APPROVED

City of Ypsilanti
City Council Goal Setting Minutes
Tuesday, January 26, 2016
7:00 p.m.

Spark East – 215 W. Michigan Avenue
Ypsilanti, Michigan 48197

I. CALL TO ORDER –

The Meeting was called to order at 7:06 p.m.

II. ROLL CALL –

Council Member Anne Brown	Present	Council Member Robb	Present
Council Member Nicole Brown	Present	Council Member Vogt	Present
Council Member Murdock	Present	Mayor Edmonds	Present
Mayor Pro-Tem Richardson	Present		

III. INVOCATION –

Mayor Edmonds asked all to stand for a moment of silence.

IV. PLEDGE OF ALLEGIANCE –

"I pledge allegiance to the flag, of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all."

V. AGENDA APPROVAL –

Mayor Pro-Tem Richardson moved, seconded by Council Member Brown to approve the agenda.

On a voice vote, the motion carried, and the agenda was approved.

VI. INTRODUCTIONS –

Mayor Edmonds introduced William Teepen a resident of Ward 1.

VII. AUDIENCE PARTICIPATION –

None

VIII. REMARKS FROM THE MAYOR –

None

IX. **PRESENTATIONS** –

1. Eastern Washtenaw Economic Development – Beth Ernat

   Economic Development Director Beth Ernat stated during the last Council Meeting there was discussion of Economic Development in Eastern Washtenaw County. Ms. Ernat stated a committee of herself, Mayor Pro-Tem Richardson, and Council Member Murdock was formed in order to address the matter and a meeting will be scheduled in the future with Ypsilanti County Commissioner Ronnie Peterson. Ms. Ernat said this meeting will voice that Ypsilanti would like to be involved in County decisions in Eastern Washtenaw County and to inform the County of the City's current plans for economic development. Ms. Ernat stated she will be providing Council with information during the next City Council regular meeting on February 2nd.

2. Traffic Standards

   Police Chief Tony DeGiusti provided an overview of how the Traffic Commission operates.

   Council Member Vogt stated neighborhood groups are consistently voicing concern over speeding. Mr. Vogt said whatever process the City has for this issue is not bringing relief to citizens. Mr. Vogt stated he now feels that if a majority of residents on a street want traffic calming measures and are willing to pay for them they should be provided. Mr. Vogt stated the City could use the lowest costing traffic calming device to show the people that City government will do something to eliminate the high end speed. Mr. Vogt said the studies that are performed are often skewed as a result of speeders reducing their speed when the see the tracking device. Mr. Vogt stated the policy needs to be changed to allow for residents to address these concerns. Mr. Vogt said the Department of Public Services and the Police Department need to decide what measures will be reasonable to stop individuals from driving at speeds upwards of 50 mph.

   Mayor Edmonds asked staff for perspective that they might have learned from living in other communities. Chief DeGiusti responded there was an issue of speeding on Stanley and Hemphill streets resulting from the construction on Prospect Rd and speed bumps were put on those streets. Chief DeGiusti said then residents began asking for two speed bumps on both streets because one wasn't sufficient. Chief DeGiusti said he tried to replicate the speeds residents said cars were traveling and he was unable to do so even in his police cruiser. Chief DeGiusti said part of the problem is a perception issue and he does not know what will necessarily satisfy people but the City does have a speed bump policy which includes a lot of what Council Member Vogt suggested. Chief DeGiusti said if residents on a street wish to install a speed bump they have the ability to pay for it and DPS will install it. DPS Director Stan Kirton clarified DPS could install temporary speed bumps.

   Council Member Vogt stated the problem with Douglas Street is that the residents did not know that the test had occurred and asked that conclusions of the Traffic Committee be placed on the City's website. Mr. Vogt asked the measures available be listed along with their cost on the website. Mr. Vogt asked if speed bumps are the only measure available or if there were any reason the City would refuse to install a speed bump. Mayor Edmonds responded possible measures are listed in the policy. Mr. Vogt replied on what criteria are those measures available. Mr. Vogt added he does not want to spend a lot of time on this tonight and is interested in tweaks to the City's current policy so it is clear to members of the public.

Council Member Murdock stated OHM Engineering did provide the City with specifications for speed bumps that cost around $12,000 to $15,000. Mr. Kirton replied that is the cost of speed humps not speed bumps. Mr. Murdock added residents can always petition a special assessment to have speed control measures installed. Mr. Murdock stated in the future as the City begins to reconstruct streets they should be designed with traffic control measures.

Council Member Vogt stated he would be happy to meet with the City Manager to help tweak the policy making it easier for residents to understand.

Mayor Edmonds stated there was a lot of discussion about this policy last spring and initially it was sent back to staff. Ms. Edmonds said it has been less than a year since this policy has been approved and does not see amending the policy other than adding a communication aspect is necessary. Ms. Edmonds stated she is wary of allowing residents the ability to install traffic control measures if they have the money to do so because of how it can impact other City tasks. Ms. Edmonds stated when the policy was approved last year there was discussion about creating a brochure for the policy.

Council Member Murdock stated the biggest issue is budgetary constraints and Ypsilanti Township budgets $100,000 a year on speed control measures.

Mr. Kirton asked if a special assessment is being used won't each resident involved in the assessment need to be willing to pay for the traffic control measures. Mr. Vogt responded he is not suggesting a special assessment and explained what he is saying that if 60% of the residents want a speed control measure and are willing to finance to have it installed the City should install it. Council Member Murdock stated there have been a lot of discussions regarding special assessments recently and this would be a legitimate way to finance speed control measures. Mayor Edmonds asked if residents would need to buy-in to the assessment. Mr. Murdock responded City Ordinance requires a certain percentage of residents agree to the special assessment. Mr. Murdock added the City could also split the cost with the residents.

City Manager Lange stated the Road Commission used special assessments for local roads and it required 51% buy-in.

X. <u>MOTIONS/RESOLUTIONS</u>:

Resolution No. 2016-020, supporting Flint City Council

Whereas, Michigan cities relying on lead pipes to provide drinking water should monitor lead leaching into the water system; and

Whereas, the Flint Water Crisis is the result of contamination of the drinking water in Flint and poses serious long-term health threats; and

Whereas, Governor Snyder has declared Flint to be in a state of emergency and ordered public outreach to the citizens of Flint about the crisis and

Whereas, President Obama signed an emergency declaration authorizing federal agencies to coordinate relief efforts to lessen the burden and hardship on local residents; and

Whereas, we are concerned about the health and welfare of those affected; and

Whereas, the City of Ypsilanti is a partner in the Washtenaw Water Drive to assist the Flint Community.

NOW THEREFORE BE IT RESOLVED, That lead poisoning is completely preventable; That $100 million in state and federal funding be used to assist with immediate health needs and underground infrastructure measures; and That the City of Ypsilanti City Council on behalf of its community supports the Council and people of Flint and urges the State of Michigan to provide a system of water delivery with less corrosive agents to service lines, mains and connectors for the residents of Flint, MI.

