitable. They are essentially fitness centers looking for a way to avoid paying taxes. People pay to use these centers just like any other fitness center. Non-profit organizations should not be allowed a tax break for operating a fitness center where someone makes a choice and pays to use the facility no differently than a Snap Fitness or Planet Fitness. If all businesses that promoted health and wellness were considered charitable, every golf course, fitness facility, work out gym, hotel (with fitness center) and like places would try to argue that they deserve a tax break and we don't think that is fair, logical or correct.

Page 7 of the proposed legislation talks proposes to include "(iii) the promotion of health and wellness" and "(vi) the promotion of a governmental purpose or the alleviation of burdens or responsibilities that would otherwise be borne by the government". From my perspective, neither of these should be included in this section.

Please accept this email as a strong voice in opposition to the proposed language. I would hope that the MML will take opposition to the proposed language being pushed by the Non-Profit Association.

I have copied our City Finance Director (Marie Sherry) and our City Manager (Courtney Nicholls) on this email.

Please contact me with any questions.

Shawn Keough
Mayor, City of Dexter
(313) 363-1434 (cell)
skeough@dextermi.gov

Please consider the environment before printing this message.

This electronic mail message and any attached files contain information intended for the exclusive use of the individual or entity to whom it is addressed and may contain information that is proprietary, privileged and/or confidential under applicable law. If you are not the intended recipient, please notify the sender by electronic mail or telephone and delete the original message without making any copies; any unauthorized viewing, copying, disclosure or distribution of this information may be subject to legal restriction and penalty.

**SUBSTITUTE FOR
SENATE BILL NO. 960**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7o (MCL 211.7o), as amended by 2006 PA 681.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7o. (1) Real or personal property owned and occupied by a
2 nonprofit charitable institution while occupied by that nonprofit
3 charitable institution solely for the **CHARITABLE** purposes for which
4 that nonprofit charitable institution was incorporated is exempt
5 from the collection of taxes under this act.

6 (2) Real or personal property owned and occupied by a
7 charitable trust while occupied by that charitable trust solely for
8 the charitable purposes for which that charitable trust was
9 established is exempt from the collection of taxes under this act.

10 (3) Real or personal property owned by a nonprofit charitable

1 institution or charitable trust that is leased, loaned, or
2 otherwise made available to another nonprofit charitable
3 institution or charitable trust or to a nonprofit hospital or a
4 nonprofit educational institution that is occupied by that
5 nonprofit charitable institution, charitable trust, nonprofit
6 hospital, or nonprofit educational institution solely for the
7 **CHARITABLE** purposes for which that nonprofit charitable
8 institution, charitable trust, nonprofit hospital, or nonprofit
9 educational institution was organized or established and that would
10 be exempt from taxes collected under this act if the real or
11 personal property were occupied by the lessor nonprofit charitable
12 institution or charitable trust solely for the **CHARITABLE** purposes
13 for which the lessor charitable nonprofit institution was organized
14 or the charitable trust was established is exempt from the
15 collection of taxes under this act.

16 (4) For taxes levied after December 31, 1997, real or personal
17 property owned by a nonprofit charitable institution or charitable
18 trust that is leased, loaned, or otherwise made available to a
19 governmental entity is exempt from the collection of taxes under
20 this act if all of the following conditions are satisfied:

21 (a) The real or personal property would be exempt from the
22 collection of taxes under this act under section 7m if the real or
23 personal property were owned or were being acquired pursuant to an
24 installment purchase agreement by the lessee governmental entity.

25 (b) The real or personal property would be exempt from the
26 collection of taxes under this act if occupied by the lessor
27 nonprofit charitable institution or charitable trust solely for the

1 **CHARITABLE** purposes for which the lessor charitable nonprofit
2 institution was organized or the charitable trust was established.

3 (5) Real property owned by a qualified conservation
4 organization that is held for conservation purposes and that is
5 open to all residents of this state for educational or recreational
6 use, including, but not limited to, low-impact, nondestructive
7 activities such as hiking, bird watching, cross-country skiing, or
8 snowshoeing is exempt from the collection of taxes under this act.
9 As used in this subsection, "qualified conservation organization"
10 means a nonprofit charitable institution or a charitable trust that
11 meets all of the following conditions:

12 (a) Is organized or established, as reflected in its articles
13 of incorporation or trust documents, for the purpose of acquiring,
14 maintaining, and protecting nature sanctuaries, nature preserves,
15 and natural areas in this state, that predominantly contain natural
16 habitat for fish, wildlife, and plants.

