

**COOPERATIVE DEVELOPMENT AGREEMENT
BETWEEN LESLIE TOWNSHIP AND CITY OF LESLIE
(ACT 425 CONDITIONAL TRANSFER)**

This Cooperative Development Agreement ("Agreement") is made FEB 12TH, 2016, by and between the City of Leslie, a Michigan home rule city, with its offices located at 106 E Bellevue, Leslie, MI 49251 ("City"), and Leslie Township, a Michigan general law township, with its offices located at 4279 Oak Street, Leslie, MI 49251 ("Township").

RECITALS

WHEREAS, Article VII, Section 28 of the Michigan Constitution of 1963 specifically authorizes two or more governmental units to enter into contractual undertakings or agreements with one another for the joint administration, sharing of costs and responsibilities or transferring to another of any of the functions, powers, or responsibilities which each would have the power to perform separately; and

WHEREAS, Act 425 of Public Acts of 1984, as amended (MCL 124.21 *et seq*; "Act 425") enables local governments to conditionally transfer property for economic development projects, allows for sharing of taxes and other revenues, and prohibits the annexation or detachment of conditionally transferred property; which conditional transfer must be controlled by a written contract promulgated in compliance with the provisions of Act 425; and

WHEREAS, the City and the Township are both local governmental units as defined by Act 425 and both desire to enter into this Agreement to assure managed and controlled growth within the Cooperative Development Area described in the attached Exhibit A ("Cooperative Development Area"); to assure the availability of municipal utilities and municipal services for economic development projected within the Cooperative Development Area; to enhance the property values, tax base, employment opportunities and the general economic vitality of both the City and the Township; to prevent the annexation, detachment or other forced transfer of property within the Cooperative Development Area, except in accordance with this Agreement; and to minimize causes of disputes between the City and Township due to growth and development within the Cooperative Development Area; and

WHEREAS, the Township Board and the City Council have each considered the following factors prior to entering into this Agreement:

- A. Composition of the population; population density; land area and land uses; assessed valuation; topography, natural boundaries, and drainage basins; and the past and probable future growth, including population increase and business, commercial, and industrial development in the Cooperative Development Area; and the comparative data for the Township and the portion of the Township remaining after the conditional transfer of the Cooperative Development Area; and
- B. Need for organized community services; the present cost and adequacy of governmental services in the Cooperative Development Area; the probable future need for services in the

Cooperative Development Area; the practicability of supplying such services to the Cooperative Development Area; the probable effect of the conditional transfer and of alternative courses of action on the cost and adequacy of services in the Cooperative Development Area and on the remaining portion of the Township; the probable change in taxes and tax rates in the Cooperative Development Area in relation to the benefits expected to accrue from the conditional transfer; and the financial ability of the City which is responsible for services in the Cooperative Development Area to provide and maintain those services; and

C. General effect of the conditional transfer upon the parties to this Agreement; and the relationship of the transfer to any established city, village, township, county or regional land use plan; and

WHEREAS, neither the City Council nor the Township Board adopted a resolution calling for a referendum on the conditional transfer to be made pursuant to this Agreement, and more than thirty (30) days have elapsed since the public hearings held by the City Council and the Township Board and neither the City Clerk nor the Township Clerk has received a petition calling for a referendum on the conditional transfer.

NOW, THEREFORE, in consideration of the mutual benefits of this Agreement, the parties agree as follows:

ARTICLE I GENERAL PROVISIONS

Section 1.1: Purpose. The purpose of this Agreement is to create a Cooperative Development Area around the City of Leslie; to promote economic development projects and growth within the Cooperative Development Area; to provide for municipal utilities and services within that Cooperative Development Area; to establish the exclusive procedure to transfer land within the Cooperative Development Area from Township jurisdiction to City jurisdiction; to prohibit any other annexation, detachment or transfer of property within the Cooperative Development Area; and to provide for the sharing of municipal revenues from the Cooperative Development Area between the City and the Township.

Section 1.2: Description of Cooperative Development Area. The Cooperative Development Area shall be comprised of all property identified and described in the attached Exhibit A.

Section 1.3: Consideration. In return for the conditional transfer of municipal jurisdiction of land within the Cooperative Development Area from the Township to the City, the City will share revenues with the Township as set forth in this Agreement.

Section 1.4: Term of Agreement. This Agreement shall have an initial term of thirty (30) years commencing on the effective date of this Agreement. Upon the termination of the initial term, this Agreement shall be automatically renewed without any affirmative action by the City or the Township for an additional thirty (30) years thereafter, unless both the City and the Township,

by a majority vote of the City Council and a majority vote of the Township Board, agree to terminate this Agreement on an earlier date.

Section 1.4: Cooperation. The City and the Township agree that they will cooperate with each other in the performance of any duty or action required of them under this Agreement or by Act 425 to make this Agreement effective and legally binding on the City and the Township, and to prevent and actively oppose any annexation, transfer or detachment of property in the Cooperative Development Area, except as expressly provided for in this Agreement.

Section 1.5: Definitions.

- A. ***“Cooperative Development Area”*** means all that property identified and described in the attached Exhibit A.
- B. ***“District I”*** means that part of the Cooperative Development Area outside of District II. Upon the effective date of this Agreement, all property within the Cooperative Development Area shall be immediately conditionally transferred to District I.
- C. ***“District II”*** means that part of the Cooperative Development Area for which the City and Township receive and approve the property owner’s request for conditional transfer to District II as set forth in the attached Exhibit B.

**ARTICLE II
PROCEDURE AND EXCEPTIONS TO CONDITIONAL TRANSFER**

Section 2.1: Properties Conditionally Transferred to District I. On the Effective Date of this Agreement, all properties within the Cooperative Development Area shall be conditionally transferred to District I.

Section 2.2: Properties Conditionally Transferred to District II. Any property in the Cooperative Development Area that receives a new connection to water or sewer service from the City after the Effective Date of this Agreement, except as provided in Section 2.4, shall be conditionally transferred to District II at the time the Request for Conditional Transfer Form (Exhibit B to this Agreement) is filed with the Ingham County Clerk and Michigan Secretary of State following approval by the City and Township.

Section 2.3: Process for Conditional Transfer to District II. Upon receiving the Request For Conditional Transfer to District II form attached to this Agreement as Exhibit B, the Township Board and the City Council shall each hold at least one public hearing on the requested conditional transfer, preceded by notice complying with the requirements of the Michigan Open Meetings Act. If approved by the Township Board and the City Council, and no public referendum is required under Act 425 then Thirty (30) days following approval, the Township and City shall both execute the form attached to this Agreement as Exhibit B as an amendment to this Agreement and file copies thereof with the Ingham County Clerk and Michigan Secretary of State.

Section 2.4: Exceptions from Conditional Transfer to District II. Property within the Cooperative Development Area shall be permitted to remain in District I, even though it receives City water or sewer services, without a conditional transfer to District II under the following circumstances:

- A. **Hardship Property:** If the Ingham County Health Department or its successor agency determines that an existing owner-occupied single family residential property is no longer able to support any septic or drain field or, in the case of water, has determined that a well cannot be drilled on the parcel capable of producing potable water, the homeowner may connect to City water or sewer services without conditionally transferring the property to District II, provided that City water or sewer service is available to service the property at the property line or extended to the property line at the expense of the homeowner. The property shall be transferred to District II pursuant to this Agreement upon subsequent transfer of ownership of the property.
- B. **Existing Service Property:** The City agrees to continue to provide water or sewer to those parcels of property within the Cooperative Development Area that at the time of the Effective Date of this Agreement are served with City water and/or sewer. This Agreement to continue water and/or sewer services applies to existing residential, commercial and industrial uses, and said properties shall not be required to conditionally transfer to District II.
- C. **Township Property:** Property owned by the Township, which is used for tax exempt municipal purposes, and not used for profit or held for development or resale, can be served with City water and sewer services without being conditionally transferred to City jurisdiction under District II.

Section 2.5: Property Outside of Cooperative Development Area: Property outside of the Cooperative Development Area and the City may be provided City water and/or sewer services on a case-by-case basis, but only after it has been incorporated into the Cooperative Development Area and:

- A. The Joint Planning Commission has met and recommended expanding the Cooperative Development Area to encompass the property; and
- B. Both the Township and the City approve such extension and amendment of this Agreement after complying with the procedures of Act 425; and
- C. The procedural requirements of this Article have otherwise been satisfied.

ARTICLE III AREA AND JURISDICTION CONDITIONALLY TRANSFERRED

Section 3.1: Conditional Transfer of Property. The entire Cooperative Development Area shall immediately be conditionally transferred from the jurisdiction of the Township to the jurisdiction of the City under District I for the purposes specified in this Agreement.

Section 3.2: Jurisdiction—Governmental Services within Districts I and II.

- A. District I shall receive all services from the Township normally provided to Township properties. The Township hereby grants and the City hereby accepts a franchise and irrevocable consent to use the public rights of way within District I for the purpose of providing water and/or sewer services to District II properties and those properties receiving water and/or sewer service under Section 2.4 above.
- B. District II shall receive all services from the City normally provided to City properties. The City shall have jurisdiction over and bear the cost of maintaining and improving the portion of any public road within District II. The City and the Township shall each bear one-half the cost of maintaining and improving any public road contiguous to properties within District II.

Section 3.3: Jurisdiction—Zoning of Transferred Area. During the term of this Agreement, the Township shall have all zoning authority within District I and the City shall have all zoning authority within District II.

Section 3.4: Jurisdiction—Taxes. During the term of this Agreement, all *ad valorem* property taxes shall be levied and collected by the Township at the normal Township millage rate for District I, and all *ad valorem* property taxes shall be levied and collected by the City at the normal City millage rate for District II.

Section 3.5: Jurisdiction—Special Assessments. During the term of this Agreement, District I shall be considered to be within the jurisdiction of the Township for purposes of special assessments, and District II shall be treated as being within the jurisdiction of the City for purposes of special assessments.

Section 3.6: Voting. Qualified electors in District I shall be considered qualified electors of the Township for election and voting purposes. Qualified electors in District II shall be considered qualified electors of the City for election and voting purposes.

Section 3.7: Jurisdiction—Applicability and Enforcement of Ordinances.

- A. District I shall be within the ordinance jurisdiction of the Township and subject to all Township ordinances, rules and regulations enacted now and during the term of this Agreement or any renewal thereof. The Township remains the enforcing agency for such ordinances, rules and regulations.
- B. District II shall be within the ordinance jurisdiction of the City and subject to all City ordinances, rules and regulations enacted now and during the term of this Agreement or any renewal thereof. The City remains the enforcing agency for such ordinances, rules and regulations.

Section 3.8: Jurisdiction after Termination or Expiration. Upon the termination, expiration, or non-renewal of this Agreement, District I shall for all purposes return to the full jurisdiction of the Township and District II shall for all purposes remain under the full jurisdiction of the City.

**ARTICLE IV
SHARING OF REVENUES**

Section 4.1: Revenue Sharing -- Annual Payment to Township. During the term of this Agreement, and any renewals, the City shall annually pay the Township by March 1 of each year a revenue sharing payment equal to the then-established Township millage rate, up to a maximum of two (2) mills, applied against the taxable value of all taxable property within District II.

Section 4.2: Revenue Sharing – Substitute or Replacement Revenues. In the event that *ad valorem* property taxes are replaced in full or in part by any substitute or replacement revenues that is collected by the City for the described property, the revenue sharing due to the Township hereunder shall be adjusted proportionately.

Section 4.3: Grants and State/Federal Revenue Sharing. District II property shall be treated as being within the jurisdiction of the City for purposes of gifts, grants, assistance funds, bequests, or other funding from any private or public source. For the purpose of state and federal revenue sharing, the sharing of highway funds, or any other type of funding, District II shall be considered as being within the jurisdiction of the City, and such funds shall not be shared with the Township, except as otherwise provided in Sections 4.1 and 4.2 above.

**ARTICLE V
TERMINATION & AMENDMENT**

Section 5.1: Termination. This Agreement may be terminated:

- A. At any time by mutual agreement of both of the City Council and the Township Board after the holding of public hearings before both legislative bodies for which notice has been posted as required by the Michigan Open Meetings Act; said termination shall take effect at 11:59 p.m. on December 31 of the year following the action to terminate or at such other date and time as the parties shall agree.
- B. Upon failure to be approved by a majority of the electors in a referendum held as a result of a petition being filed within thirty (30) days of the public hearings.
- C. By operation of law should a court of competent jurisdiction order termination of the Agreement.
- D. By the expiration of the initial term or renewal term of this Agreement.

Section 5.2: Amendment. This Agreement may be amended by the mutual agreement of the City and the Township, after notice and hearing as provided by Act 425.

**ARTICLE VI
DEFAULT & ENFORCEMENT**

Section 6.1: Default. In the event the City or the Township fails to comply with the obligations of this Agreement, a written notice of default must be sent by registered mail, return receipt requested, by the non-defaulting party to the other party, describing the act of default, the specific events required to cure and demanding a remedy. If the default is not corrected within thirty (30) days after that notice, or substantial steps have not been taken to cure the default within those thirty (30) days after notice, the non-defaulting party may enforce this Agreement as described in Section 6.2.

Section 6.2: Enforcement. If a dispute between the parties arises under this Agreement that is not resolved through voluntary mediation, or if an uncured default continues beyond the applicable cure period, the Agreement may be enforced by either party in an action in a court of competent jurisdiction in Ingham County, Michigan, under Michigan law.

**ARTICLE VII
APPROVAL, FILING, AND EFFECTIVE DATE**

Section 7.1: Public Hearings and Notice. The Township Board of the Township and the City Council of the City shall hold at least one public hearing on this Agreement, before voting on and approving this Agreement. Such hearings must be preceded by notices complying with the requirements of the Michigan Open Meetings Act.

Section 7.2: Filing and Effective Date. A duplicate original of this executed Agreement (or any subsequent amendment) shall be filed with the Ingham County Clerk and the Michigan Secretary of State. Certification of filing with the Ingham County Clerk or Secretary of State shall be *prima facie* evidence of the conditional transfer of the Cooperative Development Area and to District I and District II. This Agreement or subsequent amendment shall be effective on the day it is filed with the Ingham County Clerk and Secretary of State.

**ARTICLE VIII
MISCELLANEOUS**

Section 8.1: Rates. Utility rates, charges, and assessments, and tap-in fees charged to customers in the Cooperative Development Area shall be the same as charged to other customers within the City.

Section 8.2: No Precedent. This Agreement shall not constitute a precedent for further conditional transfers of territory or the furnishing of City services within the Township. Any future situation shall be considered by the parties on its own merits under separate agreements. Future conditional transfers may be added to this Agreement through an amendment in compliance with Act 425 and a vote by the City Council and Township Board.

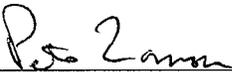
Section 8.3: Assignment. This Agreement may not be assigned unless approved in writing by the City Council and the Township Board.

Section 8.4: Severability. If any provision of this Agreement is held to be unenforceable for any reason, the remainder of this Agreement shall remain in full force and effect. If, because of the invalidity of any part of this Agreement, either party determines that the purpose and intent of this Agreement has failed, the City and the Township shall renegotiate in good faith to amend this Agreement to make it valid and satisfactory to both the City and the Township.

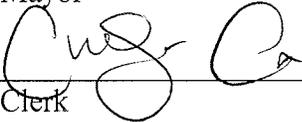
Section 8.5: Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement,

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date and year first written above.

CITY OF LESLIE

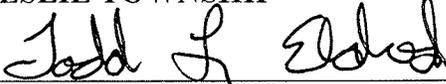


Mayor



Clerk

LESLIE TOWNSHIP



Supervisor



Clerk

EXHIBIT A

**LEGAL DESCRIPTION OF
COOPERATIVE DEVELOPMENT AREA**

**EXHIBIT B
AMENDMENT NO. ____ TO THE
COOPERATIVE DEVELOPMENT AGREEMENT
BETWEEN LESLIE TOWNSHIP AND CITY OF LESLIE**

TO:

Leslie Township 4279 Oak Street Leslie, MI 49251	City of Leslie 106 E. Bellevue St. Leslie, MI 49251
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REQUEST FOR CONDITIONAL TRANSFER TO DISTRICT II

Date of Request _____, 20__

I (we) request that the following described property (“Subject Property”), which I (we) own, be conditionally transferred to District II under the Cooperative Development Agreement between Leslie Township and the City of Leslie dated _____, 2015.

Legal Description of the Subject Property:

Respectfully submitted,

Property Owner

Property Owner

STATE OF MICHIGAN
COUNTY OF INGHAM

Subscribed to and sworn to by _____ and _____ before me on _____, 20__, in _____, Michigan.

_____, Notary Public
Ingham County, Michigan
Acting in Ingham County, Michigan
My Commission Expires: _____

APPROVAL OF CONDITIONAL TRANSFER TO DISTRICT II

On _____, 20__, having received the above Request for Conditional Transfer to District II, the City of Leslie, a Michigan home rule city, with its offices located at 106 E Bellevue, Leslie, MI 49251 (“City”), and Leslie Township, a Michigan general law township, with its offices located at 4279 Oak Street, Leslie, MI 49251 (“Township”), hereby amend the Cooperative Development Agreement dated _____, 2015 (“Cooperative Development Agreement”) and conditionally transfer the Subject Property to District II, as follows:

WHEREAS, the Cooperative Development Agreement provided an exclusive procedure for the conditional transfer of properties from District I to District II under that Agreement; and

WHEREAS, the Subject Property legally described in the Property Owner's above Request is within District I; and

WHEREAS, in accordance with Act 425, the City Council held a public hearing on the ___ day of _____ 20__, at ___ p.m. and the Township Board held a public hearing on the ___ day of _____ 20__, at ___ p.m. regarding the requested conditional transfer of the Subject Property to District II; and

WHEREAS, the Township Board and the City Council have each considered the mandatory factors required by Act 425; have each decided, by a majority vote of the members elected and serving on each body, to approve the conditional transfer of the Subject Property to District II; neither the City Council nor the Township Board adopted a resolution calling for a referendum on the conditional transfer of the Subject Property to District II; more than thirty (30) days have elapsed since the public hearings held by the City Council and the Township Board; and neither the City Clerk nor the Township Clerk has received a petition calling for a referendum on the conditional transfer of the Subject Property to District II.

NOW, THEREFORE, the City and the Township agree as follows:

1. The Subject Property shall be conditionally transferred from District I to District II.
2. This Amendment shall be deemed to be an Amendment to the Cooperative Development Agreement, and all the terms and conditions of the latter Agreement shall be incorporated herein.
3. Following the execution of this Amendment, a duplicate original shall be filed with the Clerk of Ingham County and with the Michigan Secretary of State. A copy of this Amendment certified by the county clerk or secretary of state shall be *prima facie* evidence of the conditional transfer of the Subject Property to District II. This Amendment shall be effective upon its filing with the county clerk and secretary of state.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date and year above.

CITY OF LESLIE

LESLIE TOWNSHIP

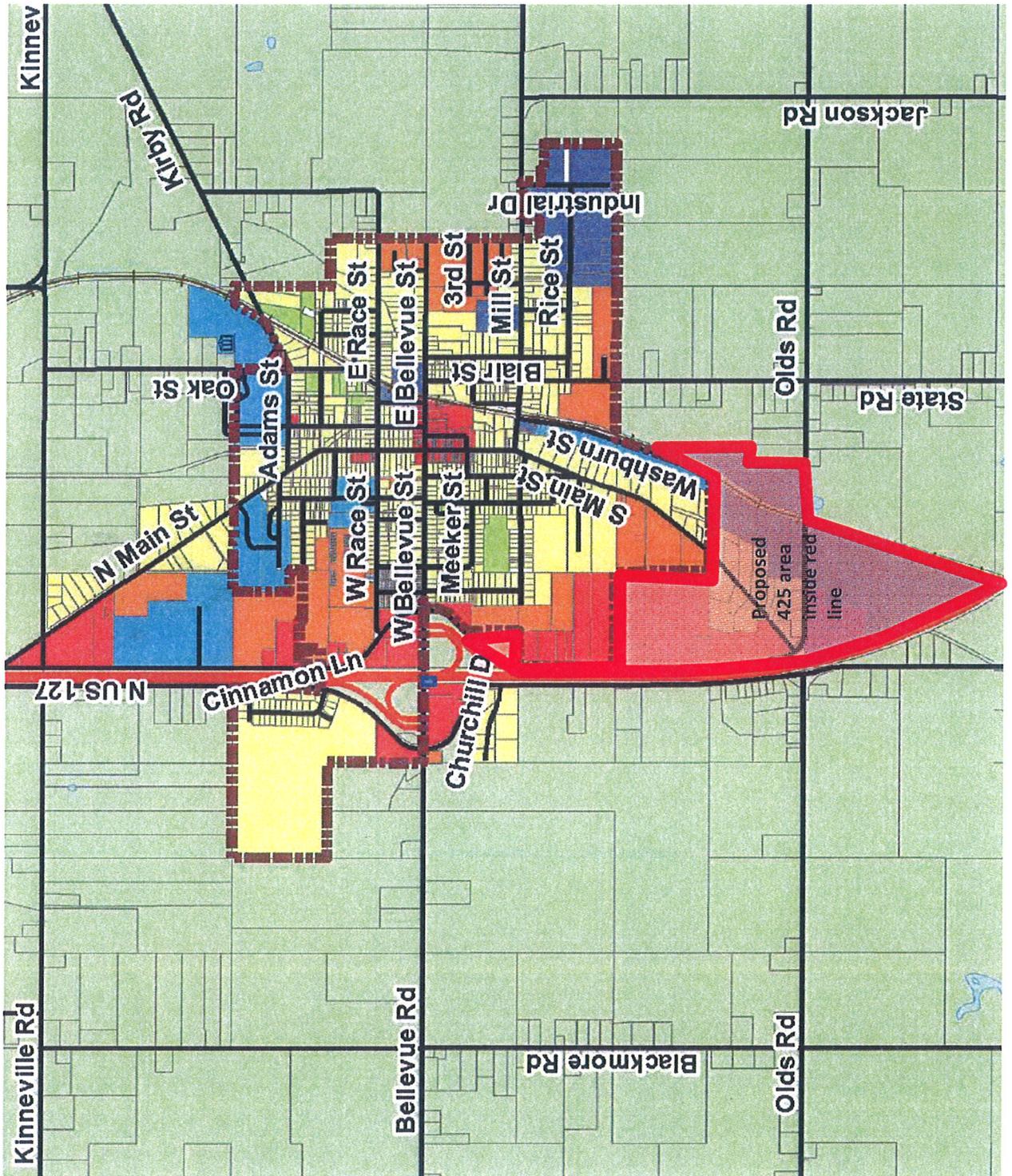
Mayor

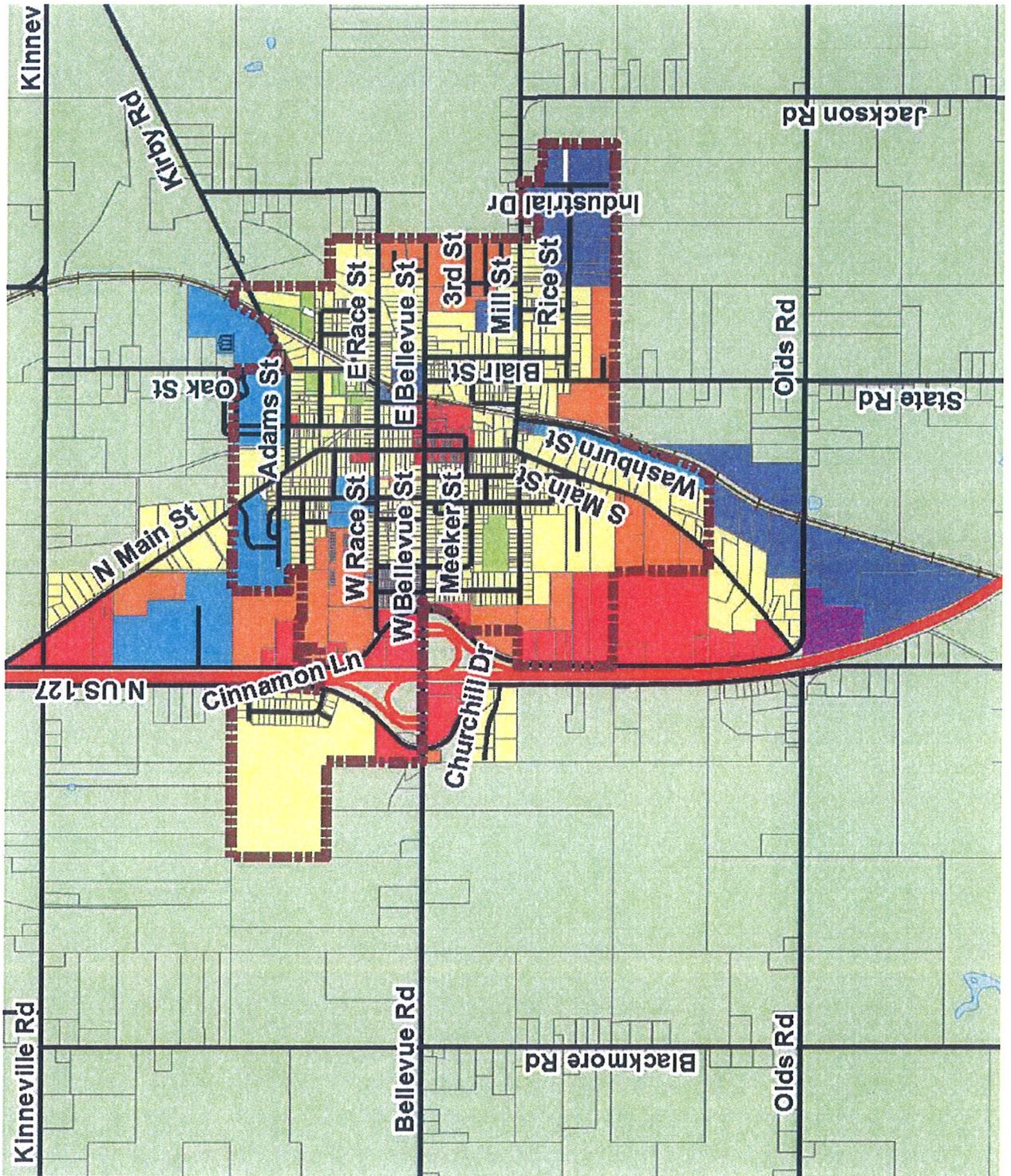
Supervisor

Clerk

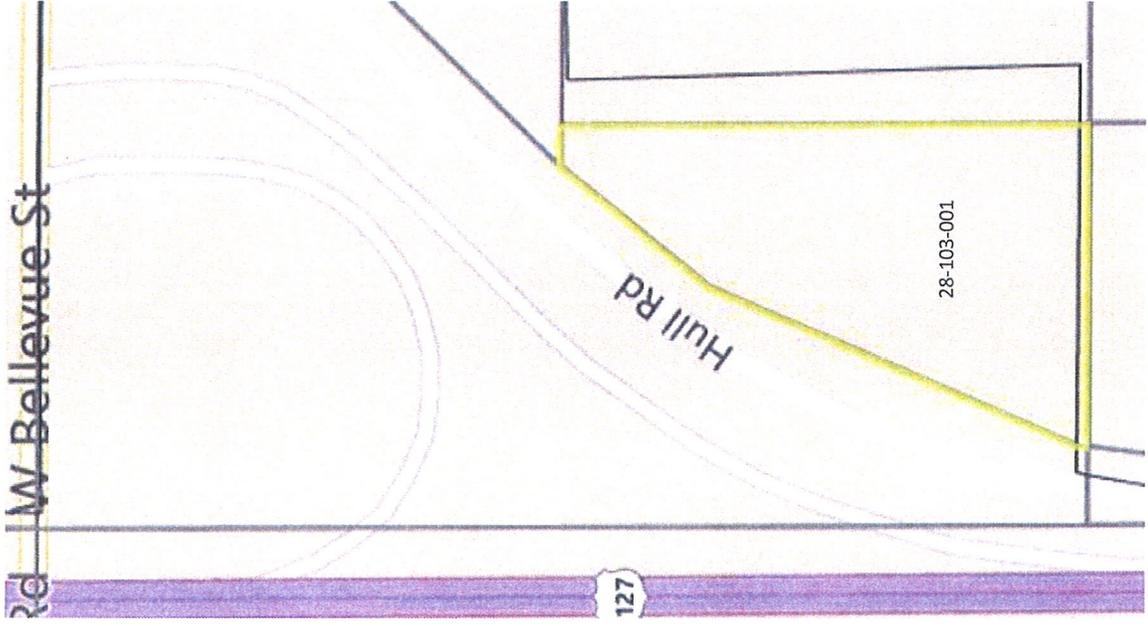
Clerk

Township Parcels in Area Covered
Under Leslie Township – City of Leslie
425 of 2016

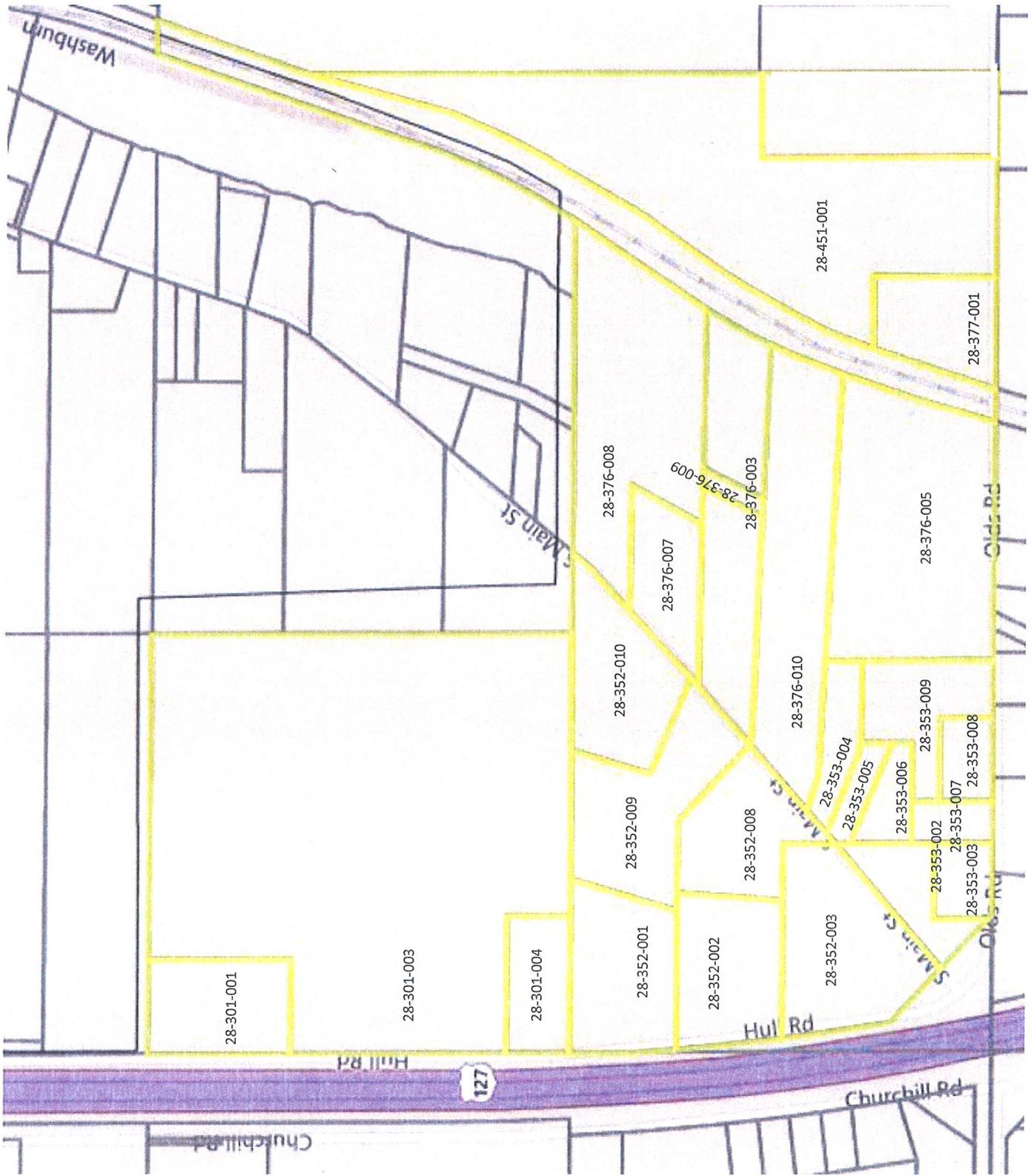




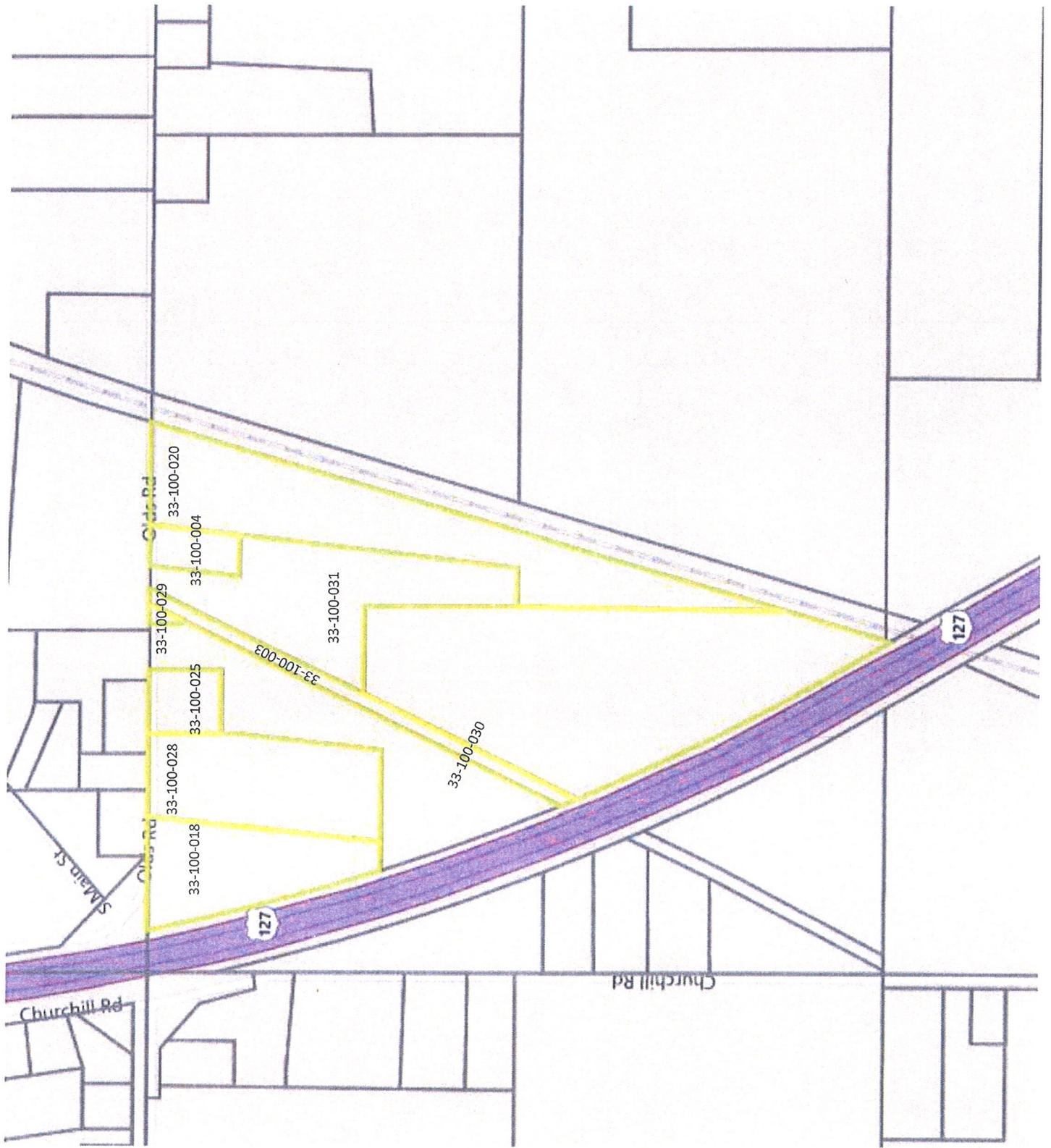
Section 28-29



Section 28



Section 33



ARTICLE VI. - ETHICS

FOOTNOTE(S):

--- (9) ---

Charter reference— Ethics ordinance required, § 8.14. [\(Back\)](#)

Cross reference— City council, § 2-31 et seq.; officer and employees, § 2-61 et seq. [\(Back\)](#)

State Law reference— Conflicts of interest as to contracts, MCL 15.321 et seq., MSA 4.1700(51) et seq.; standards of conduct and ethics, MCL 15.341 et seq., MSA 4.1700(71) et seq. [\(Back\)](#)

Sec. 2-211. - Penalty.