OFFERED BY: Mayor Pro-Tem Richardson
SUPPORTED BY: Council Member Anne Brown

Mayor Pro-Tem Richardson stated she would like this resolution sent to Flint's City Council and administration but it also be sent to the Governor. Mayor Edmonds asked that a copy be sent to the state legislature.

Council Member Vogt asked where the figure of $100 million came from. Council Member Anne Brown responded that is the amount from the federal government and the amount added by the Governor to the state budget. Council Member Murdock stated the number that he saw was $1.5 billion. Ms. Anne Brown responded that amount was to repair and it was said the $1.5 billion was excessive. Mr. Murdock added that $80 million from the Federal Government is a loan to the state and added he feels is going to take a lot more money. Mayor Pro-Tem Richardson asked if Council Member Murdock is suggesting the amount in the resolution be raised. Mr. Murdock responded he thinks the amount should reflect the funds necessary to solve the problem. Ms. Richardson replied if Council wishes to make that change the resolution could read "$100 million, and not limited two". Council Member Nicole Brown stated the resolution could read "at least but not limited to $100 million."

Council Member Vogt moved, seconded by Council Member Nicole Brown to amend the resolution to read "That an amount of $100 million but not limited to, in state and federal funding be used as a starting point …"

On a voice vote, the motion carried, and Resolution No. 2016-020 was amended.

Mayor Edmonds recognized the Community Development Intern Rasheed Atwater who was deployed by the National Guard to Flint and proud that he was representing Ypsilanti. Ms. Edmonds said Ypsilanti is also a part of the Washtenaw Water Coalition for Flint. Ms. Edmonds added there is a Go Fund Me Account raising money to assist in Flint. Ms. Edmonds stated a number of Ypsilanti Area residents took it upon them to drive water to Flint and recognized Brian Foley who was also featured on CNN this week. Mayor Edmonds said Mr. Foley has challenged everyone in the community to donate their weight in water and has partnered with a local business Deluxe Rental who has challenged him to fill their warehouse. Ms. Edmonds stated individuals can contact Deluxe Rental to donate their weight in water. Ms. Edmonds added water can also be dropped off at the Corner Brewery. Council Member Anne Brown stated if individuals are unable to donate water they can provide assistance by distributing water, test kits, and filters. Mayor Pro-Tem Richardson stated Judge Mathis will be in Flint on Saturday, January 30th at 11:00 a.m. for a town hall meeting and then going door to door delivering water. Ms. Richardson stated he will be bringing attorneys with him to ensure the people of Flint will not rush to settle.

Assistant to the City Manager Ericka Savage stated the City was contacted by EMU organizations and Ypsilanti Community Schools to organize a drop-off center. Ms. Savage said the City agreed to volunteer the Fire Station as a drop-off center and will operate until February 12th from 8:00 a.m. to 8:00 p.m. Mayor Pro-Tem Richardson stated the Michigan Black Caucus will also be conducting a water drive, but will focus on water by the gallon because people need water for things other than drinking. Mayor Edmonds asked if it is okay to drop larger containers of water at the Fire Station. Chief Anthouard responded in the affirmative.

Mayor Edmonds thanked all the members of the community who have stepped in to help the people of Flint. Ms. Edmonds stated friends of hers that live in Flint have informed her that in terms of a long term place to donate funds is the Community Foundation of Greater Flint.

On a roll call, the vote to approve Resolution No. 2016-020 as amended was as follows:

Council Member N. Brown	Yes	Council Member Robb	Yes
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

YES: 7 NO: 0 ABSENT: 0 VOTE: Carried

Resolution No. 2016-020 as approved reads as follows:

RESOLUTION ON FLINT WATER CRISES

Whereas, Michigan cities relying on lead pipes to provide drinking water should monitor lead leaching into the water system; and

Whereas, the Flint Water Crisis is the result of contamination of the drinking water in Flint and poses serious long-term health threats; and

Whereas, Governor Snyder has declared Flint to be in a state of emergency and ordered public outreach to the citizens of Flint about the crisis and

Whereas, President Obama signed an emergency declaration authorizing federal agencies to coordinate relief efforts to lessen the burden and hardship on local residents; and

Whereas, we are concerned about the health and welfare of those affected; and

Whereas, the City of Ypsilanti is a partner in the Washtenaw Water Drive to assist the Flint Community.

NOW THEREFORE BE IT RESOLVED, That lead poisoning is completely preventable; That an amount of $100 million but not limited to, in state and federal funding be used as a starting point to assist with immediate health needs and underground infrastructure measures; and That the City of Ypsilanti City Council on behalf of its community supports the Council and people of Flint and urges the State of Michigan to provide a system of water delivery with less corrosive agents to service lines, mains and connectors for the residents of Flint, MI.

XI. DISCUSSION ITEMS –

1. Recap of Desired Outcome – Peter Letzmann

Peter Letzmann provided an overview of what has been discussed in the past four meetings. Mr. Letzmann listed his suggested goals:

1. Near term Finances.
2. Water Street property.
3. Dispose of City owned property to assist in City financial situation.
4. Public Safety: Police, Fire, and code enforcement.
5. Community outreach.
6. Staff wellness and work satisfaction.
7. Environmental sustainability.
8. Accountability to achieving the stated goals and the measurement of results.

Mr. Letzmann stated City policies should all fit into the listed goals and if these are not the goals they should be amended to better suit the objectives of Council. Mr. Letzmann stated through the four meetings he has spent with Council he has made some observations. Mr. Letzmann said one of those observations is that 10% of conflicts begin with a difference of opinion and the other 90% of conflict is due to the tone of voice and lack of communication. Mr. Letzmann suggested more can be accomplished if Council was nicer to one another. Mr. Letzmann suggested that Council try to separate the issues from the person, utilize fact rather than opinions, and don't let personalities, histories, ideologies influence objectivity. Mr. Letzmann suggested that Council value the relationships it has formed and validate the individual and don't interrupt them. Mr. Letzmann stated Council should remember that it does not operate as individuals. Mr. Letzmann said Council needs to be aware of its choice of words and that some words connotation can have a negative impact and be mindful of your body language when you are speaking. Mr. Letzmann stated one of the most important things about communication is the impact of your words not the intent of those words. Mr. Letzmann stated building trust is a difficult thing to do but establishing an environment of congeniality can be done through social interactions.

Mayor Pro-Tem Richardson stated there is a provision in the City Charter that states four members of Council cannot get together outside of a meeting because of quorum rules and asked how Council can get around that. Mr. Letzmann responded he has read the City Charter and he is not certain that there is a limit on social interactions. City Attorney John Barr replied the problem is if there is a quorum of Charter then it constitutes a meeting and must be a public meeting, however, there is an exception in the Open Meetings Act for chance encounters and social events. Mr. Letzmann added Council would not be allowed to talk about business at those events.

