

May 16, 2011

PUBLIC HEARING
ON PROPOSED BUDGET
MONDAY, MAY 16, 2011
6:00 P.M.
AGENDA

1. CALL THE PUBLIC HEARING TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL
2. PUBLIC COMMENTS ON PROPOSED BUDGET 2011/2012
3. COMMISSIONER COMMENTS ON PROPOSED BUDGET 2011/2012
4. APPROVE TAX MILLAGE RATE LEVIED AT 18.0197
5. APPROVE UPDATED FEE SCHEDULE
6. ADOPT PROPOSED BUDGET 2011/2012 - RESOLUTION
7. ADJOURNMENT OF PUBLIC HEARING

CITY COMMISSION

Official Proceedings

1. CALL THE PUBLIC HEARING TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

The Public Hearing on the Proposed Budget of the City Commission was duly called and held on Monday, **May 16, 2011**, in the City Commission Meeting Room of City Hall. Mayor Beauprey called the Public Hearing to order at 6:00 p.m.

PRESENT: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
ABSENT: Commissioners: Daniels and DesJardins - absent excused

2. PUBLIC COMMENTS ON PROPOSED BUDGET 2011/2012

There were none.

3. COMMISSIONER COMMENTS ON PROPOSED BUDGET 2011/2012

There were none.

4. APPROVE TAX MILLAGE RATE LEVIED AT 18.0197

Moved by Commissioner Bornslaeger to approve the Tax Millage Rate levied at 18.0197. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

5. APPROVE UPDATED FEE SCHEDULE

Moved by Commissioner Bornslaeger to approve the Fee Schedule; this will include Solid Waste Disposal tags increasing to \$2.00 each; and increasing the pump out at the Marina from \$200.00 to \$250.00. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

6. ADOPT PROPOSED BUDGET 2011/2012 - RESOLUTION

Moved by Commissioner Dolaskie to approve and adopt the proposed 2011/2012 Budget and Resolution as submitted. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

BUDGET RESOLUTION

Whereas, the City Manager has submitted the Proposed Budget for the fiscal year beginning July 1, 2011 and ending June 30, 2012 outlining the estimated fund balances, estimated revenues and the planned expenditures for the City of Munising from July 1, 2011 to June 30, 2012; and

Now, Therefore, Be It Resolved by the Munising City Commission that:

Section One: The City Commission adopts this Proposed Budget, as modified by the City Commission at its budget hearing, as the Budget for the

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City of Munising for the fiscal year beginning July 1, 2011 to June 30, 2012 and established the millage rate at 18.0197 mills for the General Fund.

Section Two: The Department Heads of the various departments as designated by the City Manager, are responsible for keeping the expenditures within the appropriation and shall not exceed any appropriation without prior approval of the City Commission.

Section Three: That from time to time, as the situation indicates, the City Commission may amend the budget, provided that expenditures do not exceed revenues and available surplus.

This resolution declared adopted this 16TH day of May 2011.

Robert Beauprey Jr., Mayor

7. ADJOURNMENT OF PUBLIC HEARING

Moved by Commissioner Dolaskie to adjourn the Public Hearing and enter the Regular Meeting. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioner: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

The Budget Public Hearing adjourned at 6:10 p.m.; the Commission entered the Regular Meeting at this time.

CITY COMMISSION OF THE CITY OF MUNISING
AGENDA
MONDAY, MAY 16, 2011
6:00 P.M.

A. CALL TO ORDER OF REGULAR CITY COMMISSION MEETING, PLEDGE OF ALLEGIANCE, ROLL CALL

PRESENT: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
ABSENT: Commissioners: Daniels and DesJardins - absent excused

B. PUBLIC COMMENT (non-agenda items)

There were none.

C. OLD CITY BUSINESS

1. Treasurer's Report

Moved by Commissioner Dolaskie to approve the Treasurer's report as submitted. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

2. Monthly Reports - Committee - Fire - Police - WWTP

Commissioner Bornslaeger stated that Building and Grounds had met with Pictured Rocks regarding the new dockage lease. He also stated that the Labor Committee had met.

