

May 14, 2018

A regular meeting of the Manistique City Council was held on Monday, May 14, 2018, at 7:00 p.m. Present were Councilmembers Walker, Shiner, Hollister, Perilloux and Rohde. Also present was City Manager Aldrich and City Attorney Plackowski.

A. Minutes.

April 23, 2018

Moved by Councilmember Rohde, seconded by Councilmember Hollister

APPROVE the minutes of the April 23, 2018 regular meeting as presented.

Discussion.

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

B. New Business.

1. Citizen Comments Regarding Agenda Items Only.

There were no citizen comments.

2. Request from Condo Owners

Manager Aldrich Memo. The residents of condo #3 would like to have shoreline work completed in front of their condo. Please find attached copies of a letter written and a permit received from the Army Corp to do rip rap work on the shoreline in front of condo #3 of the Harborview Condominiums. The same work has already been performed in front of condos #1 and #2. The condo owners have indicated that they have had a beach erosion problem that they would like to address. It can be seen on the attached diagram from Coleman that a portion of the property on the west end belongs to the City of Manistique.

The request from the association is for the City to authorize the work and to possibly help pay for the work. Please find attached the estimates they received from Olsen and Olsen. They are the same company that has done the prior work.

Discussion.

3. Proposed Budgets for FY 2019.

Manager Aldrich Memo. We are preparing and budgeting for our FY19 which starts July 1, 2018. Please find attached proposed budgets for each fund:

General Fund 101

Revenues

- Please note that Tax Revenues, 000-402.000, remain flat. This is a challenge as they are one of our largest sources of revenue.
- Sales Constitutional, 000-643-000, and Sales Statutory, 000-644.000, also remain flat.
- Administration Fees are based upon the prior year revenue.
- Equipment Rental, 000-668-000, comes from the other funds (including the State) that the DPW works for plowing, etc.

Expenses

- Expenses are pretty self explanatory, are depicted by departments, beginning with City Council Dept. 101.
- Community Promotions, Dept 151 includes the cost of billboards shared with John Madigan of Pictured Rocks.
- Departments such as City Manager, Clerk, and Treasurer reflect their expenses and wages per contract.
- DPW Fringes, 441-714.000, had to be raised to reflect the higher percentage required by MERS.
- Please note that the General Fund transfers to the Rec Fund, 751-999.004, at year end to make

it whole.

- Also note that the General Fund transfers to the Marina Fund, 757-999.004, at year end to make it whole.
- Revenues last FY came in at \$2,241,213. They are projected this year at \$2,235,468 with Expenses projected at \$2,234,359, a net difference of \$1,108. There is a very little wiggle room in the General Fund. We ended the last year with a Fund Balance of \$351,968.

Moved by Councilmember Hollister, seconded by Councilmember Shiner

APPROVE the General Fund proposed budget for FY19 as presented.

Discussion.

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

No – None

Major Streets 202

Revenues and Expenses

- Revenues come from gas sales tax and expenses are based on history of the last few years.
- Trunkline 000-551.000 and Dept 201 come from the budgeted amount given to us by the State(MDOT)
- Expenses are running pretty much on par with this year's.
- Winter Maintenance, Dept 478, uses the largest amount of the Major Streets funds.
- We ended the FY last year with \$178,418 in Fund Balance. This well exceeds the goal of \$33,567 (10% of the prior year's revenues).

Moved by Councilmember Hollister, seconded by Councilmember Shiner

APPROVE the Major Streets proposed budget for FY19 as presented.

Discussion.

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

No – None

Local Streets 203

Revenues and Expenses

- Revenues also come from gas sales tax with expenses based off the prior years actual.
- As with Major Streets, Winter Maintenance, Dept. 478, consumes a big portion of the budget.
- We ended the FY last year with \$114,776 in Fund balance. This also well exceeds the goal of \$11,122 (10% of prior year's revenues).

Moved by Councilmember Walker, seconded by Councilmember Shiner

APPROVE the Local Streets proposed budget for FY19 as presented.

Discussion.

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

No – None

Marina 350

Revenues and Expenses

- The Marina forecasted revenues and expenses are based on the prior years' actual.
- Please note that the General Fund makes the marina whole at year-end in line 000-675.002.

Moved by Councilmember Walker, seconded by Councilmember Shiner

APPROVE the Marina proposed budget for FY19 as presented.

Discussion.

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

No – None

Manistique Lakeshore Campground 415

Revenues and Expenses

- Revenues are forecasted based on what we see happening now. We are being conservative with our forecast.
- Expenses are in line with what we see happening now and taking into consideration that this year's actual costs contain some one-time expenses for start ups.

