



**CITY COUNCIL AGENDA
December 28, 2020 – 7:00 P.M.**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES
 - A. **Regular City Council Meeting of December 14, 2020 (ROLL CALL)**
 - B. **Special City Council Meeting of December 23, 2020 (ROLL CALL)**
4. MAYOR’S COMMENTS
5. CITY MANAGER’S COMMENTS
6. AGENDA CHANGES (ADDITIONS/DELETIONS)
7. GUEST SPEAKERS:
 - A. **Lt. Brett Ensfield – Allegan Co. Sheriff’s Department**
8. PUBLIC COMMENT *(Limit 3 minutes) Select “unmute” mic in the Zoom interface and speak your name to be recognized or press *6 if you are calling in by phone to unmute your phone to speak.*
9. REQUESTS FOR PAYMENT
 - A. **Approval of Accounts Payable (ROLL CALL)**
10. INTRODUCTION OF ORDINANCES:
11. PUBLIC HEARINGS:
12. DISCUSSION ITEMS:
 - A. **New City Website Demo**
 - B. **Dan Fox – Fire Department ISO Upgrade**
13. UNFINISHED BUSINESS:
14. NEW BUSINESS
 - A. **Release of Balas Sellman Donation**
 - B. **Accept June 30, 2020 Audited Financial Statements – Berthiaume & Company CPAs**
15. CONSENT AGENDA:
16. PUBLIC COMMENTS *(Limit 3 minutes) Select “unmute” mic in the Zoom interface and speak your name to be recognized or press *6 if you are calling in by phone to unmute your phone to speak.*
17. COMMUNICATIONS:
 - A. **Peg Sanford E-Mail**
18. BOARDS, COMMISSIONS & COMMITTEE REPORTS
 - A. **Saugatuck Township Fire Department**

NOTICE:

This public meeting will be held using Zoom video/audio conference technology due to the COVID-19 restrictions currently in place.

Join online by visiting:
<https://us02web.zoom.us/j/2698572603>

Join by phone by dialing:
**(312) 626-6799 -or-
(646) 518-9805**

Then enter “Meeting ID”:
2698572603

Please send questions or comments regarding meeting agenda items prior to meeting to:
citymanager@saugatuckcity.com



19. COUNCIL COMMENTS
20. ADJOURN (*ROLL CALL*)

Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact Saugatuck City Clerk at 269-857-2603 or erin@saugatuckcity.com for further information.

Proposed Minutes
Saugatuck City Council
Saugatuck, Michigan, December 14, 2020

The City Council met in regular session at 7:00 p.m. via Zoom video/audio conference technology due to COVID-19 restrictions currently in place.

1. **Call to Order:** by Mayor Bekken at 7:00 p.m.

2. **Attendance**
Present: Dean, Leo, Lewis, Peterson, Trester, Stanton, Bekken
Absent: None
Others Present: Interim City Manager Doyle Homan, Clerk Wilkinson, Zoning Administrator Osman, and Finance Director/Treasurer Stanislawski

3. **Approval of Minutes:**
 - A. **Regular City Council Meeting of November 23, 2020** - A motion was made by Peterson, 2nd by Dean, to approve the Regular City Council Meeting Minutes of November 23, 2020 as amended to update Sean Steel created the tree in Coghlin Park. Upon roll call vote the motion passed unanimously.

 - B. **Special City Council Meeting of November 30, 2020** - A motion was made by Trester, 2nd by Leo, to approve the Special City Council Meeting Minutes of November 30, 2020 as amended to update the time council entered back into open session was 8:28 pm. Upon roll call vote the motion passed unanimously.

 - C. **Special City Council Meeting Closed Session of November 30, 2020** - A motion was made by Leo, 2nd by Peterson, to approve the Special City Council Meeting Minutes from the Closed session of November 30, 2020. Upon roll call vote the motion passed unanimously.

4. **Mayor's Comments:** None

5. **City Manager's Comments:** Jim Sellman is pulling the \$100k donation from the Wick's Park Band Shell project, because it is causing such division in the community. He offered to cover any engineering or other fees the city may have

incurred, as he didn't feel the taxpayers should be responsible for that expense.

The fence between the Chain Ferry and the private docks owned by Dune Ridge, has been met with public resistance. Staff is following up to get all the facts.

Chief Janik proposed a snowplowing mutual-aid agreement with the City of Saugatuck, the City of Douglas, and the Saugatuck Township Fire District. All met and began working on an agreement to work together throughout the winter with COVID-19 still affecting staffing.

The City has withdrawal from Community Safety Rating (CSR) program, because the benefits don't outweigh the time and effort it takes staff to comply with the reporting.

6. Agenda Changes: None

7. Guest Speakers:

A. Lt. Brett Ensfield – Allegan Co. Sheriff's Department - Lt. Ensfield reported Deputy Flokstra was able to fly the drone to get some photos of the erosion.

8. Public Comment: Dan Fox (resident) (13F) remarked on the City Manager candidates and wondered if the candidates would consider living within the city limits of Saugatuck. He also mentioned the Fire Department does not have a dump truck or large plow truck.

9. Request for Payment: A motion was made by Lewis, 2nd by Trester, to approve the accounts payable in the amount of \$159,179.89. Upon roll call vote the motion passed unanimously.

10. Introduction of Ordinances: None

11. Public Hearings: None

12. Unfinished Business: None

13. New Business:

A. Ordinance Amendment State of Emergency Declaration - A motion was

made by Lewis, 2nd by Peterson, to adopt Ordinance 201214-A, amending Title III, Chapter 31, Entitled "ADMINISTRATION; DEPARTMENTS, BOARDS AND COMMISSIONS" to add a new section 31.02 entitled "EMERGENCY DECLARATIONS" to the Code of the City of Saugatuck. Upon roll call vote the motion passed unanimously.

B. Extend Advisory Tri-Community Recycling Ad Hoc Committee - A motion was made by Leo, 2nd by Dean, to approve the resolution 201214-A, to extend the Advisory Tri-Community Recycling Ad Hoc Committee through 2021. Upon roll call vote the motion passed unanimously.

C. Allegan County Interlocal Agreement For County Designated Assessor - A motion was made by Lewis, 2nd by Trester, to approve entering into the Allegan County Interlocal Agreement and Designated Assessor Contract. Upon roll call vote the motion passed unanimously.

D. Appoint Brian Stephens to the Board of Review - A motion was made by Stanton, 2nd by Dean, to approve the appointment of Brian B. Stephens to the City of Saugatuck Board of Review with such term expiring January 1, 2022. Upon roll call vote the motion passed unanimously.

E. Reappoint Ken Vlasity to the Board of Review - A motion was made by Trester, 2nd by Peterson, to approve the re-appointment of Ken Vlasity to the City of Saugatuck Board of Review with such term expiring January 1, 2023. Upon roll call vote the motion passed unanimously.

F. City Manager Search - A motion was made by Leo, 2nd by Trester, to make a conditional offer of employment as Saugatuck City Manager to Ryan Heise contingent on successful background check and contractual negotiations. Mayor Bekken and Mayor Pro Tem Lewis are authorized to work with Mr. Walsh in negotiating the City Manager Contract. Upon roll call vote the motion passed unanimously.

14. Consent Agenda: None

15. Public Comments: Jane Underwood (resident) expressed concern for pedestrian safety with the new fence on Park Street next to the Chain Ferry.

Barry Johnson (resident) expressed how impressed he was with Frank Walsh's consulting services and Ryan Heise as a candidate. He also suggested he would have comments forthcoming on the Park Street fence issue, when it arises.

Cindy Osman (non-resident) suggested the City Manager may wish to reiterate her comments about the Wicks Park Bandshell project and Park Street fence issue, as several of the people interested in speaking may have joined the meeting after the comments were first shared. Interim City Manger Doyle Homan restated the information.

Peg Sanford (resident) informed council she had collected 937 petition signatures in support of the gazebo and restroom facilities in Wick's Park and hoped council would consider that moving forward and let them know the group is supportive to help in any way they can moving forward.

16. Communications:

A. Email from Gordon Lefort (Received as Information)

17. Boards, Commissions & Committee Reports: Council received a report from the Historic District Commission and Tri-Community Recycling Committee.

18. Council Comments: Council Member Lewis expressed thanks to Frank Walsh for his services.

Council Member Leo expressed regret for the Wick's Park donation being withdrawn and thanked Jim Sellman and David Balas for their generosity.

Council Member Stanton expressed deep gratitude to Jim Sellman for the contribution and thoughtful consideration for what the community wanted. She suggested council develop a list of projects other donors could contribute to and said she hopes we can find a way to resolve the Park Street fence issue.

Mayor Bekken also thanked Jim Sellman for his generous donation and suggested the project not working out and subsequent withdrawal of the donation in no way diminishes the affection, respect and appreciation the community holds for both Jim Sellman and the memory of David Balas. They have both been stellar community residents and he thanked Jim Sellman.

19. Adjourn: A motion was made by Lewis, 2nd by Trester, to adjourn the meeting at 8:17 pm. Upon roll call vote the motion passed unanimously.

Respectfully Submitted,

Erin K. Wilkinson
City Clerk

Proposed Minutes
Saugatuck City Council Special Meeting
December 23, 2020 – 4:00 pm

The City Council met in special session at 4:00 pm via Zoom video/audio conference technology due to COVID-19 restrictions currently in place.

1. **Call to Order:** by Mayor Bekken at 4:00 pm
2. **Attendance:**
Present: Dean, Leo, Lewis, Peterson, Trester, Stanton, Bekken
Absent: None
Others Present: Interim City Manager Doyle Homan, Clerk Wilkinson, Zoning Administrator Osman, Finance Director/Treasurer Stanislowski, City Manager Candidate Heise
3. **Agenda Changes:** Reshuffle action items 6 A and B to make Wicks Park Tent application first and City Manager second.
4. **Public Comment:** None
5. **Discussion Items:**
 - A. **Release of Balas Sellman Donation** - Interim City Manager Doyle Homan suggested returning Mr. Sellman's donation in full plus interest.

Council Member Lewis agreed and suggested a committee be formed to restore the existing gazebo and suggested Peg Sanford should lead it.
 - B. **Eurasian Water Milfoil Report** - The committee provided a report, resulting in the recommendation to use herbicide, and to work with the City of Douglas to hire Aquatic Doctors to take advantage of a collaborative discount. The contractor is also willing to extend a discount to any residents wishing to pay to have their dock areas treated.
6. **Action Items:**
 - A. **New Year's Eve Wicks Park Tent** - A motion was made by Peterson, 2nd by Leo, to approve the Wicks Park Bar and Grill special event application for outdoor seating with food and alcohol service, and live music as described in the application. The council further authorized Zoning Administrator Osman administrative privileges to approve any additional applications submitted prior to New Year's Eve. Upon roll call vote the motion passed unanimously.
 - B. **City Manager Contract** - A motion was made by Lewis, 2nd by Trester, to approve the City Manager Employment Agreement between the City of

Saugatuck and Ryan Heise. Upon roll call vote the motion passed unanimously.

7. **Public Comment:** Clerk Erin Wilkinson (resident) expressed her appreciation for Frank Walsh's consulting services and welcomed Ryan to the team.
8. **Adjourn:** A motion was made by Peterson, 2nd by Lewis, to adjourn the meeting at 5:01 pm. Upon roll call vote the motion passed unanimously.

Respectfully Submitted,

Erin K. Wilkinson
City Clerk

Vendor Name	Description	Amount
1. ALLEGAN COUNTY SHERIFF	SHERIFF CONTRACT	25,725.72
2. ALLEGAN COUNTY TREASURER	PROPERTY TAXES	59,536.85
3. AMEY DESOTO	ESCROW REFUND	727.50
4. CAPITAL ONE	HOLIDAY LIGHTING & SUPPLIES	1,164.80
5. CERTASITE LLC	FIRE EXTINGUISHER	92.30
6. CHEMICAL BANK	BANKING FEES	100.00
7. CHIPS GROUNDCOVER LLC	HOLIDAY LIGHTS	21,145.00
8. COMCAST	INTERNET SERVICE	84.90
9. DIANNA MC GREW	ASSESSING SERVICES	2,689.47
10. DRAVES CHRISTOPHER J & RENEE	2020 Win Tax Refund 57-830-016-00	299.77
11. FLEIS & VANDENBRINK ENGINEERING INC	WICKS PARK	4,800.00
	WICKS PARK	1,001.25
	TOTAL	5,801.25
12. GARDNER RUSSELL R	2020 Win Tax Refund 57-300-021-50	159.54
13. GIL- ROY'S HARDWARE	SILT FENCE	71.98
14. GREENMARK EQUIPMENT INC	PARTS	21.99
15. INTERURBAN TRANSIT AUTHORITY	PROPERTY TAXES	16,651.13
16. K&R TRUCK SALES INC	FILTERS & HYDRUALIC OILS	977.82
17. KROHN EXCAVATING LLC	BUTLER STREET CATCH BASIN	1,920.00
18. LAMB INDUSTRIAL SUPPLY	SMALL TOOLS	190.46
19. LANDSCAPE DESIGN SERVICES INC	ROSE GARDEN	1,320.00
20. M&M INVESTMENT HOLDINGS LLC	2020 Sum Tax Refund 57-514-043-10	2,280.32
	2020 Win Tax Refund 57-514-043-10	834.53
	TOTAL	3,114.85
21. MC CANN INDUSTRIES INC	BACK HOE PARTS	145.01
22. MERS	RETIREMENT	4,500.00
23. NET2PHONE INC	TELEPHONES	127.81
24. SAUGATUCK DOUGLAS LIBRARY	PROPERTY TAXES	26,222.73
25. SAUGATUCK FIRE	PROPERTY TAXES	76,038.43
26. SAUGATUCK PUBLIC SCHOOLS	PROPERTY TAXES	212,338.00
27. STANDARD INSURANCE COMPANY	INSURANCE	269.85
28. TEN PLUS DENT REPAIR INC	MAINTENANCE	80.00

Vendor Name	Description	Amount
29. TRUCK & TRAILER SPECIALTIES		
	FILTERS	84.56
30. WALSH MUNICIPAL SERVICES LLC		
	RECRUITMENT SERVICES	6,400.00
31. WESTERN MICHIGAN FLEET PARTS INC		
	SUPPLIES	48.38
TOTAL - ALL VENDORS		468,050.10
FUND TOTALS:		
Fund 101 - GENERAL FUND		69,862.65
Fund 202 - MAJOR STREETS		1,944.95
Fund 203 - LOCAL STREETS		101.04
Fund 301 - DEBT SERVICE		75.46
Fund 661 - MOTOR POOL FUND		1,665.47
Fund 701 - CURRENT TAX FUND		393,080.53
Fund 715 - ROSE GARDEN		1,320.00



City Council Agenda Item Report

FROM: Karen Doyle Homan
MEETING DATE: December 28, 2020
SUBJECT: New City Website Demo

DISCUSSION

Clerk Erin Wilkinson has built what I think is a dynamite web site. It's time for a sneak peek.

City Manager

From: Jane Verplank <verplankj@yahoo.com>
Sent: Tuesday, December 15, 2020 11:20 AM
To: Rich LaBombard; Dan Fox; Griffin Graham; Eric Beckman; Scott Phelps; Tarue Pullen; Aaron Miller; Greg Janik; Peter Stanislawski; Stacey Aldrich; City Manager
Subject: Fwd: ISO Property Protection Classification - 3
Attachments: ISO Maps - 20201210.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Board Members

I am proud to forward this information to our board. As you all know this has been a huge goal of our fire department for the last several years. Once again, as always, a job well done. Congratulations to STFD.

jane

Good afternoon Fire Board members,

I am excited to share with all Fire Board members the extraordinary improvement on our Insurance Services Office (ISO) Public Property Classification (PPC) grade, achieved by the ISO Survey team of Erik Kirchert, Chris Bernhardt and Greg Janik. Our new PPC is **grade 3**, from a 5, and will go into effect March 1, 2021. The PPC grade of 3 is significant as it has the potential to reduce 98.85% of our residents' fire insurance premiums.

Basically, ISO assigns a PPC grade – a number from 1 to 10. Grade 1 represents an exemplary fire suppression program, and grade 10 indicates the area's fire suppression program does not meet ISO's minimum criteria. We do have a new revised split rating, 3/10, however the 10 grade is beyond our control and is the result of a lakeshore area with structure distance exceeding 5 miles from the station and a lack of water supply. The PPC grade of 10 represents less than 2.15% of our response area. There are maps in the second attachment that indicate impacted areas.

A PPC grade 3 is very difficult to achieve for a combination fulltime/volunteer member fire department similar to Saugatuck Township Fire District. To my knowledge, Saugatuck Township Fire District is the first and only Allegan County fire department to receive a PPC split grade of 3/10.

As you may be aware, insurance companies use PPC information for underwriting and to help establish fair ratings for homeowners and commercial fire insurance. In general, ISO states that *“the price of fire insurance in a community with a good PPC grade is substantially lower than a community with a poor PPC grade”*.

I want to thank the Fire Board members for their unquestionable support and members of the ISO Survey team.

Thank you,
Greg

Greg Janik

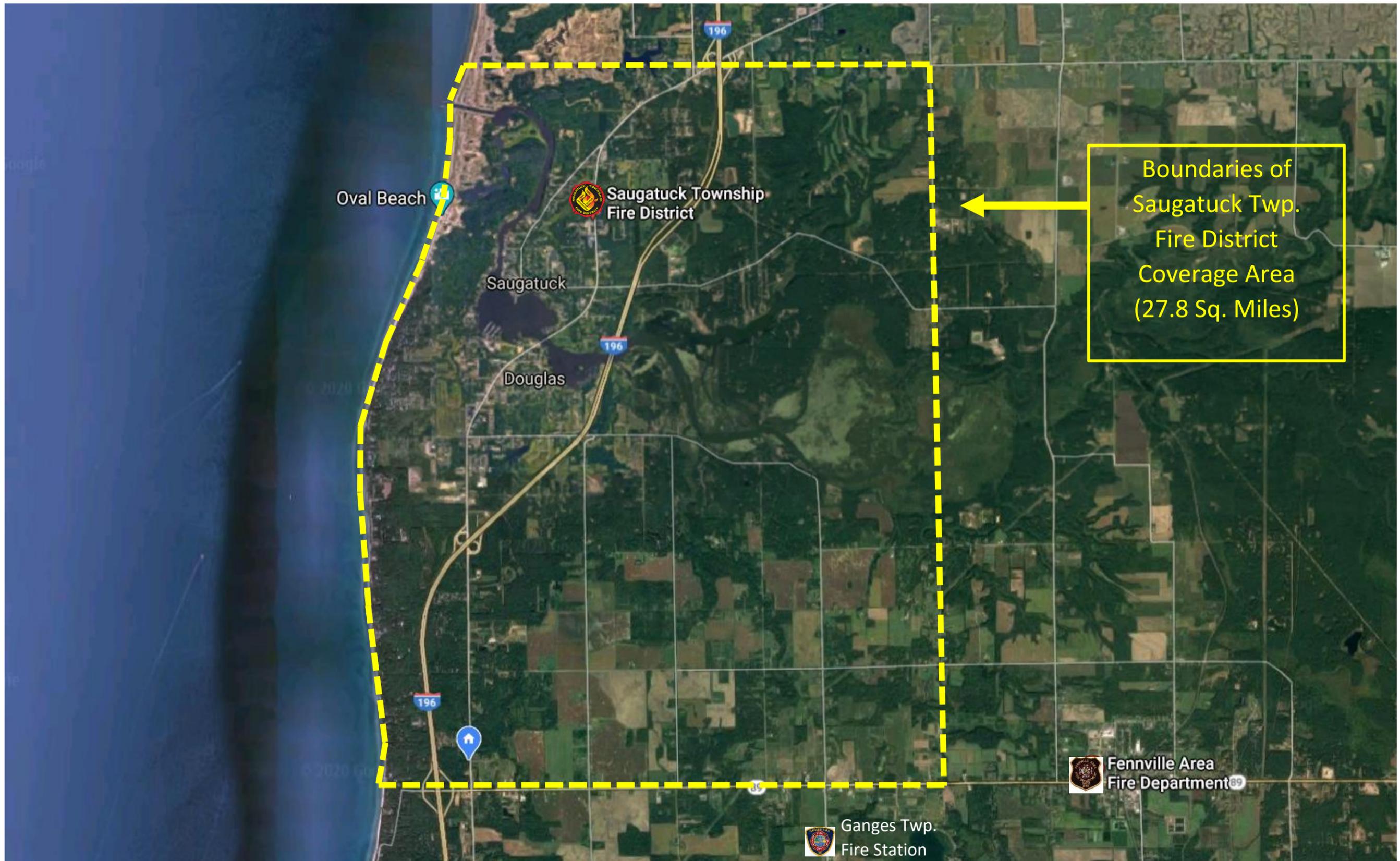
Fire Chief/Fire Marshal
President - ACFCA
3342 Blue Star Highway
Saugatuck, MI 49453

Phone: 269 857-3000

E-mail : gjanik@saugatuckfire.org

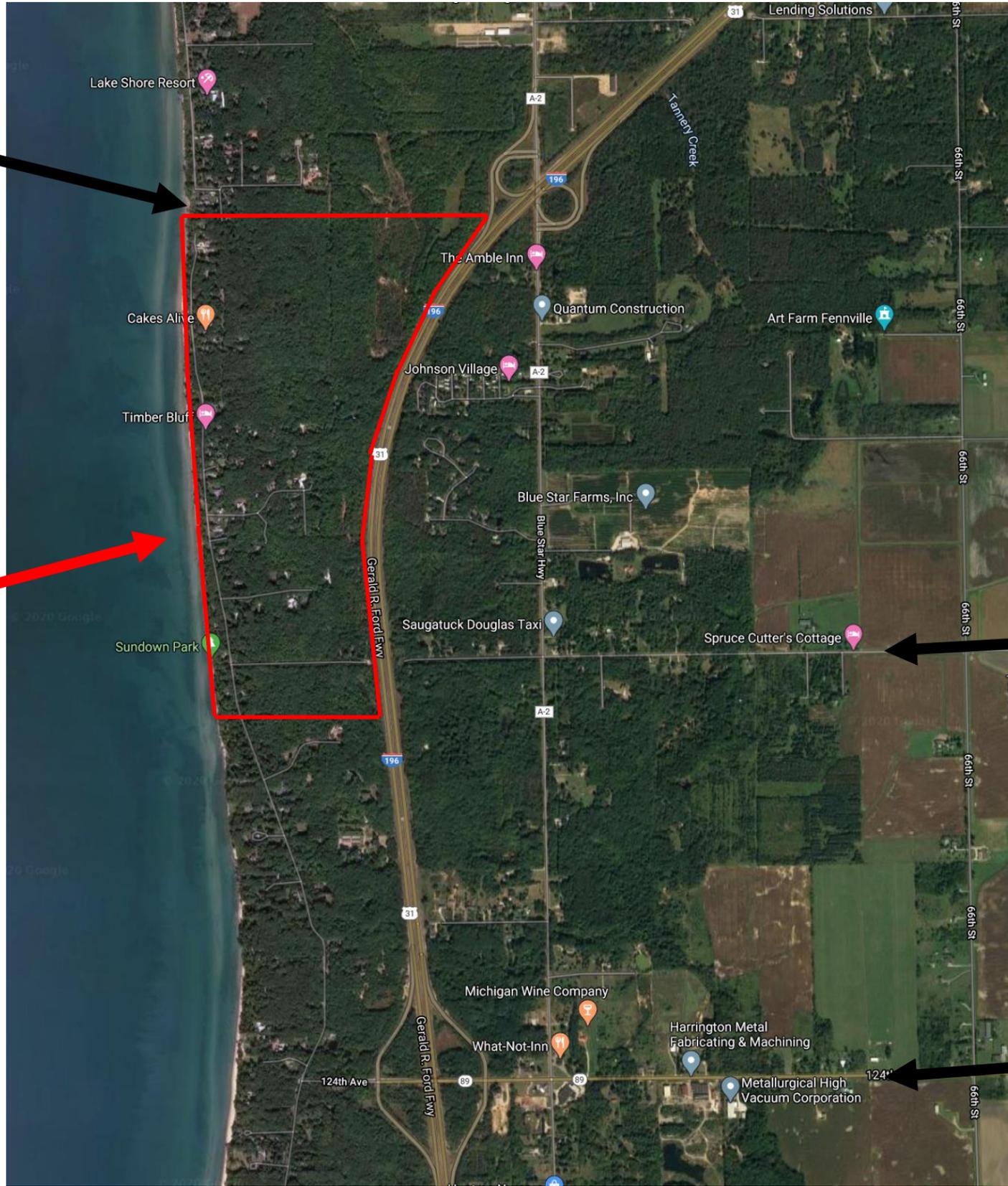


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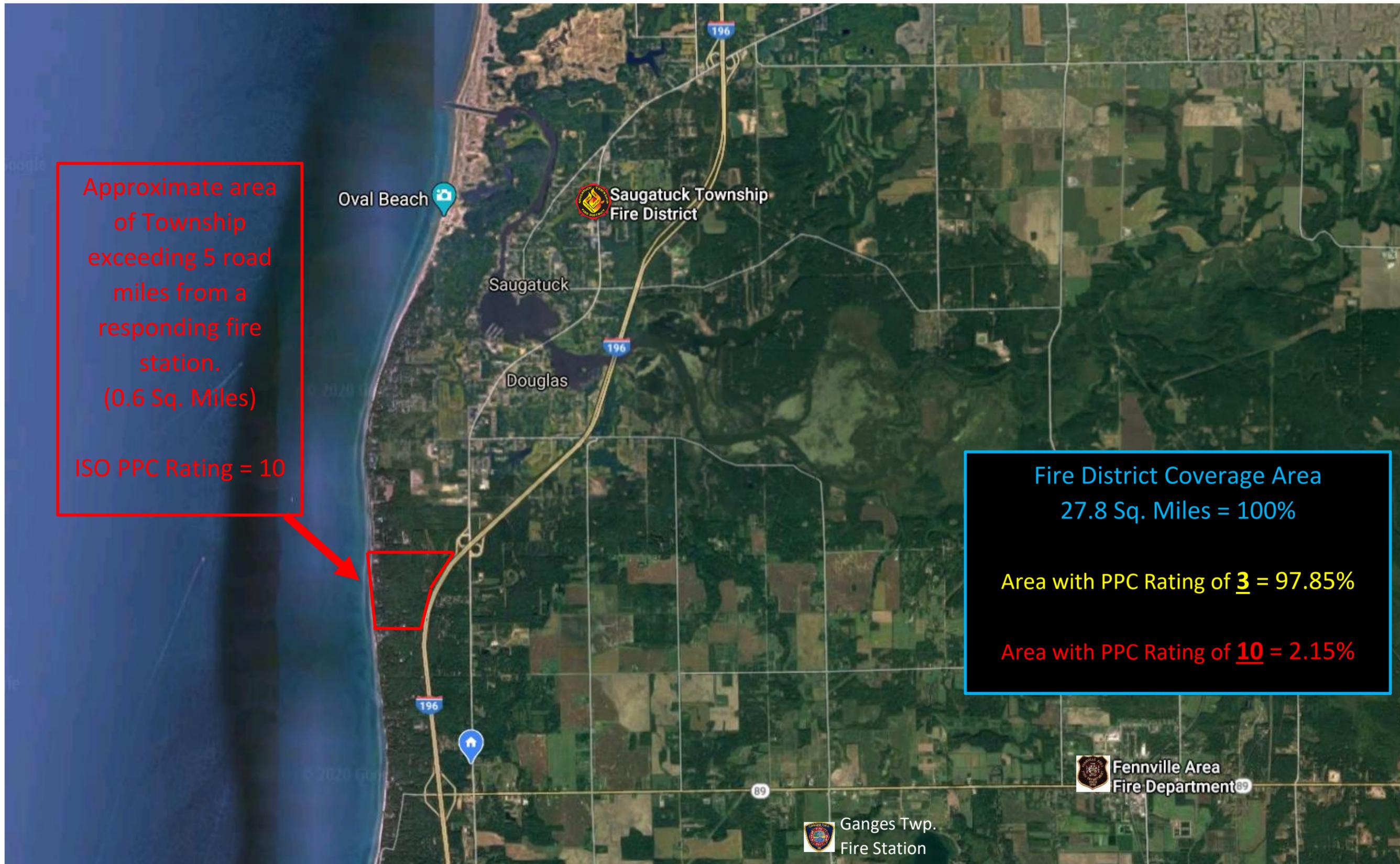
Original 1980s
Lakeshore Drive
Washout

Approximate area
of Township
exceeding 5 road
miles from a
responding fire
station.