Any person who shall violate this article shall upon conviction be guilty of a misdemeanor punishable as provided in section 1-16.

(Ord. No. 153, § 2, 2-3-1997)

Sec. 2-212. - Use of office for private and economic gain.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to use his public office for private and economic gain.

(Ord. No. 153, § 1(a), 2-3-1997)

Sec. 2-213. - Conflict of interest.

It shall be unlawful for an employee of the city, a councilmember of the city, or an appointed member of the city's boards and/or commissions to act in an official capacity on matters in which he has a private financial interest clearly separate from that of the general public.

(Ord. No. 153, § 1(b), 2-3-1997)

Sec. 2-214. - Accepting gifts.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to accept in a one-year period a gift or any other item exceeding \$100.00 in value from people or business entities under circumstances which may tend to impair his independence of judgment or action in the performance of his official duties.

(Ord. No. 153, § 1(c), 2-3-1997)

Sec. 2-215. - Acting in private capacity in public matters.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to act in a private capacity on matters dealt with as a public official or employee.

(Ord. No. 153, § 1(d), 2-3-1997)

Sec. 2-216. - Disclosure of information.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to disclose or to use for personal benefit information protected from disclosure by the Freedom of Information Act, Act No. 442 of the Public Acts of Michigan of 1976 (MCL 15.231 et seq., MSA 4.1801(1) et seq.), as amended, which he has obtained or may obtain by reason of such position or authority.

(Ord. No. 153, § 1(e), 2-3-1997)

Sec. 2-217. - Representation of person for private interest.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to represent another person before any agency of the city on behalf of private interest other than in the course of the duties and responsibilities of his office or employment pursuant to duties assigned by municipal employee unions.

(Ord. No. 153, § 1(f), 2-3-1997)

Sec. 2-218. - Unfair consideration, treatment or advantage.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions to request, use or permit the use of any consideration, treatment, advantage or favor beyond that which is the general practice to grant or make available to the public at large.

(Ord. No. 153, § 1(g), 2-3-1997)

Sec. 2-219. - Interest in business transaction; disclosure.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city's boards and/or commissions either on his own behalf or on behalf of any other person, to have any financial or personal interest in any business transaction with any public body of the city, unless he shall first make full public disclosure of the nature and extend of such interest.

(Ord. No. 153, § 1(h), 2-3-1997)

Sec. 2-220. - Voting on matters involving financial or personal interest.

It shall be unlawful for an employee of the city, a councilmember of the city or an appointed member of the city boards and/or commissions, with respect to any matter involving his financial or personal interest, to vote or participate in the deliberations in such matter, or to fail to publicly disclose the nature and extent of such interest.

(Ord. No. 153, § 1(i), 2-3-1997)

Secs. 2-221—2-240. - Reserved.

VE

Internal Policy for Board Appointments to DDA, LDFA, EDC, Planning Commission, Board of Review, and ZBA

In order to prevent any confusion over potential board positions, I recommend the following procedures will apply for all board positions:

Board opening

A board opening is created by the departure of a current board member through resignation, removal, or refusal to reappoint.

Opening Posted

Once a board position is open, the City will post through its newsletter or through the community board that a position is open. The posting will remain in place for two weeks.

Letters of Interest

Interested parties must submit their interest in writing to the City.

Mayor Recommendation

The letters of interest will be delivered to the Mayor to make recommendations to Council to fill a board opening. The City Manager will provide information based on the criteria for positions (for example, whether the candidate must be a resident of the City or district or other representative criteria set about in the charter or TIF plan).

If nobody submits a letter of interest, City Council and City Staff will work to recruit someone to fill the position on the board.

11/3/08 Council

Boards and Commissions:

Downtown Development Authority (DDA) – A nine person board that governs the Tax increment finance district in the Downtown Development Authority District. The TIF captures tax dollars from the City, School, County, and other taxing jurisdictions and uses the money to benefit the Downtown efforts and economic development efforts. The City's Downtown Development Authority encompasses a great deal of property throughout the City.

Local Development Finance Authority (LDFA) – An 11 person board that governs the Tax increment finance district in the Leslie Business Park. The TIF captures tax dollars from the City, School, County, and other taxing jurisdictions and uses the money to benefit the Business park and economic development efforts.

Planning Commission – A nine member board whom are appointed by the mayor subject to approval by the council. The planning commission may make recommendations to the city council, public officials, and to citizens regarding the planning and development of the City and the surrounding area. It is also the function of the planning commission to create a master plan for the city.

Board of Review – A three person board that meets in March to review and correct the assessment roll. The BOR also meets to review protests before the board concerning a property owner's property assessment. The council may schedule additional meetings of the board of review to correct clerical issues or mutual mistakes of fact.

Zoning Board of Appeals – A six member board to hear zoning variance requests, appeals, or requests for interpretation. The ZBA follows a strict decision making protocol for analyzing an issue.



2022-2023 Budget



City Administration

City Council

Matt Johnson, Mayor

Pam Beegle, Mayor Pro-Tem

Grady Doane

Randy Fox

Melissa Eggleston

Martha Owen

John Stewart

City Administration



Ron Bogart, City Manager

Carrie Fancher-Howe, Finance Director/Treasurer/Deputy Clerk

Chelsea Cox, City Clerk/Deputy Treasurer

Denae Davenport, Utility Billing Clerk/Executive Assistant

Evan Bennehoff, Police Chief

Bruce Howe, Fire Chief

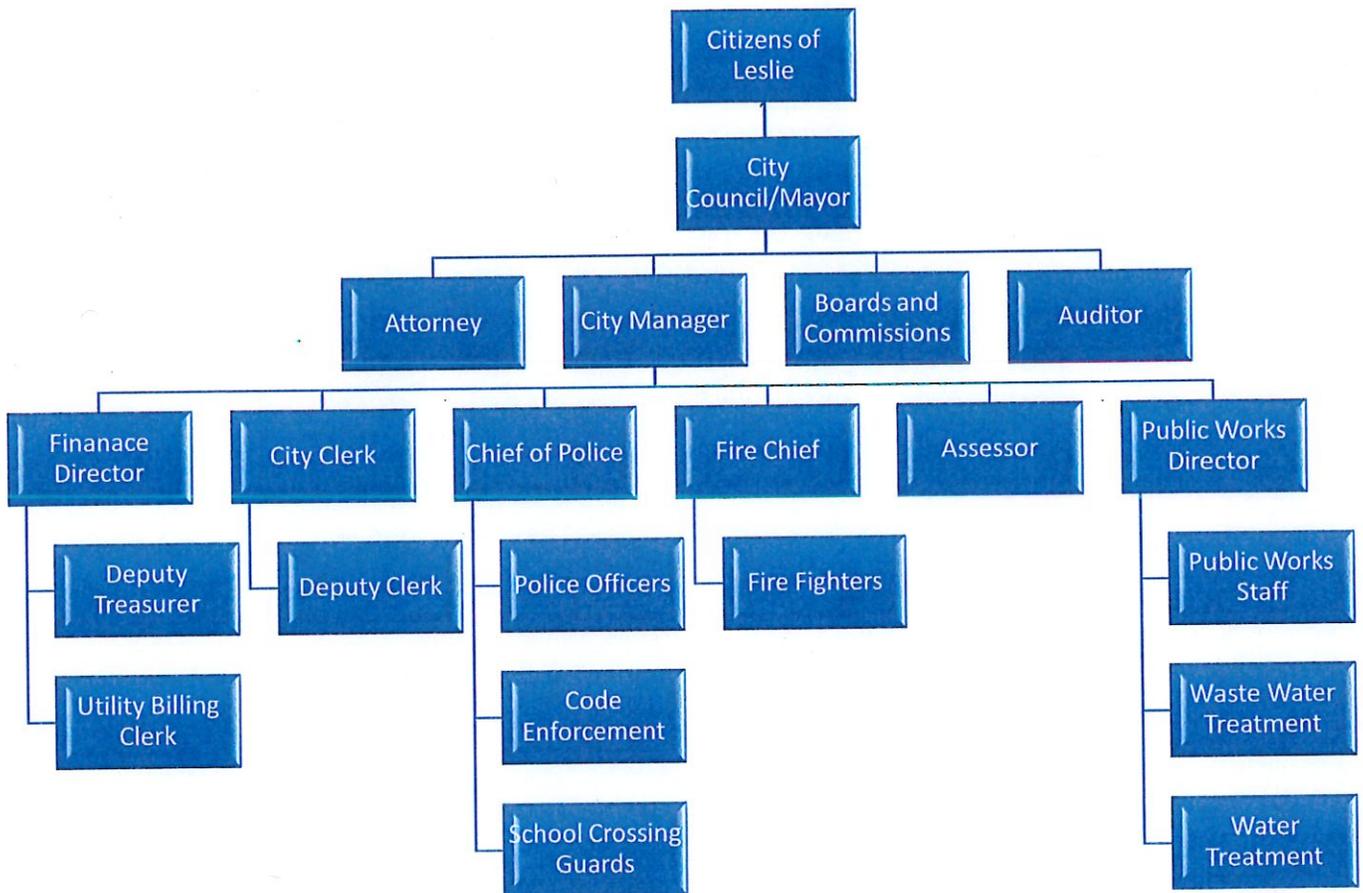
Caitlyn Zemla, Assessor



Table of Contents

City Administration.....	3
City of Leslie Organizational Chart	4
Manager’s Budget Message	6
Financial Policies	8
City Fund Structure.....	9
Process for Preparing the Annual Budget	10
Overview of Significant Budgeting Items	11
Consolidated Financial Schedule	12
Revenues.....	13
Expenditures	14
Fund Balance Information	15
Estimated Fund Balance for End of Fiscal Year 2020-2021	16
Estimated Fund Balance for End of Fiscal Year 2021-2022	17
Revenue.....	18
Property Taxes	18
Utility Rates.....	19
State Revenue Sharing.....	20
Street Funds.....	20
Debt Data	20
Personnel Summary	24
Wages and Benefits	25
2021-2022 Budget Summary of Revenues, Expenditures and Fund Balance for All Funds	26
General Fund Revenues	27
General Fund Expenditures.....	28
General Fund	29
Special Revenue	36
Enterprise Fund	41

City of Leslie Organizational Chart



Manager's Budget Message

Mayor Matt Johnson and Leslie City Council Members,

The City Administration is proud to present this budget document for Fiscal Year 2022-2023. The proposed FY 22-23 budget is a living document, subject to amendments compliant with the Home Rule City Act and in accordance with the requirements of the City Charter. City staff will make budgetary decisions and prioritize projects and purchases according to the direction of Council.

Council identified three priorities: (1) WWTP renovation and collection system; (2) replacing lead service lines, and (3) funding for projects. In this budget you will see that we have also included required repairs/upgrades to our existing water tower. This project will force us to use the fund equity in the water fund, and administration will seek funding opportunities to help pay for the rest of the upcoming projects.

The City continues to be plagued by the failing municipal revenue system in Michigan. Michigan ranks last in the nation for state financial support for local government. Headlee and Proposal A continue to hamstring our ability to get ahead of our expenses and we struggle to maintain the status quo. It is unknown what the long-term result of the pandemic will be on the state's revenue, but gratefully the impact has been less than initially estimated so far.

Our ability to continue to deliver superior services to our residents required having to make the difficult decision to raise the sewer rates significantly this year to be able to sustain our infrastructure and to pay back a loan from the USDA for the repairs/renovations at the WWTP and within the storm sewer system.

This budget proposal includes information that is geared to assist in providing a better understanding of our financial position (Revenue and Cost Drivers, Hidden Liabilities); development of a strategic response to the financial reality the City of Leslie has; implementing a budget plan to reflect a strategic, proactive response; and providing long-term sustainability based on the community's desire for the services to be provided.

I would like to give special thanks to City staff for their dedication to the community and citizens of Leslie, it shows in all they do. Additionally, I would like to thank them for their input and help in crafting this budget, which is truly appreciated, they are a great team to be a part of and I humbly serve with them. Finally, I would like to thank City Council for their time and thoughtful consideration of the proposed budget. Together, we are moving the City of Leslie forward, truly making it the place to be!

Respectfully,

Ron Bogart

Manager, City of Leslie

Financial Policies:

The budgeting and accounting policies of the City of Leslie conform to all Generally Accepted Accounting Principles (GAAP) as applicable to units of government. The following are other significant budget laws and guidelines that the City follows:

Charter Provisions

The City Charter has several articles that govern the financial activities of the City:

- Article 10 – Administrative Officers
- Article 11 – Contracts and Purchasing
- Article 12 – General Finance
- Article 13 – Taxation
- Article 14 – Special Assessments
- Article 15 – Borrowing Power
- Article 16 – Public Utilities and Franchises

Uniform Budgeting Act

The City is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 known as the Uniform Budgeting Act. The following statements represent a brief synopsis of the major provisions of the Uniform Budgeting Act:

- Budgets must be adopted for the General Fund and all Special Revenue Funds.
- The budget must be balanced.
- The budgets must be amended when necessary.
- Debt cannot be entered into unless permitted by law.
- Expenditures cannot exceed budget appropriations.
- Expenditures cannot be made unless authorized in the budget.
- A public hearing must be held before the budget is adopted.

While the Uniform Budgeting Act only requires that budgets are adopted for the General Fund and Special Revenue Funds, budgets are prepared and adopted for capital improvement, and enterprise funds as well.

Uniform Chart of Accounts

The Michigan Department of Treasury published a new Uniform Chart of Accounts of Counties and Local Units of Government. The City will be implementing these standards to maintain and update its own chart of accounts.

Other City Policies

The City has a set general financial administration policies and procedures. These policies provide guidelines for the financial decision-making process and represent long-standing principles and practices that have helped to maintain the City's current financial stability. The City has also adopted several purchase control and reserve policies such as the Purchasing Policy, Credit Card Policy, and the Investment Policy.

City Fund Structure

Fund Accounting

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Each fund is designated by the revenue and purpose of the specific activities or objectives of the City in accordance with special regulations or restrictions. Funds are grouped into generic fund types in three (3) categories:

Governmental Funds

- **General Fund:** The General Fund activities are financed by revenue from general government collections. Most of these revenues are derived from property tax collections. Other sources of revenue include permit fees, state revenue sharing, and contributions from other funds. The General Fund contains accounting for activities such as police protection, government administration, fire suppression, and parks and recreation.
- **Special Revenue Funds:** Special Revenue Funds are used to account for proceeds of revenue from financing activities requiring a separate accounting because of legal or regulatory requirements. The City has several Special Revenue Funds including Major Streets Fund, Local Streets Fund, Public Improvement Fund, Building Inspection Fund, Downtown Development Authority (DDA) Fund, and Local Development Finance Authority (LDFA) Fund.
- **Debt Service Funds:** Debt Service Funds are used to account for the annual payment of debt; both principal as well as interest. Enterprise Fund debt is accounted for in the Enterprise Funds.

Proprietary Funds

- **Enterprise Funds:** The Sewer Fund and Water Fund both account for the results of operations that provide water and wastewater treatment services to the residents of the City and nearby customers connected to those systems. The rates charged for these services are set each year by the City Council.

Fiduciary Funds

Fiduciary Funds are those funds that are held in escrow for individuals, organizations, other governments, or other funds. The City does not include these funds in the annual budget.

Process for Preparing the Annual Budget

The budget process for the City of Leslie is cyclical. The City staff regularly monitors the City finances throughout the year and recommendations for amendments are made as needed. The Finance Director/Treasurer provides the City Council a monthly update of the City finances and provides insight on the budget throughout the year. Halfway through the fiscal year, the six-month figures are used to estimate the City's position at the end of the current fiscal year.

The first draft of the budget is prepared and then presented to Council in April at a budget workshop. The City Council offers their insight on the budget and changes are made as needed. The budget is then presented to the public at a hearing in May. The final version of the budget is presented to the City Council in June.

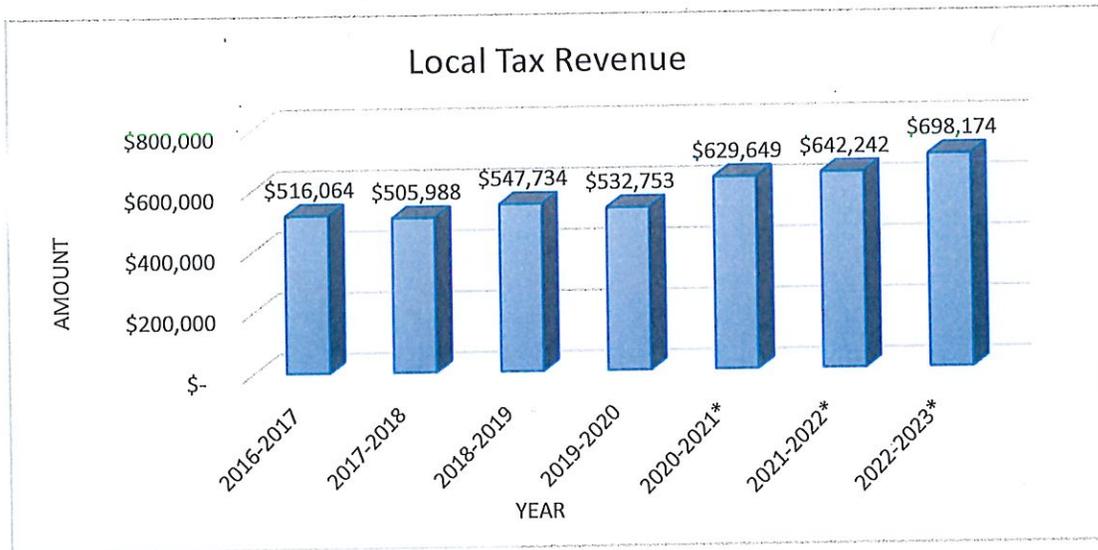
Fiscal Year 2022-2023 Budget Schedule:

Distribute and approve budget schedule	January 18, 2022
Department head submit budget requests	By March 8, 2022
2022 Proposed Budget to Council, 1 st Draft	April 18, 2022
Council budget workshop	April 19, 2022 - at 6 pm.
Public Hearing on budget	May 17, 2022
City Council adopts budget and End of Fiscal Year Special Meeting*	June 30, 2022

*The end of the fiscal year is to approve all bills before the fiscal year closes and make budget amendments for the fiscal year 2022-2023.

Overview of Significant Budgeting Items

Property Tax Information: The City is seeing some signs of recovery. Overall, growth for the 2022-2023 fiscal year is anticipated to continue as new developments continue within the City.



*Estimated Tax Revenue

Top 20 Taxpayers

Business Name	Taxable Value	2020 City Taxes	Number of Parcels	% of Total Taxable Value
Consumers Energy	\$ 1,515,018	\$ 56,118	5	8.91%
MCT Leslie Building 1	\$ 1,144,392	\$ 42,362	2	6.73%
Bellevue Development LLC	\$ 689,782	\$ 25,575	3	4.06%
Homestead Savings Bank	\$ 452,618	\$ 16,798	2	2.67%
MCM MI Leslie Estates	\$ 431,500	\$ 15,973	1	2.54%
Roberts Landco LLC	\$ 430,305	\$ 15,928	2	2.53%
Royal Wulff LLC	\$ 413,855	\$ 15,536	2	2.47%
Leslie Partners LLC	\$ 382,713	\$ 14,167	2	2.25%
114 S Main LLC	\$ 363,780	\$ 13,466	4	2.14%
Antler Development Comp	\$ 363,414	\$ 13,452	2	2.14%
Eaton Farm Bureau Cooperative	\$ 348,000	\$ 12,967	1	2.06%
MCT Leslie Building 2	\$ 350,478	\$ 12,973	2	2.06%
Worthington Place Apartments LLC	\$ 323,564	\$ 11,889	1	1.89%
Leslie Management LLC	\$ 272,578	\$ 10,143	1	1.61%
Karns Management LLC	\$ 269,054	\$ 10,025	1	1.59%
Independent Bank	\$ 215,058	\$ 7,960	4	1.26%
Swan Residential LLC	\$ 161,488	\$ 6,030	2	0.96%
Fuller Christopher & Nanette	\$ 152,855	\$ 5,658	4	0.90%
Fleetwing 81 LLC	\$ 180,715	\$ 6,746	3	1.07%
Morningside Drive LLC	\$ 175,300	\$ 6,571	3	1.04%

Water/Sewer Revenue: Rates are raised 3.5% annually on July 1 by City Ordinance, which Council approved in 2009. Starting January 1, 2022 the sewer rates increased at the suggestion of Baker Tilley, to cover the current debt obligations and operations of the sewer system. Going forward, rates will more than likely need to be increased more to account for the WWTP renovation project that will initially be funded through revenue bonds and a loan from the USDA. The USDA requires a rate structure high enough to pay back any loans.

Infrastructure: The City is working on plans to coordinate several infrastructure projects that will include roads, water, and sewer maintenance. The City anticipates that these projects will require multiple funding sources. The City is still identifying required repair and replacement costs for these projects.

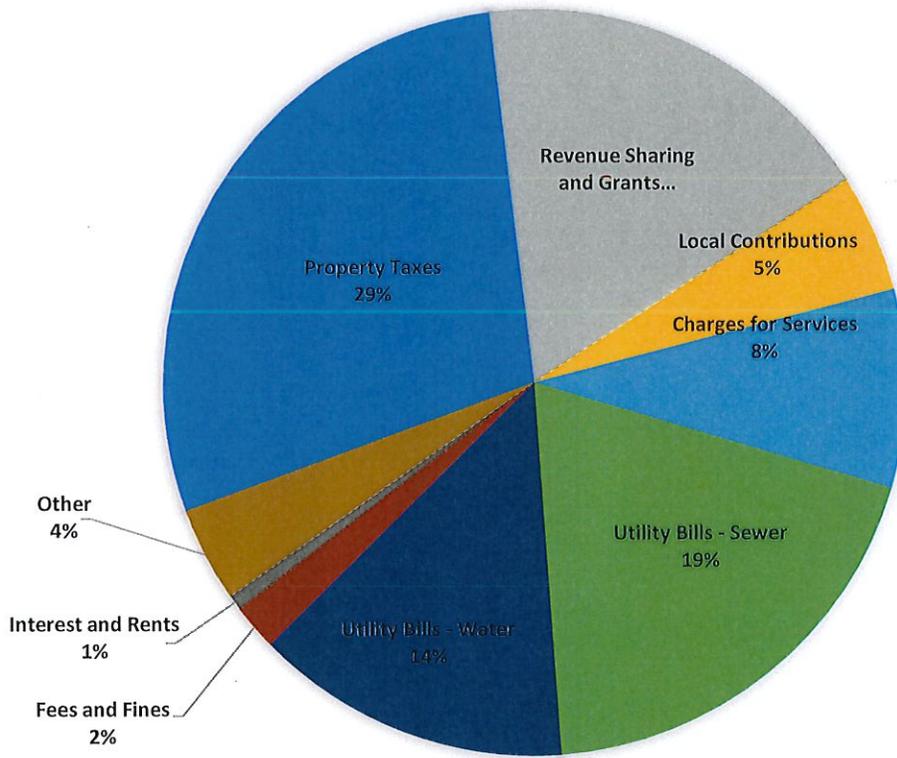
Road Funding: The City anticipates that we will receive \$289,000 in FY 2022-2023 for road funding. Minor road repairs continue to happen each year. However, the City will need to look at alternate funding sources to provide for major roads projects such as roads reconstruction.

Consolidated Financial Schedule

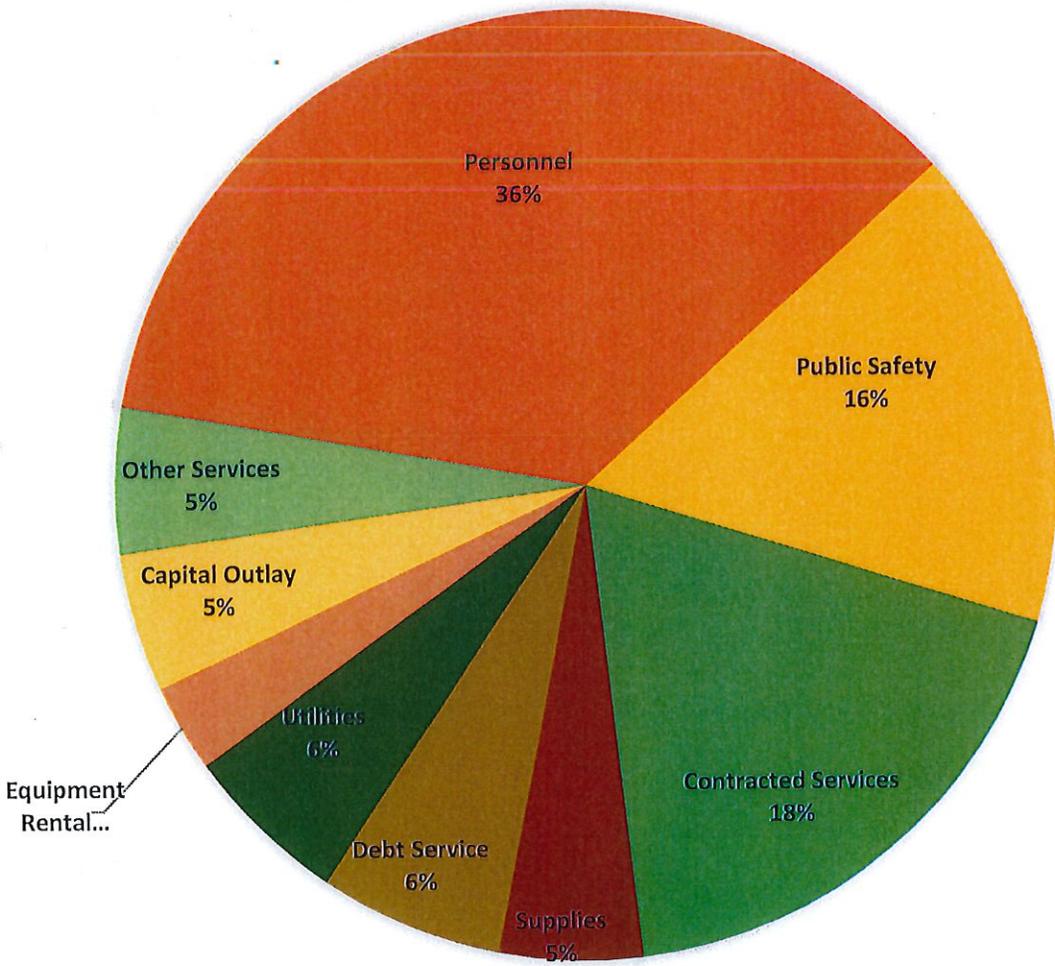
The summary of revenues and expenditures of all funds of the City of Leslie displayed by revenue source and expenditure objective for Fiscal Year 2022-2023. Summary charts and tables are included to provide an overview of the total resources budgeted by the City of Leslie. The pie-chart shows the breakout of dollars for revenues and expenditures and show the percentage of the budget they occupy.

Revenue Sources - All Funds

Source	Amount
Property Taxes	\$ 859,462
Licenses and Permits	\$ 300
Revenue Sharing and Grants	\$ 533,178
Local Contributions	\$ 153,550
Charges for Services	\$ 258,140
Utility Bills - Sewer	\$ 578,000
Utility Bills - Water	\$ 414,000
Fees and Fines	\$ 59,910
Interest and Rents	\$ 19,820
Other	\$ 123,673
Total Revenues	\$ 3,000,033



Expenditures All Funds	
Function	Amount
Personnel	\$ 931,834
Public Safety	\$ 429,642
Contracted Services	\$ 481,668
Supplies	\$ 129,800
Debt Service	\$ 165,000
Utilities	\$ 148,700
Equipment Rental	\$ 77,850
Capital Outlay	\$ 124,000
Other Services	\$ 129,600
Total Expenditures	\$ 2,618,094



Fund Balance Information

Government units organize their accounting systems into separate funds. A fund is a set of accounting records segregated for carrying out a particular activity. The fund is established for accounting purposes to demonstrate that financial resources are being used for the permitted purposes of that resource. A fund balance is created when fund revenues exceed fund expenditures for a fiscal period or a series of fiscal periods. The difference between the fund's assets and liabilities equals the fund balance. The fund balance can increase or decrease from year to year depending on the difference between revenues and expenditures in that year.

Note that a fund balance is not the same as a cash account and does not correspond to the City's bank balance. A fund balance is an internal accounting system for cash and receivables as well as liabilities such as payables. In addition, a portion of the fund balance may be committed by Council or the City Administration for a specific project.

Some State and Federal mandates require the City to establish separate funds for specific funds. Special Revenue Funds such as the Major Street Fund and Local Street Fund are established based on these requirements. Any leftover balance must be used for projects related to the requirements of those revenues as set by the State and Federal government. The City's General Fund encompasses the City's activities not required to be separated into different funds. The balance of these funds can be used by the City for any general purpose.

How Much is Enough Fund Balance?

An appropriate fund balance is important for financial planning and for long term financial success. It is important to determine the amount of fund balance to meet the needs of the City and to not accumulate too large a balance without a specific purpose for doing so.

The Use of Fund Balance

The fund balance of a specific fund must be used on projects and objectives that the specific revenue is designated to fund. Furthermore, fund balance can be earmarked for specific purposes. The Governmental Accounting Standards Board (GASB) developed classifications for fund balances:

- Non-spendable: These classifications are generally from external sources such as legal or contract requirements. Non-spendable funds can also be non-cash items such as inventory or prepaid amounts.
- Restricted: Typically used for external restrictions by creditors, laws, or regulations. For example, bond reserve accounts are

restricted funds.