Moved by Councilmember Rohde, seconded by Councilmember Hollister

APPROVE the Manistique Lakeshore Campground proposed budget for FY19 as presented.

Discussion.

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

No – None

Landfill 417

Revenues and Expenses

- Tax revenue has diminished enough that it has required us to transfer from Fund Balance for the last few years.
- Changing engineering firms a few years back has saved us approximately \$20,000 yearly.

Moved by Councilmember Hollister, seconded by Councilmember Walker

APPROVE the Landfill proposed budget for FY19 as presented.

Discussion.

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

No – None

DDA- Downtown Development Authority 494

Revenues and Expenses

- Tax Revenue, 000-403.000, is the DDA's revenue source.
- The transfer from Campground, 000-699-215, depicts the transfer to cover the campground payment.
- Expenses are pretty self-explanatory.
- The DDA's payments are shown in lines 000-993.000 and 000-995.000.

Moved by Councilmember Shiner, seconded by Councilmember Rohde

APPROVE the DDA- Downtown Development Authority proposed budget for FY19 as presented.

Discussion.

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

No – None

Ambulance 505

Revenues and Expenses

- Ambulance Billings, 000-634.000, are projected based on what we had last year and so far this year.
- Uncollectibles, 000-817.000, continue to be our largest expense.
- Payment and interest on the new ambulance are shown in lines 000-991.012 and 000-995.006.

Moved by Councilmember Hollister, seconded by Councilmember Walker

APPROVE the Ambulance proposed budget for FY19 as presented.

Discussion.

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

No – None

Recreation Fund 508

Revenues and Expenses

- Revenues and Expenses are both projected based upon prior years.
- Payment on the new boards is reflected in lines 000-992.000 and 000-995.000.

Moved by Councilmember Hollister, seconded by Councilmember Rohde

APPROVE the Recreation proposed budget for FY19 as presented.

Discussion.

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

Sewer 590

Revenues and Expenses

- Corey will cover at the meeting.
- Please note the projected Leachate Revenue in line 000-584.004. This is coming from both GAD (Great American Disposals) in Munising and U.P. Papers here in Manistique.
- Expenses are pretty typical and on par with last year.
- Payments and Required Reserves are shown in lines 550-981.008 through 550-995.013.
- Because of current and future debt with RD for our projects rates will be raising \$1.99 per bill on a residential customers average use estimated on 2900 gallons.

Moved by Councilmember Hollister, seconded by Councilmember Rohde

APPROVE the Sewer proposed budget for FY19 as presented.

Discussion.

Yes – Councilmembers Hollister, Rohde, Walker, Perilloux
No – Shiner

Water 591

Revenues and Expenses

- Corey will cover this budget at the meeting.
- Payments and Required Reserves are shown in lines 540-981.011 through 540-996.005.
- Because of current and future debt with RD for our projects, rates will be raising \$2.14 per bill on a residential customers average use estimated on 2900 gallons.

Moved by Councilmember Hollister, seconded by Councilmember Shiner

APPROVE the Water proposed budget for FY19 as presented.

Discussion.

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

Manager Aldrich Memo. In June we will bring the amended budget to Council to finish up our FY 18. If you have any questions on anything you would like me to look up prior to the meeting, please email or call me.

4. Citizen Comments

Mrs. Freeman, Harborview Drive Condo #3: Thanked the Wastewater Treatment Plant workers with how well of a job they do, they have never smelled any odor.

C. Reports and Communications

Manager Aldrich:

- ❖ Went to MDOT meeting concerning the specified bike bath, from Manistique along US2 to Thompson and across to Indian Lake and back into town. Also a spurt in Garden down to Fayette and also to Gladstone.

Mayor Perilloux:

- ❖ Commends Council on the courage of their votes today.
- ❖ Had a meeting with Craig Reiter, Sheila, and myself concerning the Mark6. They are going to use the tower down by the Sheriff's department.

Councilperson Walker:

- ❖ Mayor and I attended the County Board Meeting concerning the Schoolcraft County Jail. County elected to utilize the Manistique Armory as the new jail.
- ❖ Invite everyone to the fundraiser event for the Vietnam Memorial Wall at 7 PM May 26, 2018 being held at the Elks Lodge.

Director Golat:

- ❖ Two active grants for two squad cars. Getting two ford explorers.
- ❖ Received a \$5,000 grant from Enbridge for Water Rescue Vessel.
- ❖ K9 program has received a couple more contributions.

The regular meeting of the Manistique City Council adjourned at 9:15 p.m.

Michael Perilloux, Mayor

Janell L. Irie, City Clerk