126th Ave

M-89 / 124th Ave

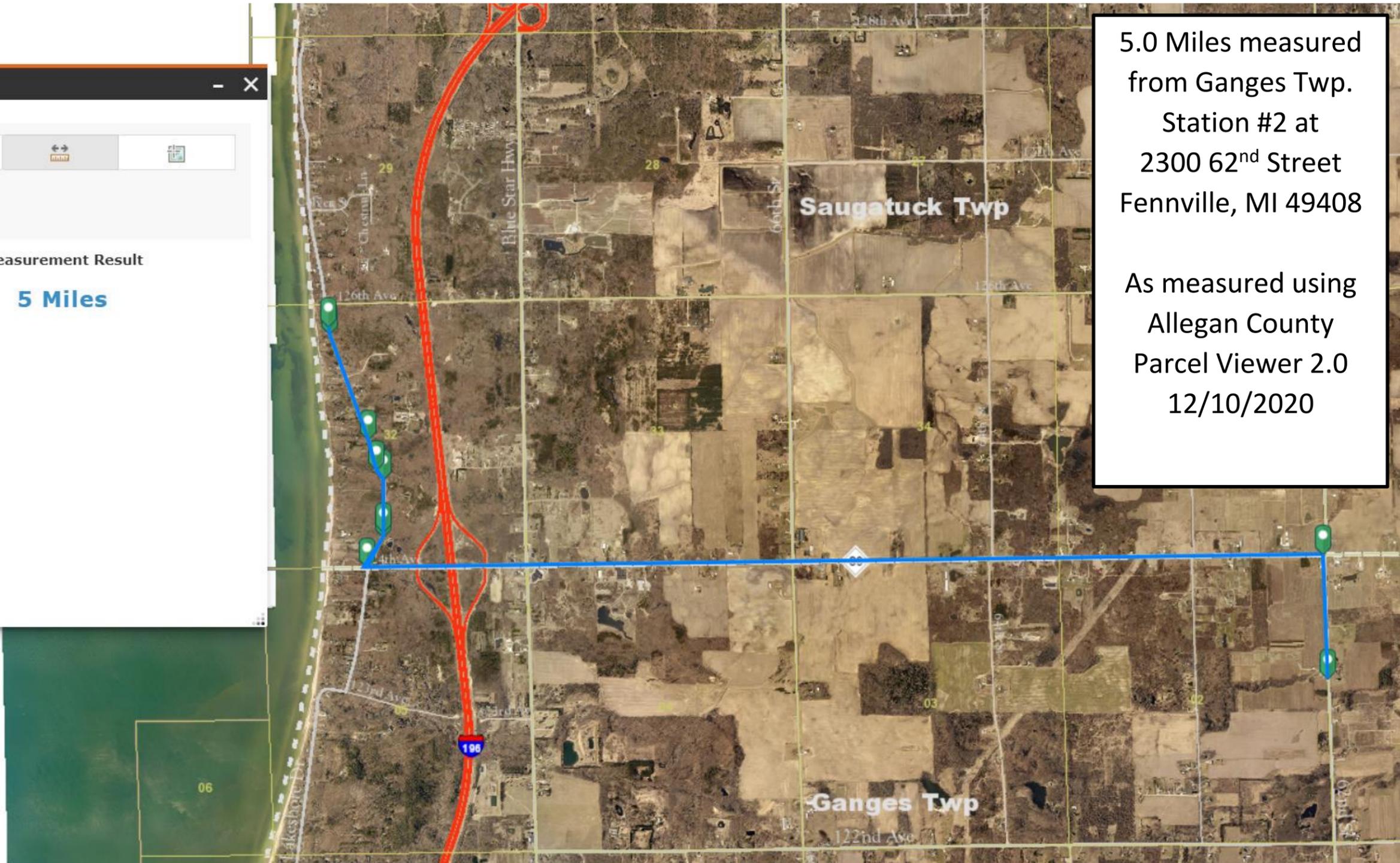


Measure

Miles

Measurement Result

5 Miles



5.0 Miles measured
from Ganges Twp.
Station #2 at
2300 62nd Street
Fennville, MI 49408

As measured using
Allegan County
Parcel Viewer 2.0
12/10/2020

Approximate boundary exceeding 5 road miles from a responding fire station.
ISO PPC Rating = 10

Approximate boundary within 5 road miles from a responding fire station.
ISO PPC Rating = 3

The screenshot shows a 'Measure' window with a toolbar at the top containing icons for a ruler, a double-headed arrow, and a clipboard. Below the toolbar is a dropdown menu set to 'Miles'. The main area of the window displays 'Measurement Result' followed by '5 Miles' in a large blue font.

5.0 Miles measured from Ganges Twp. Station #2 at 2300 62nd Street Fennville, MI 49408
As measured using Allegan County Parcel Viewer 2.0
12/10/2020



City Council Agenda Item Report

FROM: Karen Doyle Homan
MEETING DATE: December 28, 2020
SUBJECT: Release of Balas Sellman Donation

DISCUSSION

Last December 23, 2019 the City of Saugatuck accepted a donation from the David Balas Jim Sellman Living Trust to be used to construct a performing arts band shell in Wicks Park. Mr. Sellman wrote, in his letter of December 23, 2019, "I (we) believe in making a performing arts experience as qualitative as possible for everyone. The addition of a specific structure in Wicks Park will not only enhance the experience, it will broaden the opportunities for what can be produced."

Beginning with the design phase this fall, the public outcry has been that a new band shell is not desired for Wicks Park. In light of this, Mr. Sellman has asked that his donation be returned.

The attached Donation Recission / Termination and Release Agreement authorizes the return of \$101,800 to the David Balas Jim Sellman Living Trust. The amount represents the original \$100,000 donation plus interest earned of \$1,800.

BUDGET ACTION REQUIRED N/A

The donation is a balance sheet item, not a revenue/expenditure item. The donation was for something that has yet to be provided. The City would carry an equal liability until the band shell was provided. Return of the funding does not affect the budget.

LEGAL REVIEW -

Our attorney reviewed and approved the legal document releasing the funds.

SAMPLE MOTION: Motion to approve/deny the Donation Recission / Termination and Release Agreement between the City of Saugatuck and the David Balas Jim Sellman Living Trust.

DONATION RECISSION/TERMINATION AND RELEASE AGREEMENT

THIS DONATION RECISSION/TERMINATION AGREEMENT ("Agreement") is made this _____ day of December 2020 between the City of Saugatuck, a municipal Corporation in the County of Allegan, State of Michigan (the "City"), and the David Balas Jim Sellman Living Trust (the "Trust") represented by the Trustee Jim Sellman, (the "Trustee"). Both parties are represented by legal counsel. Jim Sellman, individually and as Trustee, and the Trust are represented by attorney Connie R. Thacker of Thacker Sleight PC, and the City is represented by attorney Jeffrey VH Sluggett.

The City, the Trust and the Trustee agree that the Donation Agreement dated December 23, 2019 is hereby rescinded, cancelled, terminated and not enforceable as it relates to the City, the Trustee and/or the Trust and is null and void. (See 2019 Agreement attached and incorporated herein). The City, the Trustee and the Trust are hereby released from any and all obligations related to any and all provisions contained within the Donation Agreement dated December 23, 2019.

The Trust shall receive the sum of \$101,800 from the City upon execution of this Agreement by the City, the Trust and the Trustee.

THACKER SLEIGHT PC

Dated:

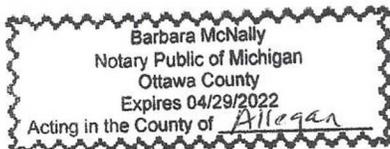
Connie R. Thacker (P49784)
Attorney for the Trust and
the Trustee

Dated:

12/22/2020

Jim Sellman, TRUSTEE
Jim Sellman, Trustee

Subscribed and sworn to before me on December 22, 2020.



Barbara McNally
*

Notary Public, State of Michigan
County of Ottawa
Acting in County of Allegan
My Commission Expires: 04/29/2022

BLOOM SLUGGETT PC

Dated:

Jeffrey VH Sluggett (P39440)
Attorney for the City

Dated:

Mark Bekken, Mayor

Dated:

Erin Wilkinson, City Clerk
Witness



City Council Agenda Item Report

FROM: Karen Doyle Homan
MEETING DATE: December 28, 2020
SUBJECT: City of Saugatuck Audit for Year Ended June 30, 2020

DISCUSSION

Please find attached the City of Saugatuck Audited Financial Statements for the Year Ended June 30, 2020.

The Auditor's opinion reads, "the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities...." This is what is known as a "clean" opinion. You can trust that the City's finances are being handled competently and professionally by Treasurer/Finance Director Peter Stanislawski. This opinion is to his credit.

Ken Berthiaume will be present to review the highlights of the City's financial position as of the fiscal year end.

BUDGET ACTION REQUIRED N/A

LEGAL REVIEW - N/A

SAMPLE MOTION: Motion to approve/deny the City of Saugatuck Audited Financial Statements for the Year Ended June 30, 2020.

CITY OF SAUGATUCK

Allegan County, Michigan

FINANCIAL STATEMENTS

June 30, 2020

CITY OF SAUGATUCK

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
City of Saugatuck, Michigan

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the remaining fund information of the City of Saugatuck as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of the City of Saugatuck as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Honorable Mayor and Members of City Council
City of Saugatuck, Michigan

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 8), schedule of changes in the net pension liability and related ratios (page 39 through 40), schedule of defined benefit plan pension contributions (page 41), and budgetary comparison information (pages 42 through 46) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Saugatuck's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Bertchume & Co.

Saginaw, Michigan
December 10, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF SAUGATUCK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

As management of the City of Saugatuck (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS:

- The City's total net position is reported as \$33,579,456 for the year ended June 30, 2020, compared to \$31,969,057 (as restated) for the year ended June 30, 2019.
- In the City's governmental activities, revenues generated were \$4,130,164 while expenses totaled \$2,519,765.
- Total net position increased by \$1,610,399.

OVERVIEW OF THE FINANCIAL STATEMENTS:

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements:

The government-wide statements are designed to provide readers with a broad overview of the City's finances, as a whole, in a manner similar to a private sector business. The *statement of net position* presents information on all of the City's assets, liabilities, and deferred outflows and inflows, with the difference between these reported as net position. The *statement of activities* presents all of the City's revenues and expenses, and is reported based on when the underlying event giving rise to the revenue or expense occurs, regardless of when cash is received or paid.

The governmental activities of the City include general government administration, legislative, public works, street maintenance, public safety and recreation and cultural. Property taxes, state shared revenue, and charges for services finance most of these activities.

Fund Financial Statements:

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The City has three types of funds:

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

CITY OF SAUGATUCK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains five (5) individual governmental funds. Separate information is presented for the General Fund, Major Street Fund, Local Street Fund, Sewer Improvements Fund, and Debt Service Fund which are considered to be "major" funds. The City has elected to report all governmental funds as major.

The City adopts an annual budget for its General Fund and special revenue funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets for the General Fund and all major special revenue funds.

Proprietary Funds – Proprietary funds are used to report services where the City charges a fee to the customer to recover most or all of the cost of the service rendered. Proprietary funds provide both long- and short-term financial information. The two types of proprietary funds are enterprise and internal service funds. The City has no enterprise funds.

- Internal service funds are used to report activities that provide supplies and services to the City's other programs. The City's internal service fund is the Motor Pool Fund. Because these services solely benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for the resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City's own programs.

Notes to the Financial Statements:

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City.

CITY OF SAUGATUCK AS A WHOLE:

The City's total net position for the year ended June 30, 2020 is \$33,579,456. Unrestricted net position, that part of net position that can be used to finance day-to-day operations, is \$4,673,892.

CITY OF SAUGATUCK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

The following table shows comparisons of total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position in a condensed format for the government-wide net position at:

	<i>June 30,</i>	
	<u>2020</u>	<u>2019</u>
Assets:		
Current and other assets	\$ 8,298,475	\$ 6,601,802
Capital assets, net	<u>28,441,233</u>	<u>28,684,980</u>
Total assets	<u>36,739,708</u>	<u>35,286,782</u>
Deferred outflows of resources	<u>307,270</u>	<u>252,841</u>
Liabilities:		
Current and other liabilities	540,702	404,827
Long-term liabilities	<u>2,926,820</u>	<u>3,146,607</u>
Total liabilities	<u>3,467,522</u>	<u>3,551,434</u>
Deferred inflows of resources	<u>-</u>	<u>19,132</u>
Net position:		
Net investment in capital assets	25,861,231	25,910,980
Restricted	3,044,333	2,700,250
Unrestricted	<u>4,673,892</u>	<u>3,357,827</u>
Total net position	<u>\$ 33,579,456</u>	<u>\$ 31,969,057</u>

The City's net position increased by \$1,610,399 during the current fiscal year. The City's total governmental revenue is reported at \$4,130,164, an increase of \$110,536 from the prior year. Total expenses decreased by \$399,000 from the prior year.

CITY OF SAUGATUCK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

The following table shows comparison of the change in net position in a condensed format for the years ended:

	<i>June 30,</i>	
	<u>2020</u>	<u>2019</u>
Revenues:		
Program revenues		
Charges for services	\$ 851,042	\$ 731,742
Operating grants and contributions	481,848	391,835
Capital grants	-	157,633
General revenues		
Property taxes	2,493,875	2,452,962
Franchise fees	42,677	42,610
Grants and contributions not restricted to specific programs	138,946	118,891
Investment earnings	121,776	109,655
Other	-	14,300
Total revenues	<u>4,130,164</u>	<u>4,019,628</u>
Expenses:		
General government	617,311	495,355
Public safety	270,572	335,506
Public works	1,030,693	1,246,605
Community and economic development	73,254	75,606
Recreation and culture	481,031	715,191
Interest on long-term debt	46,904	50,502
Total expenses	<u>2,519,765</u>	<u>2,918,765</u>
Change in net position	1,610,399	1,100,863
Net position, beginning of year, restated	<u>31,969,057</u>	<u>30,868,194</u>
Net position, end of year	<u>\$ 33,579,456</u>	<u>\$ 31,969,057</u>

CITY OF SAUGATUCK'S FUNDS:

Presentation of the City of Saugatuck's major funds begins on page 12, following the government-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Funds are created to help manage money for specific purposes, as well as show accountability for certain activities, such as specific property tax millages and restricted receipts from Federal and State sources.

The General Fund is the City's largest governmental fund and one of five governmental funds that are considered major. It pays for most of the City's government services. Its major components of revenue are property taxes, charges for services and state shared revenue. For the year ended June 30, 2020, General Fund financing sources exceeded its financing uses by \$1,004,386, increasing its ending fund balance to \$4,199,679. The City's second major governmental fund, the Major Street Fund increased its ending fund balance by \$119,146 to \$572,252. The City's third major governmental fund, the Local Street Fund, was able to increase its ending fund balance by \$384,685 to \$1,661,183. The City's fourth major governmental fund, the Sewer Improvements Fund, decreased its ending fund balance by \$17,648 to \$530,470. The City's fifth major governmental fund, the Debt Service Fund, decreased its ending fund balance by \$12,613 to \$109,167.

CITY OF SAUGATUCK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

General Fund Budgetary Highlights:

The General Fund budget, as originally adopted, projected a net decrease in fund balance of \$7,000. During the year, the City made budget amendments, which changed the projection to a net increase in fund balance of \$8,567. The actual results for the year yielded a net increase in fund balance of \$1,004,386.

Capital Assets and Debt Administration:

At June 30, 2020, the City of Saugatuck had \$28,441,233 invested in capital assets including land, buildings, equipment, land improvements, and infrastructure, net of accumulated depreciation. At June 30, 2019, this total was \$28,684,980. Additional information about the City's capital assets is presented in Note 1 and Note 5 of the Notes to the Financial Statements.

At June 30, 2020, the City of Saugatuck's total long-term indebtedness (not including compensated absences or net pension liability) was \$2,580,000 which was backed by the full faith and credit of the City. Additional information about the City's indebtedness is presented in Note 6 of the Notes to the Financial Statements.

Economic Factors and Next Year's Budget:

The City Council has committed a portion of the existing General Fund fund balance for capital improvements in the City parks for the current and future years. The Council and administration will annually review the fund balance of the General Fund to determine if opportunities exist to approve commitments for more funds specifically for City parks improvement projects. In fiscal year 2021, the City Council has budgeted significant expenditures for park improvements and renovations to City Hall. Currently, the worldwide pandemic has affected City resources both financially and in terms of human capital; the Council and administration currently have monitored the pandemic through our local health department for best practices.

Because it has been a directive of the State of Michigan to eliminate the unfunded pension liability for local governments, the City Council and administration has made this an important priority for the current and future years. The Council and administration continue to look for opportunities to enhance revenues and control spending without impacting valued services of the property owners.

Contacting the City's Financial Management:

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. If you have questions about this report or need additional financial information, contact the City Treasurer, 102 Butler Street, P.O. Box 86, Saugatuck, Michigan 49453.

BASIC FINANCIAL STATEMENTS

CITY OF SAUGATUCK

STATEMENT OF NET POSITION

June 30, 2020

	<i>Governmental Activities</i>
Assets:	
Cash and cash equivalents	\$ 3,828,145
Investments	4,235,869
Receivables	234,461
Capital assets not being depreciated	22,160,697
Capital assets being depreciated, net	<u>6,280,536</u>
Total assets	<u>36,739,708</u>
Deferred outflows of resources:	
Related to pension	<u>307,270</u>
Liabilities:	
Accounts payable and accrued expenses	440,571
Unearned revenue	100,131
Long-term liabilities:	
Due within one year	
Current portion of long-term debt	213,000
Current portion of compensated absences	31,702
Due in more than one year	
Compensated absences	79,389
Long-term debt	2,367,000
Net pension liability	<u>235,729</u>
Total liabilities	<u>3,467,522</u>
Net position:	
Net investment in capital assets	25,861,231
Restricted for:	
Debt service	109,167
Public works	530,470
Rose Garden	171,261
Streets	2,233,435
Unrestricted	<u>4,673,892</u>
Total net position	<u>\$ 33,579,456</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Functions/Programs					
<i>Governmental activities:</i>					
General government	\$ 617,311	\$ -	\$ 5,827	\$ -	\$ (611,484)
Public safety	270,572	40,810	-	-	(229,762)
Public works	1,030,693	8,451	367,020	-	(655,222)
Community and economic development	73,254	-	-	-	(73,254)
Recreation and culture	481,031	801,781	109,001	-	429,751
Interest on long-term debt	46,904	-	-	-	(46,904)
Total governmental activities	<u>\$ 2,519,765</u>	<u>\$ 851,042</u>	<u>\$ 481,848</u>	<u>\$ -</u>	<u>(1,186,875)</u>
General revenues:					
Property taxes, levied for general purpose					1,954,214
Property taxes, levied for streets					306,579
Property taxes, levied for debt service					227,317
Payment in lieu of taxes					5,765
Franchise fees					42,677
Grants and contributions not restricted to specific programs					138,946
Unrestricted investment earnings					<u>121,776</u>
Total general revenues					<u>2,797,274</u>
Change in net position					1,610,399
Net position, beginning of year, restated					<u>31,969,057</u>
Net position, end of year					<u>\$ 33,579,456</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

GOVERNMENTAL FUNDS

BALANCE SHEET

June 30, 2020

	<i>General Fund</i>	<i>Major Street Fund</i>	<i>Local Street Fund</i>	<i>Sewer Improvements Fund</i>
Assets:				
Cash and cash equivalents	\$ 1,492,295	\$ 348,915	\$ 1,023,603	\$ 464,503
Investments	2,977,857	214,500	632,739	193,702
Taxes receivable	145	-	-	-
Accounts receivable	111,030	-	-	-
Accrued interest receivable	3,859	-	-	-
Due from other governments	99,095	12,902	7,404	-
Total assets	<u>\$ 4,684,281</u>	<u>\$ 576,317</u>	<u>\$ 1,663,746</u>	<u>\$ 658,205</u>
Liabilities:				
Accounts payable	\$ 264,244	\$ 3,393	\$ 2,000	\$ 127,735
Accrued expenses	2,942	-	-	-
Accrued wages payable	25,967	672	563	-
Unearned revenue	100,131	-	-	-
Total liabilities	<u>393,284</u>	<u>4,065</u>	<u>2,563</u>	<u>127,735</u>
Deferred inflows of resources:				
Unavailable revenue	<u>91,318</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted for:				
Debt service	-	-	-	-
Streets	-	572,252	1,661,183	-
Public works	-	-	-	530,470
Rose Garden	171,261	-	-	-
Committed for:				
Parks	1,000,000	-	-	-
Spear Boat Launch	26,942	-	-	-
Unassigned	<u>3,001,476</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>4,199,679</u>	<u>572,252</u>	<u>1,661,183</u>	<u>530,470</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,684,281</u>	<u>\$ 576,317</u>	<u>\$ 1,663,746</u>	<u>\$ 658,205</u>

continued

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

GOVERNMENTAL FUNDS
BALANCE SHEET, CONTINUED
June 30, 2020

	<i>Debt Service Fund</i>	<i>Total</i>
Assets:		
Cash and cash equivalents	\$ 109,141	\$ 3,438,457
Investments	-	4,018,798
Taxes receivable	26	171
Accounts receivable	-	111,030
Accrued interest receivable	-	3,859
Due from other governments	-	119,401
	<hr/>	<hr/>
Total assets	\$ 109,167	\$ 7,691,716
	<hr/>	<hr/>
Liabilities:		
Accounts payable	\$ -	\$ 397,372
Accrued expenses	-	2,942
Accrued wages payable	-	27,202
Unearned revenue	-	100,131
	<hr/>	<hr/>
Total liabilities	-	527,647
	<hr/>	<hr/>
Deferred inflows of resources:		
Unavailable revenue	-	91,318
	<hr/>	<hr/>
Fund balances:		
Restricted for:		
Debt service	109,167	109,167
Streets	-	2,233,435
Public works	-	530,470
Rose Garden	-	171,261
Committed for:		
Parks	-	1,000,000
Spear Boat Launch	-	26,942
Unassigned	-	3,001,476
	<hr/>	<hr/>
Total fund balances	109,167	7,072,751
	<hr/>	<hr/>
Total liabilities, deferred inflows of resources, and fund balances	\$ 109,167	\$ 7,691,716
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

RECONCILIATION OF FUND BALANCES OF THE GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2020

Fund balances of governmental funds	\$ 7,072,751
Net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Capital assets not being depreciated	22,160,697
Capital assets being depreciated, net	6,280,536
Capital assets accounted for in the internal service fund	(611,126)
Deferred outflows from the difference between expected and actual experience and assumption changes of the pension plan as well as City contributions made after the measurement date of the net pension liability are not reported in the funds.	307,270
Some assets are not available to pay for current year expenditures. Those assets (such as certain receivables) are offset by deferred inflows of resources in the governmental funds, and thus not included in fund balance.	91,318
Certain liabilities, such as bonds payable, are not due and payable in the current year and therefore are not reported in the governmental funds.	
Bonds payable	(2,580,000)
Compensated absences payable	(111,091)
Accrued interest payable	(7,701)
Net pension liability	(235,729)
An internal service fund is used by management to charge the costs of certain activities, such as equipment usage, to individual funds. The assets and liabilities of the internal service fund are included in governmental activities.	<u>1,212,531</u>
Net position of governmental activities	<u><u>\$ 33,579,456</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

GOVERNMENTAL FUNDS
**STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES**

Year Ended June 30, 2020

	<u>General Fund</u>	<u>Major Street Fund</u>	<u>Local Street Fund</u>	<u>Sewer Improvements Fund</u>
Revenues:				
Property taxes	\$ 1,958,770	\$ -	\$ 306,959	\$ -
Licenses and permits	64,289	-	-	-
State grants	251,003	101,569	62,031	-
Contributions from other units	-	81,623	81,623	-
Charges for services	801,781	-	-	8,450
Fines and forfeits	7,184	-	-	-
Interest and rents	74,955	6,304	18,467	15,468
Other revenue	32,933	-	-	-
	<u>3,190,915</u>	<u>189,496</u>	<u>469,080</u>	<u>23,918</u>
Expenditures:				
Current				
General government	566,323	-	-	-
Public safety	362,804	-	-	-
Public works	545,916	70,350	120,395	41,566
Community and economic development	74,533	-	-	-
Recreation and culture	584,273	-	-	-
Capital outlay	52,680	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
	<u>2,186,529</u>	<u>70,350</u>	<u>120,395</u>	<u>41,566</u>
Changes in fund balances	1,004,386	119,146	348,685	(17,648)
Fund balances, beginning of year, restated	<u>3,195,293</u>	<u>453,106</u>	<u>1,312,498</u>	<u>548,118</u>
Fund balances, end of year	<u>\$ 4,199,679</u>	<u>\$ 572,252</u>	<u>\$ 1,661,183</u>	<u>\$ 530,470</u>

continued

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

GOVERNMENTAL FUNDS
**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES, CONTINUED**

Year Ended June 30, 2020

	<i>Debt Service Fund</i>	<i>Total</i>
	<u> </u>	<u> </u>
Revenues:		
Property taxes	\$ 228,146	\$ 2,493,875
Licenses and permits	-	64,289
State grants	-	414,603
Contributions from other units	-	163,246
Charges for services	-	810,231
Fines and forfeits	-	7,184
Interest and rents	500	115,694
Other revenue	-	32,933
	<u> </u>	<u> </u>
Total revenues	228,646	4,102,055
	<u> </u>	<u> </u>
Expenditures:		
Current		
General government	-	566,323
Public safety	-	362,804
Public works	-	778,227
Community and economic development	-	74,533
Recreation and culture	-	584,273
Capital outlay	-	52,680
Debt service		
Principal	194,000	194,000
Interest and fees	47,259	47,259
	<u> </u>	<u> </u>
Total expenditures	241,259	2,660,099
	<u> </u>	<u> </u>
Changes in fund balances	(12,613)	1,441,956
Fund balances, beginning of year, restated	121,780	5,630,795
	<u> </u>	<u> </u>
Fund balances, end of year	\$ 109,167	\$ 7,072,751
	<u> </u>	<u> </u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

Changes in fund balances of governmental funds	\$ 1,441,956
Change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.	
Purchases of capital assets	263,135
Capital assets purchased in the internal service fund	(50,479)
Depreciation expense	(506,882)
Depreciation expense accounted for in the internal service fund	121,127
Deferred inflows of resources in governmental funds do not provide current financial resources but are current revenues in the statement of activities.	22,026
Payments of principal on long-term obligations are expenditures in governmental funds but the payments reduce long-term liabilities in the statement of net position.	194,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in compensated absences payable	(85,116)
Change in accrued interest on bonds	354
Change in net pension liability and related deferred outflows and deferred inflows	184,464
An internal service fund is used by management to charge the costs of certain activities, such as equipment usage, to individual funds. The change in net position of the internal service fund is included in governmental activities.	<u>25,814</u>
Change in net position of governmental activities	<u>\$ 1,610,399</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2020

	<u><i>Internal Service Fund Motor Pool Fund</i></u>
Assets:	
<i>Current assets:</i>	
Cash and cash equivalents	\$ 389,688
Investments	<u>217,071</u>
Total current assets	<u>606,759</u>
 <i>Noncurrent assets:</i>	
Capital assets being depreciated, net	<u>611,126</u>
Total assets	<u>1,217,885</u>
 Liabilities:	
<i>Current liabilities:</i>	
Accounts payable	4,884
Accrued wages payable	<u>470</u>
Total current liabilities	<u>5,354</u>
 Net position:	
Investment in capital assets	611,126
Unrestricted	<u>601,405</u>
Total net position	<u><u>\$ 1,212,531</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

PROPRIETARY FUNDS
**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION**
Year Ended June 30, 2020

	<u><i>Internal Service Fund Motor Pool Fund</i></u>
Operating revenues:	
Equipment rental	\$ 232,321
Operating expenses:	
Personal services	24,380
Supplies	21,917
Other services and charges	45,166
Depreciation	<u>121,127</u>
Total operating expenses	<u>212,590</u>
Operating income (loss)	<u>19,731</u>
Non-operating revenues (expenses):	
Interest income	<u>6,083</u>
Change in net position	25,814
Net position, beginning of year	<u>1,186,717</u>
Net position, end of year	<u><u>\$ 1,212,531</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF SAUGATUCK

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
Year Ended June 30, 2020

	<u><i>Internal Service Fund</i></u> <u><i>Motor Pool Fund</i></u>
Cash flows from operating activities:	
Cash received from interfund services	\$ 232,321
Cash payments to employees and on behalf of employees	(24,179)
Cash payments for goods, services and other	<u>(66,024)</u>
Net cash provided (used) by operating activities	<u>142,118</u>
Cash flows from capital related financing activities:	
Acquisition of capital assets	<u>(50,479)</u>
Cash flows from investing activities:	
Interest received	<u>6,083</u>
Net increase in cash and cash equivalents	97,722
Cash, cash equivalents, and investments, beginning of year	<u>509,037</u>
Cash, cash equivalents, and investments, end of year	<u><u>\$ 606,759</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income	\$ 19,731
Adjustments:	
Depreciation	121,127
Change in assets and liabilities:	
Accounts payable	1,059
Accrued wages payable	<u>201</u>
Net cash provided (used) by operating activities	<u><u>\$ 142,118</u></u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies used by the City of Saugatuck, (the "City").