17 (b) Is required under its articles of incorporation, bylaws,
18 or trust documents to hold in perpetuity property acquired for the
19 purposes described in subdivision (a) unless both of the following
20 conditions are satisfied:

21 (i) That property is no longer suitable for the purposes
22 described in subdivision (a).

23 (ii) The sale of the property is approved by a majority vote
24 of the members or trustees.

25 (c) Its articles of incorporation, bylaws, or trust documents
26 prohibit any officer, shareholder, board member, employee, or
27 trustee or the family member of an officer, shareholder, board

1 member, employee, or trustee from benefiting from the sale of
2 property acquired for the purposes described in subdivision (a).

3 (6) If authorized by a resolution of the local tax collecting
4 unit in which the real or personal property is located, real or
5 personal property owned by a nonprofit charitable institution that
6 is occupied and used by the nonprofit charitable institution's
7 chief executive officer as his or her principal residence as a
8 condition of his or her employment and that is contiguous to real
9 property that contains the nonprofit charitable institution's
10 principal place of business is exempt from the collection of taxes
11 under this act.

12 (7) A charitable home of a fraternal or secret society, or a
13 nonprofit corporation whose stock is wholly owned by a religious or
14 fraternal society that owns and operates facilities for the aged
15 and chronically ill and in which the net income from the operation
16 of the corporation does not inure to the benefit of any person
17 other than the residents, is exempt from the collection of taxes
18 under this act.

19 (8) Real and personal property owned and occupied by a
20 nonprofit corporation that meets all of the following conditions is
21 exempt from the collection of taxes under this act:

22 (a) The nonprofit corporation is exempt from taxation under
23 section 501(c)(3) of the internal revenue code **OF 1986**, 26 USC 501.

24 (b) The nonprofit corporation meets 1 of the following
25 conditions:

26 (i) Is a skilled nursing facility or home for the aged,
27 licensed under the public health code, 1978 PA 368, MCL 333.1101 to

1 333.25211, or is an adult foster care facility licensed under the
2 adult foster care facility licensing act, 1979 PA 218, MCL 400.701
3 to 400.737. As used in this subparagraph:

4 (A) "Adult foster care facility" means that term as defined in
5 section 3 of the adult foster care facility licensing act, 1979 PA
6 218, MCL 400.703.

7 (B) "Home for the aged" means that term as defined in section
8 20106 of the public health code, 1978 PA 368, MCL 333.20106.

9 (C) "Skilled nursing facility" means that term as defined in
10 section 20109 of the public health code, 1978 PA 368, MCL
11 333.20109.

12 (ii) Provides housing, rehabilitation services, diagnostic
13 services, medical services, or therapeutic services to 1 or more
14 disabled persons. As used in this subparagraph, "disabled person"
15 means that term as defined in section 7d.

16 (c) The nonprofit corporation meets either of the following
17 conditions:

18 (i) The real and personal property of the nonprofit
19 corporation was being treated as exempt from the collection of all
20 taxes under this act on ~~the effective date of the amendatory act~~
21 ~~that added this subsection.~~ **JANUARY 10, 2007.**

22 (ii) The real and personal property of the nonprofit
23 corporation had been treated as exempt from the collection of all
24 taxes under this act on December 31, 2004 and there has been no
25 transfer of ownership of that property during the period of time
26 beginning the last day the property was treated as exempt until ~~the~~
27 ~~effective date of the amendatory act that added this subsection.~~

1 JANUARY 10, 2007. As used in this sub-subparagraph, "transfer of
2 ownership" means that term as defined in section 27a.