- Committed: Amounts can be used for specific purposes imposed by formal action of the City Council such as a resolution or through and ordinance adopted by City Council.
- Assigned: This classification shows the governing body's intent to use funds for a specific purpose. This classification generally requires some action by the Council to indicate who is authorized to assign these funds on behalf of the City.
- Unassigned: This is the balance of the fund after all other allocations are made to the above classifications.

The City currently uses a designation of Restricted for some funds such as bond reserve funds. All other funds in the remaining fund balance are unassigned currently. The City's current policy on fund balance was established in 2015-2016 at 20%. However, the City has been very responsible in keeping an extremely healthy fund balance above what the industry experts recommend as a minimum percentage of annual revenues or expenditures of at least 16.7%.

Fund	Balance 7/1/2021	FY 2021-2022 Estimated Outcome	Estimated Balance 6/30/2022
101 - General	758,484	188,713	947,197
202 - Major Street	288,132	68,013	356,145
203 - Local Street	83,358	17,685	101,043
245 - Public Improv.	153,291	120	153,411
248 - DDA	248,038	(7,487)	240,551
249 - Building Dept.	1,721	(1,773)	(52)
250 - LDFA	501,614	9,027	510,641
590 - Sewer	1,868,001	(55,481)	1,812,520
591 - Water	2,677,758	11,665	2,689,423
661 - MVP	1,359,526	14,818	1,374,344
TOTAL	7,939,923	245,300	8,185,223

Fund	Balance 7/1/2022	FY 2022-2023 Estimated Net Outcome	Estimated Fund Balance 6/30/2023
101 - General	947,197	41,787	988,984
202 - Major Street	356,145	82,695	438,840
203 - Local Street	101,043	1,280	102,323
245 - Public Improv.	153,411	120	153,531
248 - DDA	240,551	12,083	252,634
249 - Building Dept.	(52)	10,000	9,948
250 - LDFA	204,836	3,244	208,080
590 - Sewer	1,812,520	102,450	1,914,970
591 - Water	2,689,423	(166,800)	2,522,623
661 - MVP	1,374,344	0	1,374,344
TOTAL	7,879,418	86,859	7,966,277

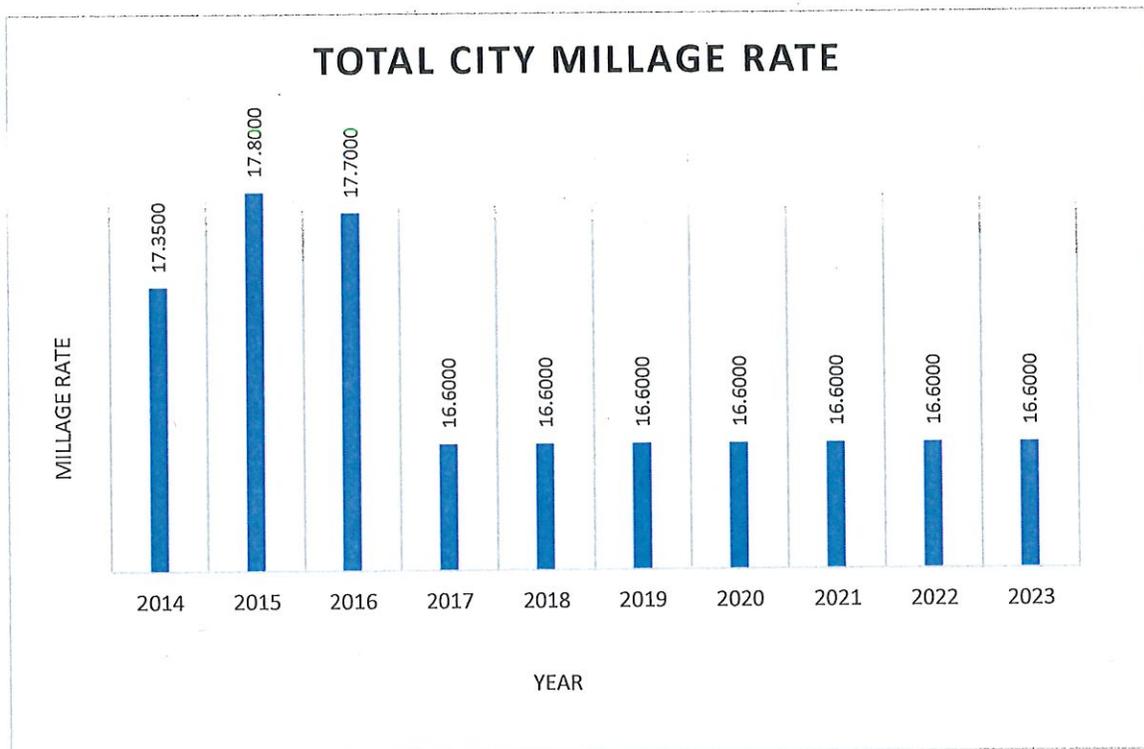
Revenue

Property Taxes

Property taxes are the largest source of revenue for the City General Fund. This revenue is mostly dependent on two (2) variables – the taxable value of all property in the City and the millage rate. The City Assessor determines the taxable value based on established assessing criteria. Millage rates in the City of Leslie are set by the City Council. The formula to determine property tax value is: $\text{Property Taxes} = (\text{Taxable Value} \times \text{Millage Rate}) / 1000$.

However, this does not account for all the variables when analyzing actual anticipated revenues. Certain factors affect how much the City of Leslie will collect including delinquent payments, new construction, and Board of Review challenges. According to a Treasury Report based on 2014 millage rates, Ingham County had the highest average millage rate, followed by Wayne County.

The City uses the above formula as a base and compares it to actual historic collections over a period of five (5) years when estimating the amount of property tax, it will collect. The City's general operating mills will remain same at a rate of 16.6 for FY 2022-2023 as it has since 2006. Council will need to strongly evaluate raising the millage rate or look at cutting some of the services currently provided.



Proposal A – Created difference between Taxable Value and State Equalized Value because a growth cap was placed on taxable value. The growth on taxable value is limited to the lesser of inflation or five percent (5%). When properties are sold or there is new construction they are uncapped. Otherwise, the community is likely bound by inflation rates.

State Revenue Sharing

Revenues received from the State of Michigan are very important to the City of Leslie. The annual estimates for revenue sharing from the State of Michigan are published by the Michigan Department of Treasury and can be found on their website. In past years, the State of Michigan decreased the amount that it gave to all municipalities. In very recent years, that amount has gradually increased.

Year	Constitutional	Statutory / CVTRS	Supplemental	Total Payment Received
2004	\$ 134,780	\$ 138,146		\$ 272,926
2005	\$ 137,996	\$ 131,955		\$ 269,951
2006	\$ 140,345	\$ 126,602		\$ 266,947
2007	\$ 137,429	\$ 121,568		\$ 258,997
2008	\$ 142,018	\$ 116,979		\$ 258,997
2009	\$ 133,940	\$ 116,979		\$ 250,919
2010	\$ 129,836	\$ 93,331		\$ 223,167
2011	\$ 124,877	\$ 98,290		\$ 223,167
2012	\$ 132,919	\$ 63,312		\$ 196,231
2013	\$ 135,671	\$ 67,836		\$ 203,507
2014	\$ 138,853	\$ 71,103		\$ 209,956
2015	\$ 141,034	\$ 73,275		\$ 214,309
2016	\$ 140,898	\$ 73,275		\$ 214,173
2017	\$ 149,019	\$ 73,275		\$ 222,294
2018	\$ 152,955	\$ 73,275	\$ 1,503	\$ 227,733
2019	\$ 159,931	\$ 73,275	\$ 1,495	\$ 234,701
2020	\$ 159,775	\$ 63,740		\$ 223,515
2021	\$ 167,604	\$ 76,490		\$ 244,094
2022	\$ 162,939	\$ 78,019		\$ 240,958
2023	\$ 195,349	\$ 65,166		\$ 260,515
Totals:	\$ 2,918,168	\$ 1,795,891	\$ 2,998	\$ 4,717,057

Utility Rates

The City of Leslie implemented the switch from a flat rate utility billing system to a usage-based system in Fiscal Year 2015-2016. A rate study was conducted by Umbaugh in conjunction with Michigan Rural Water Association and the rates proposed from that study were adopted in August of 2015.

Since then, most homeowners have seen a decrease in their quarterly amount because usage is metered (pay for what they use) rather than billed as a flat rate, which could be higher or lower than actual usage. As is mandated by the City of Leslie ordinances, rates increased three and one-half percent (3.5%) at the start of the next fiscal year. The City implemented the recommendations from the MRWA to phase in additional increases over the next 3-5 years for the water revenue to be able to fund future capital needs and replace aging infrastructure. The asset management plan has been completed as part of the SAW grant work. A capital improvements plan based on the findings within AMP shows the amount of work that must be accomplished. Sound financial planning is essential, along with rate increases to help cover costs. Grants are being applied for to assist in covering the City's associated costs.

Street Funds

Street funds come to the City of Leslie from the Michigan Department of Transportation. These funds are allocated through a formula as prescribed by Public Act 51. This formula is dependent on the community's population and the length of road that the community maintains. MDOT releases an annual worksheet that allows a municipality to estimate the amount of funds it will receive through this program.

Debt Data

The City of Leslie does not have any debt tied to any general obligation (GO) bonds nor to any of our tax increment financing (TIF) districts. The bulk of debt is currently held by the City's Enterprise Funds in the form of Revenue Bonds. The Sewage Disposal System Revenue Bonds, Series 2012 held a principal amount of \$1,470,000. The Water Supply System Revenue Bonds held a principal of \$1,657,723. Both bonds were used to finance upgrades to the wastewater treatment plant and to the drinking water iron removal plan respectively. The City was given a loan up to \$150,000 from the Downtown Development Authority (DDA) to purchase the building at 602 W. Bellevue.

The next several pages contain charts indicating the amount and years left to pay off both bonds and the loan from the DDA as well as the principal payments:

City of Leslie
Sewage Disposal System Revenue Bonds, Series 2012
Construction Loan - May 14, 2012
\$1,470,000

Debt service paid by sewer revenues

ESTIMATED DEBT SERVICE				
Years Ending	Principal	Interest	Total	
2018	\$ 24,000	\$ 37,428	\$	61,428
2019	\$ 24,000	\$ 36,768	\$	60,768
2020	\$ 25,000	\$ 36,108	\$	61,108
2021	\$ 26,000	\$ 35,420	\$	61,420
2022	\$ 26,000	\$ 34,706	\$	60,706
2023	\$ 27,000	\$ 33,990	\$	60,990
2024	\$ 28,000	\$ 33,248	\$	61,248
2025	\$ 29,000	\$ 32,478	\$	61,478
2026	\$ 29,000	\$ 31,680	\$	60,680
2027	\$ 30,000	\$ 30,882	\$	60,882
2028	\$ 31,000	\$ 30,058	\$	61,058
2029	\$ 32,000	\$ 29,206	\$	61,206
2030	\$ 33,000	\$ 28,326	\$	61,326
2031	\$ 34,000	\$ 27,418	\$	61,418
2032	\$ 35,000	\$ 26,482	\$	61,482
2033	\$ 36,000	\$ 25,520	\$	61,520
2034	\$ 37,000	\$ 24,530	\$	61,530
2035	\$ 38,000	\$ 23,512	\$	61,512
2036	\$ 39,000	\$ 22,468	\$	61,468
2037	\$ 40,000	\$ 21,396	\$	61,396
2038	\$ 41,000	\$ 20,296	\$	61,296
2039	\$ 42,000	\$ 19,168	\$	61,168
2040	\$ 43,000	\$ 18,012	\$	61,012
2041	\$ 44,000	\$ 16,830	\$	60,830
2042	\$ 45,000	\$ 15,620	\$	60,620
2043	\$ 47,000	\$ 14,382	\$	61,382
2044	\$ 48,000	\$ 13,090	\$	61,090

2045	\$	49,000	\$	11,770	\$	60,770
2046	\$	51,000	\$	10,422	\$	61,422
2047	\$	52,000	\$	9,020	\$	61,020
2048	\$	53,000	\$	7,590	\$	60,590
2049	\$	55,000	\$	6,132	\$	61,132
2050	\$	56,000	\$	4,620	\$	60,620
2051	\$	58,000	\$	3,080	\$	61,080
2052	\$	54,000	\$	1,486	\$	55,486
TOTAL	\$	1,384,000	\$	811,202	\$	2,195,202

Construction Loan - June 26, 2012
\$1,657,723

Debt service paid by water revenues

ESTIMATED DEBT SERVICE			
Years Ending	Principal	Interest	Total
2018	\$ 70,000	\$ 26,181	\$ 96,181
2019	\$ 75,000	\$ 24,431	\$ 99,431
2020	\$ 75,000	\$ 22,556	\$ 97,556
2021	\$ 75,000	\$ 20,681	\$ 95,681
2022	\$ 80,000	\$ 18,806	\$ 98,806
2023	\$ 80,000	\$ 16,806	\$ 96,806
2024	\$ 85,000	\$ 14,806	\$ 99,806
2025	\$ 85,000	\$ 12,681	\$ 97,681
2026	\$ 90,000	\$ 10,556	\$ 100,556
2027	\$ 90,000	\$ 8,306	\$ 98,306
2028	\$ 90,000	\$ 6,056	\$ 96,056
2029	\$ 95,000	\$ 3,806	\$ 98,806
2030	\$ 95,000	\$ 1,431	\$ 96,431
2031	\$ 100,000	\$ (944)	\$ 99,056
2032	\$ 100,000	\$ (3,444)	\$ 96,556
2033	\$ 105,000	\$ (5,944)	\$ 99,056
TOTAL	\$1,460,000	\$ 204,702	\$1,664,702

City of Leslie
DDA Amortization Schedule
Repayment - Purchase of 602 W. Bellevue
\$150,000
2% Annual Interest

Date	Beginning Balance	Principal	Interest	Total	Ending Balance
12/1/2019	\$ 150,000.00	\$ 49,000.00	\$ -	\$ 49,000.00	\$ 101,000.00
12/1/2020	\$ 101,000.00	\$ 7,153.51	\$ 2,020.00	\$ 9,173.51	\$ 93,846.49
12/1/2021	\$ 93,846.49	\$ 7,296.58	\$ 1,876.93	\$ 9,173.51	\$ 86,549.91
12/1/2022	\$ 86,549.91	\$ 7,442.51	\$ 1,731.00	\$ 9,173.51	\$ 79,107.40
12/1/2023	\$ 79,107.40	\$ 7,591.36	\$ 1,582.15	\$ 9,173.51	\$ 71,516.04
12/1/2024	\$ 71,516.05	\$ 7,743.19	\$ 1,430.32	\$ 9,173.51	\$ 63,772.86
12/1/2025	\$ 63,772.86	\$ 7,898.05	\$ 1,275.46	\$ 9,173.51	\$ 55,874.81
12/1/2026	\$ 55,874.81	\$ 8,056.01	\$ 1,117.50	\$ 9,173.51	\$ 47,818.80
12/1/2027	\$ 47,818.80	\$ 8,217.13	\$ 956.38	\$ 9,173.51	\$ 39,601.67
12/1/2028	\$ 39,601.66	\$ 8,381.49	\$ 792.03	\$ 9,173.52	\$ 31,220.17
12/1/2029	\$ 31,220.19	\$ 8,549.10	\$ 624.40	\$ 9,173.50	\$ 22,671.09
12/1/2030	\$ 22,671.09	\$ 8,720.09	\$ 453.42	\$ 9,173.51	\$ 13,951.00
12/1/2031	\$ 13,951.00	\$ 8,894.49	\$ 279.02	\$ 9,173.51	\$ 5,056.51
12/1/2032	\$ 5,056.51	\$ 4,955.38	\$ 101.13	\$ 5,056.51	\$ -
TOTAL		\$ 149,898.89	\$ 14,239.74	\$164,138.63	

City of Leslie
LDFA Amortization Schedule
***Repayment - Engineering Service for WWTP Project**
\$184,500
2% Annual Interest

Date	Beginning Balance	Total	Principal	Interest	Ending Balance	Cumulative Interest
12/31/2020	\$ 184,500.00	\$ 39,143.22	\$ 35,453.22	\$ 3,690.00	\$ 145,356.78	\$ 3,690.00
12/31/2021	\$ 149,046.78	\$ 39,143.23	\$ 36,162.29	\$ 2,980.94	\$ 109,903.55	\$ 6,670.94
12/31/2022	\$ 112,884.49	\$ 39,143.22	\$ 36,885.53	\$ 2,257.69	\$ 73,741.27	\$ 8,928.63
12/31/2023	\$ 75,998.95	\$ 39,143.22	\$ 37,623.24	\$ 1,519.98	\$ 36,855.73	\$10,448.61
12/31/2024	\$ 38,375.71	\$ 38,375.71	\$ 37,608.20	\$ 767.51	\$ -	\$11,216.12

*Debt to be repaid with Bond Proceeds

Personnel Summary

The 2022-23 fiscal year proposes a total of 14 full-time employees.

Part time employees are utilized in DPW, the police department (including crossing guards) and the fire department.

On payroll, there are six (6) part time elected officials as well as members of the Board of Review. All other board and commission serve on a voluntary basis.

Full-Time Personnel Summary

	2018- 2019 Actual	2019- 2020 Actual	2020- 2021 Actual	2021- 2022 Actual
Administration	5	5.5	6	5
Police Department	2	2	2	3
Department of Public Works	3	3	3	3
Public Utilities	1	1	1	2

Part-Time Personnel Hours or Shifts Worked Summary

	2019- 2020 Actual	2020- 2021 Actual	2021- 2022 to Actual	2022- 2023 Proposed
Police Department - hours	1274.5	1274.5	406	1000
Crossing Guards - shifts	764	764	826	1080
Seasonal Workers - DPW	0	0	318	1040

Wages and Benefits

The budget for Fiscal Year 2022-2023 shows a three (3%) percent increase for all department heads and non-union employees. Contractual increases under the current AFSCME and FOP Union contracts will continue with AFSCME receiving a 3% increase and FOP receiving a 3% for officers and 2.5% for sergeant respectively.

The City of Leslie is a participant in the Municipal Employees' Retirement System (MERS) of Michigan. The City introduced a defined contribution plan which closes off the defined benefit plan to new hires. The budget for Fiscal Year 2022-2023 is now at 17.66%, an increase of 2.76% from last year, and is based on information given to the City of Leslie from MERS regarding the growing unfunded portion of the plan. The increased contribution to the plan keeps the City on track to achieve 100% funding within 18 years. The City will continue to monitor the performance of the plan's assets and make adjustments as needed in future budgets.

The City does not offer any other post-employment benefits, nor does it carry any other unfunded liabilities.

GENERAL FUND 101

Revenues

Revenues	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
PROPERTY TAXES	640,032	640,032	698,174	698,352	9.1%
TRAILER TAXES	525	525	432	400	-23.8%
LOC COMM STAB SHARE TAX	168,458	168,458	81,211	90,000	-46.6%
PENALTIES/INT ON PROP TAXES	2,742	4,300	500	2,500	-41.9%
ADMIN FEES ON PROP TAXES	22,626	25,250	13,822	25,000	-1.0%
LICENSES & PERMITS	5,054	303	300	300	-1.0%
CABLE TV FRANCHISE FEE	10,145	11,110	11,000	11,110	0.0%
TWP REIMBURSEMENT-FIRE	43,970	61,000	61,000	61,000	0.0%
FEDERAL GRANTS-OTHER	35,819	40,819	98,000	0	-100.0%
STATE SHARED REVENUE	257,656	241,470	240,958	268,813	11.3%
WOODLAWN CEM REIMB	66,352	66,352	57,726	66,990	1.0%
DDA ADMIN CONTRIBUTION	0	13,250	13,250	5,300	-60.0%
LDFA ADMIN CONTRIBUTION	0	23,250	23,250	23,250	0.0%
LDFA CONTRIB TO FIRE	14,000	14,000	14,000	14,000	0.0%
W/S ADMIN CONTRIBUTION	60,000	60,000	60,000	60,000	0.0%
LDFA CONTRIB TO POLICE	10,000	10,000	10,000	10,000	0.0%
INTEREST EARNED	1,810	10,000	1,000	2,000	-80.0%
SALE OF LAND IN BUSINESS PARK	355,433	355,433	0	0	-100.0%
LESLIE PUB SCHOOL-XING GUAR	8,000	8,000	8,000	8,000	0.0%
MISC OTHER	44,469	73,624	36,614	15,000	-79.6%
LIQUOR CONTROL FEE	1,590	1,800	1,800	1,800	0.0%
TOTAL	1,789,868	1,828,976	1,431,037	1,363,815	-25.4%

General Fund Expenditures

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
CITY COUNCIL	8,643	10,895	6,997	11,675	7.2%
CITY MANAGER	89,220	100,632	84,481	76,050	-24.4%
CITY ATTORNEY	25,350	30,000	30,000	30,000	0.0%
CITY CLERK	67,467	69,714	69,714	75,244	7.9%
BOARD OF REVIEW	463	540	288	540	0.0%
FINANCE DIRECTOR	69,018	76,243	68,106	77,948	2.2%
ASSESSOR	16,345	17,800	16,800	17,800	0.0%
ELECTIONS	8,257	4,300	3,566	5,800	34.9%
CITY HALL	103,255	73,047	64,729	73,547	0.7%
CEMETERY	88,987	85,205	87,306	96,990	13.8%
CONTINGENCY	(3,838)	6,000	6,180	5,500	-8.3%
POLICE	394,097	383,564	390,625	417,042	8.7%
FIRE	156,671	171,600	157,242	190,300	10.9%
PUBLIC WORKS	142,962	124,941	150,570	156,355	25.1%
STREETLIGHTS	37,295	38,000	13,250	45,000	18.4%
SIDEWALKS	4,095	4,500	1,000	4,500	0.0%
SIDEWALKS-SNOW	0	1,829	879	1,829	0.0%
PLANNING COMMISSION	419	500	0	500	0.0%
CITY PARKS	21,690	31,748	35,786	38,748	22.0%
COMMUNITY POOL	2,216	2,570	0	0	-100.0%
CITY LIBRARY	1,148	4,533	4,520	18,020	297.5%
INSURANCE & BONDS	9,519	10,000	10,000	10,500	5.0%
TOTAL	1,243,279	1,248,161	1,242,324	1,353,888	8.5%

CITY COUNCIL 101-101

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	5,685	6,500	6,500	7,500	13.3%
FICA EXPENSE	450	497	497	575	13.6%
SUPPLIES	0	400	0	100	-300.0%
MEMBERSHIPS	2,508	1,500	0	1,500	0.0%
MISCELLANEOUS	0	0	0	0	0.0%
TRAINING	0	2,000	0	2,000	0.0%
TOTAL	8,643	10,895	6,997	11,675	6.7%

CITY MANAGER 101-172

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	69,982	78,074	62,919	48,150	-62.1%
FICA EXPENSE	5,529	6,000	7,108	6,000	0.0%
FRINGES	9,642	16,100	10,500	16,100	0.0%
MEMBERSHIPS	700	1,000	1,454	1,000	0.0%
UTILITIES	753	700	500	700	0.0%
MISCELLANEOUS	0	100	0	100	0.0%
TRAINING	2,614	4,000	2,000	4,000	0.0%
TOTAL	89,220	100,632	84,481	76,050	-32.3%

CITY ATTORNEY 101-210

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
ATTORNEY	25,350	30,000	30,000	30,000	0.0%
TOTAL	25,350	30,000	30,000	30,000	0.0%

CITY CLERK 101-215

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	45,279	48,742	47,322	50,204	2.9%
FICA EXPENSE	3,154	3,400	3,186	3,840	11.5%
FRINGES	19,197	19,000	18,000	19,000	0.0%
MISCELLANEOUS	0	200	206	200	0.0%
TRAINING	(163)	2,000	1,000	2,000	0.0%
TOTAL	67,467	69,714	69,714	75,244	7.3%

BOARD OF REVIEW 101-247

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	430	500	500	500	0.0%
FICA EXPENSE	33	40	40	40	0.0%
TOTAL	463	540	540	540	0.0%

FINANCE DIRECTOR 101-253

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	43,768	48,204	41,400	49,650	2.9%
FICA EXPENSE	2,947	3,700	3,140	3,798	2.6%
FRINGES	21,864	22,500	21,566	22,500	0.0%
TRAINING	439	2,000	2,000	2,000	0.0%
TOTAL	69,018	76,243	68,106	77,948	2.2%

CITY ASSESSOR 101-257

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	945	1,000	0	1,000	0.0%
CONTRACTED SERVICES	15,400	16,800	16,800	16,800	0.0%
TOTAL	16,345	17,800	16,800	17,800	0.0%

ELECTIONS 101-262

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	3,467	3,500	1,768	3,500	0.0%
SUPPLIES	3,599	800	590	800	0.0%
CONTRACTED SERVICES	907	1,000	1,128	1,000	0.0%
MISCELLANEOUS	284	400	80	400	0.0%
TRAINING	0	100	0	100	0.0%
TOTAL	8,257	5,800	3,566	5,800	0.0%

CITY HALL 101-265

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	818	500	500	1,000	50.0%
FICA EXPENSE	59	29	29	29	0.0%
SUPPLIES	18,460	10,000	10,000	10,000	0.0%
BANK FEES	837	618	300	618	0.0%
CONTRACTED SERVICES	62,301	40,000	32,000	40,000	0.0%
CITY HALL PUBLISHING	877	2,000	2,000	2,000	0.0%
INSURANCE	1,940	1,700	1,700	1,700	0.0%
UTILITIES	10,904	11,000	11,000	11,000	0.0%
BUILDING MAINTENANCE	1,000	1,000	1,000	1,000	0.0%
EQUIPMENT RENTAL	13	100	100	100	0.0%
MISCELLANEOUS	46	100	100	100	0.0%
CAPITAL EXPENDITURES	6,000	6,000	6,000	6,000	0.0%
TOTAL	103,255	73,047	64,729	73,547	0.7%

CEMETERY 101-276

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	57,949	55,500	56,300	60,000	7.5%
FICA EXPENSE	4,402	4,300	4,306	4,590	6.3%
SUPPLIES	0	100	0	100	0.0%
INSURANCE	1,230	1,200	1,200	1,200	0.0%
EQUIPMENT RENTAL	256	1,000	0	1,000	0.0%
CEMETERY CHARGES	150	100	500	100	0.0%
CONTRIBUTIONS TO OTHER	25,000	25,000	25,000	30,000	16.7%
TOTAL	88,987	85,205	87,306	96,990	12.2%

CONTINGENCIES 101-299

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
MISCELLANEOUS	(3,838)	2,000	2,000	1,500	-25.0%
MISC. FIRE DEPT. CHARGES	0	0	180	0	0.0%
CONTRIBUTIONS TO OTHER	0	4,000	4,000	4,000	0.0%
TOTAL	(3,838)	6,000	6,180	5,500	-8.3%

PUBLIC SAFETY 101-301

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	243,176	240,464	247,530	257,000	6.9%
SALARIES POLICE PT	8,600	15,500	5,575	12,000	-22.6%
CROSSING GUARD WAGES	10,325	13,500	13,500	13,500	0.0%
FICA EXPENSE	20,040	17,000	19,694	18,742	10.2%
FRINGES	70,324	55,000	58,000	70,000	27.3%
UNIFORMS & CLEANING	4,881	2,500	3,976	4,100	64.0%
GAS & OIL	4,786	3,000	3,000	4,000	33.3%
SUPPLIES	3,160	2,500	3,000	2,500	0.0%
CROSSING GUARD SUPPLIES	0	100	100	200	100.0%
CONTRACTED SERVICES	2,508	5,500	6,500	5,500	0.0%
LABOR ATTORNEY	0	1,000	1,250	1,000	0.0%
INSURANCE	11,561	11,000	11,000	12,000	9.1%
UTILITIES	9,832	6,000	6,000	6,000	0.0%
VEHICLE MAINTENANCE	2,242	5,000	5,000	5,000	0.0%
EQUIPMENT RENTAL	227	1,000	2,000	1,000	0.0%
MISCELLANEOUS	0	0	0	0	0.0%
TRAINING	200	1,500	1,500	1,500	0.0%
CAPITAL EXPENDITURES	2,235	3,000	3,000	3,000	0.0%
TOTAL	394,097	383,564	390,625	417,042	8.7%

FIRE DEPARTMENT 101-336

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	32,660	35,500	28,000	35,500	0.0%
FICA EXPENSE	3,725	3,200	2,142	3,200	0.0%
UNIFORMS & CLEANING	3,042	1,000	6,000	12,000	1100.0%
GAS & OIL	975	1,800	1,800	1,800	0.0%
SUPPLIES	11,735	14,000	12,000	12,000	-14.3%
CONTRACTED SERVICES	11,795	6,000	6,000	6,000	0.0%
INSURANCE	6,555	6,000	6,000	6,000	0.0%
UTILITIES	5,548	7,000	7,000	7,000	0.0%
BUILDING MAINTENANCE	574	9,000	2,500	5,000	-44.4%
VEHICLE MAINTENANCE	0	2,500	2,500	2,500	0.0%
EQUIPMENT RENTAL	0	0	0	0	0.0%
HYDRANT RENTAL	7,134	7,100	7,100	7,100	0.0%
MISCELLANEOUS	200	200	200	200	0.0%
MISC - TWP 1/2 FIRE DEPT	0	0	0	0	0.0%
TWP FIRE DEPT	45,828	61,000	61,000	61,000	0.0%
TRAINING	1,700	3,000	3,000	3,000	0.0%
CAPITAL EXPENDITURES	13,200	20,000	0	16,000	-20.0%
TRANSFER TO PIF	6,000	6,000	6,000	6,000	0.0%
TRANSFER TO MVP	6,000	6,000	6,000	6,000	0.0%
TOTAL	156,671	171,600	157,242	190,300	10.9%

PUBLIC WORKS 101-441

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	62,632	44,616	66,210	70,000	36.3%
DPW DOWNTOWN MAINT	3,581	3,500	3,500	3,500	0.0%
FICA EXPENSE	4,308	3,825	5,085	5,355	28.6%
FRINGES	18,478	22,000	16,875	16,000	-37.5%
GAS & OIL	4,416	5,000	6,500	5,000	0.0%
SUPPLIES	6,714	5,000	7,000	6,500	23.1%
CONTRACTED SERVICES	4,003	4,000	6,000	6,500	38.5%
LABOR ATTORNEY	83	1,000	500	500	-100.0%
INSURANCE	10,239	7,500	9,500	9,500	21.1%
UTILITIES	17,014	13,000	16,000	16,000	18.8%
BUILDING MAINTENANCE	657	1,000	200	1,000	0.0%
EQUIPMENT RENTAL	9,310	8,000	10,000	10,000	20.0%
MISCELLANEOUS	614	500	200	500	0.0%
TRAINING	0	1,000	1,000	1,000	0.0%
CAPITAL EXPENDITURES	913	5,000	2,000	5,000	0.0%
TOTAL	142,962	124,941	150,570	156,355	20.1%

STREET LIGHTS 101-448

Expenditures	Actual 2020-2021	Current Year 2022-2023		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
UTILITIES	37,295	38,000	44,472	45,000	15.6%
TOTAL	37,295	38,000	44,472	45,000	15.6%

CITY SIDEWALKS 101-600

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
CONTRACTED SERVICES	4,095	4,500	4,500	4,500	0.0%
TOTAL	4,095	4,500	1,000	4,500	0.0%

SIDEWALK MAINTENANCE 101-601

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	0	1,000	50	1,000	0.0%
FICA EXPENSE	0	79	79	79	0.0%
EQUIPMENT RENTAL	0	750	750	750	0.0%
TOTAL	0	1,829	879	1,829	0.0%

PLANNING COMMISSION 101-721

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
TRAINING	419	500	0	500	0.0%
TOTAL	419	500	0	500	0.0%

PARKS 101-751

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	11,125	15,200	14,758	15,200	0.0%
FICA EXPENSE	810	1,148	1,148	1,148	0.0%
FRINGES	1,500	1,200	1,200	1,200	0.0%
SUPPLIES	630	3,000	3,000	2,000	-50.0%
CONTRACTED SERVICES	508	1,000	5,500	4,000	75.0%
TUTTLE PARK MAINTENANCE	133	1,000	380	1,000	0.0%
INSURANCE	1,201	1,200	1,200	1,200	0.0%
UTILITIES	3,171	2,500	3,000	3,000	16.7%
BUILDING MAINTENANCE	0	500	600	5,000	90.0%
EQUIPMENT RENTAL	2,612	5,000	5,000	5,000	0.0%
TOTAL	21,690	31,748	35,786	38,748	18.1%

LIBRARY 101-790

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	186	513	500	500	-2.5%
FICA EXPENSE	14	70	70	70	0.0%
CONTRACTED SERVICES	0	1,200	1,200	1,200	0.0%
INSURANCE	763	750	750	750	0.0%
BUILDING MAINTENANCE	47	1,500	1,500	15,000	900.0%
EQUIPMENT RENTAL	138	500	500	500	0.0%
TOTAL	1,148	4,533	4,520	18,020	297.5%

