

January 22, 2018

A regular meeting of the Manistique City Council was held on Monday, January 22, 2018, at 7:07 p.m. Present were Councilmembers Walker, Rohde, Hollister, Shiner, and Perilloux. Also present were City Manager Aldrich and City Attorney Plackowski.

A. Minutes.

January 8, 2018

Moved by Councilmember Rohde, seconded by Councilmember Walker

APPROVE the minutes of the January 8, 2018 Organizational meeting as presented.

Yes – Councilmembers Rohde, Walker, Hollister, Shiner, Perilloux

No – None

Moved by Councilmember Rohde, seconded by Councilmember Shiner

APPROVE the minutes of the January 8, 2018 meeting as presented with the corrections of the date change from December 8th to January 8th 2018 and also changing the motion under the RRC from Hill and Jeffcott to Rohde, Shiner, Walker, and Perilloux.

Yes – Councilmembers Rohde, Shiner, Hollister, Walker, Perilloux

No – None

B. New Business.

1. Citizen Comments Regarding Agenda Items Only.

There were no citizen comments.

2. Ordinances Re-codified Introduction

Manager Aldrich Memo. We have been working for over a year with a company called Municode to bring our ordinances up to date and incorporate all ordinances into one book. Please find attached the correspondence from Municode that describes the process that was used as we proceeded. Municode is used by many municipalities for coding.

We are now ready to introduce the revised ordinances and make them completely available and easier to access on the city website at cityofmanistique.org. I have been discussing with Municode the options and price we have available after this process is complete, and I will be bringing the information and a recommendation to Council soon.

Please find attached the ordinance prepared for us by Municode that serves to introduce the new City Code.

Moved by Councilmember Walker, seconded by Council member Shiner

APPROVE the ordinance adopting and enacting a new code for the city of Manistique, Michigan; providing for the repeal of certain ordinance not included therein; providing a penalty for the violation thereof; providing for the manner of amending such code; and providing when such code and this ordinance shall become effective as presented.

Discussion.

Yes-Councilmembers Walker, Shiner, Hollister, Rohde, Perilloux

No-None

3. Budget Review.

Manager Aldrich Memo. Please find attached your budget review for each fund. Our fiscal year starts July 1st and ends June 30th. These reviews cover July 1, 2017 through December 31, 2017, which would take us halfway through our fiscal year. The budget lines are pretty self explanatory and we will cover them in more depth at the meeting. I am bringing to your attention some of the lines I feel affect us

more. We will cover the funds in order starting with the General Fund 101.

General Fund 101

Revenues

- Property Tax, 000-402.000, is an area that affects us greatly and is an area that we have had a decrease over the last several years. For example, in 2011 the tax revenue for the General Fund was \$829,017.
- Charter Franchise 000-582.002 comes in quarterly.
- Manistique Township pays the City for fire protection line 000-593.002.
- Most of the funds pay a 10% administration fee to the General Fund for overseeing and administering their funds and activities. This is the same percentage allowed by the State in Major and Local.
- Sales Constitutional and Statutory, 000-643.000 and 000-644.000, come in on a two-month lag.
- Equipment Rent, 000-668.000 comes from the other funds that rent the equipment purchased by the General Fund for plowing, dig ups etc.

Expenses

- City Council MML, 101-816.000, are the dues paid to MML (Michigan Municipal League) yearly.
- Community Promotions, Dept. 151 covers our billboards and promoting the community etc.
- City Manager Dept 172 and Clerk's Dept 180, cover expenses related to the manager's and office clerk's dept.
- Elections, Dept. 191, cover the election expenses.
- Assessor 209, City Attorney 210, City Clerk 215, and Treasurer 253 cover the expenses related to their departments.
- Buildings and Grounds 265 cover expenses related to city Hall and the DPW garage.
- Please note that we contribute to the Humane Society in line 265-849.000. I will cover how that works at their location next to Fairview Cemetery.
- Lakeview Cemetery Dept. 276 and Fairview Cemetery Dept. 277 show expenses for maintenance of each respective cemetery.
- Public Safety Dept. 301 is a cost intensive department as we provide service 24/7 and are sometimes the only service out there in the middle of the night.
- Please note the new patrol car purchase in line 301-971.000. This was covered by a RD (Rural Development) grant and Sault Tribe donations.
- DPW (Department of Public Works) 441 also shows expenses related to their department.
- Please note their equipment payment in line 441-957.002.
- Recreation, Parks and Marina Depts. 751, 756, and 757 show expenses to maintain the parks. They also show the transfer to make the Marina and Rec Dept whole.
- Westside Boat Launch Dept. 758 covers the expenses to run the Westside Boat Launch.
- Dept 851 covers the cost of Retiree Health Insurance in line 851-721.002 and the liability insurance for the City in line 851-864.000.
- At the end of December our revenues and expenses were pretty much on track. I was pleased with the department heads; efforts to contain costs especially with such a slim margin.