3 ~~(9) If real or personal property owned and occupied by a~~
4 ~~nonprofit corporation is not eligible for an exemption under~~
5 ~~subsection (8), that nonprofit corporation is not precluded from~~
6 ~~applying for exemption under subsection (1).~~ EACH OF SUBSECTIONS (1)
7 THROUGH (8) PROVIDES AN INDEPENDENT BASIS FOR EXEMPTING PROPERTY
8 FROM THE COLLECTION OF TAXES UNDER THIS ACT. THE UNAVAILABILITY OF
9 AN EXEMPTION UNDER 1 SUBSECTION DOES NOT PRECLUDE THE AVAILABILITY
10 OF AN EXEMPTION UNDER ANY OTHER SUBSECTION. ALL OF THE FOLLOWING
11 CONDITIONS APPLY TO EACH OF THE EXEMPTIONS PROVIDED FOR IN
12 SUBSECTIONS (1) THROUGH (8):

13 (A) THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN WHICH THE
14 PROPERTY IS LOCATED OR THE DEPARTMENT OF TREASURY MAY REQUIRE AN
15 EXEMPTION APPLICANT OR RECIPIENT TO COMPLETE AN APPLICATION AND TO
16 PROVIDE OTHER DOCUMENTATION AND INFORMATION THAT IS REASONABLY
17 NECESSARY FOR THE ASSESSOR OR THE DEPARTMENT TO MAKE AN ELIGIBILITY
18 DETERMINATION.

19 (B) THE EXEMPT STATUS OF THE PROPERTY CONTINUES UNTIL THE
20 BASIS FOR THE EXEMPTION CEASES TO EXIST. IF THE BASIS FOR THE
21 EXEMPTION CEASES TO EXIST, THE OWNER OF THE PROPERTY SHALL NOTIFY
22 THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN WHICH THE PROPERTY
23 IS LOCATED OF THAT CHANGE BY NOT LATER THAN THE IMMEDIATELY
24 SUCCEEDING TAX DAY. IF A PROPERTY OWNER FAILS TO PROVIDE THE
25 NOTIFICATION REQUIRED BY THIS SUBDIVISION AND AS A RESULT NO ANNUAL
26 ASSESSMENT NOTICE OR TAX BILL IS ISSUED INDICATING THAT THE
27 PROPERTY IS RECEIVING AN ASSESSMENT FOR PROPERTY TAX PURPOSES, THAT

1 PROPERTY OWNER SHALL BE CONSIDERED TO HAVE CLAIMED THE EXEMPTION.

2 (10) As used in this section:

3 (A) "CHARITABLE PURPOSE" MEANS 1 OR MORE OF THE FOLLOWING:

4 (i) THE ADVANCEMENT OF EDUCATION.

5 (ii) THE ADVANCEMENT OF RELIGION.

6 (iii) THE PROMOTION OF HEALTH AND WELLNESS.

7 (iv) THE RELIEF OF POVERTY.

8 (v) THE ERECTION OF PUBLIC BUILDINGS OR OTHER PUBLIC WORKS.

9 (vi) THE PROMOTION OF A GOVERNMENTAL PURPOSE OR THE

10 ALLEVIATION OF BURDENS OR RESPONSIBILITIES THAT WOULD OTHERWISE BE
11 BORNE BY THE GOVERNMENT.

12 (B) ~~(a)~~—"Charitable trust" means a charitable trust registered
13 under the supervision of trustees for charitable purposes act, 1961
14 PA 101, MCL 14.251 to 14.266.

15 (C) ~~(b)~~—"Governmental entity" means 1 or more of the
16 following:

17 (i) The federal government or an agency, department, division,
18 bureau, board, commission, council, or authority of the federal
19 government.

20 (ii) This state or an agency, department, division, bureau,
21 board, commission, council, or authority of this state.

22 (iii) A county, city, township, village, local or intermediate
23 school district, or municipal corporation.

24 (iv) A public educational institution, including, but not
25 limited to, a local or intermediate school district, a public
26 school academy, a community college or junior college established
27 pursuant to section 7 of article VIII of the state constitution of

1 1963, or a state 4-year institution of higher education located in
2 this state.

3 (v) Any other authority or public body created under state
4 law.

5 (D) "NONPROFIT CHARITABLE INSTITUTION" MEANS AN ORGANIZATION
6 THAT IS A NONPROFIT ORGANIZATION EXEMPT FROM TAXATION UNDER SECTION
7 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986, 26 USC 501, AND
8 MEETS AT LEAST 2 OF THE FOLLOWING:

9 (i) OFFERS CHARITABLE SERVICES TO A PARTICULAR CLASS OF
10 INDIVIDUALS, AND DOES NOT CONDITION THE RECEIPT OF THOSE SERVICES
11 WITHIN THAT CLASS BASED UPON AN INDIVIDUAL'S HEALTH, ABILITY TO
12 PAY, OR OTHER CHARACTERISTICS.