INSURANCE AND BONDS 101-851

Expenditures	Actual 2020-2021	Current Year 2021-2022		Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
INSURANCE	9,519	10,000	10,000	10,500	5.0%
TOTAL	9,519	10,000	10,000	10,500	5.0%

SPECIAL REVENUE

MAJOR ROADS FUND 202

Revenues	Actual 2020-2021	Current Year 2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
GAS & WEIGHT TAX	185,460	190,140	190,140	195,349	2.7%
BUILD MICHIGAN	3,490	3,200	3,500	2,800	-12.5%
INTEREST EARNED	488	3,500	300	400	-88.6%
TOTAL	350,845	196,840	193,940	198,549	0.9%

ROUTINE MAINTENANCE 202-463

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-MS RM	31,745	30,000	22,085	28,000	-6.7%
FICA EXPENSE	2,293	2,295	1,620	2,142	-6.7%
FRINGES	10,858	10,000	5,957	10,000	0.0%
SUPPLIES	8,666	6,000	1,765	5,000	-16.7%
CONTRACTED SERVICES	5,009	3,000	5,841	6,000	100.0%
EQUIPMENT RENTAL	13,211	15,000	13,269	15,000	0.0%
TOTAL	76,068	63,295	50,537	66,142	4.5%

TRAFFIC SERVICES 202-474

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-MS TR	5,634	2,500	2,500	2,500	0.0%
FICA EXPENSE	407	106	400	106	0.0%
SUPPLIES	0	2,000	2,000	2,000	0.0%
CONTRACTED SERVICES	1,341	1,500	1,500	1,500	0.0%
EQUIPMENT RENTAL	7,418	3,000	3,000	3,000	0.0%
TOTAL	14,800	9,106	9,400	9,106	0.0%

WINTER MAINTENANCE 202-478

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-MS WM	3,031	5,400	5,400	4,000	-25.9%
FICA EXPENSE	218	479	479	306	-36.1%
FRINGES	2,148	1,500	1,500	1,100	-26.7%
SUPPLIES	5,202	5,000	3,000	5,000	0.0%
EQUIPMENT RENTAL	1,866	1,000	2,500	1,000	0.0%
TOTAL	12,465	13,379	12,879	11,406	-14.7%

ADMINISTRATION 202-484

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
CONTRACTED SERVICES	3,248	3,200	3,200	3,200	0.0%
TRAINING	0	1,000	1,000	1,000	0.0%
CONTRIBUTIONS TO OTHER	25,000	25,000	25,000	25,000	0.0%
TOTAL	28,248	29,200	29,200	29,200	0.0%

LOCAL ROADS FUND 203

Revenues	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
GAS & WEIGHT TAX	65,113	70,326	70,326	65,116	-7.4%
OTHER STATE GRANTS	0	1,200	0	0	-100.0%
BUILD MICHIGAN	1,225	7,500	1,300	1,100	-85.3%
METRO ACT MAINTENANCE FEE	0	1,000	0	0	-100.0%
INTEREST EARNED	95	1,000	0	100	-90.0%
CONTRIBUTIONS FROM OTHER FND	25,000	25,000	25,000	25,000	0.0%
TOTAL	91,433	91,433	91,433	91,316	-0.1%

ROUTINE MAINTENANCE 203-463

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-LS RM	20,558	20,000	14,443	20,000	0.0%
FICA EXPENSE	1,490	1,530	1,056	1,530	0.0%
FRINGES	8,751	7,000	4,935	7,000	0.0%
SUPPLIES	7,187	5,000	1,060	5,000	0.0%
CONTRACTED SERVICES	9,251	34,000	4,580	10,000	-70.6%
EQUIPMENT RENTAL	8,946	8,000	9,378	10,000	25.0%
TOTAL	56,183	75,530	35,452	53,530	-29.1%

TRAFFIC SERVICES 203-474

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-LS TR	6,115	6,000	4,000	6,000	0.0%
FICA EXPENSE	147	443	51	306	-30.9%
SUPPLIES	0	0	0	1,000	100.0%
EQUIPMENT RENTAL	3,814	7,734	103	3,000	-61.2%
TOTAL	5,970	14,292	865	8,306	-41.9%

WINTER MAINTENANCE 203-478

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-LS WM	1,800	4,500	3,000	4,500	0.0%
FICA EXPENSE	129	412	412	412	0.0%
FRINGES	1,830	1,500	1,500	1,500	0.0%
SUPPLIES	2,895	4,000	4,000	4,000	0.0%
EQUIPMENT RENTAL	808	1,000	1,000	1,000	0.0%
TOTAL	7,462	11,412	9,912	11,412	0.0%

ADMINISTRATION 203-484

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
CONTRACTED SERVICES	1,372	2,500	2,000	2,500	0.0%
TRAINING	0	0	0	1,000	100.0%
TOTAL	1,372	2,500	2,000	3,500	40.0%

PUBLIC IMPROVEMENT FUND 245

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Revenues					
INTEREST EARNED	232	2,000	120	120	-94.0%
XFER FOR LIBRARY	0	0	0	15,000	100.0%
TOTAL	232	2,000	120	15,120	656.0%

DDA FUND 248

	Actual 2020-20210	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
NOTE PYMT FOR 602 W BELLEVUE	7,297	9,173	7,443	9,173	0.0%
TIF CAPTURE	0	17,752	0	17,710	-0.2%
INTEREST EARNED	2,907	2,000	1,900	2,000	0.0%
MERCHANT BANNER SALES	400	1,000	0	0	-100.0%
TOTAL	10,604	29,925	9,343	9,291	-69.0%

DDA ACTIVITY 248-898

	Actual 2020-20210	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
SALARIES/WAGES DDA	7,270	0	0	0	0.0%
FICA EXPENSE DDA	530	0	330	0	0.0%
PUBLIC RELATIONS	4,750	3,000	6,420	3,000	0.0%
CHRISTMAS DECORATIONS	69	0	0	0	100.0%
DOWNTOWN MAINTENANCE	3,790	3,000	3,000	3,000	0.0%
FACADE GRANTS	4,206	4,000	4,000	4,000	0.0%
SPECIAL PROJECTS CONTINGENCY	947	500	2,645	12,000	2300.0%
BANNER EXPENSE	0	100	0	0	-100.0%
ADMIN SUPPORT*	200	5,356	5,356	5,300	-1.0%
TOTAL	21,762	15,956	21,751	27,300	71.1%

BUILDING DEPT FUND 249

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Revenues					
CHARGES FOR SERVICES	34,627	6,500	6,500	10,000	53.8%
CONTRIBUTIONS FROM OTHER FND	0	4,120	29,000	25,000	506.8%
TOTAL	34,627	10,620	35,500	35,000	229.6%

INSPECTORS 249-371

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
SALARIES/WAGES-INSPECTORS	3,594	3,600	2,111	3,600	0.0%
FICA EXPENSE	275	309	162	320	3.6%
CONTRACTED SERVICES	0	0	0	0	0.0%
TOTAL	3,869	3,909	2,273	3,920	0.3%

LDFA FUND 250

Revenues	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
TIF CAPTURE	0	7,569	53,955	53,000	600.2%
INTEREST EARNED	7,983	5,000	120	100	-98.0%
MISC OTHER	0	0	0	0	100.0%
TOTAL	7,983	12,569	54,075	53,100	322.5%

LDFA ACTIVITY 250-897

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022- 2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES-DPW	5,827	0	0	0	0.0%
FICA EXPENSE	432	0	222	0	0.0%
FRINGES	0	0	0	0	0.0%
INGHAM COUNTY EDC	8,685	9,500	9,500	9,500	0.0%
SPECIAL PROJECTS	173,120	0	4,305	12,000	100.0%
PUBLIC RELATIONS	0	500	1,721	500	0.0%
MISCELLANEOUS	938	1,500	0	1,500	0.0%
TRANS TO OTHER FUNDS	170,207	0	0	0	100.0%
ADMIN SUPPORT	200	5,356	5,300	5,356	0.0%
FIRE DEPT CONTRIBUTION	14,000	14,000	14,000	14,000	0.0%
POLICE DEPT CONTRIBUTION	10,000	10,000	10,000	10,000	0.0%
TOTAL	383,409	40,856	45,048	52,856	29.4%

ENTERPRISE FUNDS

SEWER FUND - 590

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SEWER TAP FEES	3,040	0	20	1,500	0.0%
SEWER SALES	367,623	390,000	390,000	578,000	48.2%
SEWER PENALTIES	6,687	7,500	6,500	7,500	0.0%
INT EARNED-SEWER	137	1,000	38	50	-95.0%
MISC OTHER	664	0	0	0	0.0%
TOTAL	378,151	398,500	396,558	587,050	47.3%

SEWER PLANT 590-528

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	75,574	90,000	84,000	93,000	3.3%
FICA EXPENSE	9,447	9,000	14,000	15,000	66.7%
FRINGES	6,439	8,629	2,500	9,000	4.3%
SUPPLIES	17,331	10,000	15,000	16,000	60.0%
CONTRACTED SERVICES	38,818	25,000	26,000	48,000	92.0%
INSURANCE	6,777	6,300	6,300	6,500	3.2%
UTILITIES	60,213	30,000	53,000	40,000	33.3%
EQUIPMENT RENTAL	897	3,000	3,000	2,000	-33.3%
MISCELLANEOUS	0	1,000	1,000	1,000	0.0%
TRAINING	310	3,000	3,000	3,000	0.0%
DEPRECIATION	75,410	75,410	0	0	0.0%
CAPITAL EXPENDITURES	17,481	0	21,000	25,000	100.0%
TOTAL	308,697	261,339	228,800	258,500	-1.1%

SEWER COLLECTIONS 590-529

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
SALARIES/WAGES	30,643	41,079	41,000	44,000	7.1%
FICA EXPENSE	2,177	3,000	2,993	3,600	20.0%
FRINGES	20,053	13,000	16,000	16,000	23.1%
SUPPLIES	1,848	7,000	500	7,000	0.0%
CONTRACTED SERVICES	79,081	40,000	50,000	45,000	12.5%
INSURANCE	624	1,000	566	1,000	0.0%
EQUIPMENT RENTAL	0	3,500	0	3,500	0.0%
MISCELLANEOUS	0	500	30	500	0.0%
TRAINING	0	1,500	650	1,500	0.0%
DEPRECIATION	45,734	45,734	0	0	0.0%
CAPITAL EXPENDITURES	3,353	15,000	20,000	15,000	0.0%
TOTAL	183,513	171,313	131,739	137,100	-20.0%

ADMINISTRATIVE 590-558

Expenditures	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
ADMIN SUPPORT	30,000	30,000	0	32,500	8.3%
2012 WWTP DEBT SERVICE	25,000	25,000	0	26,000	4.0%
INT ON BOND DEBT	34,789	33,981	16,693	33,000	-2.9%
TOTAL	89,789	88,981	16,693	91,500	2.8%

WATER FUND - 591

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Revenues					
WATER METERS	3,714	0	3,600	4,800	0.0%
WATER TAP FEES	3,040	1,500	0	1,500	0.0%
WATER TURN ON	385	1,500	1,500	1,500	0.0%
WATER SALES	411,626	400,000	400,000	414,000	3.5%
WATER PENALTIES	8,723	9,000	9,000	9,000	0.0%
INT EARNED-WATER	586	4,500	400	500	-88.9%
HYDRANT RENTAL	6,714	7,200	7,200	7,200	0.0%
TWP HYDRANT RENTAL	14,257	7,200	7,200	7,200	0.0%
MISC OTHER	664	0	0	98,000	0.0%
TOTAL	449,045	430,900	428,900	543,700	26.2%

WELLS AND IRON REMOVAL 591-556

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
SALARIES/WAGES	21,623	27,894	25,000	45,000	61.3%
FICA EXPENSE	1,555	2,000	2,000	3,600	80.0%
FRINGES	10,178	8,500	8,500	10,000	17.6%
SUPPLIES	7,316	10,000	4,000	10,000	0.0%
CONTRACTED SERVICES	5,311	13,500	2,500	13,500	0.0%
SDWA FEES	3,250	3,000	3,000	3,000	0.0%
INSURANCE	2,442	2,200	4,000	2,900	31.8%
UTILITIES	20,701	15,000	15,000	15,000	0.0%
BUILDING MAINTENANCE	0	2,000	2,000	2,000	0.0%
EQUIPMENT RENTAL	883	1,500	1,500	1,500	0.0%
MISCELLANEOUS	0	2,000	35	2,000	0.0%
DEPRECIATION	9,645	9,645	0	0	0.0%
CAPITAL EXPENDITURES	1,150	30,000	6,000	55,000	83.3%
TOTAL	84,054	127,239	73,535	163,500	28.5%

WATER DISTRIBUTION 591-557

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
SALARIES/WAGES	50,522	56,523	56,000	65,000	15.0%
FICA EXPENSE	3,683	4,200	4,200	5,000	19.0%
FRINGES	26,075	18,000	24,000	20,000	11.1%
SUPPLIES	23,001	30,000	30,000	30,000	0.0%
BULK SUPPLIES FOR RESALE	0	3,500	0	0	-100.0%
CONTRACTED SERVICES	23,943	15,000	35,000	15,000	0.0%
INSURANCE	1,956	2,000	2,000	2,500	25.0%
UTILITIES	3,789	1,500	5,000	5,000	233.3%
EQUIPMENT RENTAL	4,369	8,000	18,000	15,000	87.5%
TRAINING	790	3,500	3,500	3,500	0.0%
DEPRECIATION	126,953	126,953	0	0	0.0%
CAPITAL EXPENDITURES	3,912	30,000	30,000	250,000	733.3%
TOTAL	268,993	299,176	207,700	411,000	37.4%

ADMINISTRATION 591-558

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
ADMIN SUPPORT	30,000	30,000	30,000	30,000	0.0%
2012 WATER PROJ DEBT SERV	75,000	75,000	75,000	75,000	0.0%
INT ON BOND DEBT	28,781	31,000	31,000	31,000	0.0%
TOTAL	140,281	136,000	136,000	136,000	0.0%

MOTOR VEHICLE POOL FUND -661

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Revenues					
INTEREST EARNED	266	6,800	200	150	-97.8%
ALL EQUIP RENTAL	57,965	70,000	70,000	78,500	12.1%
FIRE DEPT EQUIP RENTAL	6,000	0	6,000	6,000	100.0%
SALE OF FIXED ASSETS	0	0	0	7,850	0.0%
MISC OTHER	0	0	0	0	0.0%
TOTAL	64,231	76,800	76,200	92,500	20.4%

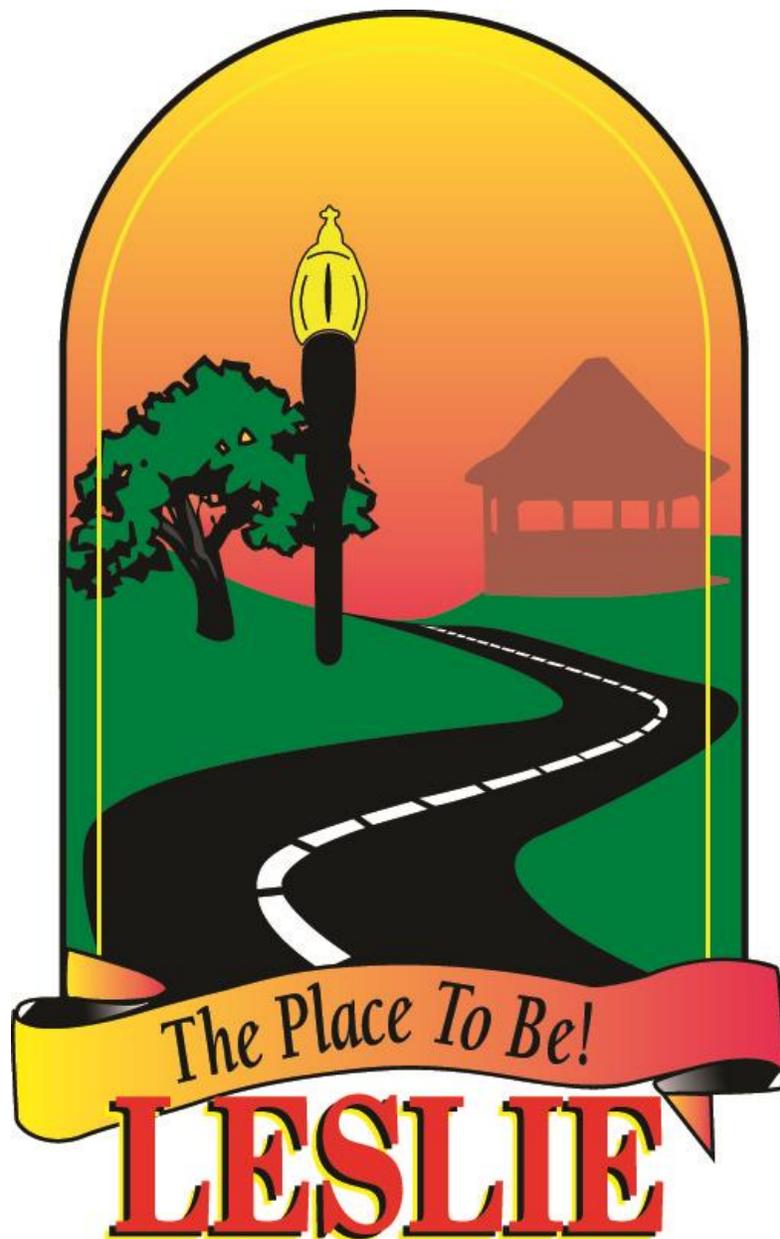
PUBLIC SAFETY 661-301

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
VEHICLE MAINTENANCE	0	3,400	3,400	2,000	-41.2%
DEPRECIATION	12,139	12,139	0	0	0.0%
CAPITAL EXPENDITURES	0	5,000	5,000	3,000	-40.0%
TOTAL	12,139	20,539	8,400	5,000	-75.7%

DEPT OF PUBLIC WORKS 661-441

	Actual 2020-2021	Current Year 2021-2022		Manager Proposed 2022-2023	% Change (Budget) 2022 to 2023
		Amended Budget	Estimated YE Position		
Expenditures					
SALARIES/WAGES-DPW MVP	12,779	15,000	16,000	15,000	0.0%
FICA EXPENSE	894	1,000	1,482	1,000	0.0%
FRINGES	8,919	7,000	8,500	7,000	0.0%
GAS & OIL	6,492	6,500	6,000	5,000	-23.1%
SUPPLIES	3,441	15,000	5,000	3,500	-76.7%
CONTRACTED SERVICES	4,389	8,000	4,000	4,000	-50.0%
EQUIPMENT RENTAL	0	1,500	0	1,500	0.0%
TRAINING	0	500	0	500	0.0%
DEPRECIATION	78,428	78,428	0	0	0.0%
CAPITAL EXPENDITURES*	2,503	10,000	12,000	50,000	400.0%
TOTAL	117,845	142,928	52,982	87,500	-38.8%

**City of Leslie Capital Improvement Plan
Fiscal Years 2017-2023**



City of Leslie Capital Improvements Plan

In accordance with the State of Michigan Planning Act 285, we are pleased to present the City of Leslie 2016-2022 Capital Improvement Plan (CIP).

Traditionally, the City of Leslie has included its capital improvements in the annual budget as required by City Charter. However, the Planning Enabling Act calls for a long-term capital improvement plan to be reviewed annually. This document will serve as a planning guide for the next six (6) years. The CIP continues to be an exceptional tool that benefits our community by identifying the City's future needs. The CIP project location maps help to visualize infrastructure projects, and the supporting documentation provides prioritized and coordinated work plans that also help to direct the City's future needs.

The CIP incorporates projects identified in the City's many adopted plans and policies. These include external infrastructure projects to address drainage, pathways, major roads, local streets, parks, City-owned facilities, and the City's water and sewer system. Included in the plan also are internal infrastructure projects necessary to continue governmental operations that deliver services to our residents. Professional services needed for future planning and projects that involve acquisition of new equipment are also listed. The CIP is a dynamic document, updated and improved upon each year. Its inherent flexibility allows the City of Leslie to move forward with many planned projects and allows for the addition of new projects as opportunities arise. The process allows for new projects and reviews existing projects for timing and funding.

This CIP is not intended to be a construction schedule or rigid plan. Many of these projects will require grants or funding sources that have not been identified yet. In addition, many of these projects do not have a firm estimate on costs at this point. It will however continue to serve as a guide for budgeting, decision making, and planning.

Aaron Desentz
City Manager

Introduction

This Capital Improvements Plan (CIP) provides an opportunity for the various stakeholders in the City of Leslie to come together and prepare a plan of the City's capital improvement needs for the next six years. These stakeholders include the City Council, the City Administration, and the citizens of Leslie. While not all of these needs will be met, as resources are scarce, the CIP provides a way to prioritize these needs and allocate resources to best meet the various demands

What is the Capital Improvement Plan

The CIP is a six (6) year plan identifying capital projects to be funded over that period. Included in the plan is the year in which the capital item/project will be funded, the duration of the item/project, the source of funding, and the impact, if any, on operational costs once the capital item/project is acquired. All items/projects are prioritized as explained later in this section. This plan is considered flexible and changeable depending on the status of the City's financials, grant opportunities, and the need for unexpected investments.

What is a Capital Improvement Item/Project

As used in the City of Leslie CIP, a capital improvements item/project is defined as a major, non-recurring expenditure that incorporates any of the following:

1. The acquisition of land for a public purpose.
2. Any construction of a new facility including engineering design and other preconstruction costs with an estimated cost in excess of \$5,000.
3. A non-reoccurring rehabilitation or major repair of all or part of a building, its grounds, a facility, or its equipment, provided that such costs are more than \$5,000 and the improvement will have a useful life of ten years or more.
4. Purchase of major equipment valued in excess of \$5,000 with a useful life of three years or more.
5. Major studies requiring the employment of outside professional consultants in excess of \$5,000.
6. All projects funded substantially from the proceeds of a debt obligation.

These factors are used to determine if a project should be considered as part of the CIP. If there is uncertainty as to whether a project or expenditure should be included in the CIP, it has been included.

Why Develop a Capital Improvements Plan?

Capital improvement plans helps the city plan and prioritize major needs into the future.

What are the Benefits of having a Capital Improvements Plan?

A detailed capital improvement plan also helps the city to remain flexible and address needed improvements as opportunities arise. Identifying needs ahead of time allows for proper planning and more efficient projects.

How are projects prioritized in the Capital Improvement Plan?

The City analyzes many aspects of a project when determining priority including:

- Relationship to master plan, downtown development plans, and other community planning documents
- City Council goals and objectives
- Community needs
- Relationship to other projects
- Fulfilling federal, state, or county requirements
- Impact on annual operating and maintenance costs
- Funding availability and opportunities
- Critical or emergency needs

Capital Improvements Plan

The following table identifies future project needs through 2019. This list is intended to be a very thorough documentation of the needs throughout the City, however it is not an exhaustive list. A project, need, or opportunity may arise that is not listed in the CIP. Exclusion from this list should not preclude the City from addressing this issue if necessary. The year and costs for each project is an estimate in most cases. In some cases, total costs have yet to be determined. However, this does not preclude planning for these projects.

The following table lists:

Department – The department or category of the project or purchase.

Project Description – A description of the capital project or equipment purchase.

Projected Costs – An estimate of the cost of the project and year in which the project will be undertaken.

Long-term project – A category for projects that do not have an estimated cost or timeframe. These projects could still be completed in the near future if funding becomes available. Many of these projects are currently being developed through discussions with boards or commissions, internally by staff, or through grant applications.

Anticipated Source of Funding – A listing of the projected sources of funding for each project.

Identified Projects		Fiscal Year						Long-term Project*	Anticipated Source of funding
Department	Project Description	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023		
Bridges	Reconstruct Mill Street Bridge		\$ 1,500,000						Local Bridge Program, LDFA, Water, Sewer
Bridges	Russel Street Bridge							\$ 50,000	LDFA
Facilities	Egress door/stairs upper level City offices		\$ 30,000						General fund, DDA, Public Improvements fund
Motor Vehicle	New pickup truck: DPW						\$ 35,000		Motor Vehicle Pool
Motor Vehicle	New Backhoe				\$ 50,000				Motor Vehicle Pool
Motor Vehicle	New Loader					\$ 150,000			Motor Vehicle Pool
Motor Vehicle	2 Ton Pickup			\$ 55,000					Motor Vehicle Pool
Parks	Acquire property East of Police station for future park							TBD	General Fund
Pool	Pool Renovations: DNR project to renovate both swimming pools and pool house							\$ 400,000	DNR Grant, Public Improvement Fund
Public Safety	Traffic Control Sign	\$ 8,000							General Fund
Sewer	Asset Management System, Infiltration and Inflow study	\$ 41,000							Grant Funding
Sewer	Collection system repairs: repairs to system based on televising reports	\$ 10,000	\$ 10,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 500,000	Sewer, LDFA, Grant Funding
Sewer	Replacement of Washington Street Lift Station		\$ 120,000						Sewer
Storm	Storm system improvements	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000		General Fund, Grant Funding
Streets	Sidewalk repairs: including city owned sidewalks and matching sidewalk grants for residents	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000		General fund
Streets	Crack sealing - all city streets in good or better condition.	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000		Major and Local streets, DDA, LDFA
Streets	Reconstruct North and South Main Street including new water, storm, and sewer							\$ 1,500,000	Special Assessment, street funds, water, sewer, grant funding, DDA, LDFA
Water	Lead service lead replacements - ongoing project to eliminate lead services throughout city.	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000		Water, Public Improvement Fund

Identified Projects		Fiscal Year						Long-term Project*	Anticipated Source of funding
Department	Project Description	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023		
Water	Purchase of a Valve Exercising Machine	\$ 25,000							
Water	Valve Exercising Program - Exercise and replace bad valves	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000		Water, Public Improvement Fund
Water	Fire Hydrant - replace old and nonworking fire hydrants	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000		Water, Public Improvement Fund
Water	ICE grant project	\$ 1,200,000							ICE grant
Water	Distribution system improvements: new water mains/water main replacement, loop system at high school, water tank safety improvements		\$ 1,200,000					\$ 1,000,000	Grant Funding, Drinking Water Revolving Loan Fund
water	Paint wet interior of water tank					\$ 100,000			public improvement fund, water, debt financing
TIF Districts									
DDA	Commercial Drive Improvments: reconstruct street; water, sewer and storm improvements; bury utilities; address walkability, access management, and parking lots		\$ 350,000						Grant funding, DDA, Water, Sewer
DDA	Rear Façade Improvement in Downtown		\$ 200,000						DDA, Grant Funding
DDA	Repave City parking lot on Commercial		\$ 30,000						DDA, Grant Funding
DDA	Bellevue entrance improvements: enhance the entrance into town							TBD	DDA, Grant Funding
DDA	Downtown Improvements: Water, Sewer, Storm Improvements							TBD	Grant funding, DDA, Water, Sewer
DDA	Improvement to Race Street: Street reconstruction; rolled curb parking; water, sewer, storm improvements							TBD	Grant funding, DDA, Water, Sewer
DDA	Repave City parking lot on City Offices							\$ 12,000	DDA, Grant Funding
DDA	Improvement to Baggerly Street, reconstruction; rolled curb parking; water, sewer, storm improvements							TBD	Grant funding, DDA, Water, Sewer

Identified Projects		Fiscal Year						Long-term Project*	Anticipated Source of funding
Department	Project Description	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023		
LDFA	Reconstruct Rice Street							TBD	LDFA, Local Streets, Special Assessment

MEMO FROM CLERK CHELSEA COX

TO: LESLIE CITY COUNCIL
FROM: CHELSEA COX—LESLIE CITY CLERK
SUBJECT: COUNCIL ORIENTATION
DATE: NOVEMBER 28, 2017

RULES, POLICIES, AND PROCEDURES

- A. Council Adopted Rules of Procedure for Meetings (Res. 2005-06).**
Resolution 2005-06 explains the overall order and organization for all City meetings. All boards and commissions follow the same general format. Minutes that are taken document any motion/vote taken during a meeting—if an individual wishes to have additional language recorded in the minutes, she or he can submit in writing with proposed attachment for council approval at next meeting.
- B. Open Meetings Act**
The City of Leslie follows all Open Meetings Act requirements. This Act allows for governmental accountability and enhances responsible decision-making. Please read through the OMA handbook and become familiar with the procedures.
- C. Freedom of Information Act**
The City Clerk serves as the FOIA secretary and is responsible for receiving FOIA requests, researching and compiling desired information and calculating any fees observed. In correlation with FOIA, I also have to adhere to a lengthy retention schedule for all documents in order to keep information on-hand and relevant.
- D. Boards and Commissions. (Information on methods of appointment)**
- **Downtown Development Authority (DDA)** – A nine person board that governs the Tax increment finance district in the Downtown Development Authority District. The TIF captures tax dollars from the City, School, County, and other taxing jurisdictions and uses the money to benefit the Downtown efforts and economic development efforts. The City’s Downtown Development Authority encompasses a great deal of property throughout the City.
 - **Local Development Finance Authority (LDFA)** – An 11 person board that governs the Tax increment finance district in the Leslie Business Park. The TIF captures tax dollars from the City, School,

County, and other taxing jurisdictions and uses the money to benefit the Business Park and economic development efforts.

- **Planning Commission** – A nine member board whom are appointed by the mayor subject to approval by the council. The planning commission may make recommendations to the city council, public officials, and to citizens regarding the planning and development of the City and the surrounding area. It is also the function of the planning commission to create a master plan for the city.
- **Board of Review** – A three person board that meets in March to review and correct the assessment roll. The BOR also meets to review protests before the board concerning a property owner's property assessment. The council may schedule additional meetings of the board of review to correct clerical issues or mutual mistakes of fact.
- **Zoning Board of Appeals** – A six member board to hear zoning variance requests, appeals, or requests for interpretation. The ZBA follows a strict decision making protocol for analyzing an issue.

E. Role of the City Clerk

I serve as the clerical officer for the Leslie City Council. I am responsible for taking and transcribing minutes of all council proceedings and prepare any other documentation as needed or requested. As the City Clerk, I conducts national, state, school and local elections, serve as the official custodian of all City records, documents, ordinances, and the City seal. I also administer oaths of office, and registers voters.


Clerk Chelsea Cox

CITY OF LESLIE SERVICES

There are numerous services, amenities, and benefits offered by the City of Leslie that have become very popular with our residents, as well as some traditional events. Some of these are shown below, and help make “Leslie, the Place To Be”:

WATER/SEWER SERVICES

The City of Leslie uses three (3) active water wells to gather ground water to supply most of the City’s residents and businesses. The water is treated through both aeration and detention as well as with chlorine and filters. Phosphorous is added to the water as a method of corrosion control. This prevents lead and copper from leaching into the water. The City maintains sewer lines to collect wastewater throughout the City. The Wastewater Treatment Plant is operated by the City’s contractors Infrastructure Alternatives.

STREET MAINTENANCE

The City of Leslie receives money from the State of Michigan derived from a formula (referred to as Act 51) comprised of portions of gas tax money and vehicle registration revenue. This funding provides the City enough funds to keep up with annual maintenance of the city streets. Department of Public Works (DPW) staff regularly clear the streets of obstructions, fill pot holes, and contact for street sweeping operations. Any major roads reconstruction projects will require funding much greater than the City’s Act 51 apportionment.

CURBSIDE LEAF/BRUSH COLLECTION

Brush and Limbs will be chipped and removed by the City crew nearly year-round. Especially after a windstorm, this is a valuable service. The primary use of brush chipping is for clearing limbs from storm damage. Place brush and limbs (no larger than 5 inches in diameter) with the cut end toward the street. Brush pick up is typically scheduled the first full week of each month. There are some weeks when the service cannot be provided; either the City crew is involved in another project, or there is too little brush City-wide to be time-efficient to send the equipment and crew out. We do not collect leaves, weeds, or grass clippings as part of this year round service.

Each spring and fall, typically during the months of April and October, the City provides curbside leaf pick-up. Again, homeowners are asked to rake their leaves into the very edge of their street, in a long narrow row. We ask that people not place leaves in bags and that they separate leaves and brush if these materials are out at the same time.

RECREATION

- Russell Park: Located on North Main Street, this park offers a Playscape for Children, restrooms, picnic tables and grills. Also there are two pavilions that can be reserved at a discounted rate for City residents.
- Tuttle Park: The Veterans Memorial Park, located at the corner of W. Bellevue and Armstrong Streets, is a picturesque corner with a lovely gazebo ideal for a small group or pictures. The gazebo can also be reserved for a special occasion such as a small wedding, at discounted rates for City residents.
- Ballfields: Several ballfields are available for league play, and when not scheduled and reserved, are available for the general public.
- Walking: Sidewalks throughout our community provide safe, well-lit opportunity for the walkers. Also the Hull Road Trailway stretches from W. Bellevue Street along Hull Rd. all the way out to the Leslie High School.

Basketball Courts: Across Russell Park on Baggerly Street, the City maintains two (2) basketball courts that can be used by everyone.



Council-Manager

Form of Government



**Frequently Asked
Questions**

ICMA

Leaders at the Core of Better Communities

What is the council-manager form of government, which is used today by so many cities, towns, and counties?