Mayor Pro-Tem Richardson stated she was present for Mr. Letzmann's meeting at Eastern Michigan but was in the hospital for the other three meetings. Ms. Richardson asked what Council is going to do with the goals Mr. Letzmann has listed and said a next step needs to be decided. Mayor Edmonds suggested the next step would be to review the best practice guide for Council. Ms. Edmonds offered to meet with Mayor Pro-Tem Richardson to go through the guide and digest that information. Council Member Vogt responded he agrees with the proposal and said from what he has observed Council is already instituting many of the things that Mr. Letzmann has listed. Mr. Vogt added Council has certainly had a friendlier tone.

9. Alternate Budget Recovery Plan – Ralph Lange

City Manager Lange provided a presentation on an alternate budget recovery plan*. (attached)*

Council Member Murdock asked if the last payment on the road millage is in Fiscal Year 2016-2017. Mr. McGow responded in the affirmative.

Mr. Kirton asked what the duration of the bond is. Mr. McGow responded until 2030.

Council Member Robb asked if the City issues two bonds can the millage be used for only one bond.

Attorney and Counselor at Law Patrick McGow of Miller Canfield, responded in the affirmative and said the ballot question must indicate what the millage would pay for and could be written to limit to only one bond. Mr. Robb asked if the City would need to pay another $150,000 to refinance the second set of bonds. Mr. McGow responded no, but the idea behind not refinancing the whole piece was so the City could pay the remainder off. Mr. Robb asked if the numbers had been run on that scenario and said the second bond does not have to refinance immediately. Mr. Robb asked if it would make more sense to refinance the second bond later and use the millage to pay the first bond. Mr. Lange responded he would be opposed to that because the City has a lot of assets that can be used to pay off the debt. Mr. Lange added staff is proposing putting $1.8 million toward the pay down of the debt. Mr. McGow stated not doing the bonds simultaneously is an option the City has. Mr. Robb responded that is an option in the future and added if done now the City would save $3 million. Mr. McGow replied he is not sure that is correct and most communities would refinance the whole amount to achieve the interest costs savings. Mr. McGow said what the City has decided to do is to not refinance the entire amount and try to pay down what has not refinanced. Mr. McGow said that could result in the City paying more in interest in the future.

Mr. Lange stated if the debt millage is accepted by the voters the City should be in good condition but if not then there will need to be another discussion.

Council Member Murdock stated the City has been wrestling with this issue for the past 15 years. Mr. Murdock stated this plan has the opportunity to help solve that issue by doing several things buying down some of the debt, refinancing part of it, and if the millage is passed by the voters there will be a funding mechanism tied to the debt. Mr. Murdock stated this is a great opportunity but it will be a difficult sell to the voters because Water Street is toxic. Mr. Murdock said he has spoken to many people recently and they support this plan.

Mayor Edmonds asked if May is the deadline for August ballot items. City Clerk Frances McMullan responded she would look up the exact date for Council. She responded the date is May 10th.

Mayor Edmonds stated according to an interpretation of a new law there is a gag order to discuss ballot issues. Council Member Murdock added a suit has been filed which basically shuts down

City resources but those were City resources that were already shutdown and there are creative ways to get around the gag order. Mr. McGow stated the state did sign a law for prohibitions of speech by elected officials and governments using resources. Mr. McGow stated his law firm filed a law suit on behalf of many school districts requesting an injunction. Mr. McGow clarified what the statute says is within 60 days of an election public resources cannot be used to do mailings of more than 500 or use broadcasting sources. Mr. McGow said the issue is City Council would not be able to discuss a ballot question at a meeting.

Mayor Edmonds stated she is in support of the City Manager's proposal for a budget recovery plan. Ms. Edmonds said there needs to be discussion on Council's intent on the other road millage. Council Member Vogt responded his understanding is to replace the other millage once it drops off it would require another vote of the people and he does not think there is any reason to say anything other than that. Council Member Murdock added the millage would also have to be tied to a debt issue. Mr. McGow said what is essentially happening is the road debt millage is being replaced with the Water Street debt millage.

Council Member Vogt stated both Plan A and Plan B must be approved together as a package and furthered clarified the streetlight assessment must be passed with the caveat that if the millage passes the streetlight assessment would be canceled. Mr. Vogt stated that needs to be explained to the public because the public will speculate about it if it isn't. Council Member Robb responded he will not support both items together and if Council Member Vogt wants to pass a streetlight assessment he will need four votes. Mr. Vogt responded both should be approved and if the Water Street Debt millage is successful the streetlight assessment is canceled. Mr. Robb stated the great thing about plan A is that it will solve the Water Street debt problem and Plan B does not solve the Water Street Debt problem. Council Member Murdock stated Mr. Vogt wants to pass a streetlight millage that can be removed if the Water Street millage is passed by the voters and he expects the voters to trust Council. Mr. Vogt responded in the affirmative because Council is being forthright and the language will be specific. Council Member Robb added he believes that would doom the approval of a Water Street debt millage. Mr. Murdock added Council needs to explain to the public that a Water Street Debt Millage is the best way to solve the problem and there will be consequences to the City if it isn't past. Mr. Robb said threatening voters with an either or proposition will kill the possibility of the passing of a millage. Mr. Robb said this is a very friendly millage and that would poison it. Mr. Vogt disagreed and said because the language could be very specific. Mr. Vogt added the $300,000 in discussed cuts must be made as soon as possible and layout what the cuts would be if the millage is not passed.

Council Member Murdock stated he assumes the proposed cuts and additional revenue in the City Manager's plan will occur no matter what happens. Mr. Murdock said the payment of the debt this year is $1.4 million and the deficit of this year is projected to be $1 million and if these two items go through the City can remove that deficit. Mr. Murdock added if the City sells property it can reduce the terms of the millage and if the millage is not passed the City will have bigger issues then calculating a streetlight assessment per parcel. Mr. Murdock concluded he would like to put all the effort into something that will solve the problem. Council Member Vogt responded his concern is if the City only tries for the millage and don't lock in the contingencies and alternatives of what could happen is that voters will assume if the millage is passed a streetlight assessment will be imposed anyway. Mr. Vogt said the plan for whichever way the vote goes needs to be clear to the public.

Council Member Anne Brown stated she is in support of Plan A and said it meets the objectives of the City. Ms. Anne Brown said she understands Council Member Vogt's reasoning but that would kill the millage. Ms. Anne Brown said voters get one day and they want to know exactly what they are voting on, not what the contingencies are. Council Member Nicole Brown stated she is in support of Plan A and Council would need to act as a united front providing the same message to the residents of this City. Mayor Pro-Tem Richardson added she supports Plan A and said the Plan should be kept simple for the voters.