Reporting Entity:

The City of Saugatuck was incorporated under the Home Rule City Act (P.A. 279 pf 1979) and operates under a Council/Manager form of government. The City Council consists of seven (7) members including the Mayor and Mayor Pro-Tem. The City provides the following services: general administrative services, public safety, public works, highway and street maintenance, recreation and culture, and other governmental functions. In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. Management has concluded there are no component units to be included in the City's financial statements.

Jointly Governed Organizations:

Township of Saugatuck Fire District – The Township of Saugatuck Fire District (the "District") is a jointly-governed organization of the City of Saugatuck, Township of Saugatuck and the City of the Village of Douglas formed May 18, 1976, to provide fire protection within the participating municipalities. Costs of operations and capital expenditures are supported by contributions from the participating municipalities. Complete audited financial statements for the District can be obtained from the City of Saugatuck's Treasurer.

Interurban Transit Authority – The Interurban Transit Authority (the "Authority") is organized as a non-profit corporation. The incorporating municipalities include the City of Saugatuck, the Township of Saugatuck, and the City of the Village of Douglas. The Authority's Administrative Board consists of six members, two members appointed by each of the three participating units. Complete audited financial statements for the District can be obtained from the City of Saugatuck's Treasurer.

Kalamazoo Lake Sewer and Water Authority – The Kalamazoo Lake Sewer and Water Authority (the "Authority") was created under the provisions of Act 233, Public Acts of Michigan, 1955, as amended with the constituent communities of the City of Saugatuck, the Township of Saugatuck, and the City of the Village of Douglas. The Authority was formed to operate, maintain, administer and manage the water and sewerage systems located within the constituent units of government. During the year ended June 30, 2020, the City did not contribute to the Authority, except to pay water and sewer usage fees. Any infrastructure constructed or paid by the City is recorded as infrastructure on the City's records. Complete audited financial statements for the District can be obtained from the City of Saugatuck's Treasurer.

Water Resource Improvement Tax Increment Finance Authority – The Water Resource Improvement Tax Increment Finance Authority (the "Authority") was established by the City of Saugatuck and the City of the Village of Douglas. The Authority was formed to obtain funding to maintain the Kalamazoo River harbor. During the year ended June 30, 2020, the City made no contribution to the Authority.

Accounting and Reporting Principles:

The City follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Government Accounting Standards Board.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Report Presentation:

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenues are reported instead as general revenue. For the most part, the effect of interfund activity has been removed from these statements.

Separate financial statements are provided for governmental funds and proprietary funds, even though the latter are not included in the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Basis of Accounting:

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources. Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due. Revenues are not recognized until they are collected, or collected soon enough after the end of the year that they are available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: most state-shared revenue, state gas and weight tax revenue, and interest associated with the current fiscal period.

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Accounting:

The City accounts for its various activities in several different funds in order to demonstrate accountability for how it has spent certain resources - separate funds allow the City to show the particular expenditures that specific revenues were used for. The various funds are aggregated into three broad fund types:

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, and debt service funds. The City has elected to report all its governmental funds as “major” funds.

General Fund is the City’s primary operating fund because it accounts for all financial resources used to provide general government services, other than those specifically assigned to another fund.

Special Revenue Fund – Major Street Fund accounts for the expenditures associated with the maintenance and construction needs of the major street portion of the City’s street network.

Special Revenue Fund – Local Street Fund accounts for the expenditures associated with the maintenance and construction needs of the local street portion of the City’s street network.

Special Revenue Fund – Sewer Improvements Fund accounts for water and sewer infrastructure improvements in the City. Revenues are derived from special assessments and charges for services.

Debt Service Fund accounts for a property tax levy for the payment of the 2009 Unlimited General Obligation Bond.

Proprietary funds include enterprise funds and internal service funds, which provide goods or services to users in exchange for charges or fees. The City has only an internal service fund.

Fiduciary funds account for the resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the City’s own programs. The City does not display a fiduciary fund statement because there is no balance as of June 30, 2020.

Specific Balances and Transactions:

Cash, Cash Equivalents, and Investments – Cash and cash equivalents includes cash on hand, demand deposits, certificates of deposit and short term investments with a maturity of three months or less when acquired. Investments are stated at fair value. For purposes of the statement of cash flows, the City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Investments recorded in the City’s records at fair value.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and may be recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are defined by the City as assets with an individual cost in excess of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The amount reported for infrastructure includes water and sewer improvements made since 1984, and all other types of infrastructure constructed or acquired since 2003. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	7-50 years
Infrastructure	40-50 years
Land improvements	20-30 years
Machinery and equipment	5-30 years
Streets	15-30 years

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Long-term Obligations – In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, if any, are expensed when bonds are issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as expenditures, as well as bond premiums and discounts. Debt service funds are generally used to liquidate long-term debt.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue qualifies for reporting in this category and arises only under a modified accrual basis of accounting and therefore is reported only in the governmental funds.

The City reports unearned revenue on its government-wide and fund financial statements. Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are unearned by the City and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized.

Net Position Flow Assumption – Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption – Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Balance Policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either committed or assigned fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as committed. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Other classifications of fund balance include: nonspendable fund balance, which are amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact; restricted fund balance, which are amounts that have constraints placed on their use by an external party or constitutional provisions or enabling legislation (grants, contributions, specific fee mandates); and unassigned fund balance, which are amounts that are available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. However, unassigned balances also include negative balances in other governmental funds.

Property Taxes – Property taxes attach as enforceable liens on properties as of July 1. Taxes are levied July 1 and are due without penalty on or before September 14. The City bills and collects its own property taxes and also taxes for other taxing authorities. Collections of all the taxes and remittances of them to the other taxing authorities are accounted for in an agency fund. Real property taxes not collected as of March 1 are returned to the County for collection, which advances the City 100% for the delinquent real property taxes. Collection of delinquent personal property taxes remains the responsibility of the City Treasurer. In 2019, the City levied property taxes on an assessed property tax value of \$162,721,264 (exclusive of any Michigan Tax Tribunal or Board of Review adjustments). Taxes levied consisted of 11.4788 mills for the City's operating purposes, 1.8885 mills for streets and 1.40 mills for debt.

Pension Costs – The City provides pension benefits to employees and retirees in two different pension plans; one is a defined benefit plan and the other is a defined contribution plan. For the defined benefit plan, the City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Compensated Absences – It is the City’s policy to permit full-time employees to accumulate earned but unused paid time off (PTO). Depending on employee’s years of service, the maximum accumulation and carryover of unused PTO hours are 160, 300, 360 or 420 each year, per employee. Any PTO that is not used, above the maximum accrual amount, shall be cashed/paid out at the employee’s current base rate of pay prior to the second pay period in December annually. A liability for vested compensated absences is accrued when earned and recognized in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only when they have matured or come due for payment – generally when an individual’s employment has terminated as of year end.

Proprietary Funds Operating Classification – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers or other funds for sales and services. The proprietary funds recognize as nonoperating revenues investment income and gains on sales of capital assets. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All expenses not included in these classifications are reported as nonoperating expenses.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Interfund Activity:

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity may occur during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information:

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and all special revenue funds. A comparison of actual results of operations to the budgeted amounts for the General Fund as well as any other major special revenue funds is included in the required supplementary information.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

The City follows these procedures in establishing the budgetary data reflected in the financial statements: 1. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1; 2. Public hearings are conducted to obtain taxpayer comments; 3. The budget is legally enacted through passage of a resolution; 4. Formal budgetary integration is employed for the governmental fund types as a management control device; 5. Adoption and amendments of all budgets used by the City are governed by Public Act 621, which was followed for the year ended June 30, 2020. Expenditures may not exceed appropriations. The appropriations resolutions are based on the projected expenditures budget of the department heads of the City. Any amendment to the original budget must meet the requirements of Public Act 621. Any revision that alters the total expenditures of any fund must be approved by the City Council; 6. Budgeted amounts are as originally adopted, or as amended by the City Council.

Excess of Expenditures over Appropriations in Budgeted Funds:

During the year, the City did incur expenditures in excess of the amounts budgeted, as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
Recreation and culture			
Rose Garden	\$ 7,500	\$ 7,891	\$ 391

NOTE 3: DEPOSITS AND INVESTMENTS

The investment policy adopted by the City Council is in accordance with Public Act 196 of 1997. The City's deposits and investments have been made in accordance with statutory authority. The City's deposits and investments are subject to several types of risk, which are presented in more detail as follows:

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. State law does not require and the City does not have a deposit policy for custodial credit risk. As of year end, the City's bank deposits were \$3,836,238, of which \$1,489,333 was exposed to custodial credit risk because it was uninsured and uncollateralized. The City's investment policy does not specifically address this risk, although the City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. The City analyzes the financial condition of the banks. The City only invests with those institutions with an acceptable estimated risk level for depositories and certificates of deposit.

Custodial Credit Risk – Investments – Public Act 196 of 1997 authorizes the City is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency of instrumentality of the United States, in accounts of financial institutions, commercial paper with specific maximum maturities and ratings when purchased, repurchase agreements, bankers acceptances of United States banks, obligations of the State of Michigan or any of its political subdivisions, mutual funds composed of investment vehicles that are legal for direct investment by a public corporation and investments in Michigan government pools.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 3: DEPOSITS AND INVESTMENTS, CONTINUED

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require a policy for investment custodial credit risk and the City does not have a policy.

Interest Rate Risk – Investments – State law limits the allowable investments and the maturities of some of the allowable investments as identified under “statutory authority”. The City’s investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City has invested in the Michigan Cooperative Liquid Asset Securities System (CLASS), which is a Michigan public sector joint investment program authorized, by the State of Michigan. The rating of Michigan CLASS is AAAM (Standard and Poor’s). The carrying amount (fair value) at year end of the City’s funds invested with Michigan CLASS is \$4,235,868.

NOTE 4: FAIR VALUE MEASUREMENTS

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances whereby, inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The City has the following recurring fair value measurement as of June 30, 2020: Michigan CLASS investment pool in the amount of \$4,235,868 is valued at Level 2 inputs. The City did not have any investments valued with Level 1 or Level 3 inputs at June 30, 2020.

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2020</u>
Capital assets not being depreciated:				
Land	\$ 3,160,697	\$ -	\$ -	\$ 3,160,697
Land - Saugatuck Harbor Natural Area *	<u>19,000,000</u>	<u>-</u>	<u>-</u>	<u>19,000,000</u>
Total capital assets not being depreciated	<u>22,160,697</u>	<u>-</u>	<u>-</u>	<u>22,160,697</u>

continued

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 5: CAPITAL ASSETS, CONTINUED

	<u>July 1,</u> <u>2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30,</u> <u>2020</u>
Capital assets being depreciated:				
Buildings and improvements	1,380,512	-	-	1,380,512
Infrastructure	4,536,689	-	-	4,536,689
Land improvements	1,249,098	172,099	-	1,421,197
Machinery and equipment	1,601,679	50,479	-	1,652,158
Streets	3,855,088	40,557	-	3,895,645
Total capital assets being depreciated	<u>12,623,066</u>	<u>263,135</u>	<u>-</u>	<u>12,886,201</u>
Less accumulated depreciation for:				
Buildings and improvements	(828,306)	(42,673)	-	(870,979)
Infrastructure	(1,791,507)	(77,338)	-	(1,868,845)
Land improvements	(773,653)	(40,794)	-	(814,447)
Machinery and equipment	(911,269)	(123,279)	-	(1,034,548)
Streets	(1,794,048)	(222,798)	-	(2,016,846)
Total accumulated depreciation	<u>(6,098,783)</u>	<u>(506,882)</u>	<u>-</u>	<u>(6,605,665)</u>
Capital assets being depreciated, net	<u>6,524,283</u>	<u>(243,747)</u>	<u>-</u>	<u>6,280,536</u>
Governmental activities, capital assets, net	<u>\$ 28,684,980</u>	<u>\$ (243,747)</u>	<u>\$ -</u>	<u>\$ 28,441,233</u>

* Land - Saugatuck Harbor Natural Area was acquired with MNRTF assistance and shall be maintained as public outdoor use in perpetuity.

Depreciation expense was charged to various functions as follows:

General government	\$ 7,639
Public works	311,159
Recreation and culture	66,957
Internal service fund	121,127
	<u>\$ 506,882</u>

NOTE 6: LONG-TERM DEBT

The City may issue bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds and contract financing are direct obligations and pledge the full faith and credit of the City.

Long-term debt activity for the year ended June 30, 2020 is summarized as follows:

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 6: LONG-TERM DEBT, CONTINUED

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2020</u>	<u>Due Within One Year</u>
Bonds payable:					
2017 Street and Infrastructure Bonds (Unlimited Tax General Obligation due in annual amounts of \$213,000 to \$364,000, plus interest ranging from 1.2 to 2.2%, payable semi- annually, through November 2028.	\$ 2,774,000	\$ -	\$ (194,000)	\$ 2,580,000	\$ 213,000
Other liabilities:					
Compensated absences	25,975	158,583	(73,467)	111,091	31,702
Total long-term obligations	<u>\$ 2,799,975</u>	<u>\$ 158,583</u>	<u>\$ (267,467)</u>	<u>\$ 2,691,091</u>	<u>\$ 244,702</u>

Annual debt service requirements to maturity for the above obligations (excluding compensated absences) are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 213,000	\$ 44,914	\$ 257,914
2022	225,000	42,173	267,173
2023	248,000	38,974	286,974
2024	265,000	35,185	300,185
2025	286,000	30,629	316,629
2026-2029	1,343,000	59,813	1,402,813
	<u>\$ 2,580,000</u>	<u>\$ 251,688</u>	<u>\$ 2,831,688</u>

Other Obligations – In connection with outstanding Drinking Water Revolving Bonds of the Kalamazoo Lake Sewer and Water Authority, of which the City is a member, the City has pledged its full faith and credit as security on some of the debt (38.35 percent) of the Authority.

As a member of the Saugatuck Township Fire District, the City has pledged its limited tax full faith and credit on 25% of the Fire District's obligation on an installment purchase agreement dated March 1, 2016 for \$200,000. This Fire District installment purchase agreement requires five equal payments from March 1, 2017 through 2021. The amount outstanding on this Fire District debt, at June 30, 2020, was \$41,365.

NOTE 7: INTERFUND TRANSFERS

There were no interfund transfers during the current fiscal year.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 8: DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES

	<i>Governmental Activities</i>
Receivables:	
Property taxes	\$ 171
Accounts	111,030
Accrued interest	3,859
Intergovernmental	<u>119,401</u>
Total receivables	<u>\$ 234,461</u>
Accounts payable and accrued expenses:	
Accounts	\$ 402,256
Payroll liabilities	30,614
Accrued interest	<u>7,701</u>
Total accounts payable and accrued expenses	<u>\$ 440,571</u>

NOTE 9: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees (workers' compensation); and natural disasters. During the year ended June 30, 2020, the City carried commercial insurance to cover all risks of losses. The City has no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years. There was no significant change in coverage during the year.

NOTE 10: EMPLOYEE RETIREMENT BENEFIT COMMITMENTS

The City has two employee pension plans and a deferred compensation plan. One of the pension plans is a defined benefit pension plan and the other is a defined contribution plan. Information concerning each plan follows:

Defined Contribution Pension Plan (Municipal Employees' Retirement System of Michigan):

In addition to participating in the hybrid division of the defined benefit pension plan, employees hired on or after May 1, 2004 are eligible to participate in the City's defined contribution plan. The City's Defined Contribution Pension Plan is a single employer defined contribution pension plan, established by the City and administered by MERS Retirement Board. The City's contribution is 6% of each participant's base salary each month. The City's contributions for each participant and interest allocation to the participant's account are vested as follows: 0-20-40-60-80-100, fully vested after six (6) years of continuous service. Employer contributions for the plan were \$32,056 for the year ended June 30, 2020.

Defined Benefit Pension Plan (Michigan Municipal Employees' Retirement System):

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, if any, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 10: EMPLOYEE RETIREMENT BENEFIT COMMITMENTS, CONTINUED

Plan Description – The employer’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided – The following are the benefits provided from the December 31, 2019 valuation. The General Division is closed to new hires (linked to Division HA) and the HA Division is open to new hires after May 1, 2004 (linked to Division General).

	<i>01 - General (closed)</i>	<i>HA - EEs hired after 5/1/04</i>
Benefit Multiplier:	2.00% Multiplier (no max)	1.50% Multiplier (no max)
Normal Retirement Age:	60	60
Vesting:	10 years	6 years
Early Retirement (Unreduced):	-	-
Early Retirement (Reduced):	50/25	-
	55/15	-
Final Average Compensation:	5 years	3 years
Member Contributions:	0%	0%
Act 88:	No	No

Employees covered by benefit terms – At the December 31, 2019 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits:	14
Inactive employees entitled to but not yet receiving benefits:	-
Active employees:	<u>9</u>
Total	<u><u>23</u></u>

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The City is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City may establish contribution rates to be paid by its covered employees.

City contributions, for the current fiscal year, were 8.54% based on annual payroll for open divisions. One division that is closed to new employees has an annual employer contribution amount of \$1,890. The percentage rates/contribution amounts for the current year were based on the December 31, 2017 valuation.

Net Pension Liability – The City’s net pension liability reported at June 30, 2020 was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of that date.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 10: EMPLOYEE RETIREMENT BENEFIT COMMITMENTS, CONTINUED

Actuarial assumptions – The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: Inflation: 2.5%; Salary Increases: 3.00% in the long-term; Investment rate of return: 7.35%, net of investment and administrative expenses including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%. Mortality rates used were based on the RP-2014 Healthy Annuitant Tables with rates multiplied by 105 percent; RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables, all with a 50% male and 50% female blend.

The actuarial assumptions used in the December 31, 2019 valuation were based on the Experience Study of 2009 through 2013 completed in 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Gross Return	Long-Term Expected Gross Return Contribution	Inflation Assumption	Long-Term Expected Real Rate of Return
Global Equity	60.00%	7.75%	4.65%	2.50%	3.15%
Global Fixed Income	20.00%	3.75%	0.75%	2.50%	0.25%
Private Investments	20.00%	9.75%	1.95%	2.50%	1.45%
Total	100.00%		7.35%		4.85%

Discount rate – The discount rate used to measure the total pension liability is 7.6%. The projection of cash flows used to determine the discount rate assumes that City and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for the City.

Projected Cash Flows – Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in net pension liability during the measurement year were as follows:

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 10: EMPLOYEE RETIREMENT BENEFIT COMMITMENTS, CONTINUED

	<i>Increase (Decrease)</i>		
	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net Pension Liability</i>
Balances at 12/31/18	\$ 1,901,278	\$ 1,554,646	\$ 346,632
Service cost	38,917	-	38,917
Interest on total pension liability	146,990	-	146,990
Changes in benefit terms	-	-	-
Difference between expected and actual experience	46,146	-	46,146
Changes in assumptions	51,150	-	51,150
Employer contributions	-	184,830	(184,830)
Employee contributions	-	-	-
Net investment income (loss)	-	212,949	(212,949)
Benefit payments, including employee refunds	(166,721)	(166,721)	-
Administrative expenses	-	(3,673)	3,673
Net changes	116,482	227,385	(110,903)
Balances at 12/31/19	<u>\$ 2,017,760</u>	<u>\$ 1,782,031</u>	<u>\$ 235,729</u>

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the City, calculated using the discount rate of 7.6%, as well as what the City’s net pension liability would be using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	<i>1% Decrease Rate 6.6%</i>	<i>Current Rate 7.6%</i>	<i>1% Increase Rate 8.6%</i>
Net pension liability	\$ -	\$ 235,729	\$ -
Change in net pension liability as of 12/31/19	196,593	-	(168,477)
	<u>\$ 432,322</u>	<u>\$ 235,729</u>	<u>\$ 67,252</u>

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended June 30, 2020, the City recognized pension expense of \$100,163. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 10: EMPLOYEE RETIREMENT BENEFIT COMMITMENTS, CONTINUED

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference between expected and actual experience	\$ 25,735	\$ -
Changes in assumptions	40,920	-
Net difference between projected and actual earnings on pension plan investments	5,575	-
Contributions subsequent to the measurement date	235,040	-
	<u>\$ 307,270</u>	<u>\$ -</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$235,040), which will impact the net pension liability in fiscal year 2021, rather than pension expense.

<i>Year Ended</i>	<i>Amount</i>
2021	\$ 16,976
2022	18,815
2023	34,579
2024	1,860

Pension Plan Fiduciary Net Position – Detailed information about the plan’s fiduciary net position is available in the separately issued financial report found at www.mersofmichigan.com. The plan’s fiduciary net position has been determined on the same basis used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Deferred Compensation Plan:

The City has a 457(b) plan administered by VALIC for all employees. For participating employees, the City will match the employees’ contributions 100%, up to 4% of the participating employees’ earnings. Since the new option was implemented, the plan has not been actuarially valued. The City made contributions of \$21,446 and employees contributed \$72,869 to the plan for the year ended June 30, 2020.

NOTE 12: BENEFICIARY INTEREST IN ENDOWMENT

The City is the beneficiary of an endowment fund owned by the Community Foundation Holland/Zeland Area (CFHZ). The endowment fund was established at CFHZ from a third-party donor designating the funds to be used for the Saugatuck Harbor Natural Area. The balance of the endowment fund was \$584,629 at June 30, 2020.

Each year, at the discretion of CFHZ, the City is allocated a beneficiary distribution. During the current year, the City elected to not take the accumulated allocated distribution amount available of \$91,138. This amount was recognized as a receivable and deferred inflow of resources in the General Fund as of June 30, 2020.

CITY OF SAUGATUCK

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE 13: PRIOR PERIOD ADJUSTMENTS

Correction of Error – In the prior year, as of June 30, 2019, there was an account payable and expenditure that was not properly recorded by the City. The June 30, 2019 fund balance/net position (and beginning fund balance/net position for the current year) were restated to reflect the correction of this error with recording of the accounts payable and expenditure as of June 30, 2019. The effect is as follows:

	<i>Sewer Improvement Fund</i>	<i>Governmental Activities</i>
Net position, previously stated June 30, 2019	\$ 637,582	\$ 32,058,521
Record accounts payable	<u>(89,464)</u>	<u>(89,464)</u>
Net position, restated June 30, 2019	<u>\$ 548,118</u>	<u>\$ 31,969,057</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAUGATUCK

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability			
Service cost	\$ 38,917	\$ 37,969	\$ 34,851
Interest on total pension liability	146,990	147,504	143,075
Difference between expected and actual experience	51,150	(31,540)	30,967
Changes in assumptions	46,146	-	-
Benefit payments, including employee refunds	<u>(166,721)</u>	<u>(154,928)</u>	<u>(155,248)</u>
Net change in total pension liability	116,482	(995)	53,645
Total pension liability - beginning	<u>1,901,278</u>	<u>1,902,273</u>	<u>1,848,628</u>
Total pension liability - ending	<u>\$ 2,017,760</u>	<u>\$ 1,901,278</u>	<u>\$ 1,902,273</u>
Plan fiduciary net position			
Contributions - employer	\$ 184,830	\$ 142,983	\$ 88,869
Contributions - employee	-	-	-
Net investment income (loss)	212,949	(64,967)	196,651
Benefit payments, including employee refunds	(166,721)	(154,928)	(155,248)
Administrative expenses	<u>(3,673)</u>	<u>(3,179)</u>	<u>(3,116)</u>
Net change in plan fiduciary net position	227,385	(80,091)	127,156
Total plan fiduciary net position - beginning	<u>1,554,646</u>	<u>1,634,737</u>	<u>1,507,581</u>
Total plan fiduciary net position - ending	<u>\$ 1,782,031</u>	<u>\$ 1,554,646</u>	<u>\$ 1,634,737</u>
City's net pension liability	<u>\$ 235,729</u>	<u>\$ 346,632</u>	<u>\$ 267,536</u>
Plan fiduciary net position as a percentage of the total pension liability	88.32%	81.77%	85.94%
Covered employee payroll	\$ 514,779	\$ 486,191	\$ 429,750
City's net pension liability as a percentage of covered employee payroll	45.79%	71.30%	62.25%

Notes:

The amounts presented for each year were determined as of December 31.

GASB Statement No. 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

continued

CITY OF SAUGATUCK

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS, CONTINUED

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 31,064	\$ 31,513	\$ 32,443
Interest on total pension liability	142,273	134,424	126,526
Difference between expected and actual experience	(37,535)	(16,662)	-
Changes in assumptions	-	85,100	-
Benefit payments, including employee refunds	<u>(100,096)</u>	<u>(70,168)</u>	<u>(55,359)</u>
Net change in total pension liability	35,706	164,207	103,610
Total pension liability - beginning	<u>1,812,922</u>	<u>1,648,715</u>	<u>1,545,105</u>
Total pension liability - ending	<u>\$ 1,848,628</u>	<u>\$ 1,812,922</u>	<u>\$ 1,648,715</u>
Plan fiduciary net position			
Contributions - employer	\$ 59,767	\$ 54,418	\$ 48,722
Contributions - employee	-	-	-
Net investment income (loss)	157,635	(22,138)	86,198
Benefit payments, including employee refunds	(100,096)	(70,168)	(55,359)
Administrative expenses	<u>(3,111)</u>	<u>(3,165)</u>	<u>(3,177)</u>
Net change in plan fiduciary net position	114,195	(41,053)	76,384
Total plan fiduciary net position - beginning	<u>1,393,386</u>	<u>1,434,439</u>	<u>1,358,055</u>
Total plan fiduciary net position - ending	<u>\$ 1,507,581</u>	<u>\$ 1,393,386</u>	<u>\$ 1,434,439</u>
City's net pension liability	<u>\$ 341,047</u>	<u>\$ 419,536</u>	<u>\$ 214,276</u>
Plan fiduciary net position as a percentage of the total pension liability	81.55%	76.86%	87.00%
Covered employee payroll	\$ 415,545	\$ 431,705	\$ 448,820
City's net pension liability as a percentage of covered employee payroll	82.07%	97.18%	47.74%

CITY OF SAUGATUCK

SCHEDULE OF CITY DEFINED BENEFIT PLAN PENSION CONTRIBUTIONS

Last Ten Fiscal Years

	<u>2019</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 44,944	\$ 53,191	\$ 55,048	\$ 48,167	\$ 42,929
Contributions in relation to the actuarially determined contribution	<u>284,627</u>	<u>169,732</u>	<u>142,048</u>	<u>82,167</u>	<u>54,929</u>
Contribution (excess) deficiency	<u>\$ (239,683)</u>	<u>\$ (116,541)</u>	<u>\$ (87,000)</u>	<u>\$ (34,000)</u>	<u>\$ (12,000)</u>
Covered-employee payroll	\$ 514,779	\$ 486,191	\$ 429,750	\$ 415,545	\$ 431,705
Actuarially determined contribution as a percentage of covered-employee payroll	8.73%	10.94%	12.81%	11.59%	9.94%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 40,058	\$ 34,195	\$ 34,876	\$ 31,658	\$ 30,810
Contributions in relation to the actuarially determined contribution	<u>52,058</u>	<u>46,195</u>	<u>34,876</u>	<u>31,658</u>	<u>30,810</u>
Contribution (excess) deficiency	<u>\$ (12,000)</u>	<u>\$ (12,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 448,820	\$ 415,480	\$ 399,806	\$ 379,108	\$ 380,376
Actuarially determined contribution as a percentage of covered-employee payroll	8.93%	8.23%	8.72%	8.35%	8.10%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 18 months prior to the beginning of the fiscal year in which the contributions are required

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed and open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.5%
Salary increases	3.00% in the long term
Investment rate of return	7.35%, net of investment and administrative expense including inflation
Retirement age	Age-based table of rates that are specific to the type of eligibility condition.
Mortality	50% Male - 50% Female blend of the RP-2014 Group Annuitant Mortality Tables, with rates multiplied by 105%; RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables

Note: Information presented is as of fiscal year end of each year.