3. Lease for Dock Space Pictured Rocks Cruises, Inc.

Moved by Commissioner Dolaskie to authorize the City Manager to enter into the lease agreement with Pictured Rocks Cruises, Inc. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

D. NEW CITY BUSINESS

Moved by Commissioner Dolaskie to amend the agenda to include 1A. Tim Flynn Conveyance Request. Support by Commissioner Bornslaeger.

Unanimous Voice Vote:

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Moved by Commissioner Dolaskie to amend the agenda to include 1B. Camp Ground Support Request. Support by Commissioner Bornslaeger.

Unanimous Voice Vote:

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Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Agenda Amended:

1A. Tim Flynn Conveyance Request

Moved by Commissioner Dolaskie to approve the Conveyance Request per City Attorney Ferguson's Resolution. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

RESOLUTION OF APPLICATION FOR CONVEYANCE

Be it Resolved that the Application for Conveyance of Tim Flynn, dated May 16, 2011, is approved as required under Section 32504 of PA 451 of 1994, by the City Commission of the City of Munising.

Date: _____

By: _____
Doug Bovin, City Manager

The foregoing Resolution was adopted at a Regular Meeting of the City Commission of the City of Munising held on May 16, 2011.

Date: _____

By: _____
Sue Roberts, City Clerk

Agenda Amended

1B. Camp Ground Support Request

Moved by Commissioner Bornslaeger to authorize the City Manager to proceed with the process to support the requested camp grounds; with the City acting as a sponsor; also with City Attorney Ferguson and City Manager Bovin reviewing the process for a one year trial. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

1. Windjammer Apartments New Owners Introduction and Request

Craig Patterson introduced himself to the Commission and explained that the Windjammer Apartments had new owners and that they are asking for a Payment in Lieu of Taxes Ordinance to be adopted by the Commission.

Moved by Commissioner Dolaskie to consider this the first reading of an Ordinance to be known as City of Munising Tax Exemption Ordinance for Windjammer Greene contingent upon the City Attorney and City Manager's review. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

2. Approve Resolution for Charitable Gaming License Request from Munising Bay Quilt Guild

Moved by Commissioner Dolaskie to approve the Charitable Gaming License Request from the Munising Bay Quilt Guild. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

3. Request from the Moose Lodge for Street Closure May 21st & 22nd Lynn St. 7:00 a.m. - 8:00 p.m. Munising Trout & Salmon Classic

Moved by Commissioner Dolaskie to approve the request from the Moose Lodge to close Lynn Street from Munising Ave. to Superior St. on May 21st and 22nd 2011 from 7:00 a.m. to 8:00 p.m. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey

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Nays: None

4. Approve Policy for General Fund Balance

Moved by Commissioner Dolaskie to approve the General Fund Balance Policy as submitted. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

**City of Munising
County of Alger, State of Michigan**

General Fund, Unrestricted Fund Balance Policy

Purpose:

The purpose of this policy is to establish guidelines for the general fund, unrestricted fund balance to improve and maintain the entity's financial stability in order to protect the entity from unforeseen or unbudgeted situations such as declining tax collection rates; the loss of a major tax payer; sudden changes in revenues or spending requirements; natural disasters; major infrastructure failures and unexpected litigation.

Background:

Fund balance is a measure of the financial resources available in a governmental fund. The purpose of a fund balance policy is to ensure that there will be adequate liquid resources to serve as a financial cushion.

Unrestricted fund balance is that portion of fund balance that reflects expendable available resources.

It is essential that governments maintain adequate levels of unrestricted fund balance to mitigate current and future risks and to ensure stable tax rates. Fund balance levels are a crucial consideration, too, in long term financial reporting.

In February 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. In that statement, the GASB recommends "...at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in government's particular circumstances."