Mayor Edmonds stated Council Member Vogt has expressed a need to have agreed upon plan of where the cuts would be coming from. Council Member Vogt responded if the millage does not pass Plan B will be put into action and asked if that is the consensus of Council. Mr. Lange responded if Plan A is not accepted by the voters if Plan B is ready to implement it could absorb some of the financial stress of the City. Mr. Lange added if the voters do approve Plan A and Council does not approve Plan B the City would go bankrupt. Council Member Murdock replied one of the advantages of Plan A is the public makes the decision. Mr. Murdock said if it does not pass Council will have to pass Plan B which will also not be accepted by the public. Ms. Edmonds stated what should be told to a constituent who asks what happens if the millage is not approved. Mr. Murdock responded the message would be the City would have a budgetary hole of $700,000 to $800,000 which the City would either need to find revenue for or it will need to make cuts. DPS Director Stan Kirton stated Council should be consistent in their message to the public.

Council Member Vogt stated all these issues have to be dealt with by vote resolved as a total package. Mr. Vogt added the plan and its contingencies need to be decided and laid out within the next few weeks. Mr. Vogt said the public will believe it is the plan of Council to have both the millage and the streetlight assessment unless it is in writing and clear that it is not.

Mayor Edmonds stated all votes to date have provided staff direction and Council Member Vogt suggestion would be similar to that. Council Member Murdock responded Council will need to approve a budget before the vote for the millage and in that process both a budget including Plan A and one including Plan B would need to be developed. Mr. McGow responded this millage would not be included in the budget for FY 2016-2017. Mr. Murdock responded some of the ramifications of the millage will affect the budget. Ms. Edmonds said where cuts would occur would be a part of that process and would be affected an approval of the millage. Mr. Murdock stated Council needs to put its focus on passing this millage and a ballot campaign takes a lot of work and money.

Council Member Anne Brown stated there needs to be a positive and consistent message presented to the voters from Council with the understanding at this table that if it does not pass there are other options.

Mayor Edmonds asked Council Member Robb for more clarification on why he is opposed to approving Plan B as a contingency. Council Member Robb responded he and Mayor Pro-Tem Richardson were on Council when both of the City Income Tax proposals were put to a vote of the people which he was not in favor of. Mr. Robb said during those two income tax campaigns were miserably run and information was circulated stating by 2017 the City would only afford 25 General Fund employees. Mr. Robb stated scare tactics do not work on voters and said the message of this campaign should be this will solve the problem.

Mr. Lange stated there was a lot of work and sacrifice by City staff that kept the City from decreasing employment to 25 General Fund employees. Mr. Lange added with continued good government and approval of the Water Street Debt the problem will be solved.

Mayor Edmonds asked the City Manager what he would need to move forward. Mr. Lange responded Council will need to approve the goals developed by Mr. Letzmann so they can be adopted officially at the next regular meeting.

Mayor Edmonds asked how Plan A should be moved forward. Mr. Lange responded he sees it was one of the goals. Mr. Letzmann suggested this would be a resolution of intent and part of the resolution would be to direct the City Manager to prepare the necessary materials for the next meeting. City Attorney John Barr suggested first to approve the goals and secondly to adopt a resolution authorizing the City Manager to move forward with Plan A.

Council Member Murdock moved, seconded by Council Member Vogt to approve Resolution No. 216-020A, Council Goals.

Council Member Robb stated council was just given the final draft of the goals tonight and Council has not had time to read them. Mr. Robb stated Council has another meeting in a week and it makes little sense to vote tonight. Mayor Pro-Tem Richardson responded she believes it does because it gives staff a week to work on the goals and Plan A.

On a roll call, the vote to approve Resolution No. 2016-020A was as follows:

Council Member N. Brown	Yes	Council Member Robb	No
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

YES: 6 NO: 1 (Robb) ABSENT: 0 VOTE: Carried

Council Member Murdock moved, seconded by Mayor Pro-Tem Richardson to direct the City Manager to move forward with Plan A.

Council Member Robb asked what the difference between Plan A and what was adopted in the beginning of January. Council Member Murdock responded it includes a millage that will be voted on by the people. Mr. McGow added there is two steps to Plan A and what the City Manager is looking for is authorization of the parameters for the bond sale. Mr. McGow said he has already prepared a resolution Council could vote on next week and the bond team needs to know exactly how the millage is structured. Mr. McGow suggested Council give authorization to the City Manager and Finance Director to adjust the bond sizing to get the correct millage. Mr. McGow stated Tuesday, May 10th is the last day to submit proposals for the August ballot. Mr. Mr. Murdock stated the only thing Council is voting on tonight is the Plan A recommendation in a general sense.

Council Member Anne Brown stated from May 10th to June 2nd to speak with the public about the millage. Mayor Edmonds added Council would not have to wait until May 10th it could begin speaking to the public once the ballot language is developed. Mayor Pro-Tem Richards asked if Council is allowed to talk about the millage before May 10th. Mr. McGow responded in the affirmative. Mr. Barr stated the way he understands the law is that individual Council Members can talk about this issue anytime but Council as a body cannot talk about it within 60 days. Mr. McGow responded in the affirmative.

Council Member Robb stated this meeting was set up as a goal setting session and asking Council to vote on this is very disingenuous. Mr. Robb stated it makes no sense to not wait until next week at a regularly scheduled meeting. Mr. Robb said having this vote in a meeting that no public attended is not the way to start the campaign for this millage. Mayor Pro-Tem Richardson stated the vote is authorizing the City Manager to work on Plan A but it still needs to be approved formally. Mr. Barr agreed and said this meeting has been noticed properly. Mr. Barr stated the reason for goal setting is to provide staff with direction and at the next meeting the details of the goals will be provided and voted on. Mr. Lange stated Council has not approved the resolution approving the goals it approved the authorization to draft that resolution.

On a roll call, the vote to approve Plan A was as follows:

Council Member N. Brown	Yes	Council Member Robb	No
Council Member Murdock	Yes	Mayor Edmonds	Yes
Mayor Pro-Tem Richardson	Yes	Council Member Vogt	Yes
Council Member A. Brown	Yes		

VOTE:

YES: 6 NO: 1 (Robb) ABSENT: 0 VOTE: Carried

XII. AUDIENCE PARTICIPATION –

1. William Teepen, 424 Madison #2, stated as a voter he would like to know how bad the City's financial situation is. He asked how much he would need to pay individually in taxes if the millage is passed and what is the plan if the millage fails. He also asked what his taxes are paying for. He said people are going to eventually say they are tired of being taxed.

XIII. REMARKS FROM THE MAYOR –

— Stated she appreciates Mr. Teepen's comments and that those will be the major concerns of the public with this ballot proposal.

XIV. ADJOURNMENT –

OFFERED BY: Council Member Nicole Brown
SECONDED BY: Council Member Vogt

On a voice vote, the motion carried, and the meeting adjourned at 9:29 p.m.