13 (ii) SERVES A CHARITABLE PURPOSE OR A PURPOSE SET FORTH IN
14 SUBSECTION (5) (A) .

15 (iii) CHARGES NO MORE FOR ITS CHARITABLE SERVICES THAN IS
16 REASONABLY NECESSARY TO MAINTAIN THE OPERATION OF THE ORGANIZATION
17 AND ITS SERVICES AND HAS A SPECIFIC POLICY ESTABLISHED TO ASSURE
18 THAT ITS SERVICES ARE AVAILABLE TO THOSE IN NEED OF ITS CHARITY WHO
19 CANNOT PAY OR HAVE A LIMITED ABILITY TO PAY FOR THOSE SERVICES.

20 (iv) HAS AN OVERALL NATURE THAT PROMOTES CHARITY, REGARDLESS
21 OF THE AMOUNT OF MONEY THAT THE ORGANIZATION DEVOTES TO CHARITABLE
22 ACTIVITIES ON AN ANNUAL BASIS.

23 (E) ~~(e)~~—"Public school academy" means a public school academy
24 organized under the revised school code, 1976 PA 451, MCL 380.1 to
25 380.1852.

26 (11) THE STATE TAX COMMISSION SHALL WORK WITH AN ORGANIZATION
27 THAT REPRESENTS NONPROFIT ORGANIZATIONS IN THIS STATE TO PROVIDE

1 EDUCATIONAL MATERIALS AND PROGRAMS TO ASSESSORS OF LOCAL TAX
2 COLLECTING UNITS ON THE CHANGES TO THIS SECTION MADE BY THE
3 AMENDATORY ACT THAT ADDED THIS SUBSECTION.



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BILL ANALYSIS



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Senate Bill 960 (Substitute S-1)
Sponsor: Senator Jack Brandenburg
Committee: Finance

Date Completed: 10-18-16

CONTENT

The bill would amend Section 7o of the General Property Tax Act to do the following:

- Define "charitable purpose" and "nonprofit charitable institution" for the purpose of a real or personal property tax exemption.
- State that the unavailability of one exemption under Section 7o would not preclude the availability of another exemption under Section 7o.
- Specify conditions that would apply to each of the exemptions under Section 7o.
- Require the State Tax Commission to work with an organization representing nonprofit organizations in Michigan to provide educational materials and programs to assessors of local tax collecting units on the bill's amendments.

Real or Personal Property Tax Exemptions

Section 7o allows an exemption from taxes collected under the Act for real or personal property under any of the following circumstances:

- Real or personal property is owned and occupied by a nonprofit charitable institution solely for the purposes for which the institution was incorporated.
- Real or personal property is owned and occupied by a charitable trust solely for the charitable purposes for which the trust was established.
- Real or personal property owned by a nonprofit charitable institution or charitable trust is leased, loaned, or otherwise made available to another nonprofit charitable institution or trust, or a nonprofit hospital or educational institution, and is occupied by that entity solely for the purposes for which it was organized or established, and the property would be tax exempt if it were occupied by the lessor charitable institution or trust for the purposes for which it was organized or established.
- Real or personal property owned by a nonprofit charitable institution or charitable trust is leased, loaned, or otherwise made available to a governmental entity, and certain conditions are met.
- Real property is owned by a nonprofit charitable institution that is a "qualified conservation organization", and other conditions are met.

In these provisions, the bill would refer to the "charitable" purposes for which a nonprofit charitable institution or charitable trust was incorporated, established, or organized, where the Act does not include that term.

Also, under Section 7o, if authorized by a resolution of the local tax collecting unit in which the real or personal property is located, real or personal property owned by a nonprofit charitable institution that is occupied and used by its chief executive officer as his or her

principal residence as a condition of his or her employment and that is contiguous to real property that contains the institution's principal place of business is exempt from the collection of taxes under the Act.

In addition, a charitable home of a fraternal or secret society, or a nonprofit corporation whose stock is wholly owned by a religious or fraternal society that owns and operates facilities for the aged and chronically ill and in which the net income from the operation of the corporation does not inure to the benefit of any person other than the residents, is exempt from the collection of taxes under the Act.