Credit rating agencies carefully monitor the unrestricted fund balance. A municipality's ability to accurately plan and develop significant reserves is a common characteristic of highly rated municipalities.

Policy Statement:

These policy guidelines will provide direction during the budget process and demonstrate a commitment to maintain adequate reserves for financial stability and for a long term financial planning:

- The entity will maintain an unrestricted fund balance, in the general fund of not less than two months of regular general fund operating expenditures and transfers out, and not more than six months of regular general fund operating expenditures and transfers out.
- The use of unrestricted fund balance will be permitted under certain circumstances:

Emergency - An emergency is an event or circumstance identified and agreed upon by the Board. It will always reflect a careful balancing of the entity's desire to maintain adequate reserves with its desire to maintain essential services. Guidance given from this policy will aid in defining an emergency which results in an unanticipated budgetary shortfall in excess of 10% of the total General Fund, fund balance.

If the unrestricted fund balance goes over the six month benchmark, the use of such excess funds should be for capital projects and other one-time uses.

Unrestricted fund balance will be spent down in the following order; committed amounts should be reduced first, and then the unassigned amounts.

- Committed fund balances shall be established based on actions and/or limitations imposed by the Board. Such

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commitments must be established prior to the end of the fiscal year.

- Assigned fund balances may be established for intended uses by the Board. In conjunction, the Financial Manager shall also be delegated to establish assigned fund balance amounts.
- Unassigned fund balances represent balances available for appropriation at the discretion of the Board. However, the Board will make every effort to use the unassigned funds for the following purposes (listed in order of priority):

Increase restricted and/or committed fund balances as deemed necessary.

Increase assigned and/or committed fund balances as deemed necessary.

Use for capital improvement/outlay purposes and/or other one time purchases.

- The Board recognizes that any such funds should be appropriated for non-recurring expenditures as they represent prior year surpluses that may or may not materialize in subsequent fiscal years.
- If the unrestricted fund balance goes below the minimum 2 month benchmark, the Finance Manager shall recommend and submit to the Board for approval a plan to replenish reserves to minimum levels. This plan will specify the source of the funding for this replenishment and the replenishment shall be succeeded with a 24 month period. If the restoration of the reserve cannot be accomplished within such period without severe hardship to the entity, then the Board may establish a different time period.

5. Approve Mead & Hunt Engineering Fees for Bike Path Project

Moved by Commissioner Bornslaeger to approve the invoice for Mead & Hunt for engineering fees for the Bike Path Project in the amount of \$15,000.00. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

6. Accept/Award Quotes for 22A Modified Gravel

Moved by Commissioner Bornslaeger to accept and place on file the quotes received for 22A modified gravel. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Bids Received: Gerou Excavating, Inc. \$8.00 per ton, Oberstar Inc. \$10.20 per ton, and Joseph S. Lakosky LLC \$9.00 per ton.

Moved by Commissioner Bornslaeger to award the 22A modified gravel quote to Gerou Excavating, Inc. at \$8.00 per ton. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

7. Bayshore Park Vendor Use Policy

Moved by Commissioner Dolaskie to approve the Bayshore Park Vendor Use Policy allowing the City Manager and City Attorney to make any necessary adjustments to the Policy. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Rules for Vendors in Bayshore Park

1. Vendors who wish to use Bayshore Park shall submit a request to the city manager each year before April 15.
2. Any permits granted shall be valid from Memorial Day weekend through Columbus Day.
3. The City Manager shall decide which vendors will be granted permits. Permits granted in a prior year will not be automatically renewed.
4. Approved vendors shall pay fees prior to the use of the park. Annual fees will be \$100 for vendors who own or operate a retail business in the City of Munising. Annual fees for all other vendors will be \$500.