Alternative Budget Recovery Plan

For Fourth Goal Setting Meeting 1-26-2016

Introduction to this Plan(s):

Recap of current process to date:

The City Council is required to conduct goal setting meetings with the city staff prior to the start of each year's budget process. The purpose of these goal setting meetings is for a majority of the members of City Council to come to a consensus as to what they believe are the most important goals that the city needs to accomplish over the next one or two years.

Armed with this information, the City Manager is expected to propose a budget that reflects these Council goals and assigns limited staff and financial resources accordingly. City Council would then review the City Manager's proposed budget, and vote on desired additions and deletions to his proposed budget. The City Manager and staff then amends this budget to reflect these changes and re-present this budget to City Council for final changes and approval/adoption.

Currently, city staff is expected to amend the FY 15/16 and create FY's 2016/17 and 2017/18 budgets. These three budget years are extremely critical to the long term survival of the city for several reasons; getting control of the Water Street debt is a top priority for the city. The City Manager has proposed a plan that will give the city a realistic chance to accomplish this goal. That being said, there is no guarantee that any plan will solve this problem unless the city can sell a substantial number of its excess land holdings (its Water Street property being the most critical land to be sold and developed) over the next three years.

While the city has done an exceptional job of providing quality city services over the last ten (10) years without drawing down its General Fund, fund balance, this situation cannot continue into the future. The amount of the city's debt is scheduled to increase again next year and the city's cost of doing business has been reduced significantly. There is a limit on what more can be done to reduce these costs further and still deliver quality city services. (Please see attachments A, B, C).

City Council has conducted three goal setting sessions over the last two months. Although some decisions have been made by City Council that will provide the City Manager and staff some direction going into our next budget process, there remains several key decisions to be made by the majority of City Council before the City Manager and staff can efficiently move forward to: 1) move to execute some of the primary features of the Manager's proposed balanced budget/recovery plan and 2) assemble the FY's 2016/17 and 2017/18 city budget.

Current deadlock and proposed compromise way forward from here:

The City Council seems seriously undecided as to how much of the projected General Fund, fund balance should be used to pay down the current Water Street debt principal in May of 2016. In addition, while City Council clearly agrees that the city's current budget problems can only be solved through a combination of budget cuts, debt restructuring and raising additional revenues, the idea of imposing a multiyear substantial Street Light special assessment ($350,000 +/-) is not very popular.

Still time is growing very short; we need to make decisions on these issues during our next goal setting meeting, which is now scheduled for Tuesday January 26, 2016, so we can proceed to do the work we need to do to move forward in a timely manner.

In order to help this process along, I would propose an alternative budget recovery plan(s) that I believe would have more support from the members of City Council than what I have currently put on the table.

Major features of Plan (A):

1) Refinance $7,745,000 in Water Street Debt which would save the city interest costs for this part of the debt. (Old interest rate 6.1% versus new rate 4%)
2) The refinance period would be for 14 years. (Please see attachments D,E)
3) The amount of millage to pay off the amount of debt would be 2.3mills; the revenue from this millage is scheduled to increase by 1% per year.
4) This would match the amount of millage that would roll off for the 2001 road bond issue to make this millage neutral. (Please see attachment F)
5) This would require a vote of the people; Election to be held in August of 2016. (Please see attachments G1,G2 and H)
6) The best estimate of the value of 1 city mill during the first year is $289,000 x 2.3 Mills = $665,000.

7) This would leave the city with $5,500,000 in bonds that were not refinanced; on March 2016 the city would pay down $2,255,000 on this part of the Water Street debt. This money would come from non-General fund $418,000 and General Fund $1,837,000, which equal $2,255,000, leaving the city with $3,245,000 of bonds that were not refinanced to pay on until the money to pay down the principal is found. The sale of surplus city assets (mostly land) is where the city expects to gain this money. (Please see attachment I)
8) This would leave the city with a projected spendable General Fund balance of $4,953,000 as 6-30-2016; if we use up $1M in General fund, Fund balance in FY 2015-16.
9) Allocation of full time employees in several key areas are as follows; 17 fulltime Officers in the Fire Department including the Fire Chief (reduction to occur through attrition), 32 sworn officers in the Police Department including the Police Chief, three in the Economic and Community Development Department or four if a new revenue source can be secured. The rest of the city staff will remain largely at status quo levels and will be adjusted to reflect budget and service demands as time progresses.
10) Annually, around the first week in September of each year, the city would know how much the General fund, Fund Balance was actually reduced versus how much it was projected to be reduced for the previous FY budget year. If the administration and City Council felt that there were surplus funds in the General fund balance, that money would be spent to pay down part of the bonds that were not refinanced.

Major features of Plan (B):

1) This plan would only go into effect if plan **A** does not get the support of the votes in Ypsilanti.
2) To make up, in part, for the lost projected millage revenue in August of 2016 the City Council would have to take action immediately to generate additional revenues. Likely this would take the form of an operating Street Light special assessment. If action is taken quickly enough, the first collection date for the money would be in December of 2016.(see attachment J)

Plan **A,** by far, is the city's preferred option but if this is not successful, the money generated by plan **B** would be absolutely essential to giving the city staff enough time to succeed in its Economic Development efforts without having to lay off a number of city staff in order to balance the General fund during this period of time.

3) The rest of plan **B** follow the same course as plan **A.**
4) The rest of the city staff will remain largely at status quo levels and will be adjusted to reflect budget and service demands as time progresses.

Summary and conclusions:

The goal of the city administration over the last four years has been to formulate a plan/budget that would allow the city to provide quality services and still work within its financial resources.

Plan **A**

I) Debt restructuring; The actions proposed (debt refinancing and pay down in 2016) in this plan should save the city approximately $370,000 in the early years with the savings decreasing to $275,000 in the last debt repayment year. While holding on to $3,245,000 in old bonds now will not save the city anything immediately, it has the potential to save the city up to about $337,000 a year when these bonds are paid down or completely paid off.

II) Raising additional revenues; If the voters approve the August Water Street debt millage, this will generate approximately $666,557 in year 1 and $762,120 in year 14.

III) Budget cuts; Even if I and II are completely successful, the city administration with the support of City Council will have to find ways to cut costs and raise revenues that in combination would improve the annual bottom line of the General fund budget by approximately $300,000 per year as compared to its current General Fund budget.

Plan B

I) Debt restructuring; The actions proposed (debt refinancing and pay down in 2016) in this plan should save the city approximately $370,000 in the early years with the savings decreasing to $275,000 in the last debt repayment year. While holding on to $3,245,000 in old bonds now will not save the city anything immediately, it has the potential to save the city up to about $337,000 a year when these bonds are paid down or completely paid off.