Council-manager government combines the strong political leadership of elected officials with the strong managerial experience of an appointed manager or administrator. All power and authority to set policy rests with an elected governing body, which includes a mayor or chairperson and members of the council, commission, or board. The governing body in turn hires a nonpartisan manager who has very broad authority to run the organization.

Born out of the U.S. progressive reform movement at the turn of the 20th century, the council-manager system was designed to combat corruption and unethical activity in local government by promoting effective management within a transparent, responsive, and accountable structure.

Since its establishment, the council-manager form has become the most popular structure of local government in the United States. The form is also widely used throughout the world in countries such as Canada, Australia, the Netherlands, New Zealand, and the United Kingdom.

How does council-manager government work?

The elected council or board represent their community and develop a long-range vision for its future. They establish policies that affect the overall operation of the community and are responsive to residents' needs and wishes.

To ensure that these policies are carried out and that the entire community is equitably served, the governing body appoints a *highly trained professional manager* on the basis of his/her education, experience, skills, and abilities (and not their political allegiances). If the manager is not responsive to the governing body, it has the authority to terminate the manager at any time.

How can council-manager government benefit my community?

A city, town, or county benefits from the council-manager form of government in a number of important ways:

1. Political power is concentrated in the *entire* governing body. The mayor and council share legislative functions
2. Policy making resides with elected officials, while oversight of the day-to-day operations of the community resides with the manager. In this way, the elected officials are free to devote time to policy planning and development

3. The manager carries out the policies established by the elected governing body with an emphasis on effective, efficient, and equitable service delivery
4. Because decisions on policy and the future of the community are made by the entire governing body rather than a single individual, council-manager governments more often engage and involve their residents in decision making. Residents guide their community by serving on boards and commissions, participating in visioning and strategic planning, and designing community-oriented local government services
5. The form is flexible enough to adapt to local needs and demands. For example, some communities elect their councils at large, while others elect them by district or by a combination of an at-large-and-by-district system. Also, the mayor can be directly elected by voters or selected by and from among the council.

What is the role of the manager under council-manager government?

The manager is hired to serve the council and the community and brings to the local government the benefits of his/her training and experience in administering municipal or county projects and programs. The manager prepares a budget for the council's consideration; recruits, hires, terminates, and supervises government staff; serves as the council's chief advisor; and carries out the council's policies. Council members and residents count on the manager to provide complete and objective information about local operations, discuss the pros and cons of alternatives, and offer an assessment of the long-term consequences of their decisions.

Appointed managers serve at the pleasure of the governing body. They can be fired by a majority of the council, consistent with local laws, or any employment agreements they may enter into with the council. The manager makes policy recommendations to the council for consideration and final decision. The manager is bound by whatever action the council takes, and control is always in the hands of the elected representatives of the people.

What is the role of the council?

The council is the community's legislative and policy-making body. Power is centralized in the elected council, which, for example, approves the budget and determines the tax rate. The council also focuses on the community's goals, major projects, and such long-term considerations

as community growth, land use development, capital improvement and financing, and strategic planning. The council hires a professional manager to implement the administrative responsibilities related to these goals and supervises the manager's performance.

What is the role of the mayor or chairperson?

Mayors or chairpersons in council-manager communities are key political and policy leaders, and their specific duties, responsibilities, and authorities depend on the organization's charter. In council-manager communities, typically the mayor or chairperson is a voting member of the city council who presides at council meetings, represents the city in intergovernmental relationships, appoints members of citizen advisory boards and commissions (with the advice and consent of council), assigns agenda items to committees, facilitates communication and understanding between elected and appointed officials, and assists the council in setting goals and advocating policy decisions.

What value does a professional manager contribute to a community?

Professional managers contribute value to a community because they:

- Work in partnership with elected officials to develop sound approaches to community challenges by bringing together resources to make the right things happen and produce results that matter
- Bring a community-wide perspective to policy discussions and strive to connect the past and future while focusing on the present. They help the governing body develop the long-term vision for the community that provides a framework for policy development and goal setting
- Promote ethical government through commitment to a set of ethical standards that goes beyond those required by law. Managers who are members of ICMA subscribe to the organization's Code of Ethics, which requires them to "affirm the dignity and worth of the services rendered by government and maintain...a deep sense of social responsibility as a trusted public servant"
- Encourage inclusion and build consensus among diverse interests (including those of elected officials, the business community, and citizens) by focusing on the entire community rather than the centralized interests of one or two individuals

- Promote equity and fairness by ensuring that services are fairly distributed and that administrative decisions (such as hiring and contracting) are based on merit rather than favoritism
- Develop and sustain organizational excellence and promote innovation. Professional managers focus relentlessly on efficient and equitable service delivery, policy implementation, and evaluation. They align the local government's administrative systems with the values, mission, and policy goals defined by the community and elected officials.

Does it cost more for a community to adopt the council-manager form and hire a professional manager?

Many local governments have found that their overall costs are actually reduced under competent management. Savings can come from decreased operating costs, increased efficiency and productivity, improved revenue collection, and effective use of technology. The economic health of the community may also benefit from implementation of improved business development and retention strategies.

What kinds of communities use the council-manager form of government?

In 2007, more than 3,500 (49 percent) of the 7,171 U.S. cities and towns with populations of 2,500 residents or more operated under the council-manager form. This structure is also used by more than 370 counties. More than 92 million people in the U.S. live in communities that operate under this form.

Is the council-manager form popular among larger communities?

Of the 247 U.S. cities with populations greater than 100,000 residents, 144 (58 percent) use this form of government. Larger cities and counties that use the form include:

- Broward County, Florida (pop. 1,623,000)
- Charlotte, North Carolina (pop. 540,000)
- Dallas, Texas (pop. 1,188,000)
- Fairfax County, Virginia (pop. 969,000)
- Las Vegas, Nevada (pop. 535,000)
- Mecklenburg County, North Carolina (pop. 695,000)
- Oklahoma City, Oklahoma (pop. 506,000) *(continued)*

(continued)

- Phoenix, Arizona (pop. 1,321,000)
- San Antonio, Texas (pop. 1,144,000)
- San Jose, California (pop. 894,000)
- Virginia Beach, Virginia (pop. 425,000)
- Wichita, Kansas (pop. 344,000)

How can a community adopt the council-manager form of government?

Most communities can adopt council-manager government through a charter, local ordinance, state enabling law, or by voter referendum. For information on how your community can adopt council-manager government, contact your state municipal league or association of counties. You can locate the addresses of these organizations on the Internet, or in the back section of ICMA's *Municipal Year Book*, which you may find in your local library.

Once a community adopts council-manager government, how does it choose a professional manager?

The vacancy usually is announced in the *ICMA Newsletter*, and managers, assistants, and other individuals from across the country are invited to apply. Interested parties apply directly to the council, which reviews the applications and interviews qualified candidates. ICMA makes no recommendations regarding candidates. Additional information is available in ICMA's *Recruitment Guidelines Handbook*. To download a copy, visit <http://jobs.icma.org> and click on "Recruitment Guidelines Handbook" under "Resources."

What kind of educational and professional experience do professional local government managers possess?

Nearly 67% of managers surveyed by ICMA in 2006 indicated that they had earned a master's (usually in public administration, business, or public policy), or other advanced degree. Respondents to the same survey said they had spent an average of 19 years in the local government management profession.

Do professional local government managers have a membership organization?

Yes. ICMA (the International City/County Management Association) is the premier local government leadership and management organization that serves as the

professional and educational “home” for appointed professional managers and administrators. ICMA’s membership also includes directors of state associations of local governments, other local government employees, academics, students, and concerned citizens who share the goal of improving local government.

ICMA’s mission is to create excellence in local governance by developing and fostering professional local government management worldwide. To that end, the organization provides technical assistance and publications for management professionals to help them improve their skills and increase their knowledge. ICMA also serves as a clearinghouse for the collection, analysis, and dissemination of information and data about local government.

Why is membership in ICMA important for a professional local government manager?

In addition to gaining access to valuable resources and lifelong professional development opportunities, managers who belong to ICMA are bound by its Code of Ethics, which states that every member of the organization shall act with integrity in all personal and professional matters so that they will merit the respect and trust of elected officials, employees, and the public. This stringently enforced Code specifies 12 ethical principles of personal and professional conduct, including dedication to the cause of good government.

ICMA members believe in the effectiveness of representative democracy and the value of government services provided equitably to residents within a community. ICMA members are also committed to standards of honesty and integrity that go beyond those required by the law. For more information, contact ICMA or visit <http://icma.org/ethics>.

Finally, ICMA defines professional management and recognizes individual members who are qualified by a combination of education and experience, adherence to high standards of integrity, and an assessed commitment to lifelong learning and professional development. ICMA members who meet these requirements may earn designation as an ICMA Credentialed Manager. For more information on ICMA’s Voluntary Credentialing Program, visit <http://icma.org/credentialing>.

Are there other, independent organizations that support council-manager government?

The National Civic League (NCL) is America's original advocate for community democracy. This nonprofit, nonpartisan membership organization is dedicated to strengthening citizen democracy by transforming democratic institutions. NCL accomplishes its mission through technical assistance, training, publishing, research, and promoting the All-America City Awards, America's original and most prestigious community recognition program.

Founded in 1895, NCL serves as a clearinghouse for information on methods of improving state and local government. The League's *Model City Charter*, now in its eighth edition, has endorsed council-manager government since 1915.

For further information, contact

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Assistant Program Manager
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Denver, Colorado 80202-1728
303-571-4343
303-571-4404 fax
<http://www.ncl.org>

Key Roles in Council-Manager Government



Council-Manager Form of Government



City of Tampa, Florida

THE ROLE OF THE MAYOR OR CHIEF ELECTED OFFICIAL

Typically, the mayor or board chairperson in a council-manager community is a voting member of the governing body who may be either directly elected, as in 69 percent of council-manager communities, or who is selected by and from among their colleagues on the governing body. The mayor or chairperson is the public face of the community who presides at meetings, assigns agenda items to committees, facilitates communication and understanding between elected and appointed officials, and assists the governing body in setting goals and advocating policy decisions.

THE ROLE OF ELECTED OFFICIALS

Under the council-manager form, the elected officials (e.g. the council or board) are the legislative body and the community's policy makers. Power is centralized in this body, which approves the budget and adopts local laws and regulations, for example. The elected officials also focus on the community's big-picture goals, such as community growth and sustainability.

The elected officials hire a professional city, town, or county manager based on that person's education, experience, skills, and abilities and NOT on their political allegiances. The elected officials supervise the manager's performance, and if that person is not responsive and effective in their role, the elected officials have the authority to remove her or him at any time.

For more information, contact

[icma.org/contactus](https://www.icma.org/contactus)

@ICMA ICMAorg

To learn more about professional local government management, visit [icma.org/professional-local-government-management](https://www.icma.org/professional-local-government-management)



City of Cedar Park, Texas

THE MANAGER'S ROLE

The manager is an at-will employee who can be fired by a majority of the elected officials, consistent with local laws or any employment agreements. This person

- Prepares a budget for the governing body's consideration.
- Recruits, hires, supervises, and terminates government staff.
- Serves as the governing body's chief advisor by providing complete and objective information about local operations, discussing options, offering an assessment of the long-term consequences of decisions, and making policy recommendations.
- Carries out the policies established by the governing body.

WHAT ROLE DO RESIDENTS PLAY?

Under council-manager government, local governments often actively engage and involve their residents in community decision making. Residents can guide their community by serving on boards and commissions, participating in visioning and strategic planning sessions, and designing community-oriented local government services.



INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION
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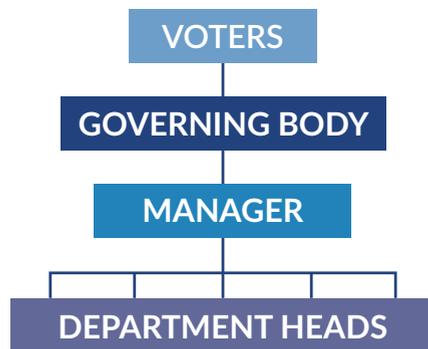
What it is, how it works, and the benefits to your community

What is the council-manager form of government?

The council-manager form is the most popular structure of government in the United States among municipalities with populations of 2,500 or more. It is one of several ways in which U.S. municipalities and counties can organize.

Under this form, residents elect a governing body—including a chief elected official, such as a mayor or board chairperson—to adopt legislation and set policy. The governing body then hires a manager or administrator with broad executive authority to carry out those policies and oversee the local government's day-to-day operations.

The Council-Manager Form



What's so special about the council-manager form of government?

Born out of the U.S. progressive reform movement at the turn of the 20th century, the council-manager form was created to combat corruption and unethical activity within local government by promoting nonpolitical management that is effective, transparent, responsive, and accountable.

The council-manager form of government recognizes the critical role of elected officials as policy makers, who focus on mapping out a collective vision for the community and establishing the policies that govern it. The form also recognizes the need for a highly-qualified individual who is devoted exclusively to the delivery of services to residents.

Think about the structure used by many corporations, in which the board of directors hires an experienced CEO, who is granted broad, executive authority to run the organization. While these boards establish the company's overall policy direction, the CEO oversees implementation of that policy.

What types of communities use the council-manager form of government?

Today more than 120 million people in the U.S. live in municipalities that operate under the council-manager form. Fifty-four percent of the more than 4,300 U.S. municipalities with populations of 10,000 or more use the form, as do 59 percent of the 347 municipalities with populations greater than 100,000. More than 800 counties also employ a similar system.

How can council-manager government benefit my community?

- **Flexibility**—The council-manager form can adapt to local needs and demands. While governing bodies in some council-manager communities are elected at large, for example, others are elected by district or by a combination of an at-large-and-by-district system to respond to local needs.
- **Clearly Defined Roles**—Under the council-manager form, there is a clear distinction between the administrative role of the manager and the political and policy roles of the governing body, lead by the mayor. The day-to-day operations of the local government organization reside with the appointed manager, allowing elected officials to devote their time and energy to policy development and the assessment of the effectiveness of those policies within the community.
- **A Roadmap for Success**—The council-manager form is the system of local government under which professional management is most likely to succeed. Under this system, professional managers can focus on service delivery, policy implementation, and performance management and can align the local government's services with the values, mission, and policy goals defined by the community and elected officials.

How do we know that council-manager government works?

- The Equipt to Innovate Initiative—a framework of seven essential elements that define high-performance government and empower innovation—found in 2017 that top-performing cities in all but one element employed the council-manager form of government. In 2018, the study's overall top performer was also council-manager.

- Two-thirds of Moody's Aaa-bond-rated communities are run by professional local government managers, and many operate under the council-manager form of government.
- An IBM Global Business Services report titled "Smarter, Faster, Cheaper" found that cities that operate under the council-manager form of government are nearly 10 percent more efficient than those that operate under the mayor-council form.
- The National Civic League, America's oldest advocate for community democracy, has endorsed council-manager government through its *Model City Charter* since 1915.
- The majority of communities recognized since 2013 with the National Civic League's coveted All-America City Award have been council-manager.

Does it cost more for a community to adopt the council-manager form and hire a professional manager?

Many local governments have *reduced* their overall costs after hiring a professional manager. Savings can come from decreased operating costs, increased efficiency and productivity, improved revenue collection, and effective use of technology. The economic health of the community may also benefit from the implementation of improved business development and retention strategies.

How can my community adopt the council-manager form of government?

Methods vary from state to state, but most communities can adopt council-manager government through a charter, local ordinance, state enabling law, or by voter referendum. For information on how your community can adopt council-manager government, contact your state municipal league, state and local government association, or association of counties. You can find contact information for these organizations at icma.org/state-localgovassns or ncl.org/state-municipal-leagues.

Once my community adopts council-manager government, how do we hire a professional manager?

The vacancy is often announced in *Leadership Matters*, ICMA's weekly e-newsletter; through the ICMA Job Center at icma.org/job-center; and through state league publications,

and qualified candidates are invited to apply. Elected officials may also hire an executive recruitment firm to assist them with the selection process. Interested parties may apply directly to the governing body or to the recruitment firm, which reviews the applications and interviews qualified candidates. *ICMA makes no recommendations regarding candidates.* Additional information on hiring a professional local government manager is available in ICMA's *Recruitment Guidelines Handbook*. Visit icma.org/documents/recruitment-guidelines to download a copy.

What kind of educational and on-the-job experience do professional local government managers generally have?

Sixty-five percent of managers surveyed by ICMA indicated that they had earned a master's (usually in public administration, business, or public policy), or other advanced degree. Survey respondents also said that they had spent an average of more than 20 years working in the local government management profession.

What is ICMA and why is membership in that organization important?

ICMA, the International City/County Management Association, is the professional and educational "home" for more than 12,000 appointed managers and administrators serving cities, towns, counties, other local governments, and regional entities in 40 countries throughout the world.

In addition to gaining access to valuable resources and lifelong professional development opportunities, appointed local government managers who are members of ICMA are bound by its Code of Ethics, which commits members to a set of ethical standards of honesty and integrity that go beyond those required by the law. This stringently enforced code specifies 12 ethical principles of personal and professional conduct, including dedication to good government. For more information, visit icma.org/ethics.

Finally, through its Voluntary Credentialing Program, ICMA recognizes individual members who are qualified by a combination of education and experience, adherence to high standards of integrity, and an assessed commitment to lifelong learning and professional development. ICMA members who meet these requirements may earn designation as an ICMA Credentialed Manager. For more information on ICMA's Voluntary Credentialing Program, visit icma.org/voluntary-credentialing-program-overview.

What triggers a public body's requirement to respond to a FOIA request?

A person has a right to inspect, copy, or receive copies of a public record, unless the record is exempt from disclosure. The person is required to make a written request to the public body's FOIA coordinator. The request must describe the public record sufficiently to enable it to be found.

Who should respond to the request?

An employee of a public body who receives a request for a public record shall promptly forward that request to the FOIA coordinator. The act requires a public body to designate a FOIA coordinator.

How long should the public body keep requests?

The FOIA coordinator shall keep a copy of all written requests for public records for at least one year.

May a person inspect the records of a public body?

A public body must furnish a person a reasonable opportunity to inspect and examine its public records and shall furnish reasonable facilities for making memorandum from its records during usual business hours.

May a public body make rules to guard against excessive and burdensome requests?

A public body may make reasonable rules necessary to protect its public records and to prevent excessive and unreasonable interference with the discharge of its functions.

Does a public body have an obligation to protect its records?

A public body shall protect public records from loss, unauthorized alteration, mutilation, or destruction.

Is a public body required to make a summary or prepare a record if requested?

A public body is not required to make a compilation, summary or report of information. Nor is it required to create a new public record.

May a person request future public records?

Yes. A person may subscribe for up to six months to future public records which are created on a regular basis.

JOHNSON

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MICHIGAN GOVERNMENTAL IMMUNITY UPDATE

(As of January 20, 2012)

By: CHRISTOPHER JOHNSON
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MICHIGAN GOVERNMENTAL IMMUNITY UPDATE

by Johnson, Rosati, Schultz & Joppich, P.C.

The pendulum has swung between liberal and conservative majorities in the Michigan Supreme Court over the last three years. The Court currently is composed of a 4-3 conservative majority, which is significant given that the trajectory of Michigan's jurisprudence has been viewed recently as largely dependent upon the composition of the Supreme Court.

When the liberal majority took hold following the November 2008 election, it began to chip away at conservative holdings, including those impacting public entities and governmental immunity. While the pendulum has swung back to the conservative camp, the current majority has proven to be more moderate. On the one hand, in Hamed v Wayne County,¹ the Court overruled precedent and reversed a Court of Appeals decision² to now hold that a defendant county cannot be vicariously liable for quid pro quo sexual harassment affecting public services in connection with a deputy sheriff's unforeseeable sexual assault on a detainee. However, when given the opportunity to reinstate limited liability under the No Fault Act, the Court declined to do so.³

With specific regard to governmental immunity, the Court has not retreated from Nawrocki v Macomb County Road Commission,⁴ one of the most frequently cited cases mandating that governmental immunity be broadly applied and that exceptions thereto be narrowly construed.

Immunity for the Governmental Agency

Immunity for governmental agencies and individuals is a creature of statute in Michigan. The Governmental Tort Liability Act (GTLA) was enacted in 1986 and is set forth at MCL 691.1401, et. seq. The Act consists of general pronouncements of immunity, explicit exceptions, and definitional sections. With respect to governmental agencies, MCL 691.1407(1) states: "Except as otherwise provided in this act, a governmental agency is immune from tort liability if the governmental agency is engaged in the exercise or discharge of a governmental function." The Michigan Supreme Court has observed that such immunity "is expressed in the broadest possible language."⁵

By statute, a "governmental function" is defined as "an activity that is expressly or impliedly mandated or authorized by constitution, statute, local charter or ordinance, or other law."⁶ There need only be "*some* legal basis" for the activity in which the governmental agency is engaged for it to be deemed a "governmental function."⁷ In determining whether the agency's activity is a governmental function, our courts focus on the general activity and not the specific conduct involved at the time of the alleged tort.⁸ The term "governmental function" is broadly applied.⁹

The Act sets forth specific exceptions to immunity, which are to be narrowly construed pursuant to Supreme Court mandate.¹⁰ These narrow exceptions involve:

- (1) maintenance of public highways, MCL 691.1402;

- (2) negligent operation of a government-owned motor vehicle, MCL 691.1405;
- (3) public building defects, MCL 691.1406;
- (4) performance of proprietary functions by government entities, MCL 691.1413;
- (5) medical care or treatment provided to a patient, MCL 691.1407(4); and,
- (6) sewage disposal system events, MCL 691.1417.

Other than the medical care or treatment exception, these apply only to governmental agencies and not individuals. Immunity for individuals will be discussed later.

It should be noted that each succeeding legislature is free to create new exceptions to immunity with the passage of new legislation and may locate such exceptions outside of the GTLA. However, to strip a governmental individual or agency of immunity, a statutory enactment must expressly, or by necessary inference, waive such immunity.¹¹ For example, the Whistleblowers' Protection Act was deemed to have waived governmental immunity where it expressly included political subdivisions as those who may be liable under the Act.¹²

The Highway Exception

Each governmental agency having jurisdiction over a highway is required to maintain it in reasonable repair so that it is reasonably safe and convenient for public travel.¹³ A "highway" is defined as "a public highway, road, or street that is open for public travel and includes bridges, sidewalks, trailways, crosswalks, and culverts on the highway."¹⁴ Because this exception can be triggered by a defective sidewalk, it also is commonly referred to as the "sidewalk" exception.

A highway "does not include alleys, trees, and utility poles."¹⁵ Nor does it include bike paths, driveways, or parking lots.¹⁶ Indeed, defective light poles, street lighting, traffic signals, and signs have been deemed not part of the "highway."¹⁷ "Highways" closed to public travel also do not fall within the exception.¹⁸ However, lanes which effectively remain open due to confusing barricading may trigger the exception.¹⁹ The exception does not apply to paved areas that are not intended for pedestrian travel,²⁰ but immunity does not bar a claim against a municipality arising from a defective curb.²¹

Mere imperfections or general maintenance problems do not trigger liability unless a particular, structural defect is shown to render the highway not reasonably safe for public travel.²² A natural accumulation of ice and/or snow on a sidewalk, for example, is not actionable unless it is a direct result of a defect in the sidewalk.²³

A. Jurisdiction over the highway

Under the rule of "exclusive jurisdiction," liability may be imposed only on the entity with jurisdiction over the roadway where the injury occurred. As a practical matter, a hierarchy exists whereby the state has jurisdiction over the intersection of a county road and a state highway.²⁴ A county road commission has control and jurisdiction over the intersection of a county road and a local entity's street.²⁵ Even where a municipality by agreement assumes maintenance over a county road, our courts refuse to recognize concurrent jurisdiction for purposes of tort liability.²⁶

B. State and County Road Commission limited liability

The Legislature limited liability for the state and county road commissions “to the improved portion of the highway” that is “designed for vehicular travel,” and not to sidewalks, trailways, crosswalks, or any other installation *outside* of the improved portion of the highway designed for vehicular travel.²⁷ This statutory duty does not extend to claims of negligent design,²⁸ inadequate signage,²⁹ inadequate street lighting which is not part of the improved portion of the highway,³⁰ traffic devices,³¹ or untrimmed vegetation located on private property.³² The exception has been held to apply to a crumbling bridge deck fascia which fell and injured a passing motorist.³³

C. Sidewalk liability

Because the duty of the state and county road commissions to repair and maintain highways extends only to the improved portion of the highway designed for vehicular travel and does not include sidewalks, the duty to repair sidewalks is imposed upon local entities.³⁴ In an effort to limit such liability, the Legislature enacted MCL 691.1402a(2) in 1999. That provision, commonly known as the “two inch rule,” provides that “[a] discontinuity defect of less than 2 inches creates a rebuttable inference that the municipal corporation maintained the sidewalk ... in reasonable repair.” For the next eleven years, municipalities interposed this limitation as a defense to defects in sidewalks adjacent to local, county, and state roadways. However, in 2010, the Michigan Supreme Court held that because a preceding section of this statute refers to “county” liability, this rule applies only to sidewalks adjacent to county roads.³⁵ As such, the two inch rule was deemed inapplicable to sidewalks adjacent to local or state roadways. While various versions of legislation have been introduced to clarify the appropriate standard and provide that this rule was intended to apply to local, county, and state sidewalks, no one version has yet to pass both the House and the Senate.

D. Notice requirements

The Act imposes two different notice requirements. The governmental agency must have notice of the defect and the injury. Under MCL 691.1403, liability will not be imposed unless the governmental agency knew, or in the exercise of reasonable diligence should have known, of the existence of the defect and had a reasonable time to repair it before the injury took place. Knowledge of the defect and time to repair it is conclusively presumed when the defect existed so as to be readily apparent to an ordinarily observant person for a period of 30 days or longer before the injury occurred.

Pursuant to MCL 691.1404, a plaintiff is required to provide written notice to the governmental agency within 120 days of the incident specifying the exact location and nature of the defect, the injuries sustained, and any known witnesses.³⁶ Where a “disability” is established under MCL 691.1404(3), this deadline can be extended to 180 days after the disability has ceased. An untimely or deficient notice is cause for dismissal, and the governmental agency is not required to show that it suffered prejudice by either the lack of notice or the inadequacy of it.³⁷ A notice is adequate if the claimant substantially complies with MCL 691.1404.³⁸ After the initial pre-suit notice, deficiencies can be cured if the specific details are provided in writing within the required 120 days.³⁹ Although MCL 691.1404 requires that the notice be served on the municipal employee appointed to accept service of complaints,

service on a claims adjustor has satisfied that requirement.⁴⁰ However, a police officer's investigation and incident report are not sufficient notice where the statute requires that the injured party provide notice.⁴¹

E. Common law defenses to claims under the highway exception.

Under common law, an entity has no duty to remove the natural accumulation of snow and ice on roads or sidewalks.⁴² Salting does change a natural accumulation into an unnatural accumulation condition.⁴³ The natural accumulation must be altered and increase the hazard. Our Supreme Court has held that a municipality was not liable for the natural accumulation of ice and snow in a physical depression in the sidewalk because the depression was not a defect all year round.⁴⁴

The Motor Vehicle Exception

A governmental entity is generally liable for injuries caused by its employee's negligent operation of its motor vehicles.⁴⁵ However, any compensation under this exception is strictly limited to the party with the physical injury, thereby excluding loss of consortium claims.⁴⁶

Generally, the municipal employee must be operating a recognized motorized vehicle in order for the exemption to apply. The legal precedent on this issue has defined a motor vehicle as "a motor-driven conveyance similar to an automobile, truck, or bus." Furthermore, the alleged injuries must be caused by "activities that are directly associated with the driving of a recognized motor vehicle."⁴⁷ For example, the Supreme Court determined a hydraulic excavator constituted a motor vehicle because it was being driven on the roadway at the time of its accident. The Court also found the tool mounted on the excavator's back did not materially distinguish it from a traditional truck.⁴⁸ Additionally, an industrial piece of equipment can be considered a recognized vehicle if it is found to have an invariable connection to the roadway.⁴⁹

Moreover, the plaintiff must show that the motor vehicle is operating at the time of the alleged accident. Generally, a government owned vehicle's engine must be turned on in order for the exemption to apply.⁵⁰ As such, a city-owned truck parked at a curb while a city employee worked on a nearby public utility would not constitute the operation of a motor vehicle, even if the vehicle's emergency lights were activated.⁵¹

A. Police Pursuits

In the context of a police pursuit, police owe a duty to innocent persons, whether those persons are inside or outside the pursued vehicle, but they owe no duty to a wrongdoer, whether the wrongdoer is a fleeing driver or a passenger.⁵² Injuries to a passenger in a fleeing vehicle do not "result from" operation of a government vehicle, for purposes of the motor vehicle exception, if the pursuing police vehicle does not hit the fleeing car or otherwise physically force it into an accident.⁵³ Finally, the decision to pursue a fleeing motorist does not constitute "operation of motor vehicle" for purposes of the exception.

B. Municipal Entity Liability v. Individual Employee Liability

The GTLA supersedes the more generalized Motor Vehicle Code's owner's civil liability section, MCL 257.401(1), which imposes civil liability for ordinary negligence. Additionally, while a public entity may be liable for the negligent operation of its vehicles, a municipal employee's personal liability when driving his own vehicle or the municipality's vehicle is restricted to actions found to be "grossly negligent."⁵⁴

C. The Michigan No-Fault Act and Serious Impairment of Bodily Function

A plaintiff must also satisfy Michigan's No-Fault Act, MCL 500.3135, when making a claim pursuant to the motor-vehicle exception. Specifically, a plaintiff must show a "serious impairment of bodily function" in order to meet the No-Fault Act's requirements for an actionable injury under the statute. In August 2010, the Supreme Court decided McCormick v Carrier,⁵⁵ which expressly overruled its watershed 2004 Kreiner⁵⁶ decision that previously laid out stringent requirements for those seeking redress under the No-Fault Act. Under McCormick, the trial court no longer has to adhere to Kreiner's rigid mandate that it must consider the duration of the plaintiff's impairment in its threshold analysis under the No-Fault Act. Rather, the trial court must only determine whether the plaintiff's pre-incident life was "affected" by the accident at issue. In short, a plaintiff's showing that the accident somehow negatively influenced his ability to live in his normal manner would satisfy the No-Fault Act's threshold analysis.⁵⁷ The current Supreme Court has not modified the McCormick standard.⁵⁸

The Public Building Exception

In order to make a claim under the public building exception a plaintiff must show:

- 1) A governmental agency was involved;
- 2) The building was open to the public,
- 3) A dangerous or defective condition of the building itself existed;
- 4) The governmental agency had actual or constructive notice of the alleged defect, and
- 5) The governmental agency failed to remedy the condition after a reasonable time.⁵⁹

With regard to notice, the Court of Appeals recently determined a claim is invalid under the exception if plaintiff did not provide pre-suit notice of the defect detailing its location, any injuries resulting from the defect, and any witnesses regarding the incident.⁶⁰

A. Public Building

Generally, the defective structure at issue must be a "building" in order for the exception to apply. According to the Michigan Supreme Court, a building is defined as a "relatively permanent, essentially boxlike construction having a roof and used for any of a wide variety of activities, such as living, entertaining, or manufacturing,"...and a "structure designed for habitation, shelter, storage, trade, manufacturing, religion, business, education."⁶¹

Overall, the reviewing court will analyze the specific intent and/or purpose of a structure when determining whether it fits within the public building exception. For example, in Freedman v Oak Park,⁶² the Court of Appeals decided a covered park bench did not satisfy the statutory requirements. Per the Court, the structure did not fit within the exception because it only provided a person place to sit and/or temporary shelter from inclement weather, unlike other more traditional public buildings.⁶³

B. Public Access

A structure must be "open to the public" to make a claim under the public building exception. Additionally, the plaintiff must be a member of the "public body" to make a viable claim under the statute. As to the latter, a prison inmate cannot make a claim under the exception, even if the location of the accident occurred in a public building.⁶⁴ According to the Court of Appeals, prisoners are not members of the public for purposes of the exemption.⁶⁵

An often litigated issue is whether the general public has access to the government owned building at issue. For instance, in Griffin v City of Detroit,⁶⁶ the Court of Appeals determined a city-owned residential housing building did not fit within the public building exception because the public could not readily access the accident site inside plaintiff's bathroom. According to the Court, the proper focus for a claim made pursuant to the building exception is whether the public can readily access the alleged accident site, rather than the extent to which the particular building may benefit the community.⁶⁷

Despite its overall narrow construction, it is worth noting that the building exception can apply to an incident involving an area of a public building with limited access and/or not open for use by the general public. For example, in Kerbersky v Northern Michigan University,⁶⁸ the Supreme Court found an injured contractor could bring a lawsuit pursuant to the exception when he injured himself during a renovation project inside a public building. In particular, the Court found the fact that the plaintiff's injury occurred in a closed off portion of the construction area did not supersede the fact that most of the building at issue was both open to and accessible by the public. The Court also found the fact plaintiff worked in the building did not deprive him of his rights under the exemption.