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5. Vendors will be located in the Park on sites determined by the City Manager. Care will be taken not to block vehicle or pedestrian traffic.
6. No permanent or semi-permanent structures shall be erected and each vendor shall remove their wares and temporary structures at the end of each day unless they have prior permission of the City Manager to do otherwise.
7. All prospective vendors shall provide documentation of liability insurance in the amount of \$ _____
8. All approved food vendors will provide documentation to the City that they have the necessary public health approval and permits.
9. No vendor approved for a seasonal permit shall operate during the days and hours reserved for use by the Munising Farmer's Market without the permission of the Munising Farmer's Market.
10. No vendor approved for a seasonal permit shall operate on the 4th of July without the permission of the American Legion 4th of July Committee.

8. Update/Possible Action Alger Parks & Recreation Agreement

Moved by Commissioner Dolaskie to approve the Alger Parks & Recreation Agreement as presented. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

9. Server for City Hall Computers

Moved by Commissioner Dolaskie to authorize \$5,417.00 for a new computer server for City Hall. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

10. Approve City Commission Meeting Minutes of 4-18-11 Regular, 4-21-11 Budget Work Session and 5-9-11 Organizational Meeting

Moved by Commissioner Dolaskie to approve the City Commission Meeting Minutes of 4-18-11 as submitted. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Moved by Commissioner Bornslaeger to approve the City Commission Meeting Minutes of 5-9-11 as submitted. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

Moved by Commissioner Dolaskie to table the City Commission Meeting Minutes of 4-21-11 Budget Work Session pending revisions/corrections. Support by Commissioner Bornslaeger.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

11. Check Register/List of Bills

Moved by Commissioner Bornslaeger to approve and pay the Check Register/List of Bills as submitted. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

12. City Manager Report

Regarding the Commercial Alley Project City Manager Bovin explained that the main pipe line is in and being tested. The project should wrap up in about two weeks; we are still working on the water run off and catch basins; paving should take place in mid July; along with the Bike Path, Bullivant Street is also being considered for paving. Regarding the Police-Fire Hall the sign is the last billable item for Rural Development. We hope to have this finished this fiscal year. He then went over the new population numbers; the Marina has sent out gas quotes; it is possible that we will ask for gas quotes for the fleet.

E. CORRESPONDENCE

Correspondence included the award notice for the 2011 Fluoridation Equipment Grant; Notification of MDOT work in our area; and a letter from Charter Communications regarding Channel 21.

F. PUBLIC COMMENTS (non-agenda items)

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Mayor Beauprey thanked the City Manager regarding the budget and his accomplishment in the City. He also thanked Commissioner DesJardins for his many years of service to the City.

G. ADJOURNMENT

Moved by Commissioner Bornslaeger to adjourn the Regular Meeting of the City Commission. Support by Commissioner Dolaskie.

Approved: Yeas: Commissioners: Dolaskie, Bornslaeger and Mayor Beauprey
Nays: None

The Regular Meeting of the City Commission adjourned at 7:45 p.m.