CITY OF SAUGATUCK

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2020

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variances with Final Budget Favorable (Unfavorable)</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Property taxes	\$ 1,957,200	\$ 1,958,109	\$ 1,958,770	\$ 661
Licenses and permits	22,500	64,000	64,289	289
State grants	105,800	242,330	251,003	8,673
Charges for services	584,000	699,030	801,781	102,751
Fines and forfeits	6,000	6,800	7,184	384
Interest and rents	32,500	52,500	74,955	22,455
Other revenue	3,000	33,000	32,933	(67)
Total revenues	<u>2,711,000</u>	<u>3,055,769</u>	<u>3,190,915</u>	<u>135,146</u>
Expenditures:				
Current				
General government				
Council	49,550	61,550	51,824	9,726
Administration	187,650	191,950	190,801	1,149
Clerk	95,350	140,400	133,726	6,674
Audit	10,000	10,000	9,850	150
Treasurer	107,700	122,700	121,104	1,596
Assessing	43,350	43,360	36,182	7,178
Building and Grounds	29,900	30,150	22,836	7,314
Total general government	<u>523,500</u>	<u>600,110</u>	<u>566,323</u>	<u>33,787</u>
Public safety				
Police	<u>380,000</u>	<u>380,000</u>	<u>362,804</u>	<u>17,196</u>
Public works				
Department of public works	387,550	562,050	514,920	47,130
Street lighting	25,000	25,000	24,346	654
Harbor	4,500	8,000	6,650	1,350
Total public works	<u>417,050</u>	<u>595,050</u>	<u>545,916</u>	<u>49,134</u>
Community and economic development				
Planning and Zoning	<u>79,150</u>	<u>79,160</u>	<u>74,533</u>	<u>4,627</u>

continued

CITY OF SAUGATUCK

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE, CONTINUED

Year Ended June 30, 2020

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variances with Final Budget Favorable (Unfavorable)</i>
	<i>Original</i>	<i>Final</i>		
Recreation and culture				
Historic District Commission	48,250	48,250	44,391	3,859
Rose Garden	7,500	7,500	7,891	(391)
Parks and Recreation	385,950	399,757	279,512	120,245
Oval Beach	200,650	214,225	189,170	25,055
Oval concession	88,050	88,550	62,973	25,577
Spear Boat Launch	2,250	2,250	336	1,914
Total recreation and culture	<u>732,650</u>	<u>760,532</u>	<u>584,273</u>	<u>176,259</u>
Capital outlay	<u>585,650</u>	<u>632,350</u>	<u>52,680</u>	<u>579,670</u>
Total expenditures	<u>2,718,000</u>	<u>3,047,202</u>	<u>2,186,529</u>	<u>860,673</u>
Change in fund balance	(7,000)	8,567	1,004,386	995,819
Fund balance, beginning of year	<u>3,195,293</u>	<u>3,195,293</u>	<u>3,195,293</u>	-
Fund balance, end of year	<u>\$ 3,188,293</u>	<u>\$ 3,203,860</u>	<u>\$ 4,199,679</u>	<u>\$ 995,819</u>

CITY OF SAUGATUCK

MAJOR STREET FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2020

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variances with Final Budget Favorable (Unfavorable)</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
State grants	\$ 95,000	\$ 95,000	\$ 101,569	\$ 6,569
Contributions from other units	76,000	81,623	81,623	-
Interest and rents	<u>5,000</u>	<u>6,200</u>	<u>6,304</u>	<u>104</u>
Total revenues	<u>176,000</u>	<u>182,823</u>	<u>189,496</u>	<u>6,673</u>
Expenditures:				
Current				
Public works	<u>176,000</u>	<u>182,823</u>	<u>70,350</u>	<u>112,473</u>
Change in fund balance	-	-	119,146	119,146
Fund balance, beginning of year	<u>453,106</u>	<u>453,106</u>	<u>453,106</u>	<u>-</u>
Fund balance, end of year	<u>\$ 453,106</u>	<u>\$ 453,106</u>	<u>\$ 572,252</u>	<u>\$ 119,146</u>

CITY OF SAUGATUCK

LOCAL STREET FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2020

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variances with Final Budget Favorable (Unfavorable)</i>
	<i>Original</i>	<i>Final</i>		
Revenues:				
Property taxes	\$ 300,800	\$ 306,856	\$ 306,959	\$ 103
State grants	59,000	59,000	62,031	3,031
Contributions from other units	77,000	81,623	81,623	-
Interest and rents	5,000	14,500	18,467	3,967
Total revenues	<u>441,800</u>	<u>461,979</u>	<u>469,080</u>	<u>7,101</u>
Expenditures:				
Current				
Public works	<u>441,800</u>	<u>461,979</u>	<u>120,395</u>	<u>341,584</u>
Change in fund balance	-	-	348,685	348,685
Fund balance, beginning of year	<u>1,312,498</u>	<u>1,312,498</u>	<u>1,312,498</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,312,498</u>	<u>\$ 1,312,498</u>	<u>\$ 1,661,183</u>	<u>\$ 348,685</u>

CITY OF SAUGATUCK

SEWER IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variances with Final Budget Favorable (Unfavorable)</i>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 2,000	\$ 8,450	\$ 8,450	\$ -
Interest and rents	<u>4,000</u>	<u>6,000</u>	<u>15,468</u>	<u>9,468</u>
Total revenues	<u>6,000</u>	<u>14,450</u>	<u>23,918</u>	<u>9,468</u>
Expenditures:				
Current				
Public works	<u>6,000</u>	<u>52,750</u>	<u>41,566</u>	<u>11,184</u>
Change in fund balance	-	(38,300)	(17,648)	20,652
Fund balance, beginning of year, restated	<u>548,118</u>	<u>548,118</u>	<u>548,118</u>	<u>-</u>
Fund balance, end of year	<u>\$ 548,118</u>	<u>\$ 509,818</u>	<u>\$ 530,470</u>	<u>\$ 20,652</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF SAUGATUCK

GOVERNMENTAL ACTIVITIES
SCHEDULE OF INDEBTEDNESS

June 30, 2020

2017 STREET AND INFRASTRUCTURE REFUNDING BONDS (UNLIMITED TAX GENERAL OBLIGATION)

Issue dated October 11, 2017 in the amount of	\$ 2,793,000
Less: Principal paid in prior years	(19,000)
Principal paid in current year	<u>(194,000)</u>
Balance payable at June 30, 2020	<u>\$ 2,580,000</u>

Balance payable as follows:

<u><i>Year Ended</i></u>	<u><i>Interest Rate</i></u>	<u><i>Principal due November 1</i></u>	<u><i>Interest due November 1</i></u>	<u><i>Interest due May 1</i></u>	<u><i>Total Annual Requirement</i></u>
2021	1.200%	\$ 213,000	\$ 23,096	\$ 21,818	\$ 257,914
2022	1.300%	225,000	21,818	20,355	267,173
2023	1.400%	248,000	20,355	18,619	286,974
2024	1.550%	265,000	18,619	16,566	300,185
2025	1.750%	286,000	16,566	14,063	316,629
2026	1.900%	307,000	14,063	11,147	332,210
2027	2.100%	326,000	11,147	7,724	344,871
2028	2.150%	346,000	7,724	4,004	357,728
2029	2.200%	364,000	4,004	-	368,004
		<u>\$ 2,580,000</u>	<u>\$ 137,392</u>	<u>\$ 114,296</u>	<u>\$ 2,831,688</u>



City Council Agenda Item Report

FROM: Karen Doyle Homan
MEETING DATE: December 28, 2020
SUBJECT: Drinking Water Asset Management Grant

DISCUSSION

Please find attached a Drinking Water Asset Management Grant application. This is a 100% funded grant program developed by EGLE that helps communities financially comply with the requirements of the Lead and Copper Rule. Last year, the City reported to EGLE that of our 907 services, 203 contain lead, 198 were previously connected to lead, 229 were unknown, and 277 were known to not contain lead. One of the things this grant program is targeting is the identification of lead services lines, turning any unknowns into knowns. In addition, the grant would be used for:

- Doing survey work to pinpoint the exact locations of hydrants, valves, curb stops, etc. to improve the accuracy and linkage of our GIS
- A comprehensive asset inventory
- Condition assessment
- Preparation of a formal capital improvements plan and asset management plan
- A water system rate analysis

The amount the City is applying for is \$209,000. It is 100% grant with no local matching funds required. This is a new program, and we cannot gauge how competitive our application will be.

BUDGET ACTION REQUIRED N/A

LEGAL REVIEW - N/A

SAMPLE MOTION: Motion to authorize Mayor Bekken to sign the Drinking Water Asset Management Grant on behalf of the City of Saugatuck.



DRINKING WATER ASSET MANAGEMENT (DWAM) GRANT APPLICATION

Sec. 1001, 2019 PA 57

Public Act 57 of 2019 was made effective on September 29, 2019. Section 1001 denotes language to provide grants for asset management plan creation and distribution system materials inventory.

Grants may be awarded for Asset Management Plan (AMP) development or updates, and/or distribution system materials inventory (DSMI) related activities. The maximum grant amount allowable per applicant is \$1 million. There are no local match requirements. Applications will be accepted continuously until funding is exhausted. Applications will be awarded on a quarterly funding cycle. The Michigan Department of Environment, Great Lakes, and Energy (EGLE) may reevaluate program and system needs after one year. Grant applications must be received by close of business on these dates to be funded in the applicable quarterly funding cycle:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Application Deadline	January 1, 2021	April 1, 2021	July 1, 2021	October 1, 2021
Anticipated Grant Award Date (on or before)	March 15, 2021	June 15, 2021	September 15, 2021	December 15, 2021

Type I Community Water Supplies and Type II Nontransient Noncommunity Water Supplies are eligible to apply. Applicants must not appear on the federal Debarment and Suspension List and must be in good standing with EGLE programs (i.e., no EGLE grant revoked or terminated and no demonstrated inability to manage a grant or meet obligations in a project contract with EGLE).

Application for DWAM Grant

Applicant Name:	Project Name:
Project Location (City or Village or Township, and County):	Population Served by System:
Estimated Project Start Date (month/year):	Estimated Project End Date (month/date/year):
Project Contact #1 (Authorized Signatory): Name: Title: Telephone: Address: E-mail address:	Project Contact #2 (Consulting Engineer or other): Name: Title: Telephone: Address: E-mail address: jmoxey@fveng.com

Project Summary: Attach project workplan or summary pages; should include project need, what will be addressed and how, and map(s) illustrating project work areas.

Project Cost Information: Attach documentation of estimated project costs in project workplan/summary (may include vendor estimates/quotes, contracts, etc.). Grant eligible costs are those that are associated with AMP creation/update and/or DSMI. This may include asset inventory and condition assessment, level of service, criticality assessment, revenue structure review/development, and Capital Improvement Planning as part of AMP creation/update; equipment purchase if needed and used as a direct interface for asset management or materials assessment; and verification of materials for Final DSMI, including potholing/hydrovacating/trenching for inventory/planning purposes. Additional eligibility items as related to equipment purchases is discussed on the [DWAM Grant Overview Guidance Document](#).

Eligibility is project specific and determined on a case-by-case basis by EGLE. Costs not eligible for grant inclusion include, but are not limited to, tangible permanent construction.

Provide Estimated Project Costs:

1. AMP Costs	
2. DSMI Costs	
3. Equipment Purchase Costs	
4. Project Cost Subtotal	
5. Requested Grant Amount*	

*Total grant amount cannot exceed \$1,000,000.

Ranking/Scoring: Projects will be batched and scored in each quarterly funding cycle. Scores will be based on the criteria established in the [DWAM Grant Overview Guidance Document](#).

Fill in the appropriate response below:

- Has the water supply had a lead or copper Action Level Exceedance (ALE) in the past three years?
Yes No
- Did the water supply submit its Preliminary DSMI to EGLE? Yes No If yes:

Number of service lines that are ‘unknown-likely contains lead’ that need to be verified for Final DSMI:

Number of service lines that are ‘unknown-likely does not contain lead’ that need to be verified for Final DSMI:

Number of service lines that are 'material unknown' that need to be verified for Final DSMI:

Total number of service lines in the water supply:

- 3. Has the water supply implemented an EGLE-approved AMP? Yes No
- 4. Has the water supply entered into an Administrative Consent Order with EGLE related to AMP deficiencies that will be addressed as part of the awarded grant? Yes No
- 5. Was the water supply's most recent Sanitary Survey completed with no deficiencies? Yes No
- 6. Did the water supply complete the Michigan Infrastructure Council's [Asset Maturity Assessment](#)? Yes No

I certify that the information provided in this application is complete, true, and accurate to the best of my knowledge.

Printed Name and Title:	Signature:	Date:

Submit completed form and applicable attachments to EGLE-DWGrants@michigan.gov.

Or via U.S. mail to: Michigan Department of Environment, Great Lakes, and Energy
 Finance Division – Water Infrastructure Financing Section
 525 West Allegan Street
 P.O. Box 30457
 Lansing, Michigan 48909-7957

For information or assistance on this publication, please contact the program, through EGLE Environmental Assistance Center at 800-662-9278. This publication is available in alternative formats upon request.

EGLE does not discriminate on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation in the administration of any of its programs or activities, and prohibits intimidation and retaliation, as required by applicable laws and regulations.

This form and its contents are subject to the Freedom of Information Act and may be released to the public.

Project Summary

The purpose of this project narrative is to fulfill the requirements of the Drinking Water Asset Management (DWAM) Grant application for the City of Saugatuck, located in Allegan County. This grant will help address unknown service materials outlined in the Preliminary Distribution System Materials Inventory (DSMI) and prepare updates to the City's Water Asset Management Plan.

The City of Saugatuck, located in the western part of Allegan County in Southwest Michigan, is part of a type 1 public water supply and distribution system operated by Kalamazoo Lake and Water Authority (KLSWA), which serves the City of Saugatuck, the City of the Village of Douglas, and portions of Saugatuck Township and Laketown Township. KLSWA has three certified water department employees to maintain the system. The City currently has a population of approximately 1,012.

The assets of the City of Saugatuck among the KLSWA publicly owned water supply system consist of two wells with a capacity of 175,000 gallons per day (gpd), with water treatment at the wells consisting of phosphate for iron sequestering and chlorine for disinfection. The City also owns one water tower with a total storage capacity of 1.0 million gallons, watermain ranging from 4-inches to 16-inches in diameter, 99 fire hydrants with valves, and 270 watermain valves. The water system infrastructure supplies water to 907 water customers in the City.

Of the 907 total service connections, 229 water service lines have a material that is currently unknown. The City is concerned that many of the 229 unknown service line materials are made of or contain lead material. The City proposes to hire a contractor to uncover a representative sample of these water services to determine their type of material. KLSWA or City staff will provide in-building documentation of service line materials, the cost of which has been estimated based on force account labor requirements. This information will then be used by the City to update its water system and service line GIS, update the current DSMI report, and for implementation of its lead replacement program.

The City of Saugatuck also proposes to update its current Water Asset Management Plan (AMP). The current plan was prepared and submitted to EGLE in 2017. The current plan included an inventory of water system assets based on paper records and a simplified criticality assessment primarily based on asset age. The updated plan proposes to complete a field-based GPS inventory of utility valves and hydrants, shut-off valves and meter/point of entry to home. A field condition assessment of source, treatment and storage assets will be completed.

The asset inventory and condition assessment will be documented into the City's existing GIS data and mapping system and a criticality analysis will be performed on the new and updated asset information using InfoAsset Planner software (Innovyze) to determine risk and an updated Capital Improvement Plan for the utility.

The following section provides details of the proposed scope of services for this application.

Project Scope of Services

Item 1: Water System Asset Management Plan Update

Task 1. Water System Asset Inventory and Documentation

- A **comprehensive asset inventory** of all existing water mains, valves, hydrants, source wells, treatment systems and storage within the City limits of the water system will be gathered and recorded. Factors such as age, size, useful life, replacement cost and condition of all these assessments will be determined.
 - a. All existing hydrants, valves, service line stop boxes and meter/point of entry into homes will be field located with GPS equipment, and the City's current GIS mapping system will be updated.

- b. The two wellhouses and storage tank will also be located and included in the asset inventory, along with the rest of the water treatment process.
- Asset Inventory Documentation
 - a. Create a GIS format map of the water system components including locating the individual components, processing data collected, importing gathered data into the GIS. This GIS component will be part of the larger GIS system for the City of Saugatuck.
 - b. Utility Base Mapping. Acquire and assemble a Base GIS map, including the necessary fieldwork, research and data processing/manipulation.
 - c. Records Scanning. Scan documents and save them in specified file structures for linking to geographically referenced items with the GIS.
 - d. Create GIS with field survey including digital records linkage.
 - i. Converting and manipulating the various files and information required for the GIS from their native formats into the proper data format for the GIS. The existing water system CAD map will be used to create the GIS map with actual field location to tie the map to the GIS base. Survey data, scanned records (plans, etc.) and other sources will be utilized as appropriate.
 - ii. Linking of records and other data to the geographic map within the GIS.

Task 2. Water System Condition Assessment

- A field condition assessment of operations related fixed assets will be performed including wells and wellhouses, water treatment and storage facilities. The assessment will include the following information:
 - Brief description and GPS location of asset;
 - Photographic documentation of asset;
 - Narrative of asset condition based on field inspection;
 - Recommended improvement/replacement of assets including timelines and costs for inclusion with the Capital Improvement Plan.

Task 3. Water System Criticality and Level of Service Assessment and Capital Improvement Plan

- Once baseline information is gathered, a **criticality assessment** will be performed to understand the most important assets to be monitored, repaired or replaced. This will allow the City to better manage their assets and will aid in the decision making for where to allocate operation and maintenance and capital improvement funds. All the City's water system assets will be entered into InfoAsset Planner, a software that will evaluate criticality based on gathered information and develop a capital improvement plan for the utility. The software will assign likelihood of failure and consequence of failure values to each asset, along with rehabilitation and replacement recommendations and costs.
- From this criticality assessment, a **capital improvement plan (CIP)** will be created to provide costs to the repair and replacement actions that must be implemented. Develop a list of short-term (1-5 years) and long-term (5-20 years) capital projects in a Capital Improvements Plan to meet the Level of Service goals. Prioritize the capital projects, provide preliminary budgeting, implementation planning and summarize available funding.
- Level of Service Agreement Development or Update.
 - Establish and define the way the water system utility managers, operators, and public officials want the water system to perform over the long term. Define the required "sustainable" level of service for the system.

- Develop a draft Level of Service Agreement document to establish goals and performance criteria that the utility wishes to meet. The key components to address will be as follows:
 - a. Communicate the system's operation to the customers;
 - b. Determine critical assets;
 - c. Provide a means of assessing overall system performance;
 - d. Provide a direct link between costs and service;
 - e. Serve as an internal guide for system management and operations staff;
 - f. Provide information for system annual report;
- Finalize the expected level of service and prepare a final Level of Service Agreement document.
- Assist the City to present a draft of a new Level of Service Agreement and solicit input from public on reasonable and attainable levels of service and anticipated risks and costs.

Task 4: Public Education Efforts

- Due to the 203 water service lines that any portion contain lead, the City of Saugatuck will create a public outreach program to effectively communicate the purpose of hydrovacing (potholing) unknown water service lines.
- Assist the City in holding public information meetings to inform the public of the importance of knowing the material of water service lines, the dangers involved with lead material in water service lines and solutions the City is pursuing through this Grant.
- Help the City prepare mailed materials to inform the public of the importance of knowing the material of water service lines, the dangers involved with lead material in water service lines and solutions the City is pursuing through this Grant.

Task 5: Revenue Structure Development

- Review of existing rate structure by meter size, user classification, outside customers, current rate resolutions/ordinances and past rate studies.
- Review of current revenue and OM&R expenses and estimates of required budget line-item costs for the next five years to meet level of service goals and Capital Improvement Plan implementation.
- Previous water rate analysis was conducted in 2017 for the current WAMP. A budget of \$9,500 will be included to update the water rate structure.
- Make recommendations for needed rate increases over the next five years.
- Assist the City in presentation of proposed rate structure in public meeting.

Item 2: Water System Final DSMI Development

Task 1: DSMI Field Inventory

- To help determine the material of unknown water service lines, hydrovacing (potholing) technology will be utilized to obtain an accurate sample of the unknown service line materials. It is recommended, due to the size of the water system, to hydrovac/pothole 92 unknown water services, which is approximately 40% of the unknown water services. This will give a good representative sample due to the residential "block" neighborhood layout of the City. If several houses in a certain block with homes/businesses built in the same construction era have the same water service material, it will be reasonable to assume the other services on that block built at the same time also have the same water service material.

- A quote from Plummer's Environmental Services for hydrovacating (potholing) is attached in Appendix D. A quote from the City's DPW staff and Fleis & VandenBrink Engineering for in-home verification is attached in Appendix E. A 10% cost-of-living increase is added to the quotes to account for inflation if work does not begin until 2023.
- Prepare an updated DSMI report to submit to EGLE based on field gathered information.

Item 3: Equipment Purchase Costs

Task 1. Software

- The City will use free ESRI reader software to access the GIS mapping.

Task 2. GIS Hardware

- Purchase one (1) laptop and (1) desktop or equivalent to operate GIS.

Supplementary Information

Appendix A: City of Saugatuck Project Work Area

Appendix B: Application Cost Details

Appendix C: Rate Study Quote

Appendix D: Plummer's Hydrovacating/Potholing Quote

Appendix E: City's In-home Verification Quote

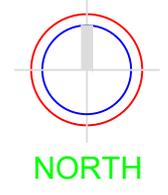
APPENDIX A
CITY OF SAUGATUCK PROJECT WORK AREA

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CITY OF SAUGATUCK

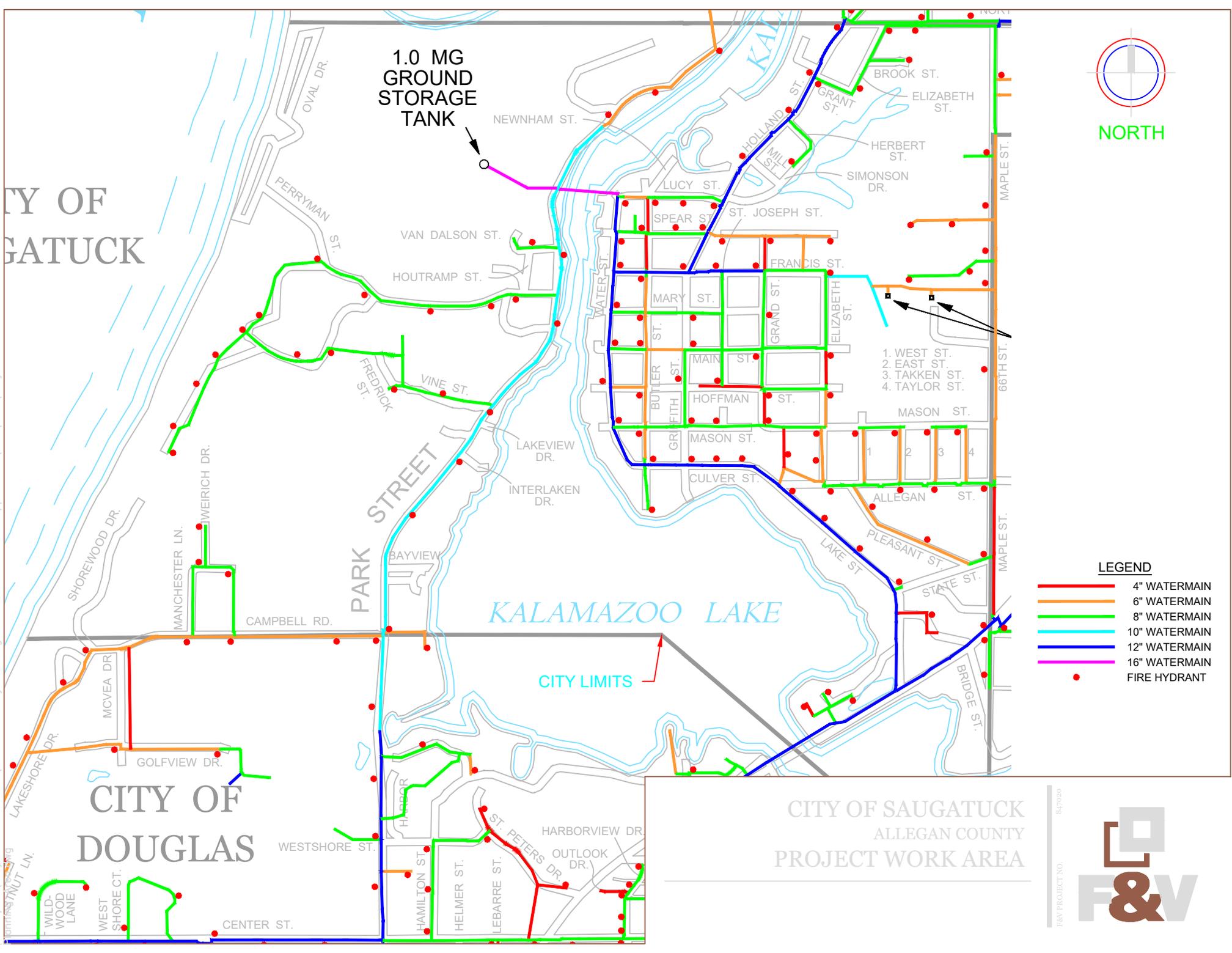
CITY OF DOUGLAS

1.0 MG GROUND STORAGE TANK



LEGEND

	4" WATERMAIN
	6" WATERMAIN
	8" WATERMAIN
	10" WATERMAIN
	12" WATERMAIN
	16" WATERMAIN
	FIRE HYDRANT



CITY OF SAUGATUCK
ALLEGAN COUNTY
PROJECT WORK AREA

F&V PROJECT NO. 847020



APPENDIX B
APPLICATION COST DETAILS

EGLE Drinking Water Asset Management Budgeting Spreadsheet

BUDGET SUMMARY

Client: Saugatuck
 Project Number: 847020

SUMMARY TABLE: ESTIMATED GRANT APPLICATION BUDGET

SPREADSHEET TAB	WORK TASK	TASK BUDGET
Tab 2	DSMI Field Work - (Sub-Contractor)	\$ 61,500
Tab 3	Field Locate Service Line/Main Line Valves	\$ 52,000
Tab 4	Treatment & Source Assessment	\$ 19,000
Tab 5	Material and Service/Main Line Mapping	\$ 33,000
Tab 6	Asset Management Plan Report - (Update Existing)	\$ 33,500
MISC*	Laptop and Desktop Purchase	\$ 10,000
Grant Application Total		\$ 209,000

Application Form Entries

AMP Costs (tabs 3-6)	\$ 137,500
DSMI Costs (tab 2)	\$ 61,500
Equipment Purchase Costs	\$ 10,000

Grant Application Total \$ 209,000

EGLE Drinking Water Asset Management Budgeting Spreadsheet

TAB 2: DSMI FIELD WORK

Client: Saugatuck

Project Number: 847020

<u>SUB-CONTRACTOR SERVICES</u>				
<u>For Estimation Purposes</u>				<u># unknown service lines</u>
A: # unkown service lines for small system (<1,000 total service lines)				229
<u>Field Work Estimates</u>	<u># of SL's</u>	<u>Rate</u>	<u>Est. Cost</u>	
Estimated DSMI Field Work (small system) 40%	92	\$ 450.00	\$	41,400.00
In-Building Verification (small system) 40%	92	\$ 154.00	\$	14,168.00
10% Cost-of-Living			\$	5,600.00
		TOTAL	\$	61,500.00

EGLE Drinking Water Asset Management Budgeting Spreadsheet

TAB 3: FIELD LOCATE SERVICE LINE STOP BOXES AND MAIN LINE VALVES

Client: Saugatuck

Project Number: 847020

Field locate valves, hydrants, shut offs at street right of way and meter/point of entry to house

Number of valves/hydrants = 369 Number of service lines = 907

Total= \$ 52,000

EGLE Drinking Water Asset Management Budgeting Spreadsheet

TAB 4: TREATMENT AND SOURCE CONDITION ASSESSMENT

Client: Saugatuck

Project Number: 847020

Water Treatment Facility	
Total	\$ 5,230.00

Wellhouse	
Number of Wellhouses	2
Total	\$ 5,480

Storage Tank	
Number of Storage Tanks	1
Total	\$ 6,740

Drive Time and Mileage	
Distance One-Way (miles)	50
Total	\$ 1,404

TOTAL

\$ 19,000

EGLE Drinking Water Asset Management Budgeting Spreadsheet

TAB 5: MATERIAL AND SERVICE/MAIN LINE MAPPING

Client: Saugatuck

Project Number: 847020

Update Existing Water System GIS	Field locate valves, hydrants, shut offs and meter/point of entry to building
	907 Service Connections
Total	\$ 33,000

EGLE Drinking Water Asset Management Budgeting Spreadsheet

TAB 6: WATER ASSET MANAGEMENT PLAN REPORT

Client: Saugatuck

Project Number: 847020

AMP COST BREAKDOWN - UPDATE

ALT 1: SMALL UTILITY SYSTEM - (UP TO 1,000 TOTAL SERVICE LINES)

Item	Amount
Asset Inventory and Criticality Update	
sub total	\$ 8,500
Report Update: Narrative, LOS, CIP	
sub total	\$ 5,500
Public Education Efforts	
sub total	\$ 10,000
Rate Methodology/Financial Analysis Update	
sub-total	\$ 9,500
ESTIMATED COST TO UPDATE SMALL UTILITY AMP REPORT	\$ 33,500

APPENDIX C
RATE STUDY QUOTE



December 18, 2020

Mr. Peter Tierney
RE: City of Saugatuck
102 Butler St
Saugatuck, MI 49453

Dear Mr. Tierney,

It is a pleasure to submit this engagement letter to provide a water financial projection incorporating the asset management plan (AMP) for the City of Saugatuck, MI. This letter describes the scope of services and fees to complete the tasks below.

A financial projection is a tool used to determine where a utility is financially today and over the forecast period typically 5 to 20 years. In each year, the projected financial statements are compared to key financial targets developed as part of the analysis. The key financial targets include revenue requirements, recommended minimum cash reserves, debt coverage ratio as required in bond ordinances and any necessary bonding requirements to fund capital improvements.