An exterior area of a public library, where minors were standing at the time that an I-beam structure underneath a roof overhang fell on them, was "open to the public," for purposes of the exception even though the library was closed at time of the incident and there was a "No Loitering" sign that purported to limit access to the area; members of the public were freely permitted at any time to access the exterior area under the roof overhang to use a drop box, and plaintiffs were not "loitering" by waiting under the roof overhang area for their parents to pick them up.⁶⁹

C. Fixtures, Attachments and Adjacent Areas

The public building exception also generally includes any fixtures and/or structures attached to the public building and integral to its overall use.⁷⁰ For instance, the Supreme Court found the exemption included a heavy, immovable shop machine attached to a public school.⁷¹ Additionally, the Court of Appeals recently determined the building exception included a courtyard located on the property of a public school building.⁷² In particular, the Court found

the courtyard's shared walls and drainage system with the school, in addition to the fact the public could only access the courtyard via the main school building, made it part of the structure for purposes of the building exception.⁷³ The Court also found the exception encompassed any defective permanent fixtures located in the courtyard, such as a flagpole.⁷⁴ On the other hand, easily-movable items, such as gymnastic equipment inside a public school and/or areas that are simply adjacent to a public building, like a parking lot, are not integral parts of a public building for purposes of the exception.⁷⁵

D. Design Defects

In 2007, the Supreme Court overruled precedent in determining that the public building exception does not cover design defect claims regarding a public building.⁷⁶ According to the Court, neither the public building exception nor the immunity statute imposes a duty on the governmental entity to design or redesign a public building in a particular manner.⁷⁷ Rather, the governmental entity's sole duty under the statute is to repair and maintain its public buildings.⁷⁸

Proprietary Function Exception

The proprietary function exception to governmental immunity requires a plaintiff to establish the injurious activity was conducted primarily for the purpose of producing a pecuniary profit for the governmental agency, but excludes any activity normally supported by taxes or fees.⁷⁹ Generally, a plaintiff must show the "primary purpose" of the contested activity is to make a profit in order to establish a claim under the exception.⁸⁰ Because of this, courts generally do not find liability under this exemption, even if the contested activity generates significant income. For example, the Court of Appeals rejected a plaintiff's argument a university's operation of an ice hockey program constituted a proprietary function.⁸¹ Additionally, the fact an activity generates profits to defray operational costs and/or a government entity may charge a fee for the activity generally does not constitute a proprietary function either.⁸² The fact a government entity engages in the same activity as the private sector does not automatically make the activity a proprietary function.⁸³

However, despite the courts' general reluctance to find a proprietary function, there are situations when a seemingly public activity can become a proprietary function. For instance, in Coleman v Kootsillas,⁸⁴ a municipal entity operated a landfill that generated substantial profits and catered to clients as far away as Canada. Additionally, the landfill's profits funded other municipal projects and decreased the millage rates for its residents when city leaders transferred its profits into the general fund. While the Supreme Court acknowledged the activity on its face resembled a typical government function, the landfill's overwhelming financial success essentially transformed its "public function" into a private commercial enterprise, and subject to liability under the exception.⁸⁵

The Medical Care or Treatment Exception

The GTLA does not grant immunity to a governmental agency, employee, or agent for the provision of medical care or treatment to a patient, unless such medical care or treatment is provided in a hospital owned or operated by the department of community health or the department of corrections.⁸⁶ However, care or treatment provided by an uncompensated search and rescue operation medical assistant or tactical operation medical assistant is not subject to the exception.⁸⁷ This exception has been held to apply to county jail deputies and nurses, as well as community mental health agencies and social workers.⁸⁸

The Sewage Disposal System Event Exception

In 2002, the Supreme Court abandoned common law trespass nuisance claims because the enumerated exceptions to immunity did not contain a trespass/nuisance or a sewer-back up exception.⁸⁹ In response, the Michigan Legislature enacted the sewer exception to governmental immunity to address claims arising out of an overflow or backup of sewer disposal or drain systems into private property.⁹⁰ Storm water drain systems are also contained in the sewer disposal system definition.⁹¹

In order to make a claim under the exemption, a plaintiff must show:

- 1) The named defendant entity owned and operated the system;
- 2) A construction, design, maintenance, operation or repair defect existed;
- 3) The entity in the exercise of reasonable diligence knew or should have known of the defect;
- 4) The entity failed to remedy the defect in a reasonable time; and
- 5) The defect was a substantial cause of the event, i.e. 50% or more of the cause of the event.⁹²

Strict compliance with the statutory notice provisions is required. Additionally, the Court also held a plaintiff must establish all five (5) of the preceding elements in order to avoid governmental immunity.⁹³

A claimant must provide written notice of a claim within 45 days of the date the damage or physical injury was discovered or should have been discovered.⁹⁴ To facilitate compliance with the required notice, a governmental agency owning or operating a sewage disposal system is required to "make available public information about the provision of notice under this section."⁹⁵ Even if the claimant misses the statutory deadline, his claim is not barred if the public entity failed to provide a timely initial notification of the incident and the 45-day notice obligation.⁹⁶ The governmental agency must notify other potential public entities if they caused or contributed to the incident within 15 days of the claimant's notice.⁹⁷

While legal precedent on the exception is limited, the Court of Appeals has provided some guidance on issues raised by the statute. Specifically, the Court found that an obstruction in a sewer line constituted an actionable defect under the exception. The Court of Appeals also determined the exception included a defective drainage ditch along a public road.⁹⁸

The exception provides economic recovery for a plaintiff's property damages. However, non-economic damages may be obtained only if the claimant has suffered death, serious impairment of a body function, or permanent, serious disfigurement.⁹⁹ Non-economic damages also include "pain, suffering, inconvenience, physical impairment, disfigurement, mental anguish, emotional distress, loss of society and companionship, loss of consortium, injury to reputation, humiliation, and other non-pecuniary damages."¹⁰⁰

Individual Immunity

A. Absolute Immunity for Certain Individuals

Judges, legislators, and the elective or highest appointive executive officials of all levels of government are absolutely immune from tort liability for injuries to persons or damages to property if he or she is acting within the scope of his or her judicial, legislative, or executive authority.¹⁰¹ As long as the official is acting within the scope of his authority, his intent or motive in committing a tort is irrelevant.¹⁰² This grant of absolute immunity has been applied to negligence and intentional tort claims and has been extended to a variety of officials.¹⁰³ If an official is not acting within the scope of his authority, absolute immunity is lost.¹⁰⁴

Not all local departments can be considered a "level of government" for purposes of absolute immunity. For example, a township fire chief was not entitled to absolute immunity in a wrongful death action where there was no evidence that he had any powers of governance, that the department had legislative powers or shared any attributes of other political subdivisions, and the department was at the complete disposal of the township board and could neither exist nor act without the board's authorization.¹⁰⁵

B. Individual Immunity from Negligence

An individual is immune from a negligence claim where (1) he is acting or reasonably believes he is acting within the scope of his authority; (2) the governmental agency is engaged in the exercise or discharge of a governmental function; and, (3) the individual's conduct does not amount to gross negligence that is *the* proximate cause of the injury or damage.¹⁰⁶ "Gross negligence" is defined as "conduct so reckless as to demonstrate a substantial lack of concern for whether an injury results."¹⁰⁷ This immunity applies to officers and employees of a governmental agency, volunteers acting on behalf of a governmental agency, and each member of a board, council, commission, or statutorily created task force of a governmental agency.¹⁰⁸ Such immunity extends to personal and property damages.¹⁰⁹

Allegations of ordinary negligence do not create a question of fact regarding gross negligence.¹¹⁰ "Simply alleging that an actor could have done more is insufficient under Michigan law, because, with the benefit of hindsight, a claim can always be made that extra precautions could have influenced the result."¹¹¹ Gross negligence "suggests, instead, almost a willful disregard of precautions or measures to attend to safety and a singular disregard for substantial risks. It is as though, if an objective observer watched the actor, he could conclude, reasonably, that the actor simply did not care about the safety or welfare of those in his charge."¹¹² Whether conduct constitutes gross negligence is generally a question for a jury, summary disposition can be granted where reasonable minds cannot differ.¹¹³

To be “the” proximate cause of an injury, the gross negligence of a government employee must be “the one most immediate, efficient, and direct cause” preceding the injury.¹¹⁴ Mere speculation or conjecture is insufficient to establish reasonable inferences of causation.¹¹⁵ This requirement has barred gross negligence claims in various contexts. For example, in Robinson v Detroit, *supra*, “the proximate cause” of injuries and deaths resulting from a collision following a police pursuit was the reckless conduct of the driver of the fleeing vehicle, rather than the pursuit of the individual police officers. In Dean v Childs,¹¹⁶ the fire, not a firefighter’s alleged failure to timely hook up to a closer hydrant, was the proximate cause of the harm. In a 2-to-1 decision, the Court of Appeals in Cooper v Washtenaw County,¹¹⁷ held that the individual defendants’ failure to prevent a jail suicide was not the proximate cause of the harm. In Kruger v White Lake Twp.,¹¹⁸ an escapee’s reckless entry into traffic, rather than the officer’s failure to prevent escape, was the most immediate cause of her death. Injury from a defectively installed ramp was caused by poor construction, not the building inspector’s approval of the construction.¹¹⁹

A question of fact on the issue of proximate cause was found in Estate of Sherrill Turner v Nichols.¹²⁰ In that case, a 911 operator failed to dispatch medical assistance believing the child caller to be engaged in a prank. The child’s mother ultimately died apparently from a cardiac-related event. However, the court held that there was no evidence that her death was either immediate, i.e., that she was deceased at the time her son called 911, or was certain to occur. Rather, there was evidence to the contrary that when officers arrived - three hours after the initial call to 911 - the decedent was “warm to the touch with no rigor present.” The Supreme Court has granted leave in this case.¹²¹

C. Individual Immunity for Intentional Torts

In Odom v Wayne County,¹²² the Michigan Supreme Court explained that MCL 691.1407(2) did not abrogate the common-law immunity that government employees enjoy for intentional torts.¹²³ The Court in Odom set forth the test to apply when “lower-ranking” individual government employees are alleged to have committed an intentional tort. Immunity applies where:

- (a) The acts were undertaken during the course of employment and the employee was acting, or reasonably believed that he was acting, within the scope of his authority,
- (b) the acts were undertaken in good faith, or were not undertaken with malice, and
- (c) the acts were discretionary, as opposed to ministerial.

Reckless or malicious conduct can demonstrate a lack of good faith.¹²⁴ Unlike ministerial acts, discretionary acts require personal deliberation, decision, and judgment.¹²⁵ Violations of internal policies can cast conduct as ministerial.¹²⁶

In a lawsuit alleging that officers committed an assault and battery during the execution of a search warrant by keeping residents in handcuffs after it was determined that the apartment was not a drug house, genuine issues of material fact existed regarding whether it should have been immediately apparent that the apartment was not a drug house and how long it should have taken to make that determination, precluding summary judgment in favor of officers on governmental immunity grounds.¹²⁷

Like other components of governmental immunity in Michigan, the test under Odom is still evolving and being shaped and molded by our courts.

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- ¹ 490 Mich 1; 803 NW2d 237 (2011).
- ² Hamed v Wayne Co., 284 Mich App 681, 693; 775 NW2d 1 (2009).
- ³ Brown v Blouir, 489 Mich 959; 798 NW2d 754 (2011) and Wiedyk v Poisson, 489 Mich 964; 798 NW2d 759 (2011).
- ⁴ Nawrocki v Macomb County Road Comm., 463 Mich 143, 156; 615 NW2d 702 (2000).
- ⁵ Nawrocki, *supra*.
- ⁶ MCL 691.1401(f).
- ⁷ Pawlak v Redox Corp., 182 Mich App 758, 764; 453 NW2d 304 (1990); Hyde v University of Michigan Bd of Regents, 426 Mich 223, 253; 393 NW2d 847 (1986).
- ⁸ Herman v Detroit, 261 Mich App 141, 144; 680 NW2d 71 (2004).
- ⁹ Herman, *supra*; Horace v City of Pontiac, 456 Mich 744, 749; 575 NW2d 762 (1998); Pawlak, *supra*.
- ¹⁰ Nawrocki, at 158.
- ¹¹ Ballard v Ypsilanti Township, 457 Mich 564, 574; 577 NW2d 890 (1998).
- ¹² MCL 15.361, et. seq.; Anzaldua v Band, 457 Mich 530; 577 NW2d 890 (1998).
- ¹³ MCL 691.1402.
- ¹⁴ MCL 691.1401(e).
- ¹⁵ MCL 691.1401(e).
- ¹⁶ Hatch v Grand Haven Township, 461 Mich 457 (2000) (bike path not within exception); Richardson v Warren School Dist., 197 Mich App 697 (1992) (school district not governmental agency with jurisdiction over public highway; school's driveways and parking lots not "public highway" subject to exception).
- ¹⁷ Weaver v Detroit, 252 Mich App 239 (2002).
- ¹⁸ Pusakulich v Ironwood, 247 Mich App 80 (2001) (exception not triggered for allegedly defective sidewalk where adjacent road closed for repair work); compare Thursam v City of Detroit, unpublished opinion of the Court of Appeals, April 10, 2008 (Docket No. 277071) (exception triggered for sidewalk defect where adjacent road temporarily closed to allow pedestrians to leave football game).
- ¹⁹ Snead v John Carlo, Inc., ___ Mich App ___ (2011).
- ²⁰ Roby v Mt. Clemens, 274 Mich App 26 (2007).
- ²¹ Sharp v City of Benton Harbor, 292 Mich App 351 (2011).
- ²² Wilson v Alpena Co. Rd. Comm., 474 Mich 161 (2006).
- ²³ Estate of Buckner ex rel. Rashid v City of Lansing, 480 Mich 1243; 747 NW2d 231 (2008).
- ²⁴ Markillie v Livingston Co., 210 Mich App 16 (1995).
- ²⁵ Berry v Belleville, 178 Mich App 541 (1989).
- ²⁶ Kuhn v Associated Truck Lines, Inc., 173 Mich App 295 (1988).
- ²⁷ MCL 691.1402; Grimes v MDOT, 475 Mich 72 (2006) (state's duty does not extend to shoulder of roadway); Sebring v City of Berkley, 247 Mich App 666 (2001) (county road commission not immune under highway exception for pedestrian injury in crosswalk where crosswalk was integrated into improved portion of highway).
- ²⁸ Plunkett v MDOT, 286 Mich App 168 (2009).
- ²⁹ Hanson v Mecosta Co. Rd. Comm., 465 Mich 492 (2002).
- ³⁰ Scheurman v MDOT, 434 Mich 619 (1990).
- ³¹ Iovino v Dept. of Transp. (On Remand), 200 Mich App 711 (2001).
- ³² Prokop v Wayne Co. Comm., 434 Mich 619 (1990).
- ³³ Moser v Detroit, 284 Mich App 536 (2008).
- ³⁴ MCL 691.1402(1); Robinson v City of Lansing, 468 Mich 1 (2010).
- ³⁵ Robinson, *supra*.
- ³⁶ MCL 691.1404(1).
- ³⁷ Rowland v Washtenaw Co. Rd. Comm., 477 Mich 197 (2007).
- ³⁸ Plunkett v MDOT, *supra*.
- ³⁹ Burise v Pontiac, 282 Mich App 646 (2009).
- ⁴⁰ *Id.*

⁴¹ Palaian v City of Auburn Hills, unpublished opinion of the Court of Appeals, June 16, 2011 (Docket No. 297560).

⁴² Dykstra v Dept. of Trans, 208 Mich App 390 (1995); Reese v Wayne Co., 193 Mich App 215 (1992).

⁴³ Dykstra, *supra*.

⁴⁴ Haliw v Sterling Heights, 464 Mich 297 (2001).

⁴⁵ MCL 691.1405.

⁴⁶ Wesche v Mecosta Co. Rd. Commn., 480 Mich 75 (2008).

⁴⁷ Regan v Washtenaw Co. Rd. Comm., 257 Mich App 39 (2003) (Boom tractor).

⁴⁸ Wesche v Mecosta Co. Rd. Comm., 267 Mich App 274 (2005), *rev'd on other grounds* 480 Mich 75(2008).

⁴⁹ Stanton v Battle Creek, 466 Mich 611 (2002).

⁵⁰ Chandler v Muskegon Co., 467 Mich 315 (2002).

⁵¹ Poppen v Tovey, 256 Mich App 351 (2003).

⁵² Robinson v City of Detroit, 462 Mich 439 (2000).

⁵³ *Id.*

⁵⁴ Alex v Wildfong, 460 Mich 10 (1999).

⁵⁵ McCormick v Carrier, 487 Mich 180 (2010).

⁵⁶ Kreiner v Fischer, 471 Mich 109 (2004), *overruled by* McCormick v Carrier, 487 Mich 180 (2010).

⁵⁷ McCormick, *supra*.

⁵⁸ Brown v Blouir, *supra*; Wiedyk, *supra*.

⁵⁹ Jackson v Detroit, 449 Mich 420 (1995).

⁶⁰ Ward v Michigan State University, 287 Mich App 76 (2010).

⁶¹ Ali v Detroit, 218 Mich App 581 (1997) (bus-passenger shelter with sides, roof, and seats was a building Injuries).

⁶² Freedman v Oak Park, 170 Mich App 349 (1988).

⁶³ *Id.*

⁶⁴ Brown v Genesee Co., 464 Mich 430 (2001).

⁶⁵ *Id.*

⁶⁶ Griffin v City of Detroit, 178 Mich App 302 (1989).

⁶⁷ *Id.*

⁶⁸ Kerbersky v Northern Michigan University, 458 Mich 525 (1998).

⁶⁹ Tellin v Forsyth Tp., 291 Mich App 692 (2011).

⁷⁰ O'Connell v Kellogg Community College, 244 Mich App 723 (2001)(raised loading dock); Fane v Detroit Library Comm., 465 Mich 68 (2001)(porch in front of door and before the stairs).

⁷¹ Velmer v Baraga Area Schools, 430 Mich 385 (1988).

⁷² Smith-Johnson v Ferndale Public Schools, unpublished opinion of the Court of Appeals, September 28, 2010 (Docket No. 291404).

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ Carmack v Macomb Co. Community College, 199 Mich App 544 (1993) and Abrams v Schoolcraft College, 178 Mich App 668 (1989).

⁷⁶ Renny v MDOT, 478 Mich 490 (2007).

⁷⁷ *Id.*

⁷⁸ *Id.*

⁷⁹ MCL 691.1413.

⁸⁰ Ward v MSU, 287 Mich App 76 (2010).

⁸¹ Ward, *supra*.

⁸² Dew v Livonia, 180 Mich App 676 (1989)(pool fees) and Adam v Sylvan Golf Course, 197 Mich App 95 (1992)(fee for cross-country skiing on the municipal golf course).

⁸³ Baker v Waste Management, 208 Mich App 602 (1995)(composting facility operated by a public entity).

⁸⁴ Coleman v Kootsillas, 456 Mich 615 (1998).

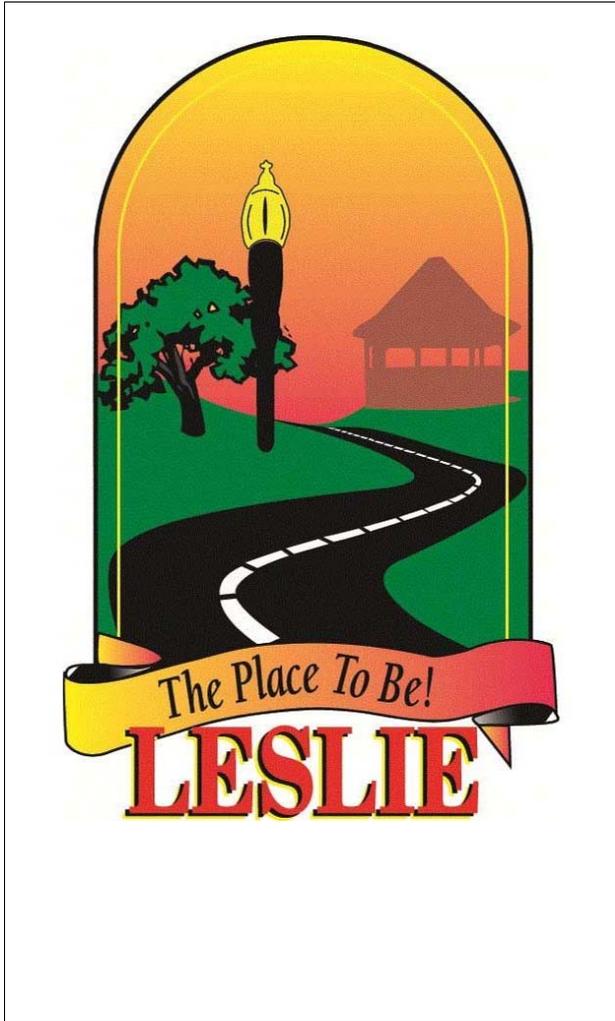
⁸⁵ *Id.*

⁸⁶ MCL 691.1407(4).
⁸⁷ *Id.*
⁸⁸ Briggs v Oakland County, 276 Mich App 369 (2007) (jail deputies and nurses); McLean v Phenix, 289 Mich App 592 (2010) (community mental health authority and social worker).
⁸⁹ Pohutski v Allen Park, 465 Mich 675 (2002).
⁹⁰ MCL 691.1417(b); MCL 691.1416(a)–(c).
⁹¹ MCL 691.1416(j).
⁹² MCL 691.1416(l); MCL 691.1417(3)(a)(e).
⁹³ Willett v Waterford Charter Twp., 271 Mich App 38, 49-50 (2006).
⁹⁴ MCL 691.1419(1).
⁹⁵ MCL 691.1419(1).
⁹⁶ MCL 691.1419(2)(a) – (c); MCL 691.1419(3)(a) – (c).
⁹⁷ MCL 691.1419(4).
⁹⁸ Linton v Arenac Co., 273 Mich App 107 (2007).
⁹⁹ MCL 691.1418(1), (2).
¹⁰⁰ MCL 691.1417; MCL 691.1416(f).
¹⁰¹ MCL 691.1407(5).
¹⁰² American Transmissions, Inc v Attorney General, 454 Mich 135 (1997) (Attorney General absolutely immune for alleged defamatory statements made during television interview in responding to questions regarding fraud investigation).
¹⁰³ Smith v Lincoln Park Public Schools, unpublished opinion of the Court of Appeals, May 20, 2004 (Docket No. 245204) (school superintendent absolutely immune from gross negligence claim); Dean v City of Bay City, unpublished opinion of the Court of Appeals, May 21, 2009 (Docket No. 281847) (city manager absolutely immune from tort claims of defamation, invasion of privacy, interference with a business relationship, and intentional infliction of emotional distress); Payton v Detroit, 211 Mich App 375, 394; 536 NW2d 233 (1995) (police chief absolutely immune from tort claims); Hutchinson v Township of Portage, unpublished opinion of the Court of Appeals, August 14, 2003 (Docket No. 240136) (township supervisor and trustee immune from gross negligence claims).
¹⁰⁴ Marrocco v Randlett, 431 Mich 700 (1988) (mayor lacked authority to make employment decision).
¹⁰⁵ Grahovac v Munising Twp., 263 Mich App 589 (2004).
¹⁰⁶ MCL 691.1407(2).
¹⁰⁷ MCL 691.1407(7)(a).
¹⁰⁸ MCL 691.1407(2).
¹⁰⁹ *Id.*
¹¹⁰ Maiden v Rozwood, 461 Mich 109 (1999).
¹¹¹ Tarlea v Crabtree, 263 Mich App 80 (2004).
¹¹² *Id.*
¹¹³ *Id.*; see also, Brown v Shavers, 210 Mich App 272; 532 NW2d 856 (1995) (off-duty police officer's shooting of innocent bystander when he attempted to stop armed robbery was not grossly negligent).
¹¹⁴ Robinson v Detroit, *supra*; Tarlea, *supra*.
¹¹⁵ Skinner v Square D Co., 445 Mich 153, 164; 516 NW2d 475 (1994).
¹¹⁶ Dean v Childs, 474 Mich 914 (2005).
¹¹⁷ Cooper v Washtenaw County, 270 Mich App 506 (2006).
¹¹⁸ Kruger v White Lake Twp., 250 Mich App 622 (2002).
¹¹⁹ Rakowski v Sarb, 269 Mich App 619 (2006).
¹²⁰ Estate of Sherrill Turner v Nichols, unpublished opinion of the Court of Appeals, December 7, 2010 (Docket No. 288375).
¹²¹ Patterson v Nichols, 489 Mich 937 (2011).
¹²² Odom v Wayne County, 482 Mich 459 (2008).
¹²³ See also, MCL 691.1403. "Subsection (2) does not alter the law of intentional torts as it existed before July 7, 1986."
¹²⁴ Estate of Sherrill Turner, *supra*.

¹²⁵ Odom, supra; Oliver v Smith, 290 Mich App 678 (2010).

¹²⁶ Estate of Sherrill Turner, supra.

¹²⁷ Binay v Bettendorf, 601 F3d 640 (CA 6, 2010).



Shared Master Plan

CITY OF **LESLIE** TOWNSHIP
COMMUNITY

Report prepared by

**Mead
& Hunt**

Date: October 1, 2013

Officials of the Leslie Community 2013

City of Leslie

City Council Members

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Randy Fox, Mayor ProTem
Pam Beegle
Alison Cargill
Shelly Motes
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Dallas Henney, Township Planning Commission
Janeil Valentine, City Planning Commission
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Pam Beegle, City Council
Patti Wade, Township Treasurer
Sharon Lantz, City Planning Commission
Cheri Neu, City Finance Director/Treasurer (alternate)

Table of Contents

Introduction	1
State of Requirement for Master Plan	
Decision to Pursue a Shared Master Plan	
Organization of the Plan	
Community Profile	3
Community Location	
Community History	
City	
Township	
Regional Influences	5
Population	
Housing	
Economy	
The Role of Agriculture	
Community Resources	12
Police	
Fire	
Library	
Schools	
Recreation Facilities	
Transportation & Urban Infrastructure	14
Roads	
Transit	
Rail line	
Non-motorized transportation	
Water and Sewer Services	
Physical Features	18
Climate	
Water (Include Count Drains)	
Soils	
Topography	
Vegetation	
Current Land Use	20
Leslie Township	
City of Leslie	
Community Vision: Goals, Policies and Actions	26
A connected, welcoming and growing community	
Coordinated and complimentary growth	
A vibrant, healthy urban center	
A rural township with active agriculture	
A healthy local economy	
A high quality of life that continues to improve	
Future Land Use	34
Consideration for existing conditions and planned infrastructure	
Growth guidelines	
Zoning Plan	38

Appendices

Appendix A: Supporting Technical Information40
 NFC Road System Map, Ingham County
 2000 Land Cover Map
 Potential Conservation Areas Map
 Leslie School District Map

Appendix B: March 19, 2013 Open House Information.....45
 Open House Notice
 Open House Sign-In Sheets

Appendix C: Mailing Affidavits49
 June 21, 2012
 June 26, 2013

Appendix D: Public Hearing Record.....60
 Public Hearing Notice (Township)
 Public Hearing Minutes (Township)
 Public Hearing Notice (City)
 Public Hearing Minutes (City)

Tables & Charts

Table 1: 2010 Comparative Housing Statistics 7
 Chart 1: State of MI Unemployment Rate by Year 10

Exhibits

Figure 1: City of Leslie Sewer Map16
 Figure 2: City of Leslie Water Map17
 Figure 3: Leslie Township Zoning Map22
 Figure 4: City of Leslie Zoning Map.....23
 Figure 5: PA 116 / PA 261 Map.....24
 Figure 6: City of Leslie Vacant Land25
 Figure 7: City of Leslie Future Land Use Map.....36
 Figure 8: Leslie Township Future Land Use Map37

Introduction

State Requirement for Master Plan

The Michigan Planning Enabling Act (MPEA), Act 33 of 2008, provides for county, township, city and village planning under a single state statute. The MPEA gives local units of government the authority to plan for land use in the community. Master plans are a conceptual, policy document intended to guide quality development that is well-suited to the community.¹ A master plan provides a community vision that considers current conditions, anticipated changes and a preferred future defined by community residents.

When adopted, a master plan must address land use and infrastructure issues and may project 20 years or more into the future.² This master plan for the Leslie community has been developed and adopted according to the direction provided in the MPEA.

Decision to Pursue a Shared Master Plan

The City of Leslie and Leslie Township have a complimentary land development pattern and a slate of elected leaders who recognize the opportunity to plan together for a larger community vision. The City of Leslie is located completely inside of Leslie Township. It is located just south and west of the center of the township. The land use pattern in Leslie Township is almost exclusively agricultural and rural residential. The City of Leslie has a traditional downtown area, single-family residential neighborhoods, an industrial park and highway commercial development.

Across the country and across the state, there is a growing recognition of the benefits of vibrant, urban centers. Terms such as smart growth, new urbanism and placemaking describe compact, walkable, central communities that are economically viable and attractive to new businesses and residents. The “Regional Growth--Choices for our Future” (September 2005) produced by the Tri-County Regional Planning Commission presented a regional land use policy map with an urban center and urban fringe growth pattern in and around Leslie and an active agricultural preservation emphasis in other areas of the township. The Michigan Municipal League’s Center for 21st Century Communities and the State of Michigan’s MiPlace.org are two other examples of such initiatives in Michigan.

At the same time, the reduction of development pressure in agricultural areas can provide economic, aesthetic, cultural and environmental benefits. Recognizing these benefits, the state and the county have both established programs to promote farmland and open space preservation through voluntary donations and purchase of development rights options. A coordinated land use approach can also support farmland and open space preservation. Leslie Township has parcels enrolled in PA 116³ and PA 260 of 2000. Both programs provide financial incentives for property owners who commit to continuing the agricultural use of the property. Leslie Township also has several parcels in permanent preservation through both the Ingham County Farmland and Open Space Preservation Program and the Wetlands

¹ 125.3807 Section 7(2)

² 125.3831 Section 33(1)

³ Part 361, Farmland and Open Space Preservation, of the Natural Resources and Environmental Protection Act, Public Act 451 of 1994

Reserve Program of the Natural Resources Conservation Service. These properties are explored in more detail in the land use section.

Leaders in both communities have recognized the benefits of a coordinated, cooperative land use planning effort. The contrast between the two communities presented an opportunity for a complimentary land use pattern to support agricultural and open space preservation in the township while encouraging investment and growth in the City. Also, the two communities have an established history of successful cooperation demonstrated by the Woodlawn Cemetery, the Leslie Community Recreation Plan and the Leslie Fire Department.



In 2011, the two communities recognized another opportunity for cooperation. Several options for a coordinated planning effort were explored and a consensus was reached to develop a Shared Master Plan. This document addresses planning for Leslie Township and the City of Leslie and was developed under the guidance of a planning advisory committee made up of representatives from both the city and the township. The committee was advisory only and the plan was then adopted independently by each community according to the requirements of the MPEA.

Organization of the Plan

The Leslie Shared Master Plan is organized into two sections—an inventory section (including current land use), and a policy section (including a future land use map). Both play an important role in the planning process.

The inventory section lays the foundation for the plan by documenting existing conditions and expected changes over the 20-year planning window. The land use inventory and community infrastructure sections are supported by maps while the population, housing and economic sections are supported by tables and charts. This section explains where the community is now and how the community is expected to grow over time. Gaps in community infrastructure and services are identified during this process.

The policy section establishes where the community wants to go—it presents the community vision and ideas for reaching the desired future. The future vision for land use is expressed both in text and on the Future Land Use (FLU) Map and is created in large part by input from the steering committee and community residents. The goals, policies and action statements are ideas about how to move in that direction.

Community Profile

Community Location

The City of Leslie is located just east of US 127 in Ingham County. The city is located 28 miles directly south of Lansing and 17 miles directly north of Jackson. According to the United States Census Bureau, the city has a total area of 1.3 square miles, all land.

Leslie Township surrounds the city of Leslie and includes land both east and west of US 127. Its borders are defined by Plains Road on the north, Ridley Road on the west, Baseline Road on the south and Kelly Road on the east. Leslie Township is in the southern tier of townships in Ingham County, located between Onondaga Township to the east and Bunker Hill Township to the west. Jackson County borders Leslie Township to the south.

Community History

Leslie, Michigan celebrated its 175th birthday in September, 2011. The celebration committee included historical society members, city and township officials, school representatives and service organization volunteers. The brochure prepared for the event included the following local history.



City

Leslie was first settled by Elijah Woodworth in 1836, who built the first log cabin in the city. It was originally named Meekerville after a famous pioneer to the area, Benjamin Meeker. Jerry G. Cornell named the town after a prominent Leslie family in eastern New York, his home state. The name Leslie was adopted officially when a post office was assigned to the area in 1841. Leslie was later incorporated as a village in 1869 and as a city nearly 100 years later in 1968.

Township

Leslie Township lies in the central part of the state and, on the government survey, is Township No. 1 North, Range No. 1 West. The eastern and southern boundaries were surveyed by Joseph Wampler in 1824, the northern and western boundaries by John Mullett in 1824-25, and the township was subdivided by Hervey Parke in 1826.