Robert Beauprey, Mayor

Sue Roberts, City Clerk

LIST OF BILLS

23632)	LEXINEXIS OCC HEALTH SOLUTION	9.86
23633)	D. ROBB FERGUSON	5452.50
23634)	AIRGAS NORTH CENTRAL	76.67
23635)	ALGER COUNTY HUMANE SOCIETY	325.00
23636)	AT&T MOBILITY	46.13
23637)	BELL EQUIPMENT CO.	230.65
23638)	BLUE CROSS BLUE SHIELD OF MICHIGAN	463.38
23639)	BLUE CROSS BLUE SHIELD OF MICHIGAN	1281.90
23640)	BLUE CROSS BLUE SHIELD OF MICHIGAN	2951.12
23641)	BLUE CROSS BLUE SHIELD OF MICHIGAN	472.94
23642)	BLUE CROSS BLUE SHIELD OF MICHIGAN	17870.14
23643)	BLUE CROSS BLUE SHIELD OF MICHIGAN	1533.74
23644)	CHARTER COMMUNICATIONS	61.29
23645)	DTE ENERGY	1646.55
23646)	GREAT AMERICAN DISPOSAL CO.	4308.24
23647)	HIAWATHA TELEPHONE COMPANY	1196.46
23648)	HOLIDAY COMPANIES	3331.35
23649)	LARRY KENT	1500.00
23650)	LMAS LUCE COUNTY	150.00
23651)	MWEA LOCAL SECTION 21	60.00
23652)	PEOPLES STATE BANK	22797.61
23653)	ROLAND MACHINERY COMPANY	195.65
23654)	STANDARD INSURANCE COMPANY	656.43
23655)	U.P. POWER COMPANY	20675.14
23656)	WEST PAYMENT CENTER	651.38
23657)	CITY OF MUNISING - CITY HALL	51.04
23658)	SAULT STE MARIE TRIBE OF CHIPPEWA	180.00
23659)	CITY OF MUNISING - PETTY CASH	65.19
23660)	DSTECH	70.00
23661)	ELECTION SYSTEMS & SOFTWARE	98.80
23662)	UPPER PENINSULA RECREATION INC.	1230.77
23663)	PEOPLES STATE BANK	49931.25
23664)	D. ROBB FERGUSON	1666.66
23665)	DSTECH	2708.50
23666)	ALTRAN	7.50
23667)	AN*SER SERVICES & TEL/SEE	50.00
23668)	DONNA BEAUDRY	132.50
23669)	DOUG BOVIN, INC.	8634.74
23670)	CITY OF MUNISING - PETTY CASH	79.04
23671)	COLEMAN ENGINEERING COMPANY	1591.25
23672)	COLLEGE LAUNDRY & RENTAL	328.20
23673)	JACK DOHENY SUPPLIES, INC.	355.00
23674)	HIAWATHA TELEPHONE COMPANY	1236.09
23675)	KELLEY MARKETING	450.00
23676)	MADIGAN'S HARDWARE	18.75
23677)	VOIDED	VOIDED
23678)	MML-FOUNDATION	25.00
23679)	MINING JOURNAL	141.60
23680)	MUNISING BAYSHORE MARINA	125.00
23681)	DARLENE MYJAK	127.50
23682)	NAPA AUTO PARTS	212.30
23683)	NORTH CENTRAL LABORATORIES	729.54
23684)	ARVILLA SATTERLEE	127.50
23685)	MARIE A. ST. AMOUR	107.50
23686)	STAMP FULFILLMENT SERVICES	1065.50
23687)	TELNET WORLDWIDE, INC.	11.33

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23688)	TRIMEDIA CONSULTANTS	7657.74
23689)	U.S. POSTMASTER - MUNISING	244.02
23690)	UPPER PENINSULA RECREATION INC.	1230.77
23691)	VANTAGE FLEX LLC	95.00
23692)	VERIZON WIRELESS	619.55
23693)	ALGER COUNTY HUMANE SOCIETY	325.00
23694)	JEFFREY BEAUCHAINE	102.00
23695)	DOUG BOVIN, INC.	369.24
23696)	CITY OF MUNISING - WATER DEPT.	1310.95
23697)	CRANE ENGINEERING SALES INC.	6246.00
23698)	DENMAN'S HARDWARE	47.39
23699)	DSTECH	35.00
23700)	DTE ENERGY	2544.06
23701)	EL-COM SERVICES, INC.	576.00
23702)	GBS INC.	560.00
23703)	GREAT AMERICAN DISPOSAL CO.	4264.87
23704)	HEALTHY HOMES INC.	84.70
23705)	MENARDS	84.26
23706)	MUNISING COMMUNITY CREDIT UION - VISA	79.99
23707)	JOHN NELSON	7.00
23708)	POMASL FIRE EQUIPMENT	26.00
23709)	SPARTAN STORES, INC.	69.28
23710)	SUPERIOR ELECTRIC INC.	319.90
23711)	U.P. POWER COMPANY	9739.12
23712)	US BANK	365.78
23713)	USA BLUE BOOK	2.46