Moved by Councilmember Hollister, seconded by Councilmember Walker

APPROVE the General Fund fiscal year 2018 budget as presented.

Discussion.

**Yes – Councilmembers Hollister, Walker, Shiner, Rohde, Perilloux
No – None**

Major Streets 202

Revenue and Expenses

- Gas and Weight Tax come in on a two-month lag 000-448.000.
- Dept. 201 is reimbursed to us from the State for US2 and M-94.
- Maintenance 463 and Sweeping 466 required amendments as more work was done on the streets.
- Please note that Major Streets normally contributes \$25,000 to Local Streets show in line 482-961.002.

Moved by Councilmember Shiner, seconded by Councilmember Hollister

APPROVE the Major Street Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Shiner, Hollister, Rohde, Walker, Perilloux
No – None

Local Streets 203

Revenue and Expenses

- Gas and Weight 000-448.000 come in on a two-month lag.
- Maintenance 463 required an amendment to show the additional work done on the street system.
- The rest of the departments were pretty much on track.

Moved by Councilmember Rohde, seconded by Councilmember Shiner

APPROVE the Local Street Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Rohde, Shiner, Hollister, Walker, Perilloux
No – None

Marina 350

Revenue and Expenses

- Fuel Sales 000-647.001 were amended as sales were up.
- Please note the projected transfer from the General Fund 000-675.002.
- Operating Supplies 000-728.000 were also amended to reflect the increase in fuel sales.

Moved by Councilmember Hollister, seconded by Councilmember Rohde

APPROVE the Marina Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Hollister, Rohde, Walker, Shiner, Perilloux
No – None

Manistique Lakeshore Campground 415

Revenue and Expenses

- This fund shows activity in the campground from July 1st 2017.
- We will know the year's full activity on June 30, 2018.
- We were very pleased with the campground and its performance and attendance.

Manager Aldrich noted as of today we have above 1500 reservations for the Summer of 2018.

Moved by Councilmember Rohde, seconded by Councilmember Shiner

APPROVE the Manistique Lakeshore Campground Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Rohde, Shiner, Hollister, Walker, Perilloux
No – None

Landfill Fund 417

Revenue and Expenses

- Tax Capture is the 3 mill levy for support of the Landfill.
- Expenses include the bond payment, engineering and testing required by the DEQ.

Moved by Councilmember Walker, seconded by Councilmember Shiner

APPROVE the Landfill Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Walker, Shiner, Hollister, Rohde, Perilloux
No – None

Folkfest 419

Revenue and Expenses

- This was the first year of the Rec Board to sponsor and oversee Folkfest.
- This fund tracks their finances for the committee.

Moved by Councilmember Shiner, seconded by Councilmember Rohde

APPROVE the Folkfest Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Rohde, Shiner, Hollister, Walker, Perilloux

No – None

DDA Fund 494

Revenues

- Tax Capture 000-403.000 is their source of revenue.
- Local Community Stabilization 000-573.000 is supplied by the State for loss of Personal Property Tax. This reimbursement has just started coming from the State in the last three years

Expenses

- The expenses pretty much speak for themselves.
- We can cover them at the meeting.
- The biggest expenses are Principal and Interest Payments 000-339.000 and 000-995.000.

Moved by Councilmember Hollister, seconded by Councilmember Walker

APPROVE the Downtown Development Authority Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Hollister, Walker, Rohde, Shiner, Perilloux

No – None

Ambulance 505

Revenues and Expenses

- Ambulance Billings 000-634.000 are on track.
- Salaries 000-701.000 and Fringes 000-714.000 are also on track.
- Uncollectibles 000-817.000 remain a challenge.
- Is evident by our ending YTD balance that running an ambulance at a profit is also a challenge.