The long-term projection identifies the rate adjustments needed to work towards or maintain the financial health of the utility. This is a key financial tool used when different capital, expense or revenue scenarios need to be analyzed to determine the rate impact to customers. For example, if a large capital improvement is planned, the model can be used to determine its impact on the key targets, the rate track and bonding requirements – or a combination thereof. It is a powerful tool to run “what-if” scenarios and its financial impact to ratepayers. This allows incorporating grant funding, capital improvements, various back up scenarios, and identify the bonding requirements. Financial projections should be updated every year with the budget process.

Financial Projection Update and Rate Design Scope of Services

- Financial Projection incorporating revenues, expenses and capital:
 - a. Five-year financial projection including the AMP as provided by Fleis & Vandenbrink
 - b. Identification of five-year rate adjustments needed
 - c. Identification of projected debt coverage ratios
 - d. Minimum cash reserve for the utility to maintain
 - e. Identification of target operating income
- Rate Design for one-year at current rate structure (a full cost of service study is not being performed). Additional years upon request at out of scope pricing.
 - a. Impact of rate designs at various usage levels within each meter size (if applicable)
- Executive Summary report for Management
 - a. Identifying process and results of study
- Presentation to Management and the Board of Directors/City Council
 - a. Presentation of results via WebEx upon request and hourly pricing (currently, all presentations will be done remotely)

Optional Cost of Service Study

An optional study for communities to consider is a cost of service study. A cost of service study is a method to equitably allocate the revenue requirements of the utility among the various customer classes (or meter size) of service. The revenue requirements are determined for a single test period and is not used as a “forecasting” tool like the financial projection.

There are two main objectives of a cost of service study:

1. Defines revenue requirement to provide services to customers.
2. Allocates revenue requirements to determine optimal rate structure: Customer charge and commodity charge.

The process of a cost of service study starts with the determination of Revenue Requirements for a test period. The revenue requirements are then separated by function and classified by certain costs drivers in order to allocate to the proper customer classes/meter size. Rates are then designed using the cost of service results as a guide along with other rate making decisions. Cost of service studies should be performed every 3-5 years or when there is a significant change in operations or capital improvement.

Qualifications Introduction

UFS has a long-standing relationship and over 15 years of history in assisting municipalities with cost of service and financial analysis for municipal utilities and are recognized experts in the utility field. Our group and the project team assigned to this engagement is composed of highly qualified, experienced, and knowledgeable professionals who remain current on issues facing utilities. UFS' reputation has resulted in an industry leading status shown by our frequent request to instruct classes and speak at conferences around the nation.

UFS provides consulting services to assist publicly-owned utilities in meeting their strategic and financial objectives. Services are designed to ensure complete client satisfaction and a commitment that:

- Services will be completed in the agreed upon timeframe
- Services are delivered within budget for services requested
- Services provided will meet or exceed client expectations
- Services will be unbiased and independent recommendations provided to the utility

Name and title of primary contact person

Dawn Lund

Vice-President, Utility Financial Solutions, LLC

E-mail – dlund@ufsweb.com

Cell - (231) 218-9664

Resumes

The next section consists of resumes of the team members assigned to this engagement.



Mark Beauchamp, CPA, CMA, MBA

President, Utility Financial Solutions, LLC

Email: mbeauchamp@ufsweb.com

Cellular: 616.403.5450

Location: Holland, MI

Education

- AAS Water Purification Technology
- ABA Business Administration
- BBA Major – Accounting
- MBA Master’s Degree in Business

Course Instructor

American Public Power Association (APPA)

- Advanced Cost of Service Course (Cash Basis & Utility Basis of Ratemaking)
- Intermediate Cost of Service (Cash Basis & Utility Basis of Ratemaking)
- Basic Cost of Service (Cash Basis and Utility Basis of Ratemaking)
- Financial Planning for Municipal Utilities
- Financial Planning for Board & Councils
- Financial Planning and Rate Setting for Managers (Part of Managers Certificate Program)

American Municipal Power (AMP)

- Financial Planning and Rate Designs for Electric Utilities

Expert Witness Service

- Detroit Edison vs. Ameritech – Provided expert witness services for Detroit Edison on development of Pole Attachment Rates for Ameritech
- Nebraska State Unicameral – Served as an expert witness before the state of Nebraska Unicameral on Proper rate setting and credits to provide customer installed renewable generation
- Dayton Power & Light – Provided expert witness services on pole attachment rates. Case was resolved prior to Court appearance
- Coldwater Board of Public Works – Provide expert witness services on rate challenge by large industrial customer. Case was dropped after deposition was provided
- Smethport PA – Provided deposition and responses to Pennsylvania Public Service Commission on Rate Filing for Smethport

License and Qualifications

- Class “A” license in wastewater treatment from the State of Michigan
- (CPA) Certified Public Accountant – Wisconsin
- (CMA) Certified Management Accountant – Institute Certified Management Accountants

Course Instructor

Michigan State University

- Advanced Issues in Cost Allocation (Utility Basis of Rate Making)
- Retail Costing and Pricing of Electricity
- Wholesale Costing and Pricing of Electricity

Southwest American Water Works Association

Michigan Rural Water Association

- Cost of Service & Rate Making for Water Utilities

Michigan Finance Government Officers Association

- Cost of Service & Rate Making for Water & Wastewater Utilities

Industry Involvement

- Member of the American Public Power Association
- Member of the American Water Works Association
- Member of the Institute of Management Accountants
- Speaker at national conferences on Financial Planning for Municipal Utilities, Pricing for Water Utilities, Pricing Fiber Optic backbone systems, Unbundling Electric Rates, and Ways to Attract and Retain Customers
- Author of articles appearing in national magazines and newsletters regarding pricing fiber optics, unbundling electric rates, and designing water rates

Dawn Lund

Vice-President, Utility Financial Solutions, LLC



Dawn Lund is Vice-President of Utility Financial Solutions, LLC and has over 25 years of experience in financial analysis for utility systems. She is a consultant that provides financial assessment, cost of service studies and financial plans for electric, water and wastewater utilities throughout the country. She also teaches financial planning courses for organizations across the country and is a regularly requested speaker for a variety of utility financial topics.

Email: dlund@ufsweb.com

Cellular: 231.218.9664

Location: Traverse City, MI

Cost of Service (COS)

- Completed electric water and wastewater cost of service and rate design studies for utilities across the country, Guam, the Caribbean and Canada
- Determining appropriate allocations of overhead costs between utility services

Long-term financial analysis

- Development of long-term sales and expense projections for electric, water, and wastewater utilities
- Development of long-term financial plan and rate track for electric, water, and wastewater

Presentation/Training

- Presentations to City Councils and Boards for approval of utility rates and proposed rate tracks
- Instructor for APPA's Financial Planning and Basic Cost of Services courses
- Monthly presentations to various organizations on topics such as: cost of Service, financial planning, Key financial targets, cash policies and how to explain rate increases to the end user, cost of services challenges/solutions, and Introduction to allocation studies

Rate Design

- Development of equitable rates between inside-city and outside-city customers
- Development of wholesale contract rates,
- Development of special rates; Economic and Time of Use
- Development of Connection Fees
- Development of rate designs to meet financial objectives of utility

Other Professional Involvement

- Member of AWWA Finance, Accounting, Management and Controls Committee
- Member of AWWA Rates and Charges Committee
- Member of MI-AWWA Education Committee
- Developing MI-AWWA Water Academy material for Cost of Service, Financial Planning
- Developed the Basic Cost of Service and Financial Planning courses for APPA
- Preferred Consulting firm for Hometown Connections Financial Planning, Cost of Service and Rate Design

Mike Johnson

Manager, Utility Financial Solutions, LLC



Mike joined Utility Financial Solutions in 2011 and has over 20 years' experience assisting utilities. He has a Higher National Diploma in Mechatronics (Combined Electrical/Mechanical Engineering). Mike is experienced in cost of service, rate making, financial/operational modeling, automation, electric utility operations, and power supply.

E-mail: mjohnson@ufsweb.com
Cellular: 608.230.5849
Location: Madison, WI

Cost of Service

- Development of cost of service studies for electric, communication, gas, water and Wastewater utilities
- Forecasts utility revenue requirements
- Cost allocation model development

Rate Design

- Provides cost of services class allocations and rate making
- Designs time of use rates
- Identify effects for different usage patterns within the same class
- Development of rates for alternative fuels and vehicles
- Evaluate marginal costs and development of line extension policies and economic development rates

Expert Witness Services

- Prepared and testified on filings to Public Utility Commission

Long Term Financial Analysis

- Develops utility financial analysis models
- Identifies growth and load forecasting
- Models rate and revenue effect for customer change within utilities (loss of customers/additional load)
- Develops target metrics for utilities including cash policies, operating income, debt coverage

Other Utility Tools

- Computes cost functionalization and allocation systems for designing and managing complex changes
- Evaluates data and system integration issues associated with new software implementations
- Provides market analysis, bidding and settlement processes analysis
- Identification and valuation of fixed assets
- Assessment of utility value for sales/purchase
- Development of risk mitigation tools, power/fuel cost adjustment mechanisms

Dan Kasbohm

Manager, Utility Financial Solutions, LLC



Dan joined Utility Financial Solutions in 2007 and has experience in conducting cost of service and financial analysis for electric, water, wastewater and cable utilities around the nation. He has a Bachelor of Science degree in Engineering and was employed in the automotive industry for 16 years. Dan is a co-instructor for the Basic and Intermediate Cost of Service courses for the American Public Power Association and has the following experience:

E-mail: dkasbohm@mail.ufsweb.com
Cellular: 616.402.7045
Location: Grand Haven, MI

Cost of Service (COS)

- Identification of fixed/variable costs related to:
 - Customer availability to be served
 - Commodity based costs
 - Demand based costs
- Identification of class to class subsidization
- Utility cost breakdown by function
- Detailed cost unbundling

Long-term financial analysis & identification of:

- Utility revenue requirements (utility and cash based methods)
- Debt Coverage conformance
- Minimum cash requirements
- Optimal operating income targets
- Optional rate adjustments in projected years

Presentation/Training

- Presenting study results to management and governing body of utility
- Provide utility training on use of projection & COS models
- Co-Instructor for the American Public Power Association Academy
 - Basic & Intermediate Cost of Service

Rate Design

- Current Utility rate structure updates
 - Utility revenue impact
 - Customer bill impacts at various usage levels
 - Identify revenue stability of rates
 - Rate survey analysis
- Development of new rates including:
 - Time of Use (seasonal, daily, hourly)
 - Power Cost Adjustment (PCA)
 - Coincidental-Peak Rates
 - Economic Development rates
 - Street lighting rates

Other Utility Tools

- Power Cost Adjustment mechanisms based on utility cash position, objectives and dispatch profile
- Street Light Cost of Service by light and pole types
- Load Profile Analysis to identify utility and customer usage patterns
- Power supply forecasting
- Implementation of a justified minimum cash policy
- Calculation of fees for standard utility work
- Development of line extension policies

Joan Bakenhus

Senior Financial Analyst, Utility Financial Solutions, LLC



Joan has 16 years' experience working with municipal utilities and has a degree in Business Administration. Joan has worked as a Rate Analyst for one of the largest public power systems in the nation (Lincoln Electric System) and for Utility Financial Solutions since 2006. Joan is experienced in development of long-term financial plans, rate design models and cost of service studies for electric, Water utilities. Joan's experience includes:

E-mail: jbakenhus@ufsweb.com
Cellular: 402.483.2542
Location: Nebraska

Cost of Service (COS)

- Working with Utilities to identify information requirements to complete cost of service and financial plans
- Set up and develop utility revenue requirements, cost of service program and utility revenue proof
- Balancing and set up of models for development of cost of service for water, wastewater and electric utilities to determine commodity and customer charges
- Responsible for analysis, preparation and updating cost of service models for a number of electric, Water utilities

Rate Design

- Balancing and set up of models for development rate design for water, wastewater and electric utilities to determine commodity and customer charges
- Development of rate design models for electric, Water utilities
- Development of rate surveys

Other Utility Tools

- Balancing of sales with revenue to help ensure proper billing statistics are used in cost of service models

Long Term Financial Analysis

- Development of long-term financial forecasts for water, wastewater, and electric utilities to determine the amount and timing of rate adjustments

Chris Lund

Business & Technology Manager, Utility Financial Solutions, LLC



Chris has a bachelor's degree in Business Administration with concentration in Computer Science and Speech Communications. He has been a technology and management consultant for over 20 years. Chris is an employee of UFS and has also sub-consulted on a variety of technology projects for UFS since 2003. A few of the highlights are below:

E-mail: clund@ufsweb.com
Cellular: 231.342.9798
Location: Traverse City, MI

Financial Consulting

- Completed cost of service and rate design studies for electric, water, wastewater, telecommunications and refuse utilities
- Designed, wrote and implemented long term financial projection model including revenue requirements and rate track
- Determined avoided cost for solar (photovoltaic - PV) and wind for renewable energy rates
- Lead consultant for electric vehicle (EV) rates and service study
- Conducted multiple fiber optic cost of service and rate design studies
- Presentations to City Councils and Boards for approval of utility rates and proposed rate tracks

Data Analytics

- Data mining and analysis specialist for electric load data research
- Specialist with data mining, data conversion and custom reporting
- Experienced with various ODBC (database connectivity)
- Implemented job costing solution for manufacturing companies
- Designed, written, implemented, supported multiple, custom bar coding and data collection systems for wholesale distribution and manufacturing organizations
- Data collection systems pushed data to payroll for time and attendance, automated inventory tracking and job costing

Technology Experience

- Experienced in Microsoft Excel automation – including payroll data, job costing and automated billing (office automation)
- Experienced in Microsoft Access custom database, programming and reporting – including electronic data interchange (EDI) mapping using Microsoft VBA
- Lead consultant for multiple mission critical, corporate wide enterprise resource planning (ERP) technology solutions
- Implemented, trained and supported multiple telecommunications projects
- Implemented and supported some of the first voice over internet protocol (VOIP) telecommuting systems
- Guide management with technology related strategy and business integration
- Modification and complete custom program solutions on midrange and PC
- Wrote automated bill of material (BOM) purchasing forecasting system
- Specify, install and maintain mission critical PC network infrastructure, servers, workstation and related software
- Experienced in network security and virtual private network (VPN) technology
- Implemented and supported web storefronts integrated with corporate backend database solution for inventory management, order processing, billing and account status



Jillian Beauchamp, MEC.
Financial Analyst, Utility Financial Solutions, LLC

E-mail: jbeauchamp@ufsweb.com

Cellular: 616.283.8502

Location: Holland, MI

Jill has been with UFS since 2013. She has a Bachelor's degree in Mathematics and a Master's degree in Applied Economics from Johns Hopkins University. Jill has populated and analyzed cost of service models, developed long-term financial projections, and designed rates for utilities. Jill specializes in econometric modeling and statistical analysis to project sales and usage. She has worked with a variety of econometric software packages and is competent in handling seasonality, trend, heteroscedasticity, and other economic inefficiencies that arise in data analysis. Jill is skilled in the following:

- Forecasting Utility revenue requirements
- Projecting revenues and expenses, asset depreciation, and net book value
- Designing rates based on Cost of Service results
- Analyzing rate payer impacts and sensitivities
- Working with Utility Staff to identify study goals and understand organization
- Keeping up to date on the current economic impacts of renewable energy, the relationship to the Clean Power Plan legislation, and potential effects on the Electric Industry



Robert Blank
Financial Analyst, Utility Financial Solutions, LLC

E-mail: bblank@ufsweb.com

Cellular: 616.403.9926

Location: Holland, MI

Robert has been working for Utility Financial Solutions since May of 2014 and has a Bachelor's of Business Administration with a major in Finance from Davenport University. Over his time at UFS he has conducted Utility rate surveys as well as developed rate designs. Robert has experience with long term financial projections and cost of service studies for Electric, Water, Wastewater, and Gas utilities. Robert's experiences include:

- Developing rate design models for electric utilities
- Conducting Rate Surveys
- Responsible for analysis of financial statements and preparation of cost of service models
- Working with utilities to identify the information needed to conduct an accurate cost of service study
- Calculating Minimum Cash Reserve levels, Target Operating Income, and Debt Coverage Ratios



Project Fees

Fees for Services Outline above:

Financial Projection: \$9,500
Optional Cost of Service Study: \$5,500

Out of Scope Services – Out of scope services such as additional rate designs and presentations will be billed at the hourly rates listed below. All out of pockets will be billed at actual cost. Currently, all meetings are done remotely.

Hourly Rates (Out of Scope Pricing)

Table with 2 columns: Name and Hourly Rate. Includes Mark Beauchamp (\$320.00), Dawn Lund (\$275.00), Dan Kasbohm (\$245.00), Mike Johnson (\$245.00), Chris Lund (\$210.00), Joan Bakenhus (\$145.00), and Support Staff (\$115.00 - 135.00).

If you have any questions, please call me at 231-218-9664. If you agree with this letter, please sign and date below and email to dlund@ufsweb.com or mail to:

Utility Financial Solutions, LLC
PO Box 582
Leland, MI 49654

We look forward to exceeding your expectations for this engagement.

Sincerely,

Dawn Lund

Dawn Lund
Vice-President, Utility Financial Solutions, LLC

Accepted By: _____
Representative of Fleis & Vandenbrink

Date: _____

APPENDIX D
PLUMMER'S HYDROVACING/POTHOLING QUOTE

City of Saugatuck
DSMI Field Work



Plummer's Environmental Services
Quote Form

Project: 847020
Date: 9-Dec-20

Project Description: Hydro-excavating / potholing existing water services in the City of Saugatuck to determine the material of existing water services.

ITEM	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	AMOUNT
1	Hydro-Excavating / Potholing Water Services, including backfill of the hole to grade. Includes disposal of vacuumed material, minor traffic control and water usage	EA	95	\$450.00	\$42,750
				Total Quote:	\$42,750

* No Prevailing Wages*

APPENDIX E
CITY'S IN-HOME VERIFICATION QUOTE

City of Saugatuck

DSMI Field Work



City of Saugatuck / Fleis & VandenBrink Eng.
Quote Form

Project: 847020
Date: 9-Dec-20

Project Description: In-home verification of existing water services in the City of Saugatuck to determine the material of existing water services.

ITEM	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	AMOUNT
1	In-home verification of existing water services	EA	95	\$154.00	\$14,630
				Total Quote:	\$14,630

* No Prevailing Wages*



MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
DRINKING WATER AND ENVIRONMENTAL HEALTH DIVISION

PRELIMINARY DISTRIBUTION SYSTEM MATERIALS INVENTORY

Issued under authority of the Safe Drinking Act, 1976 PA 399, and Administrative Rules, as amended. Administrative Rule R 325.10604(c)(i) requires a water supply to complete and submit a preliminary distribution system materials inventory to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) by January 1, 2020.

City of Saugatuck		03525
Supply Name		WSSN
925	907	Allegan
Population Served	Number of Service Connections	County

The primary focus of the preliminary Distribution System Materials Inventory (DSMI) is to identify lead service lines, galvanized steel previously connected to lead, or service lines of unknown material. This inventory will estimate the number of high-risk service lines and describe the reliability of existing records, thereby providing important information for planning service line verification and replacement efforts. The complete DSMI, which is due in 2025, will require characterization of all service line materials (lead, galvanized, copper, and plastic). Instructions for completing this form are provided at the end of the document.

1. Does this water supply have service lines meeting the following definition?

“Service line” means the pipe from the discharge of the corporation fitting to customer site piping or to the building plumbing at the first shut-off valve inside the building, or 18 inches inside the building, whichever is shorter.

Note: For the purposes of this inventory, Manufactured Housing Community (MHC) connections to units (risers) are considered service lines, so MHCs should fill out this entire form.

YES. If yes, complete this form in its entirety. NO. If no, skip to Questions 7 and 8 and the Certification.

2. Complete the table below.

Estimated Number of Service Connections by Service Line Material						
A service line includes any section of pipe from the water main to the building plumbing at the first shut-off valve inside the building, or 18 inches inside the building, whichever is shorter.						
Any Portion Contains Lead	Contains Galvanized Previously Connected to Lead*	Unknown			Contains neither Lead nor Galvanized Previously Connected to Lead	Total**
		Likely Contains Lead	Likely Does <u>Not</u> Contain Lead	Material(s) Unknown		
203	198			229	277	907

*If a galvanized line is still connected to lead, it is a lead service line and must be counted in the first column.

**The total number should equal the total number of potable water service lines in your water supply (residential, commercial, industrial, other).

3. Describe the sources of information used to summarize or estimate the data above (see instructions for a list of potential sources of information).

Watermain project record drawings, structure year built, billing records, field inspections

4. Describe your level of confidence in the sources of information discussed in Question 3.

- Very confident
- Somewhat confident
- Not very confident
- Not confident

Describe:

Many watermain project record drawings that we can be confident on year built, but many record drawings do not record material used during project.

5. How common is it to find discrepancies in your service line data (for example, services you expected to be lead turned out to be copper)?

- Frequently
- Occasionally
- Seldom
- Never
- Not Enough Information

Describe, including any common patterns:

6. In general, describe the composition of lead services lines identified in the column titled "Any Portion Contains Lead." For example, are services primarily full lead lines, partial lead lines (main to curb stop, curb stop to water meter), or lead goosenecks?

Lead goosenecks

7. What other information can you share about your preliminary DSMI?

The City has created a database of water services with known material and assumptions made and will continue to update the database as information becomes available.

8. Beyond your service lines, do other documents previously submitted to EGLE (including the General Plan, Reliability Study, issued permits, and/or Asset Management Plan) in combination properly characterize the remainder of your current distribution system?

- YES, my general plan, reliability study, issued permits, and/or asset management plan characterize the rest of my current distribution system.
- NO. If no, please contact your district engineer to update your documentation.

Certification of Preliminary Distribution System Materials Inventory

I certify that I have reviewed available documentation related to the materials in this water supply's distribution system, and the information herein is accurate and complete to the best of my knowledge and information.


Signature

12-30-19
Date

KIRK HARRIER
Print Name

CITY MANAGER
Title

When complete, submit this signed form to your EGLE district office no later than January 1, 2020.

PRELIMINARY DISTRIBUTION SYSTEM MATERIALS INVENTORY (DSMI) REPORTING FORM INSTRUCTIONS

Water supplies should review all records documenting the materials used to construct and repair service lines and use that information to complete this reporting form.

Potential sources of service line information may include, but are not limited to, the following:

- Plumbing codes
- Plumbing permits
- Distribution maps and drawings
- Tap records
- Inspection and maintenance records
- Meter installation records
- Billing records
- Water asset databases
- Geographic Information System
- Standard operating procedures
- Operation and maintenance manuals
- Permit files
- As-built drawings
- Existing water quality data
- Property tax records
- Interviews with senior personnel, building inspectors, and retirees
- Community survey
- Other

Complete the Service Line Materials Table

The service line materials table summarizes potable water service connections by broad material categories, focusing on service lines containing lead, galvanized steel previously connected to lead, or service lines of unknown material. A service line includes any section of pipe from the water main to the first shut-off valve inside the building or up to 18 inches inside the building, whichever is shorter. The number of service lines in each of the following categories need to be reported:

- **Any Portion Contains Lead:** Any portion of a service line that is made of lead or any lead pigtail, lead gooseneck, or other lead fitting that is connected to the service line, or both. In short, any service line that contains any lead.
- **Galvanized Previously Connected to Lead:** A galvanized service line that WAS previously connected to a lead service line, gooseneck, or pigtail. If a galvanized line is still connected to lead, it is considered a lead service line and must be counted in the category above.
- **Unknown:** While a water supply may not be certain of the materials content of some service lines, they may have information that indicates the likelihood of a service line containing lead. For planning purposes, it is helpful to record this information. Therefore, three categories of unknown service lines are provided.
 - **Unknown - Likely Contains Lead:** While not known for certain, service lines the water supply believes are likely to contain lead.
 - **Unknown - Likely Does NOT Contain Lead:** While not known for certain, service lines the water supply believes are NOT likely to contain lead.
 - **Unknown – Material(s) Unknown:** Service line materials are fully unknown. Supply has no information regarding the likelihood of lead being present in the service line.
- **Contains neither Lead nor Galvanized Previously Connected to Lead:** Service lines that are known to contain NO lead in any portion. These typically include copper, plastic, cast iron, ductile iron, or galvanized that was NEVER connected to lead. If a galvanized service line was previously connected to lead, it should not be included in this category, but rather included with the second bullet above.

All physically connected potable water services must be included in this table even if there is no current active account. Complete the table to the best of your ability based on your available records and/or knowledge of the system. If you do not know the answer, use the unknown category. **You will not be penalized for acknowledging you do not know.** The purpose of this preliminary inventory is to understand current service line materials documentation and knowledge. The total number of service lines in the lower right-hand box should equal the total number of service lines in your system.

Answer Supporting Questions

Provide answers to the questions asked. Because water supplies differ significantly in terms of service line materials and records, many questions require a narrative response to allow flexibility. Please provide thorough answers that provide meaningful information about the status of your water supply's service line inventory.

Submit Form to the Michigan Department of Environment, Great Lakes, and Energy (EGLE)

Submit the completed and signed reporting form to the appropriate EGLE district office no later than January 1, 2020. See below for district office mailing and email addresses.

EGLE District office locations and email addresses:

<p>CADILLAC DISTRICT OFFICE 120 West Chapin Street Cadillac, Michigan 49601-2158 Fax: 231-775-4050 EMAIL: EGLE-DWEH-Cadillac@Michigan.gov</p> <p>GRAND RAPIDS DISTRICT OFFICE State Office Building 5th Floor 350 Ottawa Avenue NW, Unit 10 Grand Rapids, Michigan 49503-2341 Fax: 616-356-0202 EMAIL: EGLE-DWEH-Grand-Rapids@Michigan.gov</p> <p>JACKSON DISTRICT OFFICE 301 East Louis Glick Hwy Jackson, Michigan 49201-1556 Fax: 517-780-7855 EMAIL: EGLE-DWEH-Jackson@Michigan.gov</p> <p>KALAMAZOO DISTRICT OFFICE 7953 Adobe Road Kalamazoo, Michigan 49009-5025 Fax: 269-567-3555 EMAIL: EGLE-DWEH-Kalamazoo@Michigan.gov</p>	<p>LANSING DISTRICT OFFICE 525 West Allegan (Constitution Hall, 1st Floor, South) P.O. Box 30242 Lansing, Michigan 48909-7742 Fax: 517-241-3571 EMAIL: EGLE-DWEH-Lansing@Michigan.gov</p> <p>BAY CITY DISTRICT OFFICE 401 Ketchum Street, Suite B Bay City, Michigan 48708 Fax: 989-891-9237 EMAIL: EGLE-DWEH-Bay-City@Michigan.gov</p> <p>WARREN DISTRICT OFFICE 27700 Donald Court Warren, Michigan 48092-2793 Fax: 586-751-4690 EMAIL: EGLE-DWEH-Warren@Michigan.gov</p> <p>MARQUETTE DISTRICT OFFICE 1504 West Washington Street Marquette, Michigan 49855 Fax: 906-228-4940 EMAIL: EGLE-DWEH-Marquette@Michigan.gov</p>
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City Manager

From: Peg Sanford <sanfordpeg3@gmail.com>
Sent: Friday, December 18, 2020 5:13 PM
To: City Manager
Subject: Wicks Park Petition
Attachments: Wicks Park petition CC.docx

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Karen Doyle Homan, Interim City Manager
City of Saugatuck
P.O. Box 86
Saugatuck, MI 49453

Dear MS Homan:

We have attached a letter directed to the Saugatuck City Council discussing our Wicks Park petition. Would you please see that this letter is contained in the communication section of the next Saugatuck City meeting packet. Thank you for your help

Please let me know when you receive this email. Thank you.

Sincerely,

Peg Sanford. 160 Takken St. Saugatuck. 616-566-0967

Cynthia McKean. 1000 Mason St. Saugatuck. 269-857-4612

November 18, 2020

TO: Saugatuck City Council:
Mayor Mark Bekken
Mayor Pro-Tem Garnet Lewis
Scott Dean
Holly Leo
Chris Peterson
Laura Stanton
Ken Trester

FROM: Peg Sanford. 160 Takken St. Saugatuck, MI 49453

We realize this may be confusing with timelines, dates, and such, but we wanted our Council to see the actual petition we submitted to change,org and the responses we received.

Friday November 11, 2020: We, the community, our neighbors, and our summer residents, want the Bandstand and the Seurat restroom building to remain in Wicks Park. These are iconic community structures. We also do not want/or need a new structure such as the band shell proposed by the City Council.

The Bicentennial Committee, in 1976, wanted to bring the 1776- 1876 history of our country into our local community and the Bandstand is a perfect reflection of those historical eras. Wicks Park is a destination site in Saugatuck. The Bandstand has been used for community occasions for 45 years. It has been used for Christmas celebrations, band performances, weddings, memorial services, public announcements, the Mt Baldy Challenge, picnics, family gatherings, and simply for viewing the river. Pictures of the Bandstand and the Seurat painted restroom has appeared in multiple P.R. Publications over the past years. Wicks Park is a destination.