Leslie Township was first a part of the township of Aurelius. It was organized as a separate township on December 30, 1837, and received its name as follows: Dr. J. A. Cornell of Spring Arbor was a member of the legislature at that time. When Ingham County was organized and the townships named, each township was called by description and a name was given by various members of the House. When Township No. 1 North, Range No. 1 West was called, Dr. Cornell proposed naming it "Leslie" in honor of a much respected family by that name that he knew in Eastern New York. The name was accepted and appears in the formal act of organization of this township, which was passed in March, 1838. The first

Township meeting was held at the home of Henry Fiske, a log dwelling which stood near the present site of the Allen House, on the first Monday in April, 1838. Henry Fiske presided as moderator and Benjamin Davis was elected as Supervisor.⁴



⁴ Township information is an excerpt from the book "History of the Early Life and Business Interests of The Village and Township of Leslie Ingham County Michigan." Published under the auspices of the Elijah Grout Chapter; Daughter of the American Revolution 1914.

Regional Influences

Leslie is a community that is part of the larger tri-county region that includes Ingham, Eaton and Clinton counties. The mid-Michigan region is a transportation and economic hub that includes the state capital, Michigan State University and a concentration of automobile manufacturing and suppliers. Because of these connections, the tri-county region has historically been a hub for industry, academia and government. More recently, the regional economy is experiencing diversification and expansion with support from the Lansing Area Economic Partnership (LEAP). Growing industries include insurance, healthcare and advanced manufacturing. LEAP also supports a variety of initiatives to support incubators and business start-up opportunities.

The tri-county region is attractive to new business for several reasons. Located at the crossroads of US 127, I-69 and I-96, the Lansing area is within a two hour drive of 90% of Michigan's population. The region also offers many of the social amenities that are attractive to industry including a well-educated population, excellent healthcare and K-12 education systems, a wide range of cultural and recreational opportunities and an affordable cost of living.

The City of Jackson is located south of Leslie at the intersection of US 127 and I-94. Jackson is an urban center with 350 diverse companies including the corporate headquarters of Consumer's Energy. Approximately 60% of businesses supply parts to the automotive industry but the manufacturing industry is diversifying. More than 30 companies have diversified into manufacturing medical devices and the Jackson Technology Park is certified by the MEDC as a SmartZoneSM—a collaborative organization that encourages technology-based businesses. Jackson offers a skilled workforce, a low cost of living and easy access to mid-western markets.

Leslie's location in proximity to both of these regions has the potential to influence both population and economic trends.

Population

The State of Michigan was hit especially hard by the economic downturn experienced across the country during the past decade. Between 2000 and 2010, many residents left the state in search of jobs as employment declined. This had a direct impact on the state's population. While population has continued to grow in the nation and in the mid-west region, Michigan lost population between 2000 and 2010. Michigan was the only state in the nation to experience a population loss during that time. However, 2011 population projections by Woods and Poole anticipate that Michigan's population will increase back to 2000 levels by 2015 and continue on an upward trend through 2040. Overall employment numbers in Michigan are also projected to increase through 2040 but farm employment numbers show a gradual decline.

The tri-county area is captured statistically as the Lansing-East Lansing Metropolitan Statistical Area (MSA). Contrary to the state trend, this region did not experience a population loss between 2000 and 2010 although there was a loss of employment during that time. The 2010 population of the tri-county area was 464,080. The 2011 Woods and Poole report projects a population increase to 531,270 by 2040

which is 14.5% over 30 years. Regional employment reached 281,070 in 2008 but declined to 266,580 in 2010. Employment numbers in the region are expected to increase slightly by 2015 and to surpass 2008 levels by 2020. Significantly higher employment numbers are projected between 2025 and 2040 (15% increase) while farm employment is projected to decline slowly through 2040. At the same time, population numbers in Ingham County are projected to remain almost unchanged through 2040 (+2.8%) while employment is projected to gradually increase over that time (+24%). Farm employment in Ingham County is projected to decrease from 1,150 in 2010 to 820 in 2040.

The 2010 population of Leslie Township was 2,389 and the 2010 population of the City of Leslie was 1,851 for a combined total of 4,240. The combined population represents 1.5% of the population of Ingham County. From 2000, the City of Leslie experienced a population loss of 9.4% while Leslie Township's population increased by 2.7%. Similar patterns are seen in Webberville and Stockbridge where the central village experienced a population loss while the surrounding township reported a population increase. However, the cities of Mason and Williamston both grew in population while the surrounding township grew more slowly (Williamstown) or declined in population (Vevay).

Population projections are not made at the local level for either the City or the Township because of their size. For planning purposes, county projections are used for guidance while at the same time recognizing that a single new business or housing development can have a significant impact on the local level. In addition to population numbers, US Census statistics describe the population in a variety of other ways. For instance, residents of the Leslie community are almost exclusively "white" with regard to race (98%). Comparatively, both Ingham County and the State of Michigan reported rates of 80% "white." The median age in years for the state (38.9) is higher than the median age in the City of Leslie (35.7) and lower than the median age in Leslie Township (42.9). All three are higher than the median age in Ingham County (31.4). While most residents live in some type of household (vs. group quarters), the city (71%) and the township (78%) both have higher rates of family households than either the county (56%) or the state (66%). These numbers provide a snapshot of Leslie residents collectively as compared to the region.

Housing

Table 1: 2010 Comparative Housing Statistics				
	Leslie City	Leslie Township	Ingham County	Tri-County
Total housing units	803	964	121,281	
Occupied Housing Units	90.9%	93.2%	89.6%	90.9%
Type of Housing Units				
1-unit (SFR)	77.8%	90.9%	67.9%	71.6%
Mobile Home	7.6%	9.1%	2.5%	4.0%
Other	14.6%	0%	29.6%	24.4%
Median Rooms	5.5	6.3	5.4	5.7
Renter Occupied	21.4%	9.7%	38.3%	31.8%
Householder moved in 2005 or later	35.5%	12.8%	37.2%	34.0%
Median Value of owner occupied units	\$101,200	\$161,800	\$137,900	\$148,300

Source: SELECTED HOUSING CHARACTERISTICS, 2006-2010 American Community Survey 5-Year Estimates

Leslie City Housing Summary

The housing stock in Leslie City is similar to that of Ingham County and in the Tri-County region in many respects. Occupancy rates for housing units are fairly consistent at approximately 90% across the region. While not as diverse as the larger region, housing stock in Leslie City includes approximately 15% that is multi-family including duplex and apartment options. The median number of rooms is similar to that of the larger region. The percentage of housing units that are rented (vs. owner-occupied) is lower than that of the county by half and the larger region by one-third. Just over one-third of residents in the City moved in to their current residence between 2005 and 2010. The median value of owner-occupied housing units is lower than the county or the region as a whole.

Local building permit data shows that five new homes were built in 2010 and 2011 and that two mobile homes were placed in Leslie Estates on Mill Street. In addition, a total of 14 new apartments have been

made available recently on Main Street with grant support from the Michigan State Housing Development Authority (MSHDA).

Leslie Township Housing Summary

The housing stock in Leslie Township is different from that of Ingham County and the Tri-County region as a whole other than occupancy rates which are similar. Housing units in the township are single-family residential or mobile homes. There are several duplexes but there are no 3-unit or larger multi-family housing units. The median number of rooms in houses in the township is 6.3—higher than the city, county or region. This, combined with the median value of owner-occupied housing suggests that housing is generally larger and more expensive. Less than 10% of housing is occupied by renters compared to 20% in the city, 30% in the region and 40% in the county. The township also has a lower number of householders who moved in from 2005 to 2010 indicating a more established population base.

Local building permit data shows a permit was issued for one new home each year in 2009, 2010 and 2011.

Economy

Strength of the Economy

The three-county region that makes up the Lansing-East Lansing MSA has an economy that is anchored by major institutions including the State of Michigan, Michigan State University and General Motors. The region is also host to a network of health services including major hospitals and other post-high school educational institutions including Lansing Community College. The insurance industry also has a strong presence in the region including the Accident Fund’s headquarters in Lansing. Local economic development initiatives have placed a renewed emphasis on entrepreneurial activities and small business development. The region has amenities that attract businesses and an educated and skilled workforce including a lively arts scene and cultural resources, the region’s award winning CATA bus system and strong local schools systems. All of these factors contribute to a diverse regional economy that is recovering from the recent economic downturn.

There is some statistical evidence to indicate that the State of Michigan and Ingham County are pulling out of the economic crisis that hit the nation beginning in 2006. One way to chronicle the state’s economic journey of the past decade is to review the unemployment rate experienced between 2000 and 2009. During that time the unemployment rate rose continually and then spiked dramatically from 2007 to 2009 when it went from 6.1% to 11.1%. The rate remained high in 2010 but began to decline. More recent data from the US Bureau of Labor Statistics indicates that the unemployment rate has continued to decline through the first half of 2012 in the tri-county region to a rate of 6.8% in May 2012. Traditionally, as the rate declines, more people re-enter the job market causing a slow, staggered increase over time. The Woods and Poole projections for Ingham County noted earlier predict a gradual employment increase in Ingham County through 2015 and a more robust increase from 2020 through 2040.



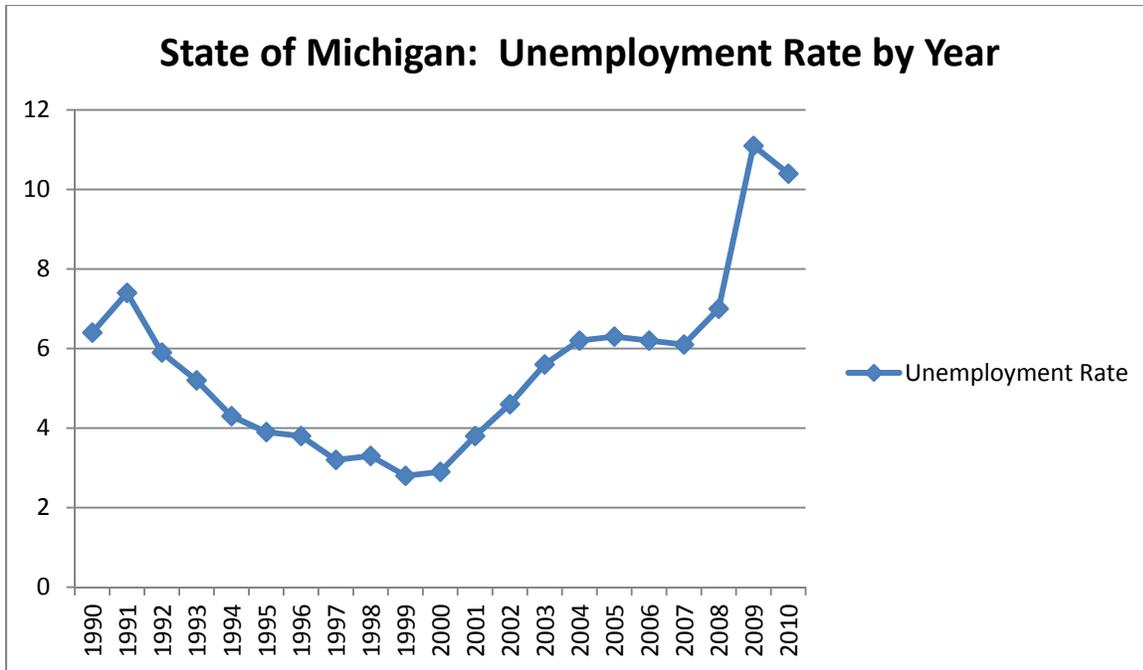


Chart 1: State of Michigan Unemployment Rate by Year

Industry Concentrations in the Region

The following information about economic industry trends comes from the Greater Lansing, Michigan Regional Demographic Profile 2011 prepared by the Tri-County Regional Planning Commission.⁵ According to the report, between 2006 and 2008, there were some changes to the numbers and types of business establishments in the region. There were more than 200 fewer business establishments in 2008. Declines were noticeable in a number of businesses associated with construction and real estate including construction and retail trade establishments, real estate and rental and leasing firms. At the same time, there was an increase in a variety of services including finance and insurance firms, management companies, accommodations and food service companies.

These trends are also reflected in the 2010 County Business Patterns.⁶ The report is produced by the US Census and based on NAICS categories. According to the report, the largest numbers of paid employees in Ingham County in 2010 were found in Health care and social assistance (19,327), Retail trade (13,883) and Accommodations and food service (11,730). The fourth largest employer in the county by number of employees was manufacturing (8,285). The categories *Other services* (8,101) and *Finance and insurance* (7,112) also had a noticeable presence in the county's economy. The regional and county statistics from different sources both support a similar description of employment in the region.

Based on company size based on the number of employees, the most dramatic change came from an increase in firms employing 250-499 employees from only 7 in 2006 to 14 in 2008. (Censtats Database, NAICS- US Census.gov).

⁵ <http://www.tri-co.org/Maps.and.Data/Regional.Data.pdf>

⁶ <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>

The Role of Agriculture

A 2011 report prepared by MSU's Land Policy Institute titled Agriculture in the Tri-County Region is subtitled the Status, Conditions and Economic Impacts. It was written, in part, to raise awareness of the impact of agriculture on the state and regional economy and to encourage its incorporation into regional development plans. According to the report, agriculture accounted for these economic impacts in the Tri-County Region (in 2007 dollar values):

- \$68 million in labor income
- \$114 million in property-type income
- More than 5,182 jobs
- Approximately \$437 million in economic output

The report finds that "(t)he Tri-County Region has an established agricultural base that, based on this report and listening session responses, could be expanded and enhanced to help the region achieve increased agricultural economic activity and could increase its sales and bolster its markets."⁷ In other regions of the country, economic investment in agricultural and related industries have occurred where there has also been a long-term commitment to the continuation of agricultural activity through a combination of public land use policies and by private preservation efforts.

Public policy in Michigan and in Ingham County provides tools for agricultural preservation. At the state level, the State of Michigan's Farmland and Open Space Preservation Program works toward preservation through five separate programs. In Ingham County, the Farmland and Open Space Preservation Board steers initiatives including a county farmland preservation program funded by a voter-approved millage. Both of these programs consider local planning policy as part of the selection criteria for permanent preservation options.

Economic Development Organizations

The Leslie Community has both public and private organizations devoted to local economic development. The Leslie Area Chamber of Commerce was founded in 1975 and continues to play an active role in promoting local businesses through Business After-Hours events, monthly luncheons and other functions to promote the Leslie area.

The Leslie DDA was established in 1990 under the authority of PA 197 of 1975. The Leslie LDFA was established in 1989 under the authority of PA 281 of 1986. Both the DDA and the LDFA are tax-capture organizations. These Authorities do not increase taxes but rather divert tax revenue through a formula based on increased taxable value within the district. This captured revenue is used to fund infrastructure improvements and other projects that, in turn, promote additional economic growth. The LDFA is focused on the industrial park and uses funding for infrastructure improvements. The DDA is primarily focused on the downtown and highway commercial areas and uses funding for a façade improvement program and activities and events to bring people downtown.

⁷ Page v

Community Resources

Police

The City of Leslie has a full-time police department serving residents and businesses in the city limits. The Police Department is located at 151 Commercial Drive and is staffed by a Police Chief, two full-time officers and additional part-time officers. Residents can dial 911 for emergency response and a business phone number is posted on the City's website. Part of the local millage paid by city residents is used to fund the city's police department.

Police protection in Leslie Township is provided through the Ingham County Sheriff's Department and the State of Michigan Police. These services are very limited.

Fire

The Leslie Fire Department is cooperative effort between the city and the township. In 1996, a fire millage vote was held for funding and defraying, in whole or in part, the cost of fire protection services and equipment for Leslie Township. Then in 2003, voters in the city and township approved a millage to support the construction of a new, modern facility located on the corner of Oak & Kirby Streets. The fire department is a volunteer, paid on-call department. The Leslie Fire Department also maintains mutual aid agreements with most surrounding communities.

The members of the Leslie Fire Department meet two times a month for training and business meetings and hold fire prevention classes for the schools and the public. The Leslie Fire Department also is affiliated with the Ingham County CERT (Certified Emergency Response Team) and has a Leslie Fire Corp.

Library

The Leslie Library is part of the Capital Area District Library (CADL) system and serves the entire Leslie community. The 3,500 square foot facility was opened in 1998. The building is centrally located at 201 Pennsylvania Street, across the street from Woodworth Elementary School and within a short distance from the Middle School, High School and downtown. All Ingham County residents, with the exception of the City of East Lansing, fund the CADL library system through a designated millage. In addition to the resources housed in Leslie, the CADL system offers inter-library loans within the CADL system and access to the Michigan e-library (MeL) system.

Schools

The Leslie School district encompasses most of Leslie Township and the City of Leslie as well as parts of four other townships in both Ingham and Jackson Counties. The district is approximately 75 square miles overall. The new Leslie High School was built in 1996 at 4141 Hull Road to replace the first Leslie Public Schools building on Woodworth Street, which was over 100 year old. The school district's mascot is the Leslie Blackhawks and the school colors are orange and black. Leslie's one public high school has an average-size graduating class ranging from 100 to 130 students. In addition to the Leslie Schools, Leslie

Township is also served by small sections of Mason on the north, Dansville on the northeast, and Northwest Schools on the south. A map of the Leslie School District is included in the Appendix.

Also located in Leslie is White Pine Academy, a public school academy that is chartered by Saginaw Valley State University. Founded in 1999, White Pine Academy built a new facility at 510 Russell Street in 2005. The school offers an infant and toddler room and classrooms for K-8th grade.

The mid-Michigan area offers many options for post-secondary education including Lansing Community College and Michigan State University.

Recreation Facilities

The Leslie Community Recreation Plan, dated March 2006, was a successful cooperative planning effort carried out by the City of Leslie, Leslie Township and the Leslie School District. The Community Recreation Advisory Committee was formed to develop the plan and monitor future activity. As noted in the title, the group is advisory in nature. The plan serves to coordinate the recreational activities of the three separate groups and avoid duplication in the systems. The recreation plan describes the current community inventory including:

- City Recreation Resources
 - Tuttle Park (1)
 - Russell Park (2)
 - Swimming Pool (3)
 - Church Street Ball field (4)
 - Washburn Street baseball diamonds (5)
- School Recreation Resources
 - Woodworth Elementary School (6)
 - Leslie Middle School (7)
 - Leslie High School (8)
 - School property defined by Race, Pennsylvania and Baggerly (in the City of Leslie)
 - Russell Miller Wild 100 (property located 4 miles south of Leslie in Jackson County which is, in part, adjacent to the Grand River)
- Township Recreational Resources (9)
 - Baseball/softball fields (Township Hall site)
 - Picnic pavilion (30' x 48') with tables and grills (Township Hall site)
 - Community Center (2160 sq. ft.) in the lower level of the Township Hall
- Shared Recreation Resources
 - Hull Road Trailway Project (a joint project of the City, the Township and the Schools)



The numbers following the listed resources correspond to the location of the resource which is noted on the zoning map. The Recreation Plan included an action program that identified improvements and enhancements to existing facilities and the acquisition of the Huntoon Creek property. These recreation amenities contribute to the quality of life for Leslie residents.

Transportation & Urban Infrastructure

Roads

Roads are provided in the Leslie area through a tiered system of government. The State of Michigan manages the federal highway system (US 127) as well as a network of state highways (i.e. M-106, M-52). Ingham County provides a system of county roads and the City of Leslie is responsible for the roads within the city limits. The National Functional Classification (NFC) system ranks roads in terms of their function. The ranking is also associated with the federal transportation funding formula. From a planning standpoint, the system designates regional travel routes. US 127 is classified as “other freeway.” There are no major or minor arterial roads in Leslie. In Leslie, the following roads are classified as major collectors: Bellevue Road, North and South Main Street, West Fitchburg Road and Jackson Road. West Fitchburg Road is Mill Street in the City of Leslie. Also in Leslie, the following roads are classified as minor collectors: Churchill Road, Kirby Road and Kinneville Road. All other roads in the city and the township are classified as local roads. A copy of the NFC system map for Ingham County is included in the appendix of this plan. NFC maps for all Michigan counties are available on the MDOT website (www.michigan.gov/mdot).



Transit

Public transit is provided in the Lansing area by the Capital Area Transportation Authority (CATA). Leslie is not served by CATA's fixed-route service but CATA Rural Service (CRS) provides curb-to-curb service with 24-hour advance reservation for travel in the outlying area of Ingham County. Service operates Monday - Friday 7 AM to 6 PM. Some private taxi services in Lansing and Jackson also serve the Leslie community.

Rail line

The Jackson & Lansing (J&L) Railroad Company began operations on October 21, 2010. The parent company is the Adrian & Blissfield Rail Road Company. This short-line railroad provides freight service to customers along 47 miles of rail formerly operated by Norfolk Southern (NS) Corporation. This transition from NS to J&L has meant daily service to existing customers according to their schedules and shipping and/or receiving needs. It has also provided former rail customers along the line the option of shipping by rail or truck.

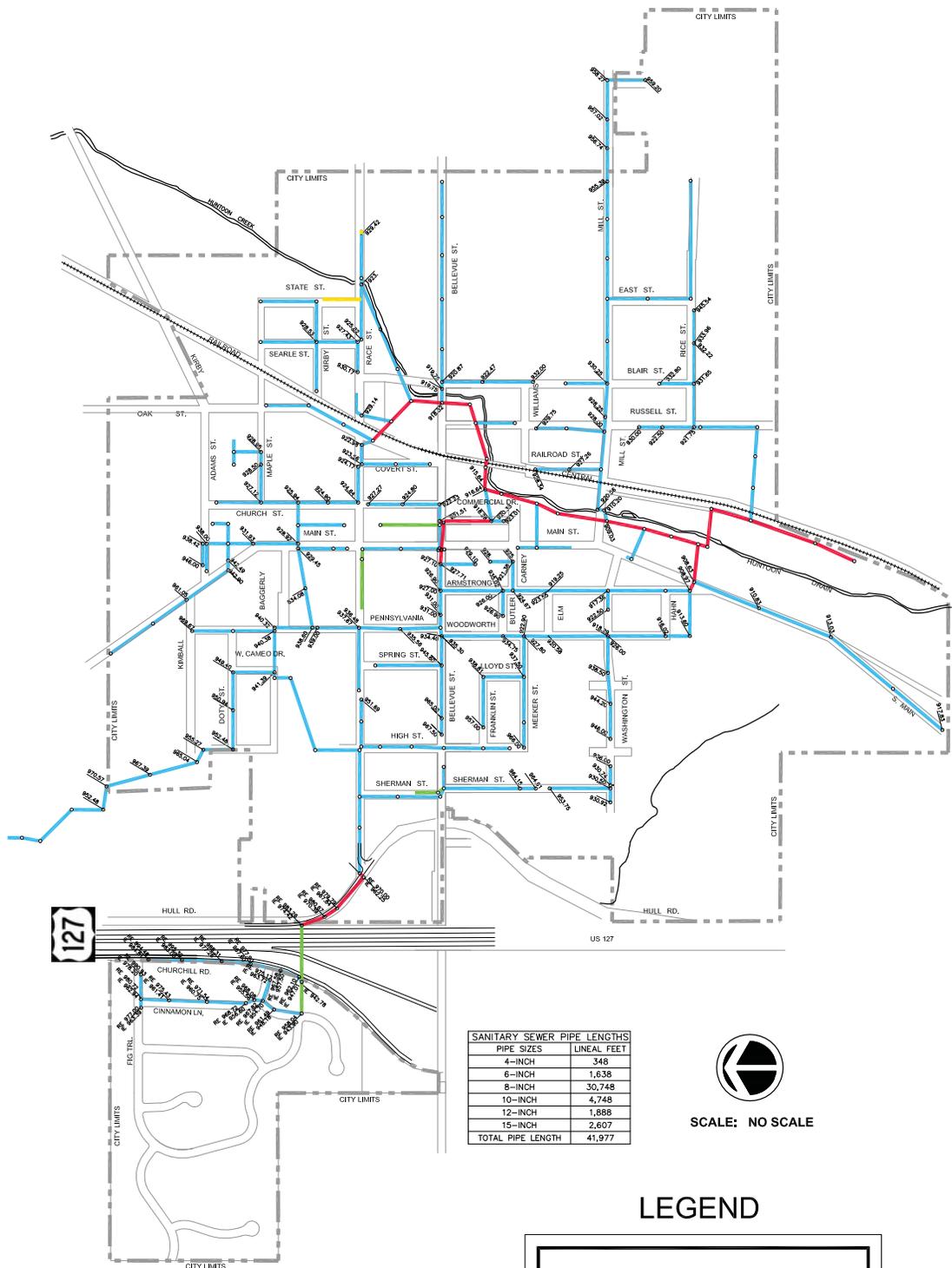
Existing rail customers now have expanded options. In Jackson, the J&L connects with Norfolk Southern; in Lansing, J&L connects with both CSX and CN, which provides current rail customers alternatives to meet their shipping needs (both inbound and outbound).

Non-motorized transportation

The City of Leslie has made significant investments in sidewalks and trails in the past several years. The Recreation Plan describes a three-part paved pedestrian/bike loop that connects downtown Leslie to the shopping plaza on the west side of the city and the high school with a combination of concrete sidewalks, 10-foot wide bituminous pathways and a wooden boardwalk across low-lying areas. This system provides recreational opportunities in addition to creating a safe non-motorized transportation route connecting community destination points.

Water and Sewer Services

The City of Leslie provides and maintains a public water system, a sanitary sewer and a storm sewer system. The sewer and water system maps are shown on Figure 1 and Figure 2 respectively.



LESLIE
HIGH SCHOOL

127

US 127

SANITARY SEWER PIPE LENGTHS	
PIPE SIZES	LINEAL FEET
4-INCH	348
6-INCH	1,638
8-INCH	30,748
10-INCH	4,748
12-INCH	1,888
15-INCH	2,607
TOTAL PIPE LENGTH	41,977



SCALE: NO SCALE

LEGEND

- EXISTING SANITARY SEWER, 4 INCH OR LESS
- EXISTING SANITARY SEWER, 6 INCH
- EXISTING SANITARY SEWER, 8 INCH TO 10 INCH
- EXISTING SANITARY SEWER, 12 INCH OR GREATER
- CITY LIMITS
- SANITARY MANHOLE



SANITARY SEWER SYSTEM



Physical Features

Climate

The climate in Leslie is a four-season cycle with the warmest months in June, July and August and the coldest month in February. The average annual high temperatures in June, July and August are in the low 80s and the average annual low temperature in February is just under 10 degrees. The annual average precipitation is 29.24" with the highest monthly average reported in August followed by May and June. The highest average snowfall occurs during January (18") and February (22") followed by December. The spring and fall seasons produce milder average temperatures and lower average precipitation and snowfall.



Water (Include County Drains)

On a statewide level, Ingham County is part of the Upper Grand Watershed. The Grand River and Red Cedar River are major waterways. At the county level, the Ingham County Drain Commissioner oversees water resources and provides for construction, maintenance and improvement of public storm drains.

The Leslie community has only one lake: Huntoon Lake which is a small lake in Section 14. There are also some natural creeks and streams and some that are part of the county drainage system. The Huntoon Creek generally follows the railroad line in a north-south direction through the township and city and connects to Huntoon Lake via the Auston Creek. The Royston Drain passes through the southwest quarter of the township south of the city limits. The Mud Creek enters the township in the northeast corner. These are included in the county drain system. Some wetland areas are mapped in association with both of these features but would need to be specifically identified through an on-site delineation action.

Soils

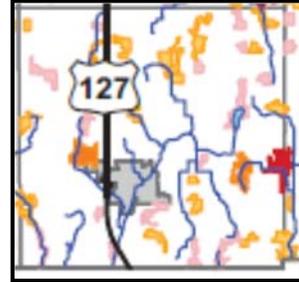
With the exception of the land within the urbanized city limits, almost of all of the land in the Leslie community falls in one of these three categories: *Farmland of Local Importance*, *Prime Farmland if Drained*, and *All Areas Are Prime Farmland*. These categories were developed by the USDA Soil Conservation Service and the larger areas are shown on the map titled: Leslie Township/City of Leslie -- PA 116/ PA 261. As a result, soil conditions will support agricultural uses throughout most of the township. The "Ingham County Soil Survey" includes parcel specific maps of the city and township and a generalized soils map that groups many soils together to provide a resource for planning purposes. Of note from this resource is a grouping of muck soils through the middle of the north half of the township, some of which have been permanently protected through the Wetlands Reserve Program.

Topography

The topography of the Leslie community is relatively flat with only slight shifts in elevation. The USGS survey data presents benchmarks in the average range of 950 feet to 960 feet. A low point in the Huntoon Creek is noted as 935 feet and high points are noted in the 980 foot range.

Vegetation

A 2000 Land Cover Map for Ingham County in a 2009 report prepared for the Tri-County Regional Planning Commission provides information about the vegetation patterns in the Leslie community. It is no surprise that the majority of land in the city is classified as “developed” and a majority of the land in the township is classified as “agriculture.” There are other pockets of land use including some forest and emergent wetland areas. Two areas are large enough to be identified as potential conservation areas with a score of 10-14 on the northwest corner of the city limits in Section 20 of the Township and a score of 15-31 (highest) on the easternmost township line. While neither of these locations is ranked in the Top 10 areas for potential conservation in the tri-county area, they are the most significant in the Leslie community. The location in Section 20 borders the current city limits and supports a decision not to expand urban development patterns further northwest beyond the current limits. A copy of the 2000 Land Cover Map and the Potential Conservation Areas map are included in the Appendix of this document. The whole report can be found as part of the Greening Mid-Michigan project at www.tri-co.org.



Current Land Use

In addition to the text sections included here, land use is shown on maps following this section:

Figure 3: Leslie Township Zoning Map

Figure 4: City of Leslie Zoning Map

Figure 5: Leslie Township/City of Leslie -- PA 116/ PA 261

Figure 6: City of Leslie Vacant Land Map

The two zoning maps also show the network of local and county roads as well as the US 127 highway and the railroad. While this master plan does not include a master street plan, the zoning maps include the general road information called for in the Michigan Planning Enabling Act (Act 33 of 2008). Additional information on non-motorized pathways and public transit are provided in the transportation inventory.

Leslie Township: Leslie Township is a community that is primarily an agricultural and rural residential community. For some, this agricultural land use pattern is a reflection of an investment in an economic system and for others it is a cultural lifestyle choice—or both. For both of these reasons, the community is planning for and taking action to preserve the current agricultural viability of the community.

Currently, there are 3,136 acres of land designated as *Qualified Agricultural Property* in the PA 261 program.⁸ PA 261 provides income tax relief. There are also approximately 2,258 acres of land in the PA 116 program, commonly known as the Farmland Preservation Act.⁹ PA 116 provides property tax relief and protects property owners from assessment for urban infrastructure. While not identical, both of these tax classifications indicate that the property owner plans to continue the property's agricultural use.

Leslie Township does not provide public water and sewer service which, on its own, limits the development density everywhere in the township. Without public wastewater, the county health department requires a minimum lot size of 1-2 acres for residential development. While some sections have a strip of residential lots split with frontage on the county road, a majority of land in the township is in large lots of 40 acres or more.

Leslie Township has some limited commercial and industrial development, especially along Hull Road and directly adjacent to the city. Some are permitted by Special Use Permit in the agricultural zone. Others are in areas currently zoned for commercial uses along Hull Road and on Bellevue at the southbound exit from US 127. Previous planning documents have anticipated more urbanized land use patterns north, east and south of the city limits with the highway serving as a growth boundary. No independent nodes of commercial or industrial development exist in the township and none are anticipated.