II) Raising additional revenues; If the voters do not approve the August Water Street debt millage, the city will lose approximately $666,557 in year 1 and $762,120 in year 14 in hoped for General fund revenues. The Street light operating special assessment revenue stream is limited to a maximum of about $390,000 per year for the number of years City Council is willing to vote for it. Even of this option is used to its maximum for 15 years, it will still fall short of the 2.3 mill revenue option by about $300,000 a year in every year but the first year. *The main point to understand is that with no additional revenue stream, it is going to be almost impossible to provide quality city services and not over time use up the city's entire General Fund, fund balance.*

III) Budget cuts; Even if II is completely successful, the city administration with the support of City Council, will have to find ways to cut costs and raise revenues that in combination would improve the annual bottom line of the General fund budget by approximately $600,000 per year as compared to its current General Fund budget.

Other things to note and take into consideration;

All this planning also depends on the fact that the city will be able to either get the State of Michigan to completely forgive the CDBG debt it owes it, or have the repayment schedule delayed again with no additional penalty to the city prior to its first scheduled payment to the state in FY 2016-17.

The amounts of money noted in this presentation are not exact and represent best estimates. The long time General Fund operating work plan has been in order to balance the General Fund the city would have to come up with budget cuts and new revenues that equal the annual payment on the Water Street debt. Please see attachment C. This has turned out not to be the case over the last 6 years. This a goal to be strived for but not necessary obtained. Every year, the city administration and City Council, will have to see how all our projections are actually panning out and in light of this information, adjust accordingly as they have had to do since 2008.

Going forward with this plan will ensure that we gain some advantage from the differential interest rates on what our saved money earns and the amount interest we pay on our Water Street debt.

It also ensures that we will have enough fund balance in reserve to pay our share of the realistic cost for the construction of a rail platform, shelter facility and all associated improvements necessary to support rail service in the Depot Town part of the city.

It will take a team of city staff and expert consultants months to come up with this cost and we cannot reasonable wait that long to make this decision.

Another component of this plan is that we review the status of our General Fund, fund balance in September of 2016 when we should have a very good idea of what our June 30, 2016 General Fund, fund balance actually is.

Also, by that time, we should have a much more realistic cost for the rail platform and shelter work than we can put together in only a couple of months.

With this information in hand, City Council can vote to pay down more on the Water Street debt in increments of $5,000.00 knowing how much they need to hold back for the potential rail project.

The additional interest money paid between May and September of 2016 should not be that great and the information available to City Council on all fronts concerning the issues that they are most concerned about should be a lot more accurate.

Given the situation the city now finds itself in, there is no plan that guarantees success, but I believe this plan gives us the best chance to succeed. Thank you.

ATTACHMENT 'A'

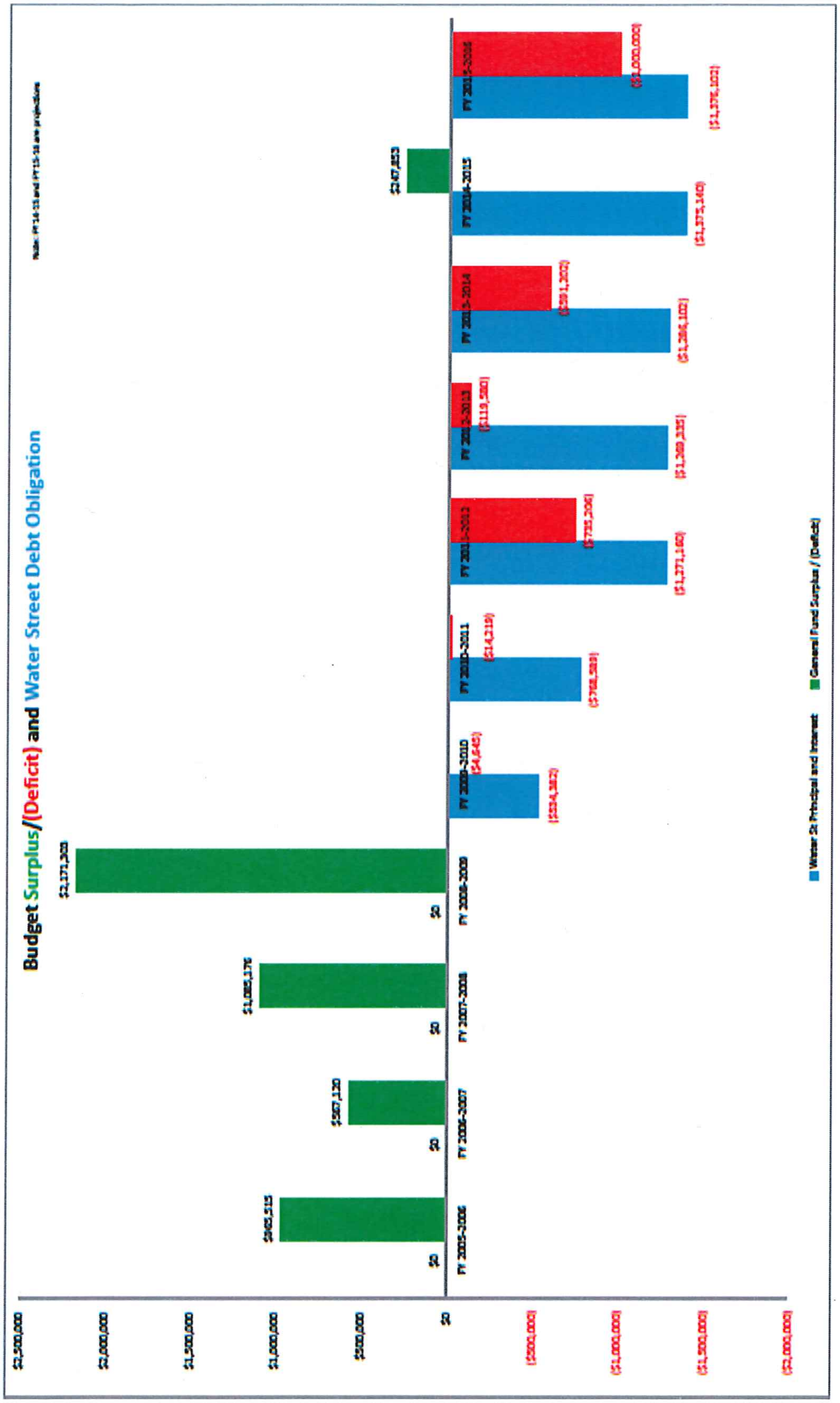
Payment Schedule	2006 WATER ST DEBT - 477		
	Principal	Int.	P&I
FY 2006-07			
FY 2007-08		250,000	250,000
FY 2008-09		300,000	300,000
FY 2009-10		534,382	534,382
FY 2010-11	285,000	483,589	768,589
FY 2011-12	335,000	936,160	1,271,160
FY 2012-13	390,000	879,335	1,269,335
FY 2013-14	445,000	841,102	1,286,102
FY 2014-15	505,000	841,102	1,346,102
FY 2015-16	535,000	841,102	1,376,102
FY 2016-17	565,000	810,340	1,375,340
FY 2017-18	600,000	777,570	1,377,570
FY 2018-19	635,000	742,770	1,377,770
FY 2019-20	675,000	704,670	1,379,670
FY 2020-21	715,000	664,170	1,379,170
FY 2021-22	755,000	621,270	1,376,270
FY 2022-23	805,000	574,838	1,379,838
FY 2023-24	855,000	525,330	1,380,330
FY 2024-25	905,000	472,748	1,377,748
FY 2025-26	960,000	417,090	1,377,090
FY 2026-27	1,020,000	358,050	1,378,050
FY 2027-28	1,085,000	294,810	1,379,810
FY 2028-29	1,150,000	227,540	1,377,540
FY 2029-30	1,225,000	156,240	1,381,240
FY 2030-31	1,295,000	80,290	1,375,290
Totals	15,740,000	13,334,498	29,074,498