The Saugatuck City council has not done its homework. It has not been determined if the proposed new structure is better than the existing Bandstand. If the structure is supposed to be a band shell have the acoustical qualities of the new structure been determined? The existing Bandstand has better acoustics than what has been proposed. The proposed structure is not compatible with the current historical structures & partially blocks the view of the River and the beloved Chain Ferry.

There are no dimensions on the approved sketch of the proposed structure or indication of materials that will be used, thus council has no idea what it approved funds for. It is amazing City Council feels it has the rightful power to make such drastic changes to the iconic Wicks Park without any underlying data to support its actions.

While COVID-19 is sorting itself out, now is a good time for the Saugatuck City Council to drop back, do its homework, and confirm a solution based upon the will of the people.

Perhaps that means, leave it alone.

We feel the most important part of this petition is: “We, the community, our neighbors, and our summer residents, want the Bandstand and the Seurat restroom building to remain in Wicks Park. These are iconic community structures. We also do not want/or need a new structure such as the band shell proposed by the City Council.”

We want to make sure after all the verbiage you read, you found the reason over **975** people signed this petition. We do have a print out of all the names if you are interested. It is 23 pages long and printed on both sides.

Thank you for your time,

Peg Sanford
Cynthia McKean

City Manager

From: Greg Janik <gjanik@saugatuckfire.org>
Sent: Tuesday, December 15, 2020 11:02 AM
To: City Manager; Rich LaBombard
Subject: FW: November stats
Attachments: 2020 Stats for November.pdf; Grants 2014-20.pdf; Cost Recovery 2020 CR Filings.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Good morning Karen and Rich,

Here are highlights of the statistics for November, 2020 for your review and use:

- November was again a month with above average call volume. We ended up with 69 calls, year to date call volume is 786, 13% down compared to last year. (Please note: Call volume is at 818 as of 12/15/20)
- Thursday remains the most active day of the week, followed by Saturday. The daytime hours between 9AM-10PM counts for the most active time of the day.
- Our response time slowed this past month compared to previous years at 6:33 for November, and average of 5:28 for the year. November showed 47 priority 1 and 2 calls.
- Type of calls are all in the normal range this month, Emergency Medical Services (EMS) counts for 60% of our volume. Overlapping calls were down for November, 11 total. Our boats are now out of the water so any water or ice rescue calls will be handled by trailered boats 2192 or 2193 from the station. Mid-month we experienced a surge in Covid-19 related calls.
- Location of calls shows Township is way ahead at 40% compared to Douglas (including Douglas Cove) at 31% and Saugatuck City at 29%. (IT Director Erik Kirchert did find a tabulation error in last month's chart which showed a more even distribution of calls).
- IT Director Erik Kirchert has changed the layout of the Personnel Response chart this month. The new color scheme reflect the helmet color rank designations.
- GRANTS: For grants we have received a total of \$145,594 for 2020, approximately \$13,235 per month. Please see the last attachment.
- COST RECOVERY: The cost recovery team collected \$11,526 for CR in 2020 YTD. We still have some outstanding claims that might come in later in the month. Please see the second attachment.

Please let me know if you have questions or require more information.

Thanks,
Greg

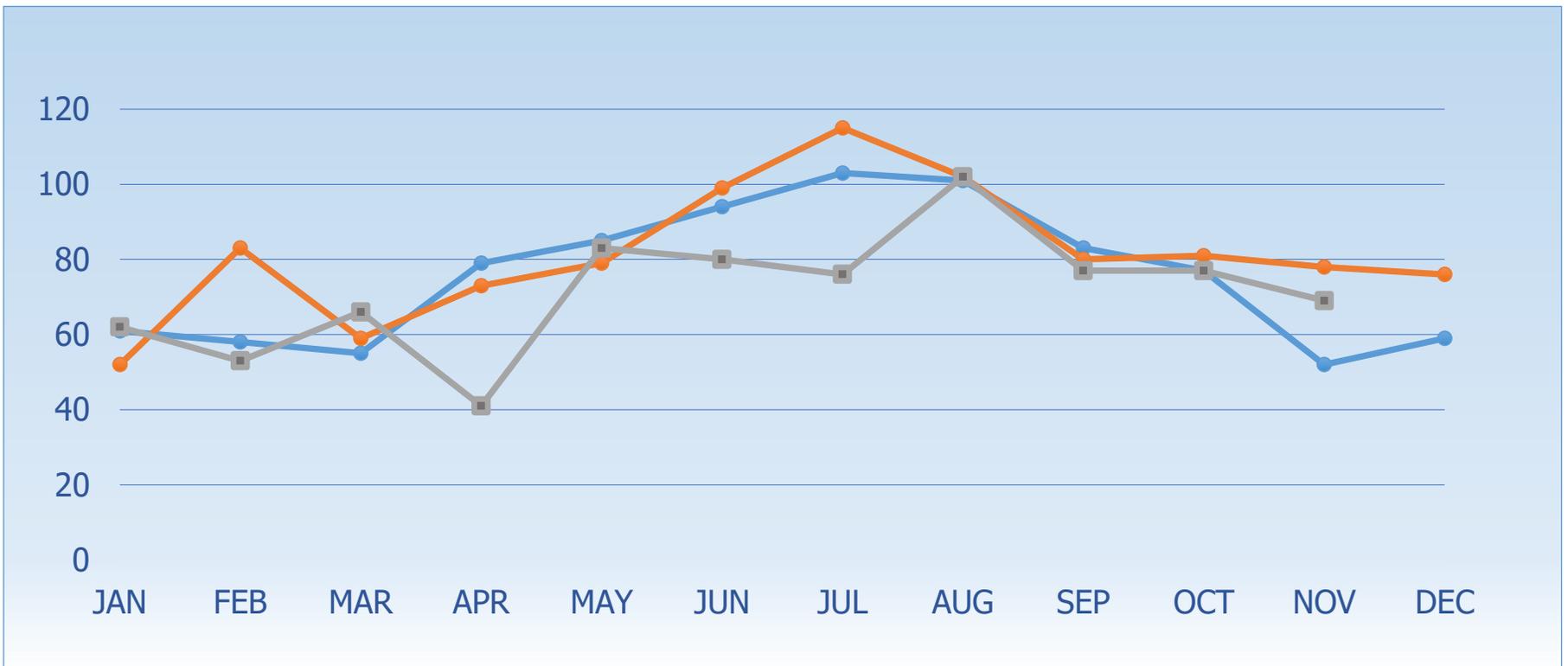
Greg Janik

Fire Chief/Fire Marshal
3342 Blue Star Highway
Saugatuck, MI 49453

Phone: 269 857-3000

2020 Incidents by Month

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	62	53	66	41	83	80	76	102	77	77	69		786
2019	52	83	59	73	79	99	115	102	80	81	78	76	977
2018	61	58	55	79	85	94	103	101	83	77	52	59	907



2010-20 Incident by month

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	62	53	66	41	83	80	76	102	77	77	69		786
2019	52	83	59	73	79	99	115	102	80	81	78	76	977
2018	61	58	55	79	85	94	103	101	83	77	52	59	907
2017	54	35	62	51	68	89	116	76	66	91	48	57	813
2016	47	51	53	64	76	95	113	105	82	64	60	65	875
2015	57	61	50	50	73	67	110	90	71	58	49	47	783
2014	62	51	49	56	85	77	84	59	72	52	59	39	745
2013	67	62	44	39	57	53	70	74	42	58	66	58	690
2012	52	33	58	55	54	74	104	77	54	40	52	76	729
2011	42	38	57	34	52	51	92	70	63	61	40	41	641
2010	36	26	46	52	50	48	98	72	58	54	40	32	612
Average	54	50	54	54	69	75	98	83	68	65	54	55	777

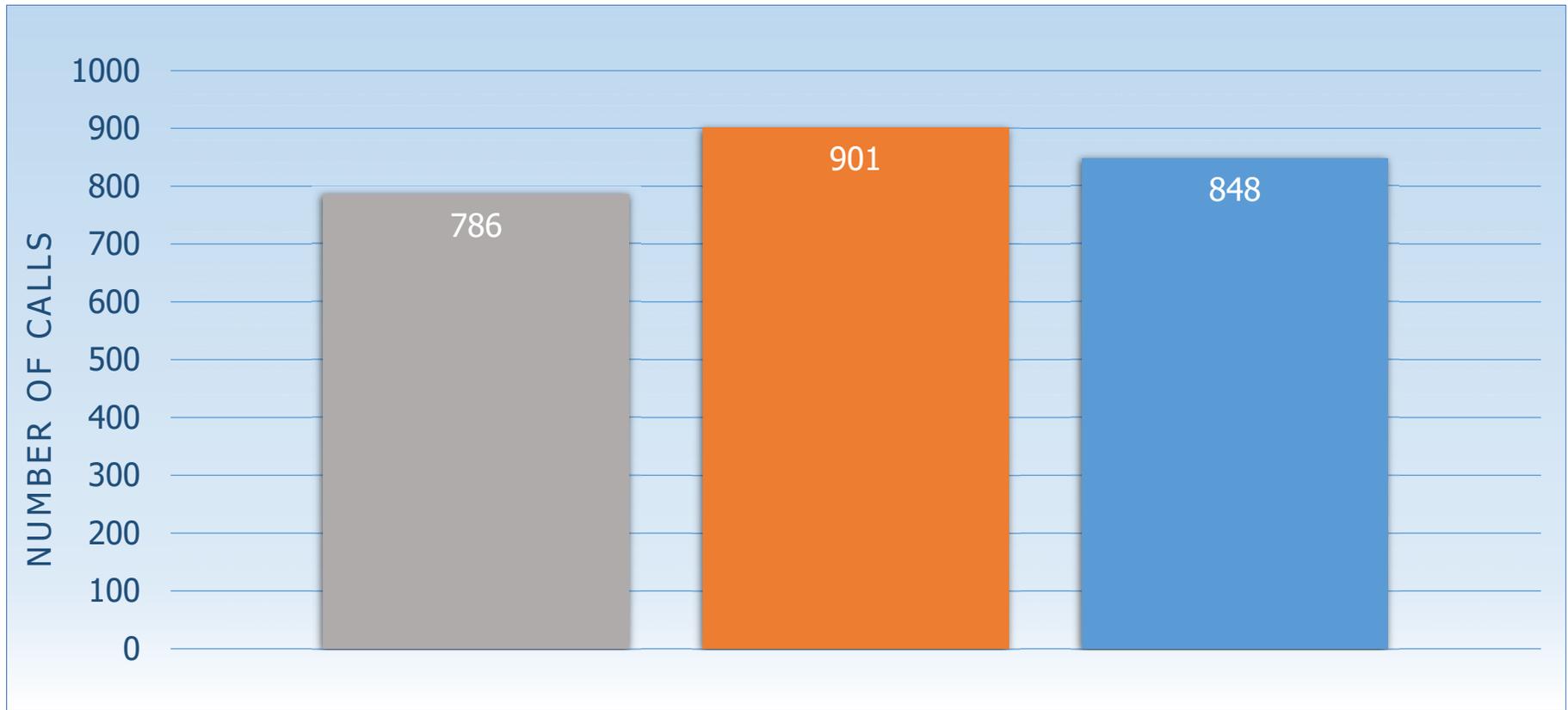
Lowest Highest

1999-2020 Incidents by month

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	62	53	66	41	83	80	76	102	77	77	69		786
2019	52	83	59	73	79	99	115	102	80	81	78	76	977
2018	61	58	55	79	85	94	103	101	83	77	52	59	907
2017	54	35	62	51	68	89	116	76	66	91	48	57	813
2016	47	51	53	64	76	95	113	105	82	64	60	65	875
2015	57	61	50	50	73	67	110	90	71	58	49	47	783
2014	62	51	49	56	85	77	84	59	72	52	59	39	745
2013	67	62	44	39	57	53	70	74	42	58	66	58	690
2012	52	33	58	55	54	74	104	77	54	40	52	76	729
2011	42	38	57	34	52	51	92	70	63	61	40	41	641
2010	36	26	46	52	50	48	98	72	58	54	40	32	612
2009	46	46	38	40	43	61	65	57	58	45	44	49	592
2008	46	35	23	32	41	53	101	54	43	48	29	53	558
2007	35	44	34	39	44	64	78	59	55	37	33	37	559
2006	41	33	41	23	58	48	64	46	42	43	47	42	528
2005	42	28	48	47	37	57	75	58	49	40	40	34	555
2004	41	28	34	34	51	45	50	48	46	51	30	41	499
2003	25	30	35	36	54	61	55	63	39	35	39	45	517
2002	36	27	41	35	35	54	62	65	53	44	36	30	518
2001	29	33	38	38	46	51	69	43	46	43	34	28	498
2000	44	40	44	50	42	48	64	38	41	42	46	45	544
1999	32	34	31	31	37	37	41	40	31	39	31	31	415
Average	46	42	46	45	57	64	82	68	57	54	45	47	645

Lowest Highest

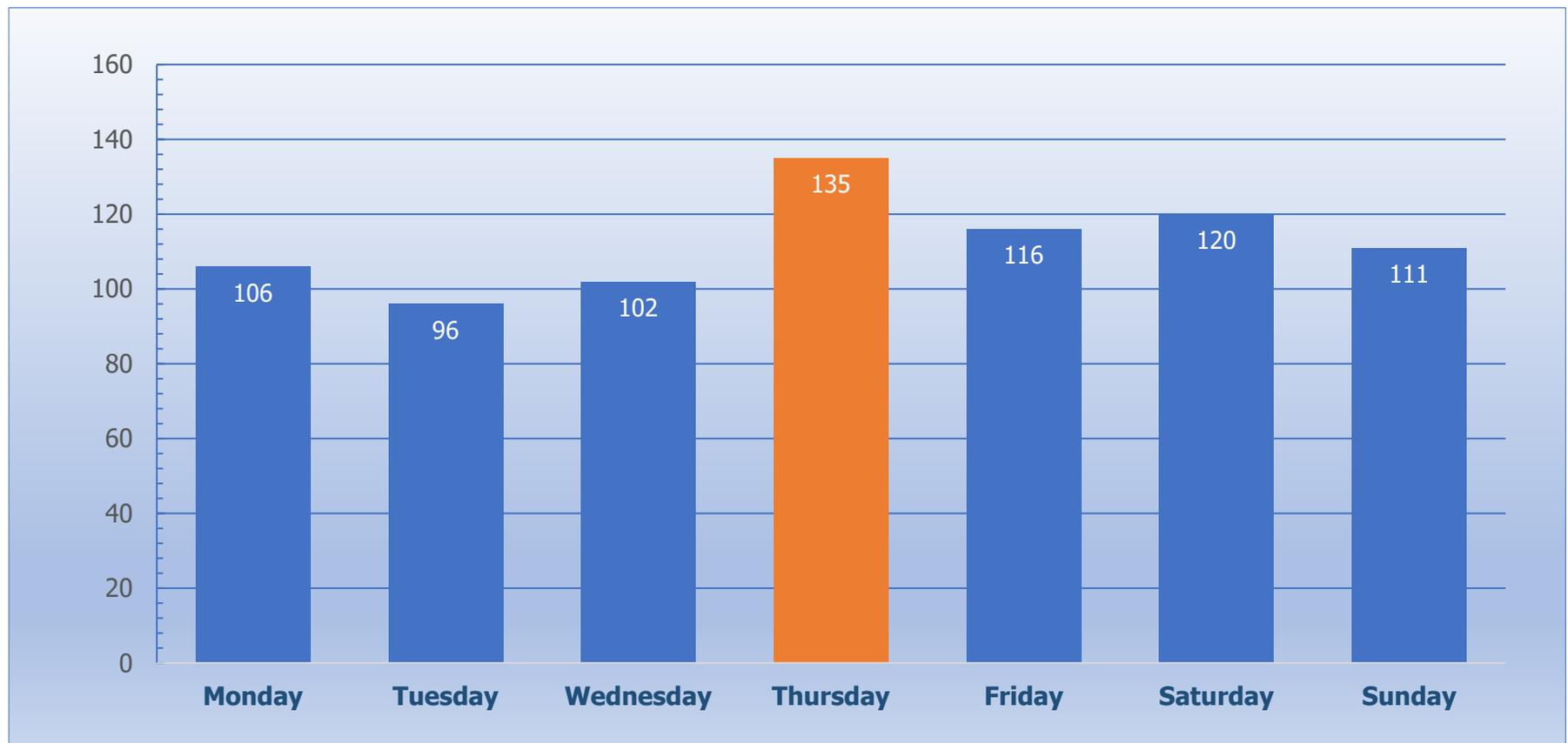
2018-2020 Incident Comparison



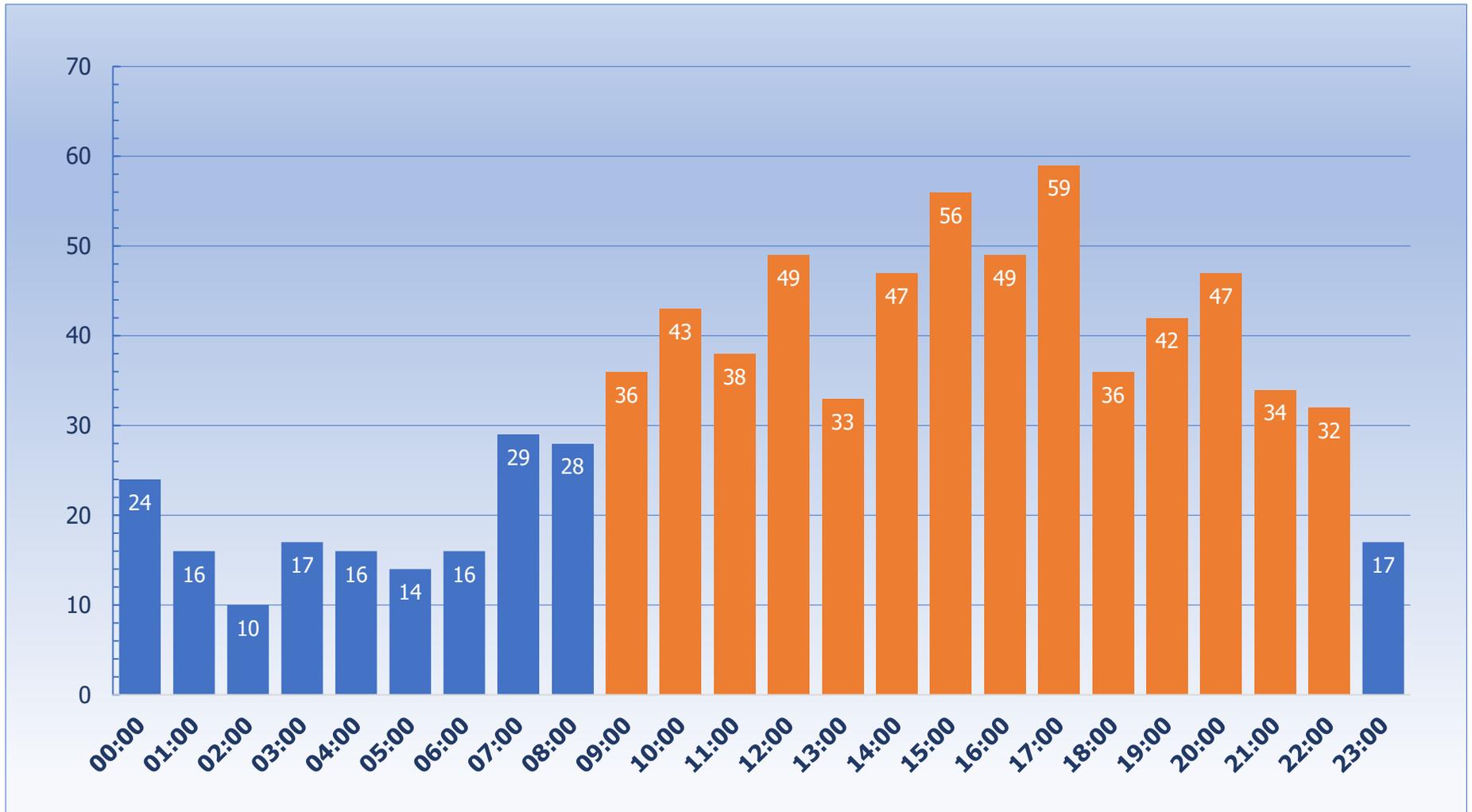
Year	November 30	+/-	+/- %
2020	786	(115)	(12.8)
2019	901	53	6.3
2018	848		

2020 Incidents per Day of the Week

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
106	96	102	135	116	120	111



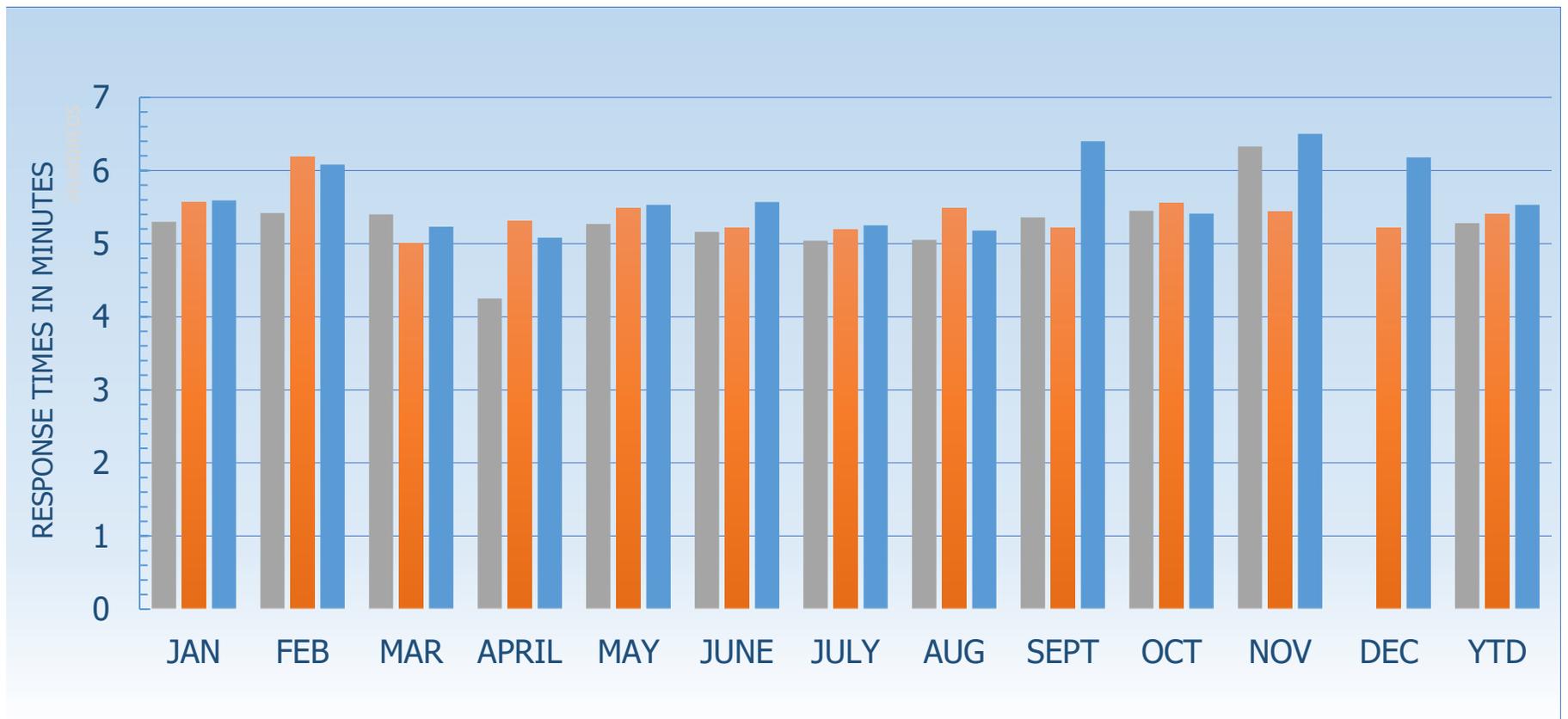
2020 Incidents by Time of Day



2018-2020 Response Times by Month

[From 2019 Response Times are now emergencies that requires lights and siren.]

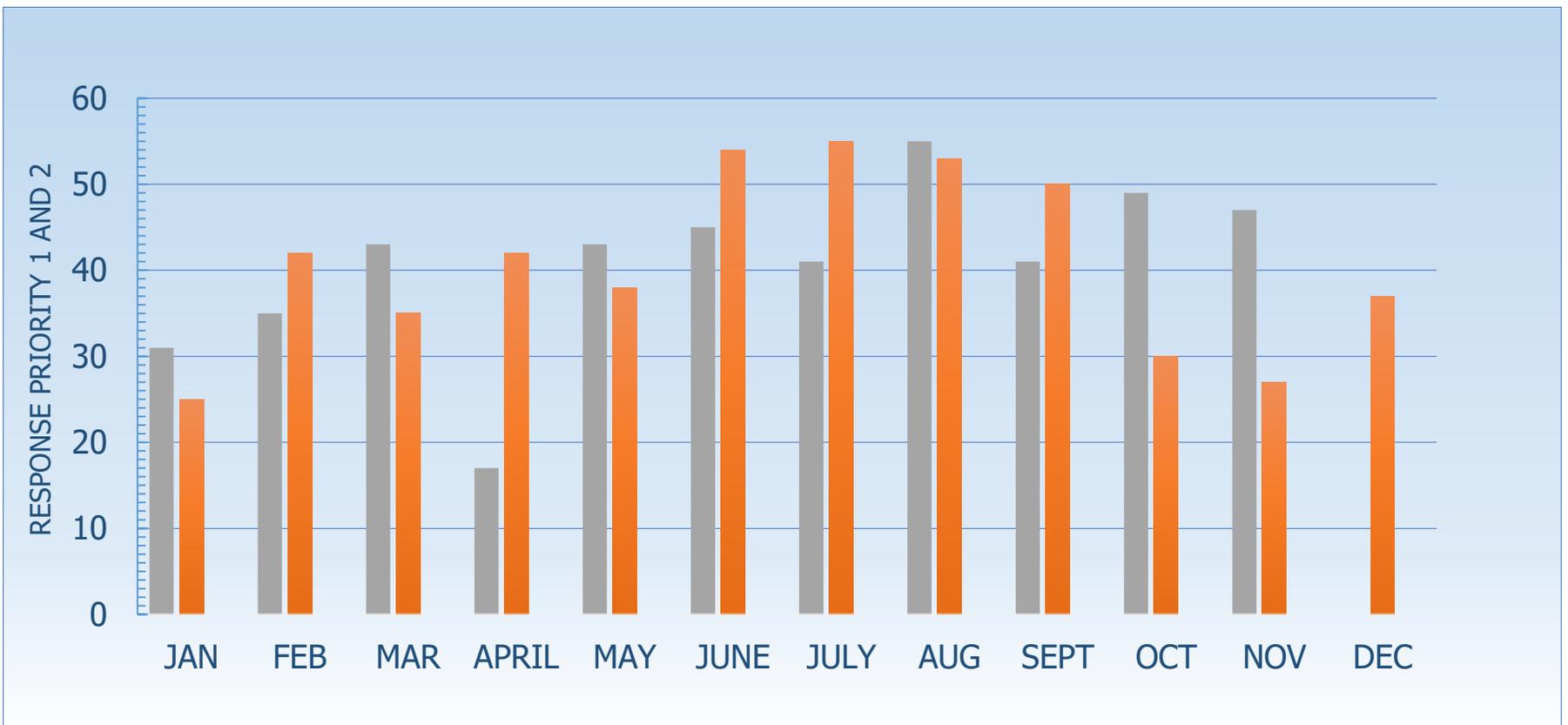
Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2020	5:30	5:42	5:40	4:25	5:27	5:16	5:04	5:05	5:36	5:45	6:33		5:28
2019	5:57	6:19	5:00	5:31	5:48	5:21	5:19	5:48	5:22	5:56	5:44	5:22	5:40
2018	5:59	6:08	5:23	5:08	5:53	5:57	5:25	5:18	6:40	5:41	6:50	6:18	5:53



2020 Emergency Responses

[Priority 1 and 2 responses per month in our district. No data available for 2017/18]