Moved by Councilmember Shiner, seconded by Councilmember Walker

APPROVE the Ambulance Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Shiner, Walker, Hollister, Rohde, Perilloux

No – None

Recreation Fund 508

Revenues and Expenses

- Charter revenue 000-582.003 covers our payment on the new boards.
- Hockey Association Fees 000-611.000 remain our largest source of income. Our collaboration with the hockey Association is very important.
- Our expenses are pretty explanatory.
- Wages and utilities remain some of our biggest expenses.
- Our payment on the new boards is shown in lines 000-992.000 and 000-995.000.

Moved by Councilmember Shiner, seconded by Councilmember Rohde

APPROVE the Recreation Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Shiner, Rohde, Hollister, Walker, Perilloux
No – None

Recreation Board Director Mike Powers discussed the grant they received for the Paul Bunyan/Blanchard Park Project.

Sewer Supply System 590
Revenues and Expenses

- Leachate Revenue 000-584.004 is a new line as we have acquired a customer (Wood Island) whose leachate we are treating temporarily.
- Sewer Connection Charge 000-629.000 is the base fee or ready-to-serve charge that every customer pays regardless of water usage. This fee pays for the system and is required by Rural Development.
- Sewer Sales 000-646.000 is the charge for usage based on gallons used.
- Expenses are also pretty self explanatory. The utility plants are working plants that require systems that operate properly.
- Corey will cover the budgets at the meeting.
- Principal and Interest Payments are shown toward the end of the budgets..

Moved by Councilmember Hollister, seconded by Councilmember Walker

APPROVE the Sewer Supply System Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Hollister, Walker, Rohde, Shiner, Perilloux
No – None

Water Supply System 591
Revenues and Expenses

- Water Connection Charges 000-628.000 are the base fees required by Rural Development the same as Sewer.
- Water Sales 000-645.000 are the charges for usage based on gallons used.
- As with Sewer, our biggest expenses are wages, fringes and utilities.
- Our principal and interest payments are shown at the end of the budget.
- Corey will also answer any questions Council might have at the meeting.

Water/Wastewater Superintendent Corey Barr talked about line item 540-745.000, Chemicals, has a significant increase in the amended budget due to the amount of rain we received. So our source water was in need of more chemicals resulting in higher chemical cost.

Moved by Councilmember Shiner, seconded by Councilmember Walker

APPROVE the Water Supply System Fund fiscal year 2018 budget as presented.

Discussion.

Yes – Councilmembers Shiner, Walker, Hollister, Rohde, Perilloux
No – None

In the next few months we will be putting together the proposed budgets for our next fiscal year that begins July 1, 2018. We will present them for public review and comment. We will also close to the end of our fiscal year have another amended budget for Council review. That review will come in June.

The City Department heads and staff are good to work with. They understand our finances are limited and they make every dollar count. For that I cannot thank them enough.

If you have any questions or lines that you would like me to research or to know more about, please don't hesitate to contact me or call prior to the meeting. I would be more than happy to find out the breakdown and detail of any of them

4. Citizen Comments.

Bonnie Garvin of St. Vincent de Paul asked council if we ever did any write offs on water bills.

C. Reports and Communications

Manager Aldrich:

- DDA would like to have the Goal Setting Session on February 26, 2018 with City Council starting at 10:00 AM.

Councilmember Hollister:

- Wanted to show appreciation for all the Departments and the hard work they do.

Mayor Pro tem Shiner:

- Happy to be serving the Council and looking forward to working with Sheila, Council, and other organizations to keep Manistique moving forward.

Councilmember Walker:

- Congratulations to Mayor Perilloux and Mayor Pro tem Shiner.
- Brought in conceptual materials for the new Schoolcraft County Jail.

Mayor Perilloux:

- Thank you for voting him in as the new Mayor.
- Looking forward to everyone working together to make Manistique a better place.

The regular meeting of the Manistique City Council adjourned at 8:47 p.m.

Michael Perilloux, Mayor

Janell L. Irie, City Clerk