ATTACHMENT 'B'

CDBG LOAN - APPROXIMATE
ASSUMES NONE OF THE LOAN IS FORGIVEN
Net Interest Cost: 2.000%
INTEREST COMPUTED FROM JAN 1, 2017

Tax Year	Fiscal Year Ended 6-30,	Interest Due (APPROX) Annual	Interest Rate	Principal Due (APPROX) Annual	Total P&I
		Current Interest Loan Dated			5/1/02
2015	2016	$0	0.000%	$0	$0
2016	2017	27,192	2.000%	124,878	152,070
2017	2018	50,616	2.000%	253,523	304,139
2018	2019	45,507	2.000%	258,632	304,139
2019	2020	40,296	2.000%	263,844	304,139
2020	2021	34,979	2.000%	269,160	304,139
2021	2022	29,555	2.000%	274,584	304,139
2022	2023	24,022	2.000%	280,117	304,139
2023	2024	18,378	2.000%	285,761	304,139
2024	2025	12,620	2.000%	291,520	304,139
2025	2026	6,745	2.000%	297,394	304,139
2026	2027	1,133	2.000%	150,937	152,070
2027	2028	0	2.000%	0	0
2028	2029	0	2.000%	0	0
2029	2030	0	2.000%	0	0
2030	2031	0	2.000%	0	0
2031	2032	0	2.000%	0	0
2032	2033	0	2.000%	0	0
2033	2034	0	2.000%	0	0
		$291,044		$2,750,350	$3,041,394

ATTACHMENT 'C'



ATTACHMENT 'D'

PUBLIC FINANCIAL MANAGEMENT, INC.

2016 REFUNDING BONDS
Original Amount: $7,900,000
Net Interest Cost: 3.978%
Maturities >= 2026 Callable 5/1/25 @ 100

	Fiscal	$7,900,000	Current Interest Bonds Dated			3/1/16
Tax Year	Fiscal Year Ended 6-30,	Interest Due Nov 1	Interest Due May 1	Interest Rate	Principal Due May 1	Total P&I
2015	2016	$0	$0	0.000%		$0
2016	2017	183,747	137,810	1.450%	345,000	666,557
2017	2018	135,309	135,309	1.950%	400,000	670,618
2018	2019	131,409	131,409	2.300%	415,000	677,818
2019	2020	126,636	126,636	2.550%	430,000	683,273
2020	2021	121,154	121,154	2.800%	445,000	687,308
2021	2022	114,924	114,924	3.100%	470,000	699,848
2022	2023	107,639	107,639	3.300%	490,000	705,278
2023	2024	99,554	99,554	3.500%	510,000	709,108
2024	2025	90,629	90,629	3.700%	535,000	716,258
2025	2026	80,731	80,731	3.850%	565,000	726,463
2026	2027	69,855	69,855	4.000%	595,000	734,710
2027	2028	57,955	57,955	4.150%	625,000	740,910
2028	2029	44,986	44,986	4.250%	655,000	744,973
2029	2030	31,068	31,068	4.350%	690,000	752,135
2030	2031	16,060	16,060	4.400%	730,000	762,120
2031	2032	0	0	0.000%	0	0
2032	2033	0	0	0.000%	0	0
2033	2034	0	0	0.000%	0	0
		$1,411,654	$1,365,718		$7,900,000	$10,677,372

ATTACHMENT 'E'

From:	McGow, Patrick F. <mcgow@millercanfield.com>
Sent:	Monday, January 11, 2016 6:47 PM
To:	Paul Stauder; Ralph Lange; Marilou Uy
Cc:	Michael Gormely
Subject:	RE: Bond Refi Option [MCPS-ACTIVE.FID1560434]
Attachments:	Ypsilanti 2016 - Resolution Authorizing Parameters(25819765_1).DOCX

Based on our call this afternoon, here is the draft Resolution Authorizing Parameters for the Sale of the Bonds. I want to try to simplify matters at pricing and provide clear direction to the finance team on the parameters in stating it as a maximum annual debt service. Based on the assumptions we discussed today, assuming a cap of $665,000 adjusted each year by 1% for property value growth, that means the annual cap increases each year by 1% as follows:

Tax Year	
2016	665,000
2017	671,650
2018	678,367
2019	685,150
2020	692,002
2021	698,922
2022	705,911
2023	712,970
2024	720,100
2025	727,301
2026	734,574
2027	741,919
2028	749,339
2029	756,832
2030	764,400

ATTACHMENT 'F'

ROAD BONDS MILLAGE

	2001 Road Bonds			2003 Road Bonds			
FYE	Bond P & I	Millage	Increase (Decrease)	Bond P & I	Millage	Increase (Decrease)	Total 2001 & 2003 Bond Millage
2016		2.3236			2.2551		4.5787
2017	678,375	2.2613	(0.0623)	670,643	2.2355	(0.0196)	4.4967
2018				831,080	2.7703	0.5348	2.7703
2019				825,371	2.7512	(0.0190)	2.7512

1 Mill = $300,000

S:\BUDGET 2016-2017\[Millage road bond.xlsx]st light millage

E-mail to Pat McGow from Ralph A. Lange re; Proposed Millage Language
January 2016

In order to maintain the maximum credibility with the votes on this issue the way we need to state the millage would be to the best of my understanding that:

The Debt payment would be figured out each year say $665,000 for the first year then the calculation would be made as to how much 2.3 mills will generate for that year say $660,000 then that would be all that would be collected from the millage that year and the last $5,000 would have to come out of the general fund to cover that bond obligation. If the 2.3 mills for that year would generate $675,000 then the extra money ($10,000) would go into a reserve that could only be used to pay down a future year debt payment. If there was a surplus of funds in this account on the last year of the debt payment (year 14) Then all that surplus funds would be used to pay part of the last debt payment and the last millage levy would be reduced below 2.3 to make up the difference and end this account with a 0 balance.

With this arrangement we can guarantee voters that they would never have to pay more than 2.3 mills to cover this debt obligation which would be a big selling point in the millage campaign to get the voters to approve this debt millage.
Pat can this be done? ; And if so can you draw up the language that if approved would make this the law for this debt millage if it gets passed.
Please call me on my cell phone this morning if possible and let me know what you think.
Thank you.