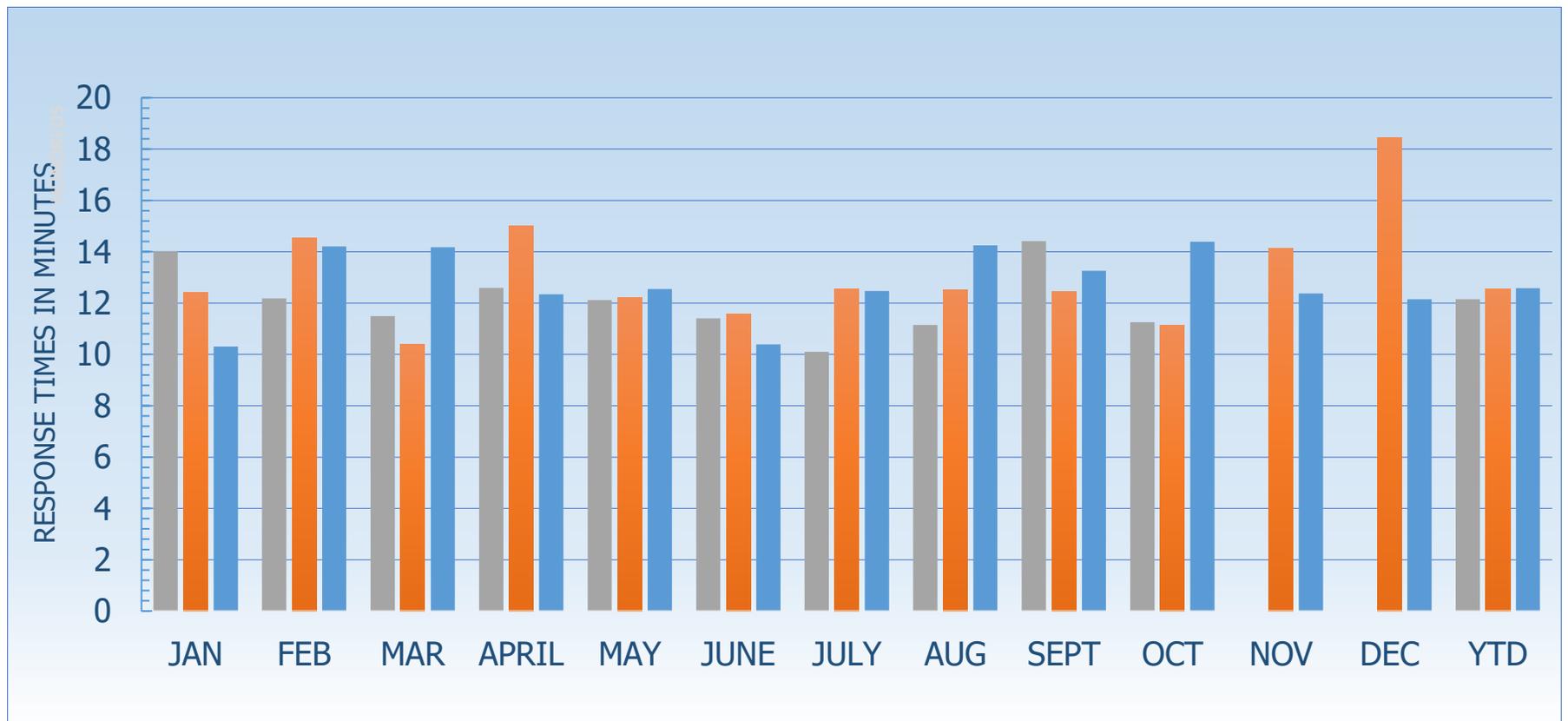
Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2020	31	35	43	17	43	45	41	55	41	49	47		447
2019	25	42	35	42	38	54	55	53	50	30	27	37	488
2018													



2018-2020 AMR Monthly Response Times

[AMR Priority 1 and 2 response times provided monthly from AMR]

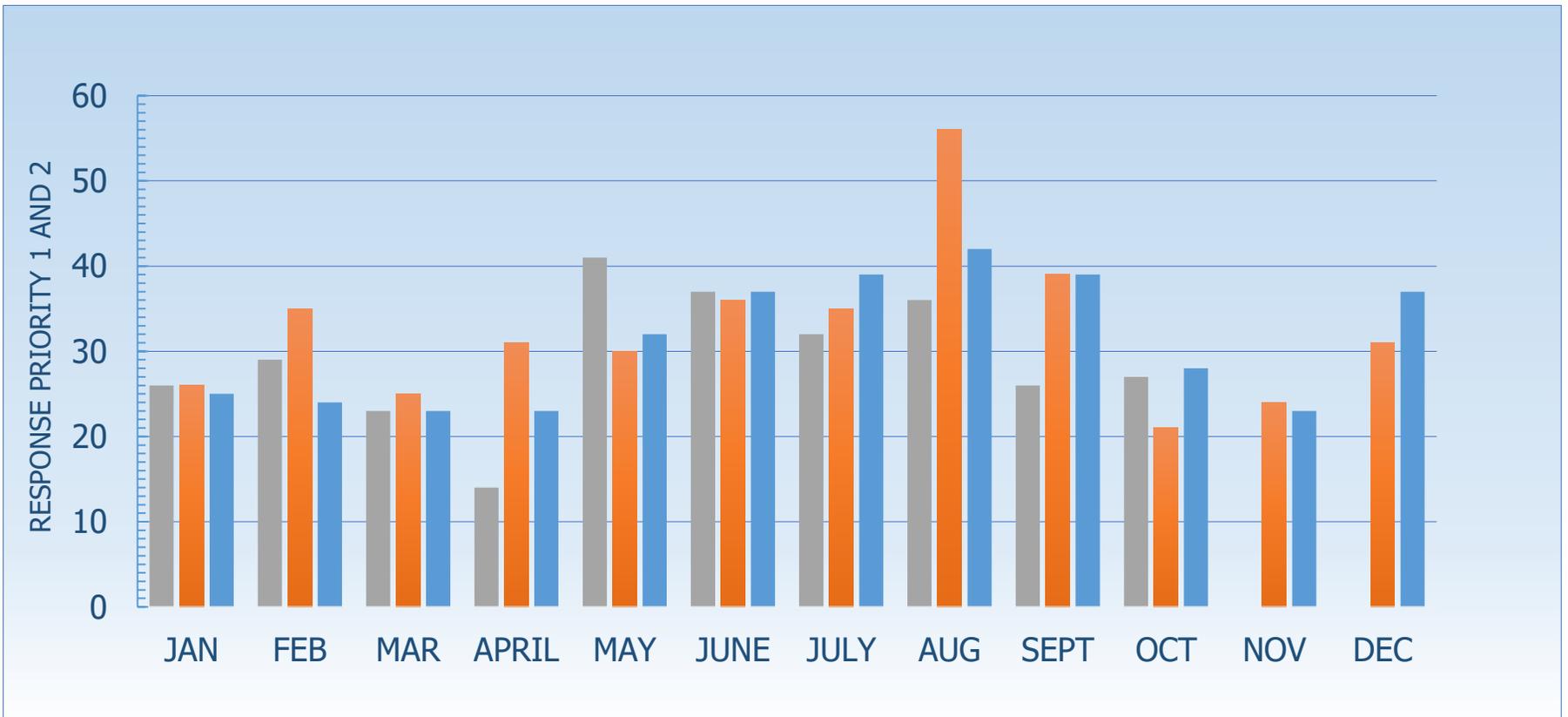
Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2020	14:01	12:18	11:49	12:59	12:12	11:41	10:10	11:15	14:41	11:25			12:15
2019	12:40	14:54	10:40	15:01	12:20	11:58	12:54	12:52	12:44	11:15	14:14	18:46	12:54
2018	10:31	14:21	14:18	12:34	12:55	10:39	12:47	14:25	13:26	14:39	12:38	12:15	12:58



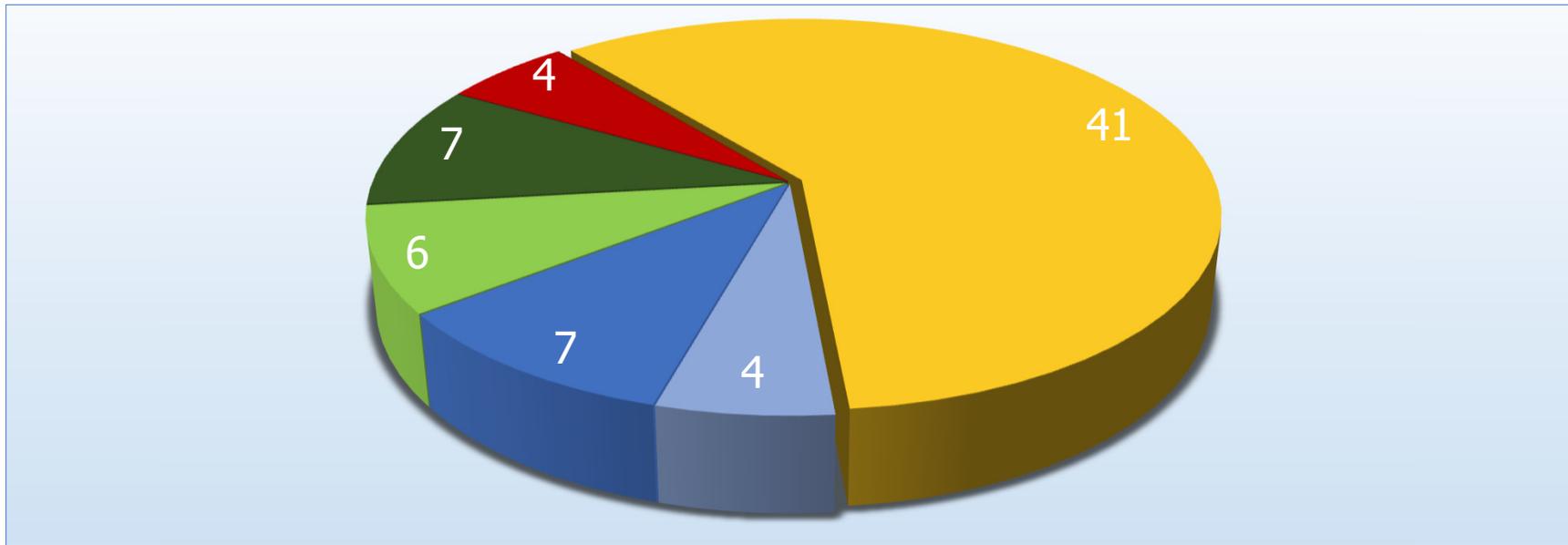
2018-2020 AMR Emergency Responses

[Priority 1 and 2 responses per month in our district.]

Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2020	26	29	23	14	41	37	32	36	26	27			291
2019	26	35	25	31	30	36	35	56	39	21	24	31	389
2018	25	24	23	23	32	37	39	42	39	28	23	37	372



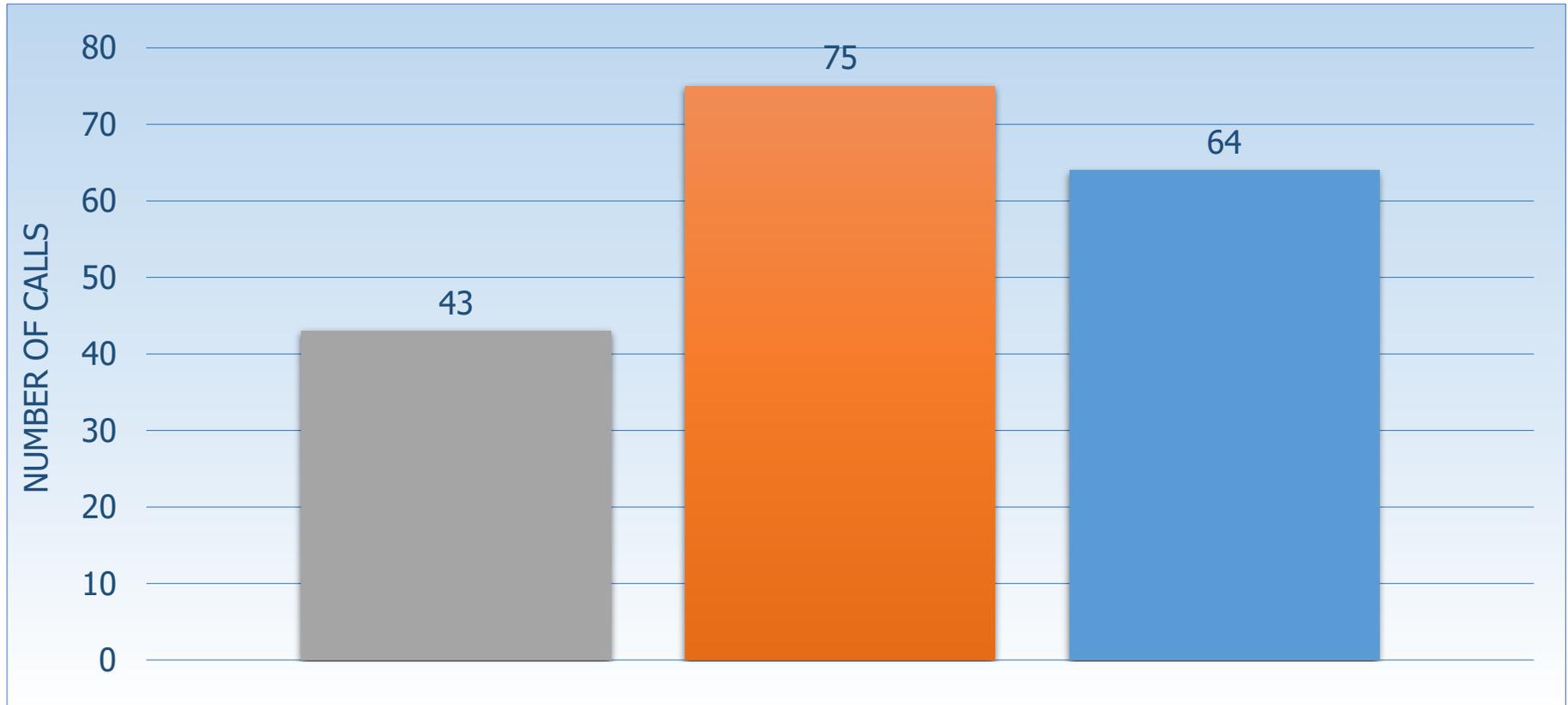
November 2020 Incident Report by Type



Type Of Incident:	Total Incidents:	Percentage Value:
 100 Series - Fire	4	5.8%
 200 Series - Explosion, Overpressure, Overheat (No Fire)	0	0.0%
 300 Series - Rescue & EMS	41	59.4%
 400 Series - Hazardous Conditions (No fire)	4	5.8%
 500 Series - Service Call	7	10.1%
 600 Series - Good Intent Calls	6	8.7%
 700 Series - False Alarm & False Calls	7	10.1%
 800 Series - Severe Weather and Natural Disaster	0	0.0%
 900 Series - Special Incident Type	0	0.0%
	69	100.0%

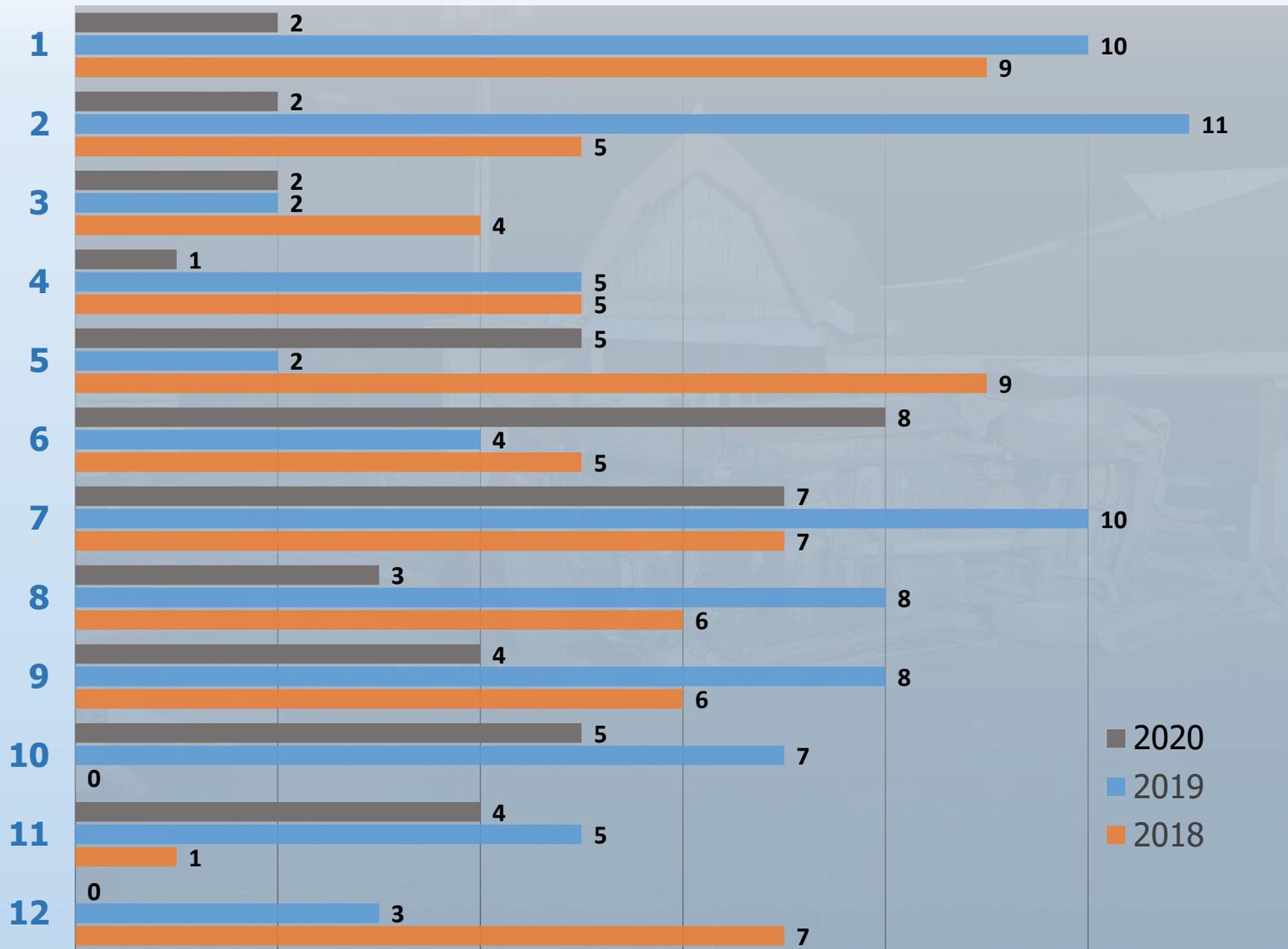
2018-2020 Motor Vehicle Incidents

[All incidents with any motorized vehicle involved in accidents, fires etc.]



As of:	# of Incidents	+/-	+/- %	Extrication	%
11/30/2020	43	(32)	(42.67)	1	2.3
12/31/2019	75	11	17.19	3	4.0
12/31/2018	64	12	13.48	5	7.8

MV Incidents by Month 2018-2020



2015-20 MVIs by month

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	2	2	2	1	5	8	7	3	4	5	4		43
2019	10	11	10	5	2	4	10	8	8	7	5	3	83
2018	9	5	4	5	9	5	7	6	6	0	1	7	64
2017	4	4	2	2	7	7	8	4	2	3	2	7	52
2016	15	8	3	13	4	8	16	4	0	2	5	11	89
2015	6	11	3	1	3	6	7	7	4	2	1	2	53

Average	8	7	4	5	5	6	10	6	4	3	3	6	68
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Lowest

Highest

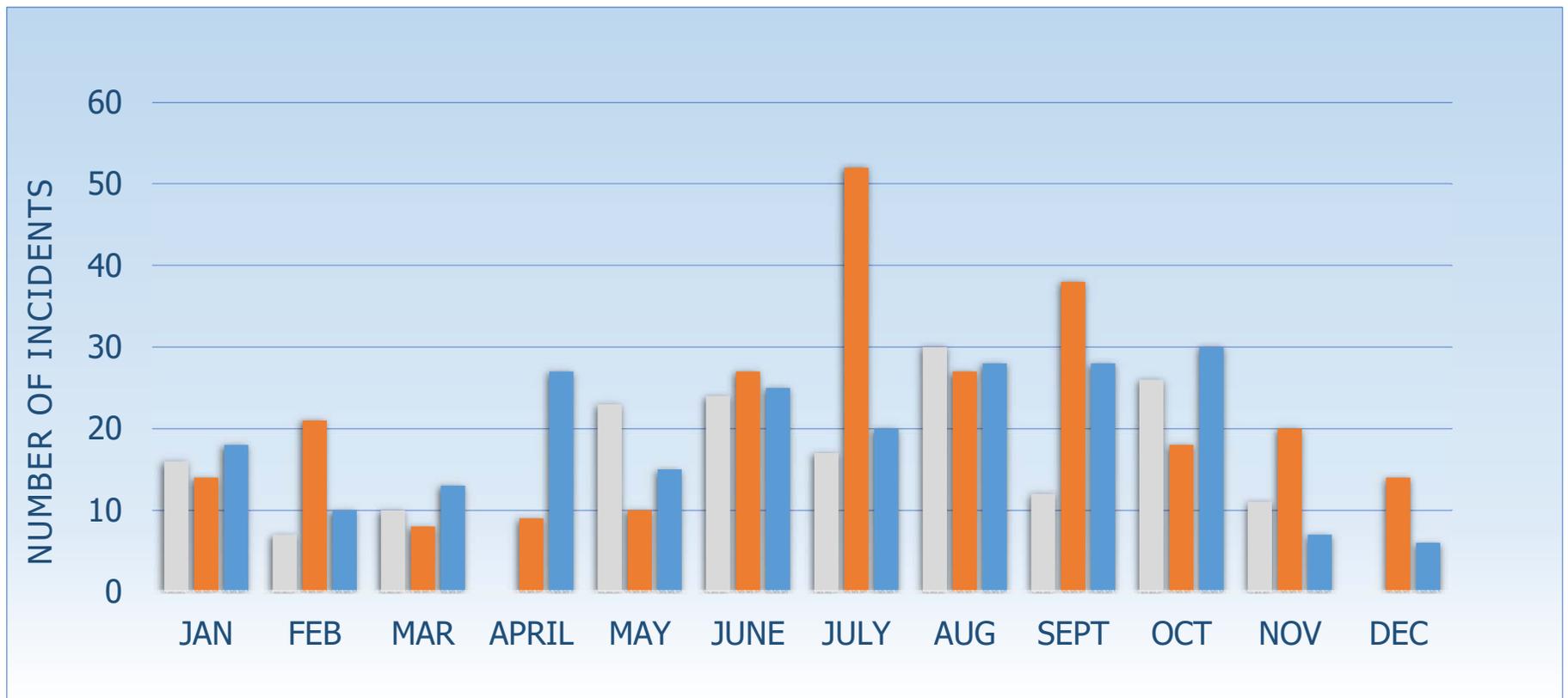
2020 Vehicle Fires - Value and Loss

NFIRS Category	Call #	Date	Address	Year	Make	Model	Blue Book Value	State	Loss
Fire									
131	0228	05/02/2020	I-196 @35MM	20xx	Ford	Escape	\$5,000	?	\$5,000
131	0338	06/14/2020	I-196 @38MM	20xx	Honda	?	\$5,000	?	\$5,000
131	0386	07/01/2020	220 Water Street	2020	KIA	Telluride SX V6	\$41,000	IN	\$3,000
131	0388	07/01/2020	I-196 @36MM	2019	Ford	Mustang Cobra	\$50,000	MI	\$3,000
			TOTAL				\$101,000		\$16,000

2020 Overlapping Incidents YTD

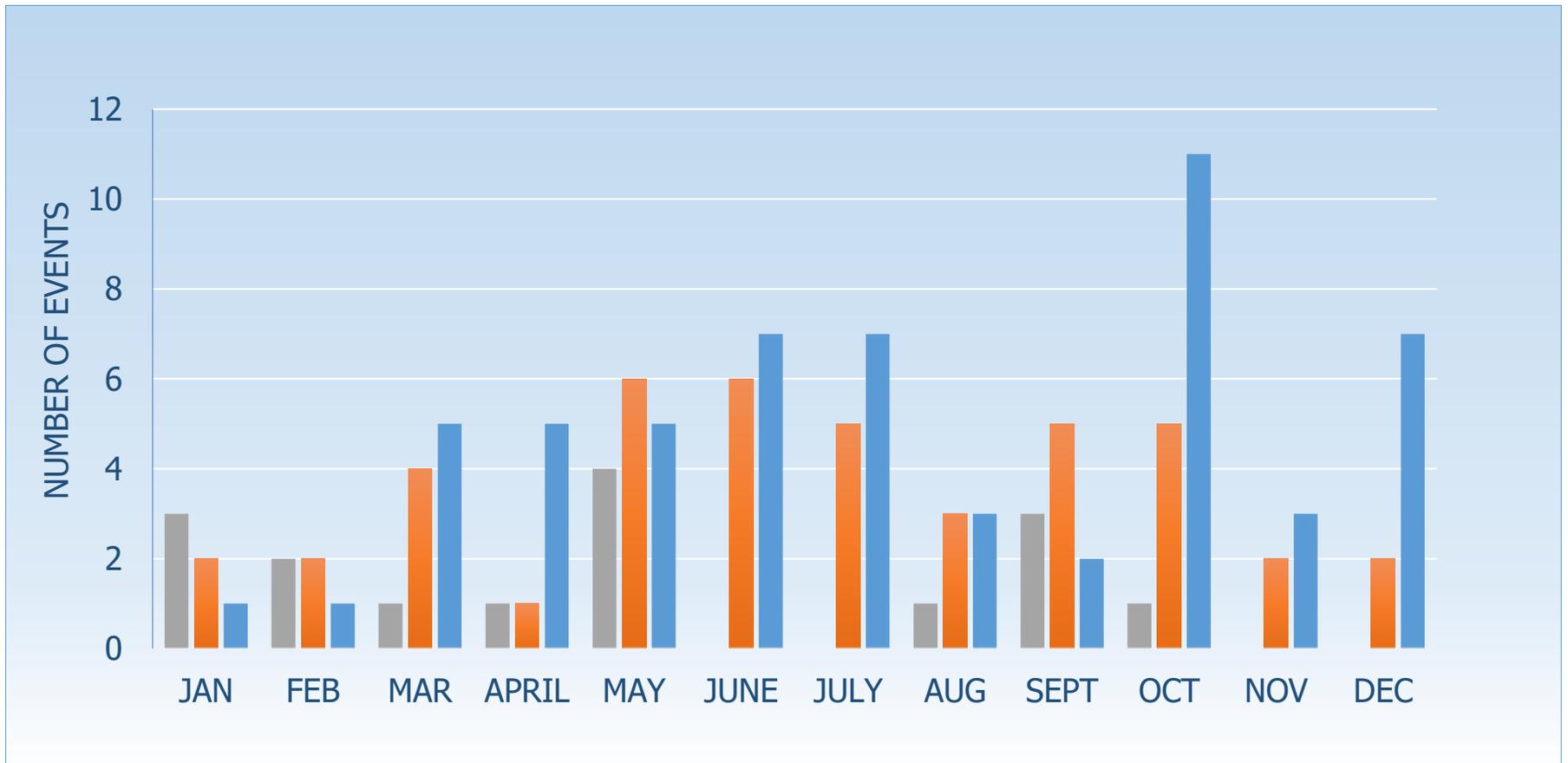
[Another emergency incident that requires fire department response that occurs within the time frame of a previous emergency incident.]

Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2020	16	7	10	0	23	24	17	30	12	26	11		176
2019	14	21	8	9	10	27	52	27	38	18	20	14	258
2018	18	10	13	27	15	25	20	28	28	30	7	6	227



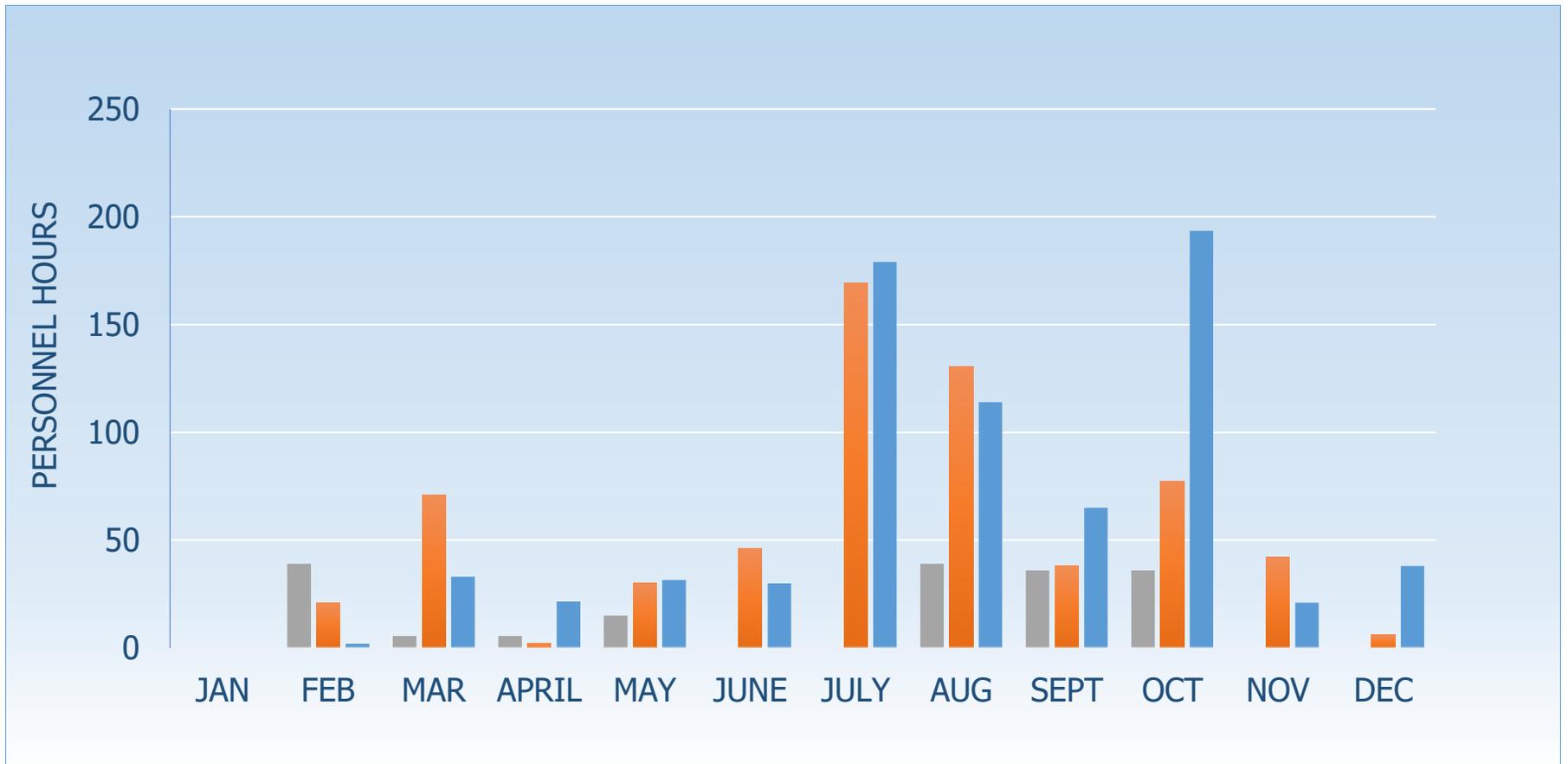
2018-2020 Special Events by month

Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Total
2020	3	2	1	1	4	0	0	1	3	1	0		16
2019	2	2	4	1	6	6	5	3	5	5	2	2	43
2018	1	1	5	5	5	7	7	3	2	11	3	7	57

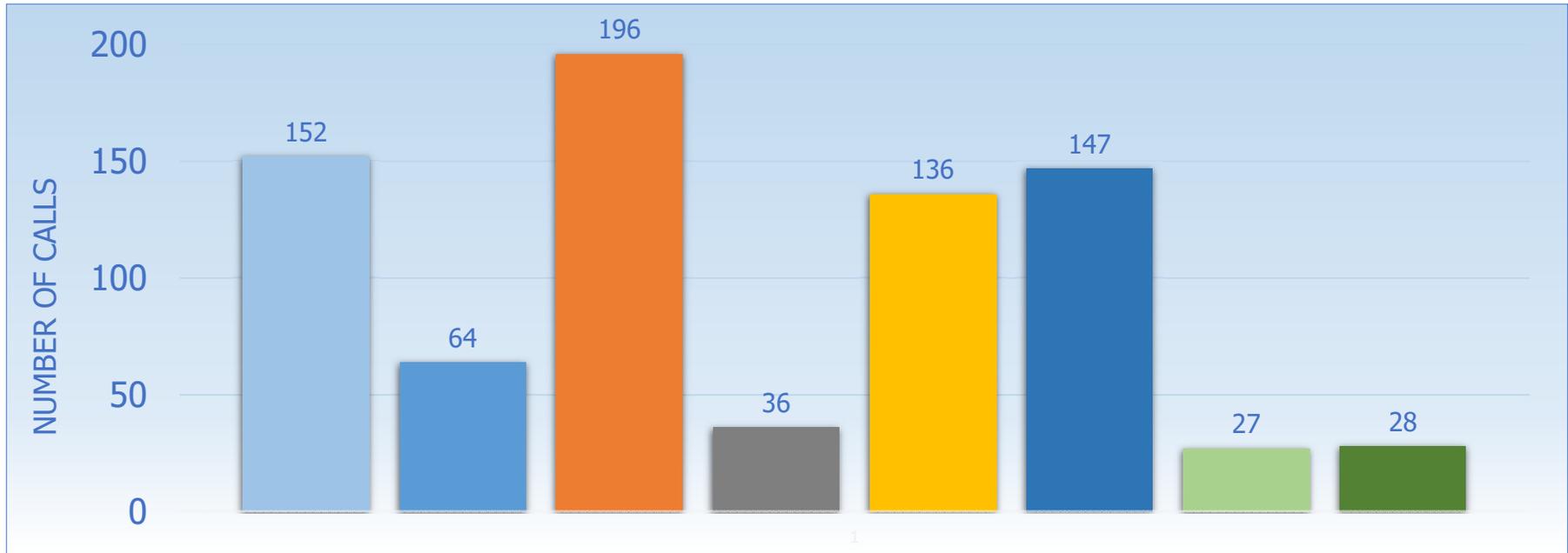


2018-2020 Special Events Personnel Hours

Year	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	Total
2020	0	39	6	6	15	0	0	39	36	36	0		176
2019	0	21	71	2	30	46	170	131	38	78	42	6	634
2018	0	2	33	22	32	30	179	114	65	194	21	38	729



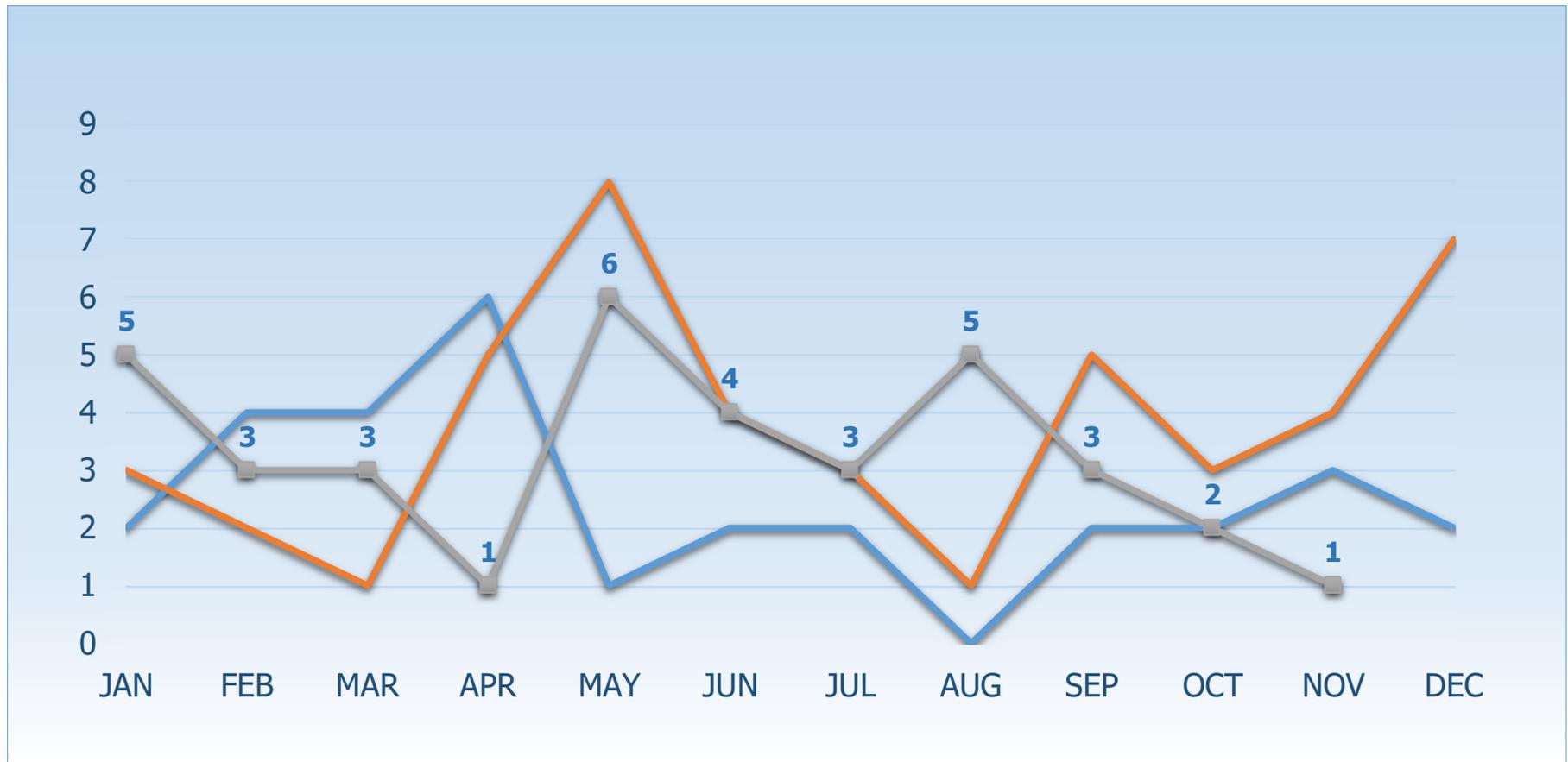
2020 Incidents by Area



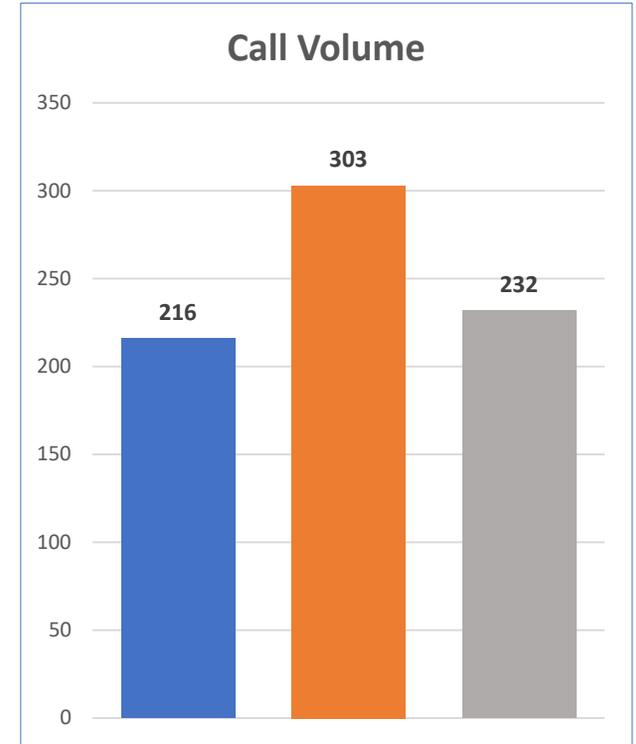
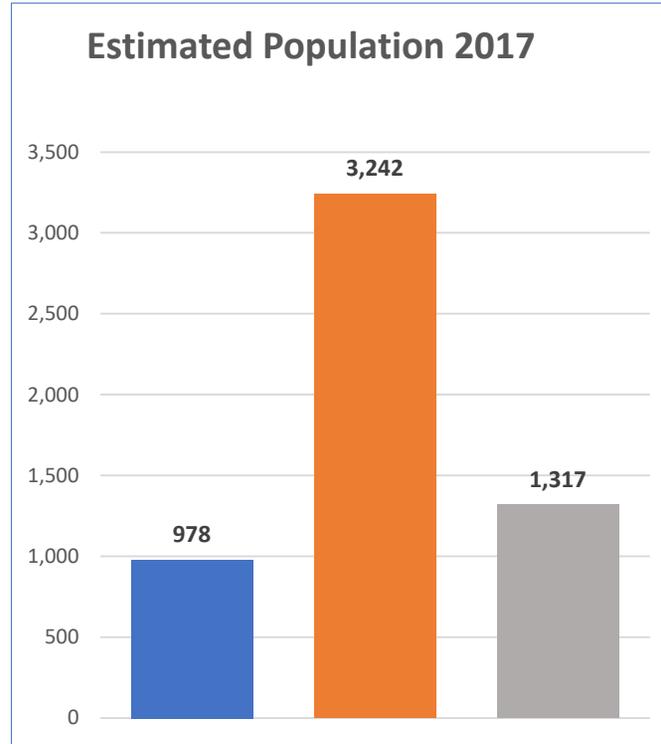
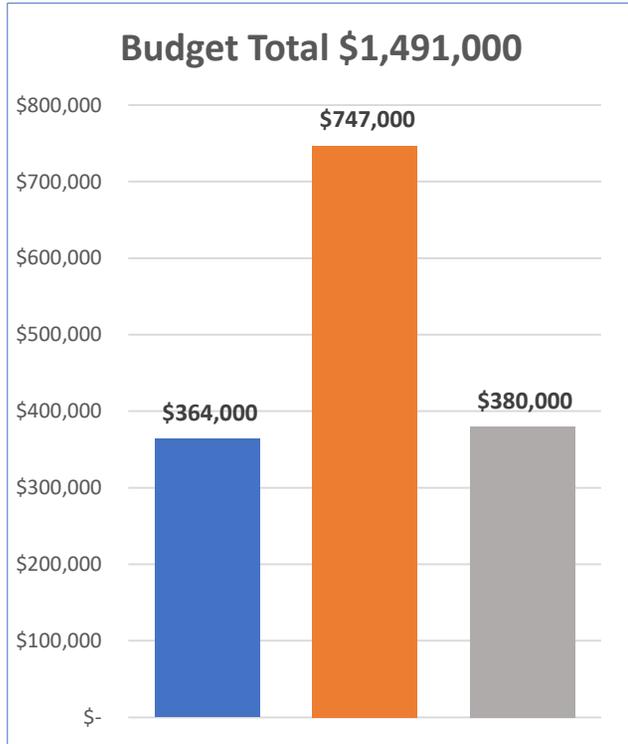
Area	November 30	%
Saugatuck North	152	19.3
Saugatuck South	64	8.1
Douglas	196	24.9
Douglas Cove	36	4.6
Township North	136	17.3
Township South	147	18.7
I-196	27	3.4
Outside Area	28	3.6
Total	786	100.0

2018-2020 Douglas Cove

Year	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
2020	5	3	3	1	6	4	3	5	3	2	1		36
2019	3	2	1	5	8	4	3	1	5	3	4	7	46
2018	2	4	4	6	1	2	2	0	2	2	3	2	30

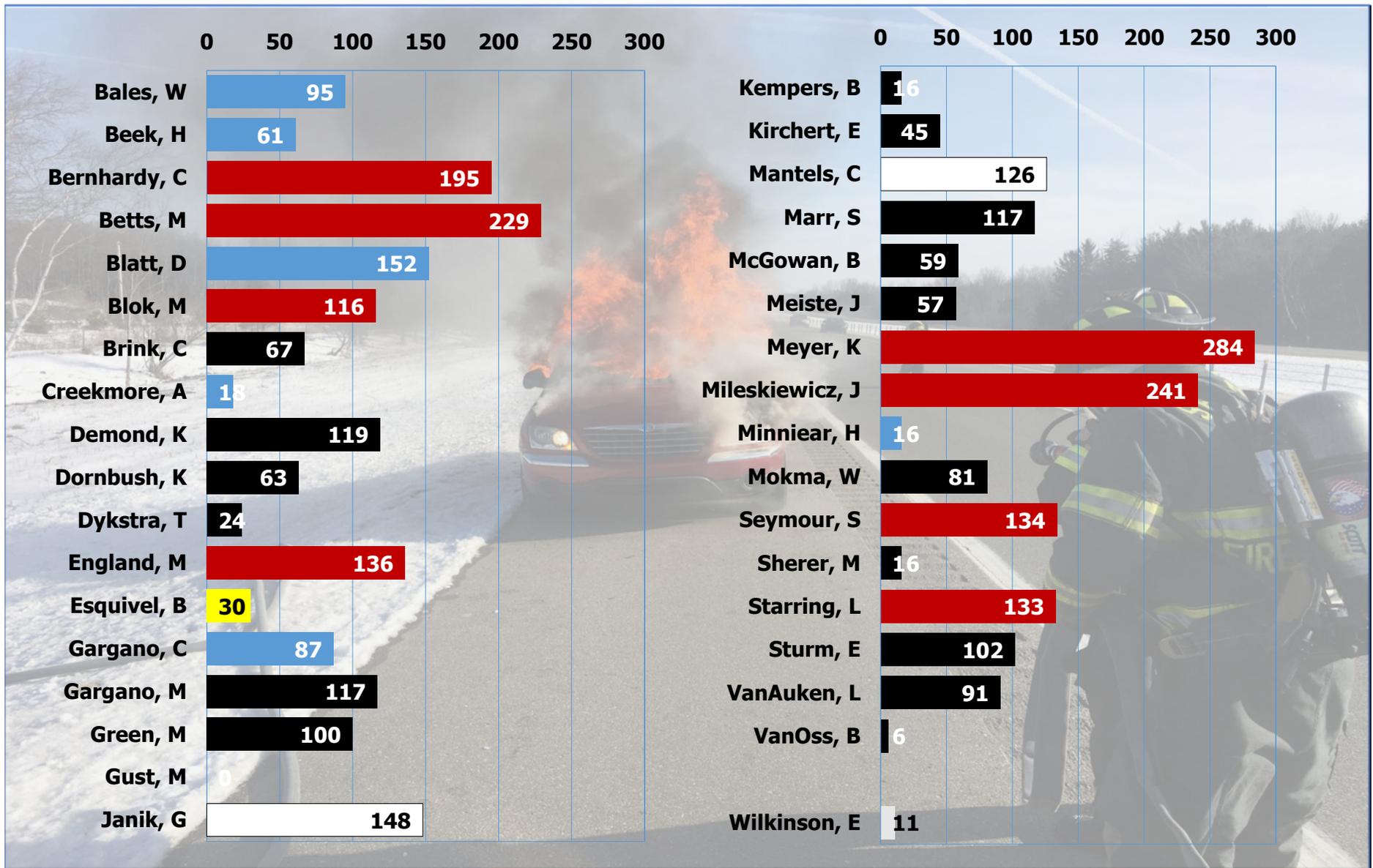


2020 Key numbers for Tri-Community



	Square Miles	Budget	%	Est. Population 2017	%	Call Volume	%
Saugatuck City	1.47	\$ 364,000	24.4	978	17.66	216	28.76
Saugatuck Township	24.21	\$ 747,000	50.1	3,242	58.55	303	40.35
City of Douglas	1.98	\$ 380,000	25.5	1,317	23.79	232	30.89
Total	27.66	\$ 1,491,000	100.0	5,537	100.00	751	100.00

2020 Personnel Response to Incidents



Total Incidents: 786

Chiefs

Officers

Firefighters

EMS

Trainee

2020 Protected Property Value

NFIRS Category	Call #	Date	Address	Zillow Market Value	Loss
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Fire

111	0067	02/03/2020	3071 Lakeshore Drive	\$0	\$0
111	0247	05/10/2020	750 Allegan Street	\$603,000	\$5,000
111	0261	05/18/2020	2734 Cedar Street	\$60,000	\$3,000
111	0317	06/07/2020	202 Butler Street	\$500,000	\$40,000
111	0711	10/30/2020	2726 62nd Street	\$331,211	\$35,000
113	0747	11/11/2020	236 Culver Street	\$900,000	\$20,000
			TOTAL	\$2,394,211	\$103,000

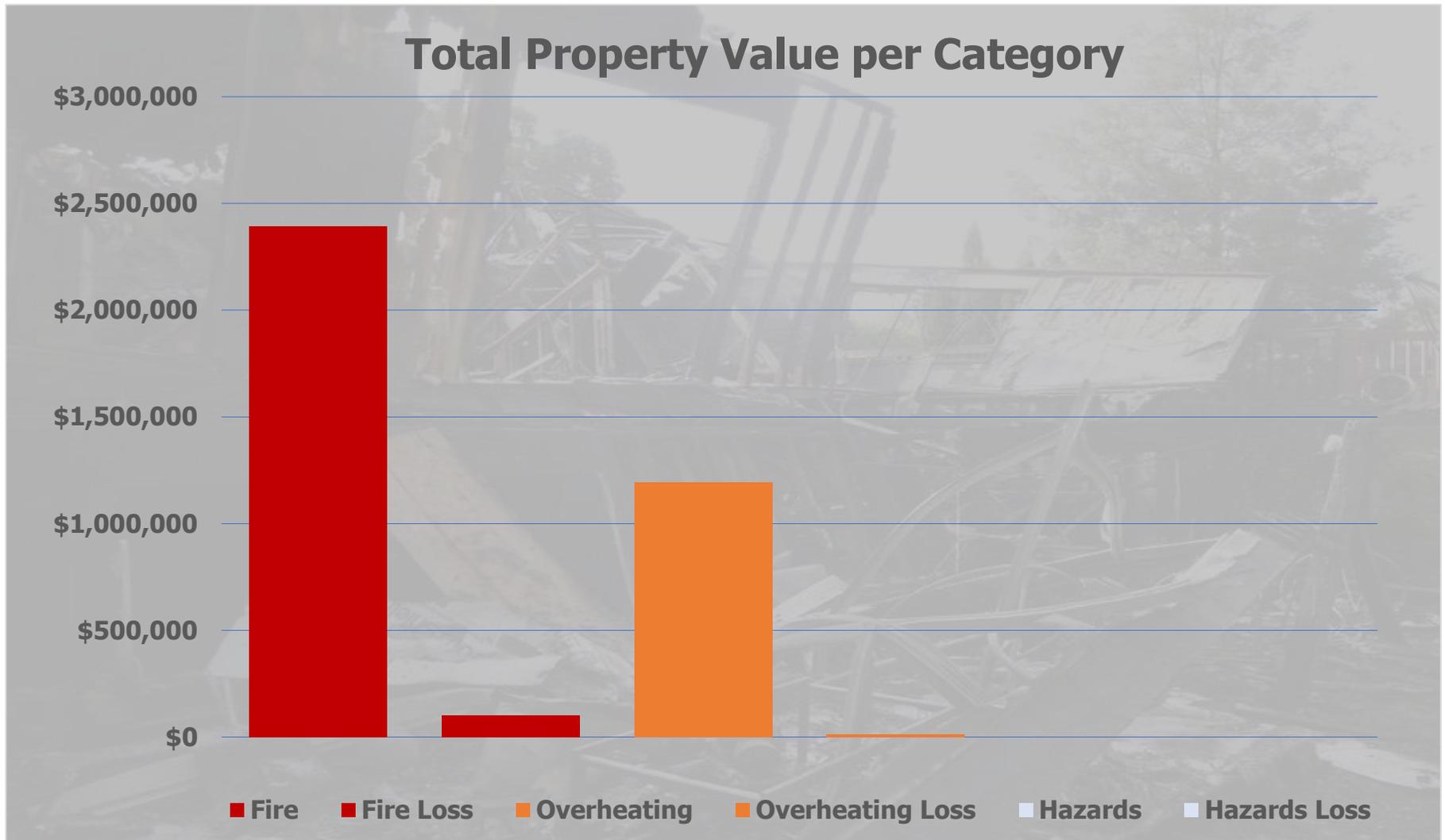
Overpressure Explosion, Overheat - No Fire

251	0614	09/20/2020	2755 Blue Star	\$724,855	\$1,500
251	0661	10/09/2020	6593 Clearbrook Drive	\$470,000	\$10,000
			TOTAL	\$1,194,855	\$11,500

Hazardous Conditions - No Fire

			TOTAL	\$0	\$0

2020 Protected Property Value



Cost Recovery Filings 2020

	Description	Incident #	Incident Date	Date of Filing	Follow up date	Amount Requested	Amount STFD	Shared	Date Received
0	MVI - Douglas	2019737	09/29/2019	10/02/2019	11/01/2019	\$2,057	\$1,237	\$198	03/24/2020
1	Boating Incident - Oval Beach	200018	01/12/2020	01/13/2020		\$1,701	\$1,000		03/12/2020
2	Medical - Douglas	200075	02/08/2020	02/10/2020		\$273	\$273		02/21/2020
3	MVI - Township	200153	03/17/2020	03/20/2020		\$754	\$754		02/27/2020
4	Vehicle and boat incident - Township	200193	04/11/2020	04/13/2020		\$1,320	\$1,320		05/15/2020
5	Boat - pier collision - Saugatuck	200377	06/28/2020	07/01/2020	07/09/2020	\$1,631	\$1,331		10/09/2020
6	MVI - Township	200421	07/13/2020	07/21/2020		\$647	\$647		08/13/2020
7	Boat - Towing	200481	08/09/2020	08/18/2020		\$853			
8	Jetski v pier head DWI - Saugatuck	200526	08/23/2020	08/25/2020		\$613	\$613		12/01/2020
9	Semis collision - I-196	200552	08/29/2020	08/31/2020	10/01/2020	\$3,926	\$3,926		09/25/2020
10	MVI - Township	200569	09/04/2020	09/29/2020	11/01/2020	\$848			
11	DWI - Township	200603	09/16/2020	09/29/2020	11/01/2020	\$684			
12	Boat - Towing	200669	10/11/2020	10/19/2020		\$1,491			
13	False alarm - Saugatuck	200759	10/30/2020	11/16/2020		\$425	\$425		12/03/2020
14									
15									
16									
17									
18									
19									
20									
21									
22									
						\$17,223	\$11,526	\$198	

- Paid
- Negotiated
- Rejected/Dismissed
- In Progress



Grants Received 2014-2020



Year	Grantor/Donor	Purpose	Grant \$	Donation \$
2014	Michigan Municipal Risk Management Agency	Overhead door reversing sensors	\$ 1,490	
	Michigan Gas & Utilities		\$ 1,000	
			2014 Total	\$ 2,490 \$ -
2015	Michigan Municipal Risk Management Agency	Digital cameras and security	\$ 2,982	
	Home Sprinkler Coalition	Promote residential sprinklers	\$ 1,000	
			2015 Total	\$ 3,982 \$ -
2016	Michigan Municipal Risk Management Agency	Fire Inspector class	\$ 562	
	Michigan Municipal Risk Management Agency	NFPA Examiner and Inspector II Class	\$ 1,950	
	Michigan Municipal Risk Management Agency	Back station fire alarm	\$ 1,695	
	Michigan Municipal Risk Management Agency	Thermal imaging cameras	\$ 2,500	
	Michigan Municipal Risk Management Agency	Back-up cameras for fire apparatus	\$ 1,079	
	Federal Emergency Management Agency	SCBA replacement	\$ 137,620	
			2016 Total	\$ 145,406 \$ -
2017	Federal Emergency Management Agency	Smoke detectors and CO alarms	\$ 21,143	
	Federal Emergency Management Agency	Large diameter hose	\$ 42,000	
	Michigan Municipal Risk Management Agency	CCTV & Security Card Access System	\$ 5,878	
	AAA	Battery Operated Extrication Tools	\$ 9,051	
	Saugatuck Douglas Foundation	Live Fire Training Facility		\$ 4,000
	Mermaid Restaurant	Live Fire Training Facility		\$ 4,000
	What Not Inn	Live Fire Training Facility		\$ 6,000
	Fae Whitman Foundation	Live Fire Training Facility		\$ 4,025
			2017 Total	\$ 78,072 \$ 18,025



Grants Received 2014-2020



Year	Grantor/Donor	Purpose	Grant \$	Donation \$
2018	Allegan County Community Foundation	Live Fire Training Facility	\$ 10,000	
	Michigan Fire Fighter Training Council	Instructor 1 Course	\$ 3,600	
	The Padnos Family	Live Fire Training Facility		\$ 10,000
	Jeff Padnos	Live Fire Training Facility		\$ 7,010
	2018 Total			\$ 13,600
2019	Michigan Fire Fighter Training Council	Agricultural Machine Rescue Course	\$ 1,760	
	Michigan Fire Fighter Training Council	Pump Operator and Tanker Shuttle Courses	\$ 2,640	
	Michigan Fire Fighter Training Council	Forcible Entry Training Props	\$ 14,085	
	Michigan Municipal Risk Management Agency	Arrowboard for 2141	\$ 3,205	
	Michigan Municipal Risk Management Agency	Fence for LFTF Lot	\$ 3,150	
	Federal Emergency Management Agency	Radios and Headsets	\$ 123,558	
	SA. Mormon	Live Fire Training Facility		\$ 1,890
	Hamilton Concrete	Live Fire Training Facility		\$ 1,500
2019 Total			\$ 148,398	\$ 3,390



Grants Received 2014-2020



Year	Grantor/Donor	Purpose	Grant \$	Donation \$
2020	Michigan Municipal Risk Management Agency	Chevron for apparatus	\$ 1,655	
	Michigan Municipal Risk Management Agency	Fire Inspector Class	\$ 3,563	
	Entergy	Fence for LFTF lot	\$ 6,301	
	Federal Emergency Management Agency	PPE extractor and dryer	\$ 26,190	
	Federal Emergency Management Agency	PPE reimbursement	\$ 4,974	
	Home Sprinkler Coalition	Sprinkler...	\$ 500	
	Michigan Fire Fighter Training Council	LFTF plating	\$ 10,000	
	Michigan Fire Fighter Training Council	Excelsior bales	\$ 5,450	
	Michigan Department of Treasury	FRHPPP - First Responder Hazard Pay	\$ 27,000	
	Michigan Department of Treasury	Public Safety Payroll Reimbursement	\$ 58,948	
	Michigan Municipal Risk Management Agency	Certification Reimbursement	\$ 1,013	
			2020 Total \$	145,594 \$
			Grand Total \$	537,542 \$ 38,425



Grants and Donations 2014-2020