Section 7o also exempts real and personal property owned and occupied by a nonprofit corporation that meets all of the following conditions:

- The nonprofit corporation is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (described below).
- The nonprofit corporation is either a skilled nursing facility or home for the aged licensed under the Public Health Code, or adult foster care facility licensed under the Adult Foster Care Facility Licensing Act, or provides housing, rehabilitation services, diagnostic services, medical services, or therapeutic services to one or more disabled people.
- Either the real and personal property of the nonprofit corporation was being treated as exempt from the collection of all taxes under the General Property Tax Act on January 10, 2007, or it had been treated as exempt on December 31, 2004, and there was no transfer of ownership of that property between the last day the property was treated as exempt until January 10, 2007.

If real or personal property owned and occupied by a nonprofit corporation is not eligible for this exemption, the nonprofit corporation is not precluded from applying for the exemption for real or personal property owned and occupied by a nonprofit charitable institution solely for the purposes for which it was incorporated. The bill would delete this provision.

Available of Other Exemptions; Additional Conditions

Under the bill, each of the provisions described above allowing an exemption under Section 7o of the General Property Tax Act would provide an independent basis for exempting property from the collection of taxes under the Act. The unavailability of an exemption under one provision would not preclude the availability of an exemption under another.

Both of the following conditions would apply to each of the exemptions provided for under Section 7o:

- The assessor of the local tax collection unit in which the property was located or the Department of Treasury could require an exemption applicant or recipient to complete an application and to provide other documentation and information that was reasonably necessary for the assessor or the Department to make an eligibility determination.
- The exempt status of the property would continue until the basis for the exemption ceased to exist.

If the basis for the exemption ceased to exist, the owner of the property would have to notify the assessor of the local tax collecting unit of that change not later than the immediately succeeding tax day. If a property owner failed to provide the required notification and as a result no annual assessment notice or tax bill was issued indicating that the property was receiving an assessment for property tax purposes, that property owner would have to be considered to have claimed the exemption.

Definitions

The bill would define "charitable purpose" as one or more of the following:

- The advancement of education.
- The advancement of religion.
- The promotion of health and wellness.
- The relief of poverty.
- The erection of public buildings or other public works.
- The promotion of a governmental purpose or the alleviation of burdens or responsibilities that would otherwise be borne by the government.

"Nonprofit charitable institution" would mean an organization that is a nonprofit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and meets at least two of the following:

- Offers charitable services to a particular class of individuals, and does not condition the receipt of those services within that class based upon an individual's health, ability to pay, or other characteristics.
- Serves a charitable purpose or a qualified conservation organization purpose.
- Charges no more for its charitable services than is reasonably necessary to maintain the operation of the organization and its services and has a specific policy established to assure that its services are available to those in need of its charity who cannot pay or have a limited ability to pay for those services.
- Has an overall nature that promotes charity, regardless of the amount of money that the organization devotes to charitable activities on an annual basis.

(Section 501(c)(3) of the Internal Revenue Code allows an exemption from Federal income tax for a corporation, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, public safety testing, literary, or educational purposes, to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals, provided that none of the net earnings benefits any private shareholder or individual, no substantial part of its activities is carrying on propaganda or attempting to influence legislation, and it does not participate or intervene in any political campaign for or against any candidate for public office.)

MCL 211.7o

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would reduce both State School Aid Fund revenue and local property tax revenue, and would increase School Aid Fund expenditures, by an unknown and potentially significant amount. For example, based on national data available for assets held by 501(c)(3) firms, and after assumptions regarding Michigan's share of the total, the share of property not already exempt under current law, and the proportion of property that could qualify for the exemption under the bill, the bill could reduce State Education Tax revenue (which is credited to the School Aid Fund) by approximately \$5.9 million per year, and local property tax revenue by approximately \$27.6 million, beginning in FY 2016-17. Property tax revenue from local school operating mills would be reduced by approximately \$17.8 million, and School Aid Fund expenditures increased by the same amount in order to maintain per pupil funding allowances, beginning in FY 2017-18. However, the impact of the bill would depend on the number of taxpayers affected and the specific characteristics of any affected property.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.