Ralph A. Lange
City Manager
One South Huron Street
Ypsilanti, MI. 48197-4250
(734) 483-1810 (Main)
(737) 787-4844 cell
(734) 483-1555 (Office/Voice Mail)
rlange@cityofypsilanti.com
www.cityofypsilanti.com

Mr. McGow's response:

The millage doesn't work exactly as described. The approval of the ballot question does not authorize the City to levy 2.3 mills each year – it authorizes the City to levy a debt millage necessary to pay the debt service. That is why it is described as an unlimited tax as you get to levy whatever is needed to pay the debt.

So you are not automatically entitled to levy 2.3 mills every year. If taxable values increase greater than expected, you can only levy what is needed to cover the debt service (with a reasonable excess to take into account delinquencies, tax appeals, etc.). Likewise, if taxable values do not increase as much as expected, the City has the legal ability to levy more than 2.3 mills. The City would not be obligated to levy more than 2.3 mills, but the approval of the ballot question gives them that ability as that is how the unlimited tax pledge works.

I don't think you can guarantee to the voters that the City will never levy more than 2.3 mills. Just like the existing road millage was a moving target based on the debt service and taxable values, so is the new unlimited tax levy that it replaces. What you can say is that the estimated millage is 2.3 mills each year.

Patrick F. McGow | Attorney and Counselor at Law
Miller Canfield
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
T 313.496.7684 | **F** 313.496.8451
mcgow@millercanfield.com | View Profile + VCard

ATTACHMENT 'H'

Here is a draft of what the proposed ballot language would look like. It is similar to the ballot language we wrote back in 2012 as it is the same statute and process for authorization:

> *Shall the City of Ypsilanti, Michigan, be authorized to pledge its unlimited tax full faith and credit for payment of its Limited Tax General Obligation Refunding Bonds, Series 2016 (Taxable), which are outstanding in the principal amount of $__________, which are currently payable through 2031, which were issued for the purpose of paying the cost of refinancing certain capital improvement costs relating to the Water Street Redevelopment Project? The estimated millage to be levied in 2017 is 2.3 mills ($2.30 per $1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 2.3 mills ($2.30 per $1,000 of taxable value).*

The dollar amount would be filled in with the principal amount of the 2016 Refunding Bonds after issuance and would only include the approximately $7,900,000 2016 Refunding Bonds, not the remaining outstanding 2006 Bonds.

Patrick F. McGow | Attorney and Counselor at Law
Miller Canfield
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
T 313.496.7684 | **F** 313.496.8451
mcgow@millercanfield.com | View Profile + VCard

ATTACHMENT 'I'

3,240,000 UNREFUNDED BONDS

2006 CAPITAL IMPROVEMENT REFUNDING BONDS
Original Amount: $15,740,000
Net Interest Cost: 6.155%
Maturities >= 2017 Escrowed to Call 5/1/16 @ 100

	Fiscal	$3,775,000	Current Interest Bonds Dated			6/8/06
Tax Year	Fiscal Year Ended 6-30,	Interest Due Nov 1	Interest Due May 1	Interest Rate	Principal Due May 1	Total P&I
2015	2016	$420,551	$114,495	5.750%	$535,000	$1,070,046
2016	2017	99,114	99,114	5.800%	140,000	338,228
2017	2018	95,054	95,054	5.800%	145,000	335,108
2018	2019	90,849	90,849	6.000%	155,000	336,698
2019	2020	86,199	86,199	6.000%	165,000	337,398
2020	2021	81,249	81,249	6.000%	175,000	337,498
2021	2022	75,999	75,999	6.150%	185,000	336,998
2022	2023	70,310	70,310	6.150%	195,000	335,620
2023	2024	64,314	64,314	6.150%	210,000	338,628
2024	2025	57,856	57,856	6.150%	220,000	335,713
2025	2026	51,091	51,091	6.150%	235,000	337,183
2026	2027	43,865	43,865	6.200%	250,000	337,730
2027	2028	36,115	36,115	6.200%	265,000	337,230
2028	2029	27,900	27,900	6.200%	280,000	335,800
2029	2030	19,220	19,220	6.200%	300,000	338,440
2030	2031	9,920	9,920	6.200%	320,000	339,840
2031	2032	0	0	0.000%	0	0
2032	2033	0	0	0.000%	0	0
2033	2034	0	0	0.000%	0	0
		$1,329,605	$1,023,549		$3,775,000	$6,128,154

ATTACHMENT 'J'

Street Lighting Special Assessment Billing Structures

	Structure A		
	Parcels Weighted		
		Price Per Year	Total
Residential	4148	$63.07	$261,605.96
Com/Ind/Non	677	$126.14	$85,394.04
Total # of Parcels	4825		
Residential	$5.26	$63.12	
Other/Month/Year	$10.51	$126.12	
Total Revenue Generated			$347,000

		Structure B			
			Price		Total
Total # of Parcels		4825	$71.92		$347,000
Price per Year			$71.92		
Price Per Month			$5.99		
Total Revenue Generated					$347,000

Total Revenue Per Mill										
					Residential		Non Residential		All Properties	
Property Amount Assessed *		Taxable Value		Value Per Mill	Divide into Cost $63	Millage	Divide into Cost $126	Millage	Divide into Cost $72	Millage
$200,000.00	/2	100000	/1000	$100	$63	0.63	$126	1.26	$72	0.72
$100,000	/2	50000	/1000	$50	$63	**1.26**	$126	**2.52**	$72	**1.44**
$50,000	/2	25000	/1000	$25	$63	2.25	$126	5.04	$72	2.88

* Presuming $300,000 equal 1 mil

Prepared by City Manager's Officer, last updated 12/9/15

ATTACHMENT 'K'

General Fund (101)

	Fund Balance FY 2014-15	FY 2015-16 Deficit & Paydown	Projected 2015-16 fund balance	
Fund balance				
Nonspendable fund balance				
Prepaid Items	139,897		139,897	
Inventory	214,836		214,836	
Land held for resale-Foreclosed property	38,644		38,644	
Restricted fund balance				
None				
Committed fund balance				
Active Employee Cumulative Benefits	935,702		935,702	
Water Street project bond payments	3,932,027	(2,837,000)	1,095,027	2,225,481
Commit the excess of 10% of expenses fer water st bonds		1,130,454	1,130,454	
Water St Redevelopment Professional Fees	50,000		50,000	
Energy Efficiency and Conservation Project-see below details	235,064		235,064	
Peninsular Dam Inspection Study & Repair	80,300		80,300	
MDNR 2011 Recreation Passport Grant Res # 2011-092	10,000		10,000	
PARK CAPITAL IMPROVEMENTS	17,259		17,259	
Unassigned fund balance (Undesignated)	2,530,454	(1,130,454)		
10% Reserve			1,400,000	
Total Fund Balance	8,184,183		5,347,183	