City of Leslie: The City of Leslie is a small urban area in the middle of Leslie Township. A highway exit from US 127 on Bellevue Road provides access to the center of the city. Existing highway commercial development and multi-family housing can be found at the exit and Hull and Bellevue Roads. A historic

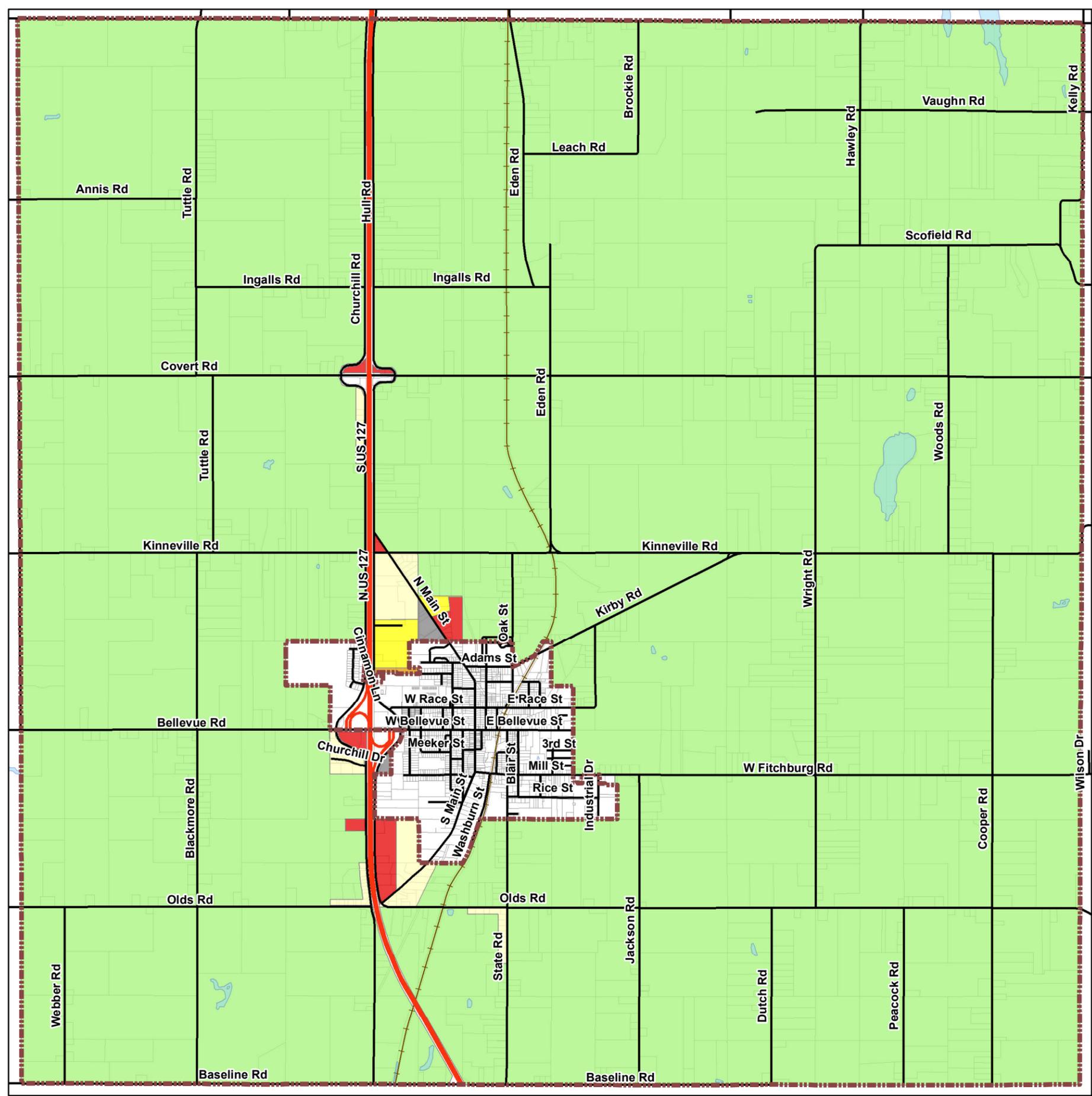
⁸ PA 261 of 2000: Agricultural Property Recapture Act

⁹ PA 116 of 1974 which is now Part 361 of PA 451 of 1994.

downtown is located along several blocks around the intersection of Bellevue and North Main Street. These structures are primarily two- and three-story buildings with commercial uses on the ground floor and office or residential uses above. The buildings have large front windows at the sidewalk and on-street parking in front. Industrial uses are found both north of the downtown along the railroad line and in the City's industrial park on Rice Street and Industrial Drive. Leslie Estates, a manufactured housing community is located on the north side of Mill Street. A multi-family condominium development called Worthington Place Condos was approved on the north side of Race Road but only one sixteen-unit building was constructed. Currently, only seven of the sixteen are occupied and nine are unfinished.

A large part of the city's land use is single-family residential housing on platted lots. These urban lots served with urban amenities including city streets with curb and gutter, sidewalks and streetlights. While not all lots are exactly the same size, they are rectangular in shape and many are 88'x150' or 75'x150'. This is the predominant residential pattern in the urban city.

A careful examination of the land use patterns in the city showed that in addition to the land uses discussed above, there is a significant amount of land in the city that is currently vacant. There are two areas with large blocks of vacant land—one is on the south side of the city between the railroad and the highway and the other is surrounding the existing residential streets west of US 127 along Churchill Road. The property on the south side of the city is currently zoned "Agriculture" which is a type of holding pattern with no specific expectation of future uses. The property on the west side of the highway was annexed into the city and has remained undeveloped. There are also several vacant parcels in the city's industrial park. Combined, the city has 169.38 acres of vacant land. This does not include residential parcels with vacant homes.



Leslie Township/City of Leslie Ingham County, Michigan

LEGEND

- CVT Boundaries
- Tax Parcels
- Lake/Pond
- State Highway
- Road Centerline
- Railroad

ZONING

- A1, Agricultural
- R1A, Low Density Residential
- R1B, Medium Density Residential
- RM1, Multi Family Residential
- M1, Industrial
- B1, General Business



Map Date: 09/07/2012
Prepared By River's Edge GIS



Scale: 1 inch = 3,250 feet

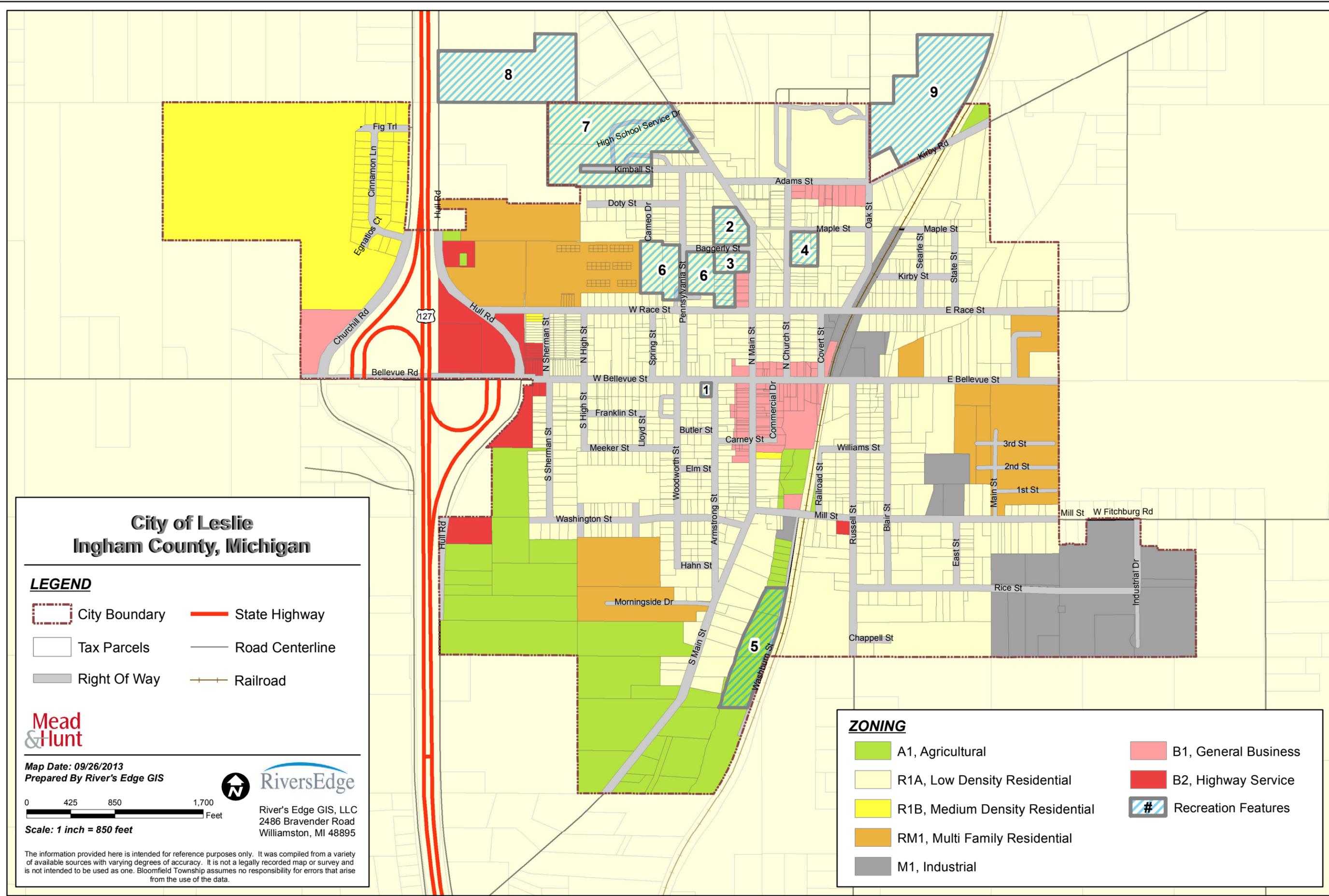


River's Edge GIS, LLC
2486 Bravender Road
Williamston, MI 48895

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Leslie Township/City of Leslie - Zoning Map

City of Leslie - Zoning Map



**City of Leslie
Ingham County, Michigan**

LEGEND

- City Boundary
- Tax Parcels
- Right Of Way
- State Highway
- Road Centerline
- Railroad

Mead & Hunt

Map Date: 09/26/2013
Prepared By River's Edge GIS

RiversEdge

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Williamston, MI 48895

Scale: 1 inch = 850 feet

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ZONING

- A1, Agricultural
- R1A, Low Density Residential
- R1B, Medium Density Residential
- RM1, Multi Family Residential
- M1, Industrial
- B1, General Business
- B2, Highway Service
- # Recreation Features

Leslie Township/City of Leslie
Ingham County, Michigan

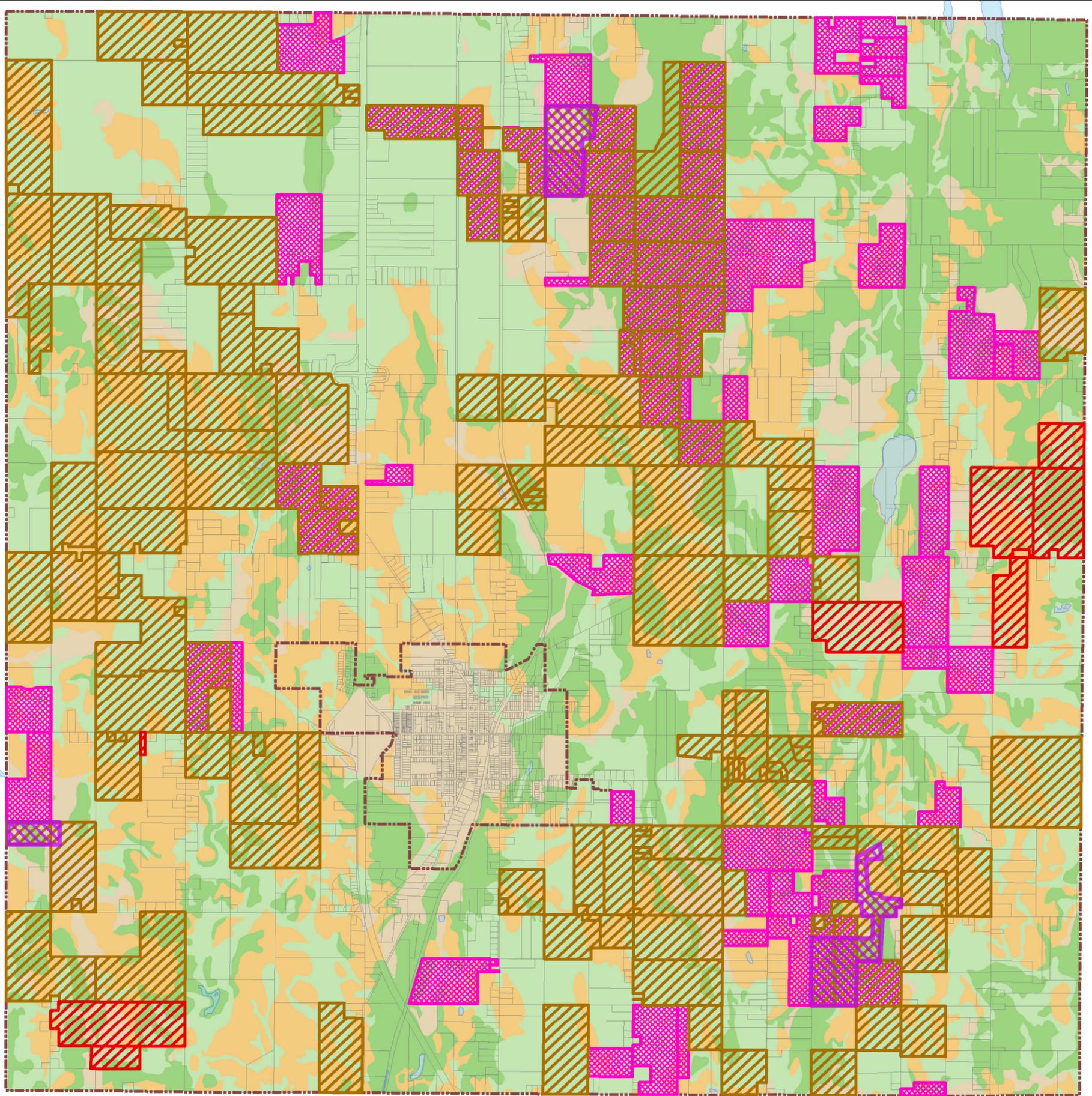
LEGEND

-  Wetlands Reserve Program Easements
-  PA116 - Permanent Farmland
-  PA116 - Farmland
-  PA261

SOILS

-  Farmland of Local Importanace
-  Prime Farmland if Drained
-  All Areas Are Prime Farmland
-  Misc

-  CVT Boundaries
-  Lake/Pond
-  Tax Parcels



Map Date: 04/05/2013
Prepared By River's Edge GIS



Scale: 1 inch = 3,250 feet

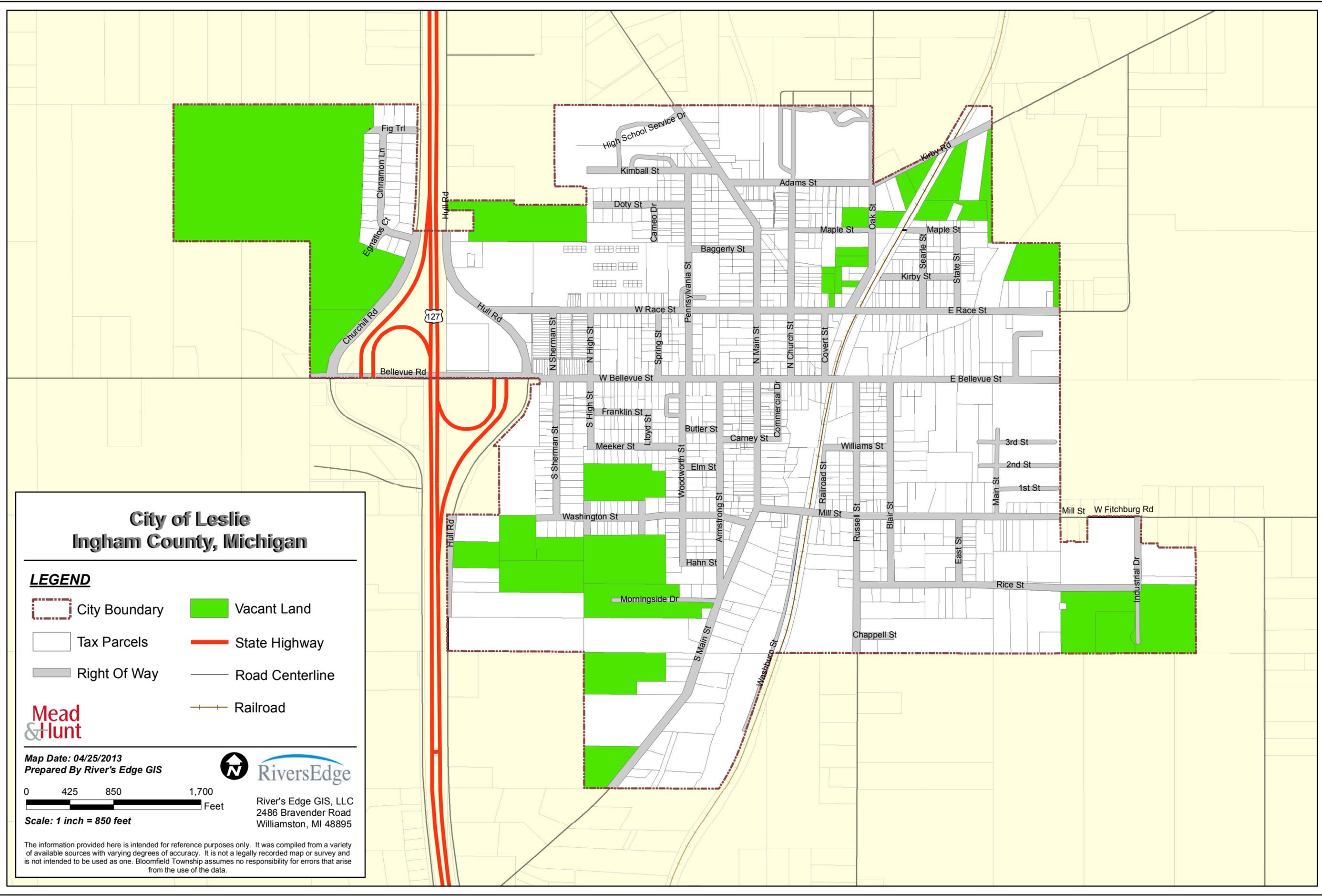


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Leslie Township/City of Leslie - PA 116 / PA 261

City of Leslie - Vacant Land



City of Leslie Ingham County, Michigan

LEGEND

- City Boundary
- Vacant Land
- Tax Parcels
- State Highway
- Right Of Way
- Road Centerline
- Railroad



Map Date: 04/25/2013
Prepared By River's Edge GIS



Scale: 1 inch = 850 feet

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Leslie 2040: Still the place to be

Leslie is a small community with a big vision. Residents are proud of its history and are planning together for a bright future.

Leslie Township and the City of Leslie are two local units of governments that create a single community. The two are complementary and compatible. Leslie Township is an agricultural community with an abundance of prime and unique farmland. The City of Leslie is a compact, vibrant urban center. Together, they work cooperatively to focus growth in the central urban area and protect the farmland and open space around it. Local elected officials and community leaders support this careful balance because it benefits the whole community.

The Leslie community is a special, friendly place. Residents experience a special closeness that comes from people caring about each other and about the community. Visitors and new residents find Leslie to be a warm and welcoming place. The community is a progressive small town that is enjoying steady growth and expanded diversity.

The City of Leslie has grown stronger within its existing footprint. The buildings downtown are full of robust activity and new ones have been added. The industrial park has filled up and new industrial locations are being planned closer to the highway and along the active railroad. A range of housing options offer desirable choices to meet a variety of needs.

Agriculture is still intact in Leslie Township. A majority of the land area is used for agriculture on large parcels. Parcels are regularly selected for permanent preservation in the township. Residents enjoy the rural atmosphere and lifestyle.

The local economy benefits from the cooperative balance between rural and urban areas. The city has worked to identify and attract businesses around a common theme. The concentration of similar industry has spurred additional economic growth. New businesses are thriving in the downtown and near the highway. The community's commitment to agriculture has also prompted some interest in new agricultural business development.

The community's quality of life continues to improve with thoughtful investment in a variety of areas. The high quality of life in the Leslie community continues to attract new business and residents. Targeted investment in roads, water and sewer, and telecommunications infrastructure has supported business growth and improved the quality of life for residents. The school district is known for its high quality educators and facilities. The two governments keep lines of communication open and find opportunities for coordination and cooperation.

Leslie 2040: Goals, Policies and Actions

Leslie is a small community with a big vision. Residents are proud of its history and are planning together for a bright future.

GOAL: A connected, welcoming and growing community

Vision: *The Leslie community is a special, friendly place. Residents experience a special closeness that comes from people caring about each other and about the community. Visitors and new residents find Leslie to be a warm and welcoming place. The community is a progressive small town that is enjoying steady growth and expanded diversity.*

Policy: *Encourage actions that strengthen the community's social network and make the Leslie community an inviting place for visitors and residents.*

Actions:

- Implement design standards that promote human interaction including quality public spaces, parks and trails, sidewalks for transportation and business activity and residential front porches.
- Maintain signage and wayfinding systems and improve as needed.
- Identify and incorporate a variety of cultures and traditions into public art and design.
- Continue to support community events including annual parades and festivals.
- Implement, modify and enforce land use regulations to eliminate blight.
- Implement or modify land use regulations to protect existing natural features and resources during development design and construction (i.e. tree preservation, soil erosion control, low impact design, etc.).

GOAL: Coordinated and complimentary growth

Leslie Township and the City of Leslie are two local units of governments that make up a single community. The two are complementary and compatible. Leslie Township is an agricultural community with an abundance of prime and unique farmland. The City of Leslie is a compact, vibrant urban center. Together, they work cooperatively to focus growth in the central urban area while protecting the farmland and open space around it. Local elected officials and community leaders support this careful balance because it benefits the whole community.

***Policy:** Develop and maintain a unified community vision for land use in the Leslie community that encourages growth in the urban center while protecting the agricultural economy and the rural character of the surrounding community.*

Actions:

- Focus new urban development in the existing city limits as long as space is available.
- If expansion beyond the city limits is necessary, limit expansion to adjacent areas identified on the future land use map for future urban development.
- Continue open communication between community leaders through semi-annual joint meetings and a regular exchange of meeting minutes.

***Policy:** Maximize use of current infrastructure to reduce public cost for construction and maintenance.*

Actions:

- Focus new urban development of all types in areas where there is current water and sewer service or where water and sewer service is planned within the city limits.
- Plan for new local road connections in order to increase the density of development in the city limits.
- Plan for new industrial and commercial uses along the railroad.
- Restrict utility extensions beyond the current city limits while there is vacant land available within planned services areas.

Policy: *Maximize access to community resources to improve the quality of life, strengthen local economy, reduce transportation costs, and improve public health. Community resources include parks and recreation, schools, commercial districts, health care facilities and employment centers.*

Actions:

- Focus new urban development near existing community resources.
- Allow a variety of residential housing types and medium- and high- density land use patterns within walking distance of community resources.
- Include connected pedestrian infrastructure on new public streets and within new planned developments.

Policy: *Prevent or restrict the impact of urban development on farmland in order to protect the existing agricultural economy of the community, encourage future investment in agricultural activities and preserve the rural atmosphere.*

Actions:

- Focus new urban development in the existing city limits as long as space is available.
- If expansion beyond the city limits is necessary, limit expansion to adjacent areas identified on the future land use plan as areas for future urban development.
- Proactively develop a model 425 Agreement to be used in the future if there is a need to expand urban development, including urban services, beyond the current city limits.
- Recognize parcels enrolled in PA 116 and PA 261 as likely to remain in agricultural use over the planning period.
- Provide and maintain buffer areas to protect agricultural parcels from incompatible urban land uses.

GOAL: A vibrant, healthy urban center

The City of Leslie has grown stronger within its existing footprint which has been cost effective for the community and positive for the local economy. The buildings downtown are full of robust activity and new ones have been added. The industrial park is filling up and new industrial locations are being planned. A range of housing options offer desirable choices to meet a variety of needs.

Policy: *Adopt land use policies and regulations that encourage and support a vibrant, healthy urban center.*

Actions:

- Maximize the benefit of existing urban infrastructure and reduce public development costs.
 - Encourage development on undeveloped or under-developed parcels within the City limits.
 - Increase development density in the City.
 - Identify opportunities to expand the local street network in the City to serve future commercial development.
- Permit a mix of compatible development types in the urban core.
- Maintain and improve streetscape amenities including sidewalks, streetlights, street trees and benches.

GOAL: A rural township with active agriculture and low density, single-family residential housing.

A majority of the township's land area is used for agriculture on large parcels. Parcels are regularly selected for permanent preservation in the township. Residents enjoy the rural atmosphere and lifestyle.

Policy: *Adopt land use policies and regulations that encourage and support the preservation of agriculture as a viable economic activity in the community and the rural characteristics of the area.*

Actions:

- Continue to encourage the continuation of farming operations and the long-term protection of farmland resources including:
 - Preservation of prime and unique agricultural land for agriculture through preservation tools and land use regulation;
 - Low density residential development through large lot or cluster development;
 - Limited multi-family, commercial and industrial development other than those related to agricultural activity.
- Continue to preserve the rural, agricultural character of Leslie Township through land use regulation tools.
- Identify areas for agricultural preservation in the Comprehensive Plan in order to meet state and local program requirements for farmland preservation selection.

GOAL: A healthy local economy with growing commercial and industrial segments.

The local economy benefits from the cooperative balance between rural and urban areas. The city has worked to identify and attract businesses around a common theme. The concentration of similar industry types has spurred additional economic growth. New businesses are thriving in the downtown and near the highway. The community's commitment to agriculture has also prompted some interest in new agricultural business development.

Policy: *Adopt land use policies and regulations that encourage and support new business development in the urban core.*

Actions:

- Support new business development through a development permitting process that is understandable, efficient and predictable.
- Identify and maintain a vacant property inventory in the City and identify properties with commercial and industrial development and redevelopment potential.
- Monitor infrastructure capacity and condition in order to support projected future commercial and industrial development.
- Communicate with and support initiatives by public and private economic development organizations including the DDA, the EDC and the Chamber of Commerce to encourage commercial and industrial development in the City.

GOAL: A high quality of life that continues to improve.

The community's quality of life continues to improve with thoughtful investment in a variety of areas. The high quality of life in the Leslie community continues to attract new business and residents. Targeted investment in roads, water and sewer, and telecommunications infrastructure has supported business growth and improved the quality of life for residents. The school district is known for its high quality educators and facilities. The two governments keep lines of communication open and find opportunities for coordination and cooperation.

Policy: *Identify and adopt land use policies and regulations that improve the quality of life for residents of the Leslie community through support of public health, education and well-being.*

Actions:

- Encourage sustainability through a variety of tools including sustainable development practices and renewable energy options
- Incorporate active, healthy design standards in public infrastructure and site design standards including bike racks and benches and a connected pedestrian system
- Provide, support and maintain access to public recreation through a continuation of the Leslie Community Recreation Committee:
 - Update the 5-Year Recreation Plan
- Plan cooperatively with the school district for residential development to be served by the Leslie Community Schools:
 - Provide and maintain non-motorized access from residential development to school facilities whenever possible
 - Consider the impact on the school system when evaluating new development proposals of all types
 - Communicate regularly with the school district to identify areas of common interest
- Continue to provide shared services to the residents of the Leslie Community and consider additional cooperative efforts when it is cost effective and otherwise beneficial.
 - Continue to provide fire service through a joint effort between the City and the Township
 - Continue to provide and maintain the Woodlawn Cemetery through a joint effort between the City and the Township
 - Watch for grant opportunities to fund cooperative government efforts

Future Land Use

The Future Land Use map reflects a plan for long-term land use in the Leslie community that was developed cooperatively by representatives from the City and the Township. Decisions about the future land use map were made after review of existing and planned infrastructure and resources in the community and an agreement on growth guidelines.

Consideration for existing conditions and planned infrastructure included the following:

- 1) Existing transportation network including:
 - Highway access
 - Classification of local road system (National Functional Classification system)
 - Railroad
 - Non-motorized transportation network
- 2) Existing land use patterns including:
 - Vacant land in the city
 - Land enrolled in PA 116 and PA 261 in the township
- 3) Existing and planned urban infrastructure (sewer, water)
- 4) Existing community resources and pedestrian destination points

Growth guidelines included the following:

- 1) In order to support the economic health/viability of the traditional downtown, additional commercial development along the highway will be limited.
- 2) The community recognizes that there are many benefits to encouraging new development to occur within the existing city limits including:
 - Increased density creates a more walkable, compact vibrant community
 - Increasing residential population provides increased numbers to support local business
 - Minimizing transportation costs for the public schools
 - Minimizing the cost of public infrastructure expansion and maximizing the use of existing infrastructure including sanitary and storm sewer, water, and recreation investments.
 - Improve public safety by locating new development in an area served by local police protection

- Increasing confidence in private investment in the city
- Supporting the viability of agriculture in the surrounding community by minimizing the threat of urban expansion

3) Over the planning period, the Leslie community recognizes that it may be necessary to locate new private development outside of the current city limits if land area for the proposed use is not available for development. This could occur within the planning period for industrial development but is not anticipated for other uses due to the amount of vacant and underdeveloped land in the city. Future development outside of the current city limit will be considered when the proposed development cannot be located within the existing city limits.

4) Expansion areas will be identified primarily on the east side of US-127 in order to support:

- Public health and safety since police and fire services are located on the east side.
- The continuation of a compact, walkable city center.

5) An area is being reserved for institutional uses which are intended to include retirement centers or medical treatment or care facilities, or private fitness/wellness/recreation facility.

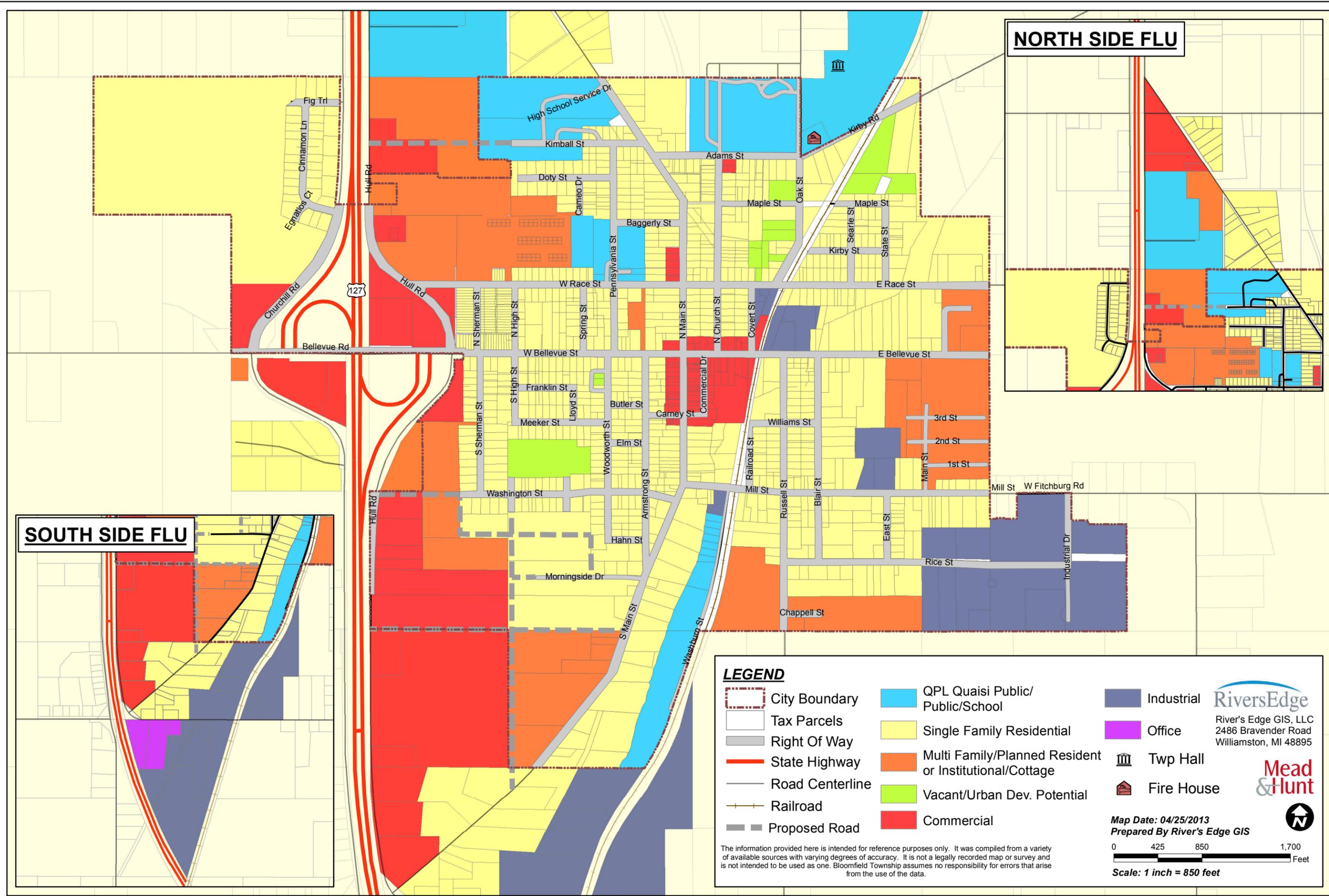
6) The Leslie community recognizes the value of completing street connections to provide more distribution opportunity for local traffic and increase pathways available if detours become necessary. Some street connections may be made through public investment but others will be required as an element of private development to support traditional neighborhood development.

7) Traditional neighborhood development (TND) defines the residential character at the core of the City of Leslie. TND includes small lot (high density), single family residential, duplex and townhome development served by a connected street network. TND requires public infrastructure and is best located in the city where infrastructure already exists. Larger, rural residential lots are not provided in the city.

Future Land Use Map

The future land use map presents a long-term growth vision for the Leslie community based on the existing conditions and growth guidelines presented above and the expected future growth in housing, commercial and industrial development and the anticipated preferences and demands of the private development community.

City of Leslie - Future Land Use



LEGEND

City Boundary	QPL Quasi Public/ Public/School	Industrial
Tax Parcels	Single Family Residential	Office
Right Of Way	Multi Family/Planned Resident or Institutional/Cottage	Twp Hall
State Highway	Vacant/Urban Dev. Potential	Fire House
Road Centerline	Commercial	
Railroad		
Proposed Road		

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RiversEdge
River's Edge GIS, LLC
2486 Bravender Road
Williamston, MI 48895

Mead & Hunt

Map Date: 04/25/2013
Prepared By River's Edge GIS

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Feet

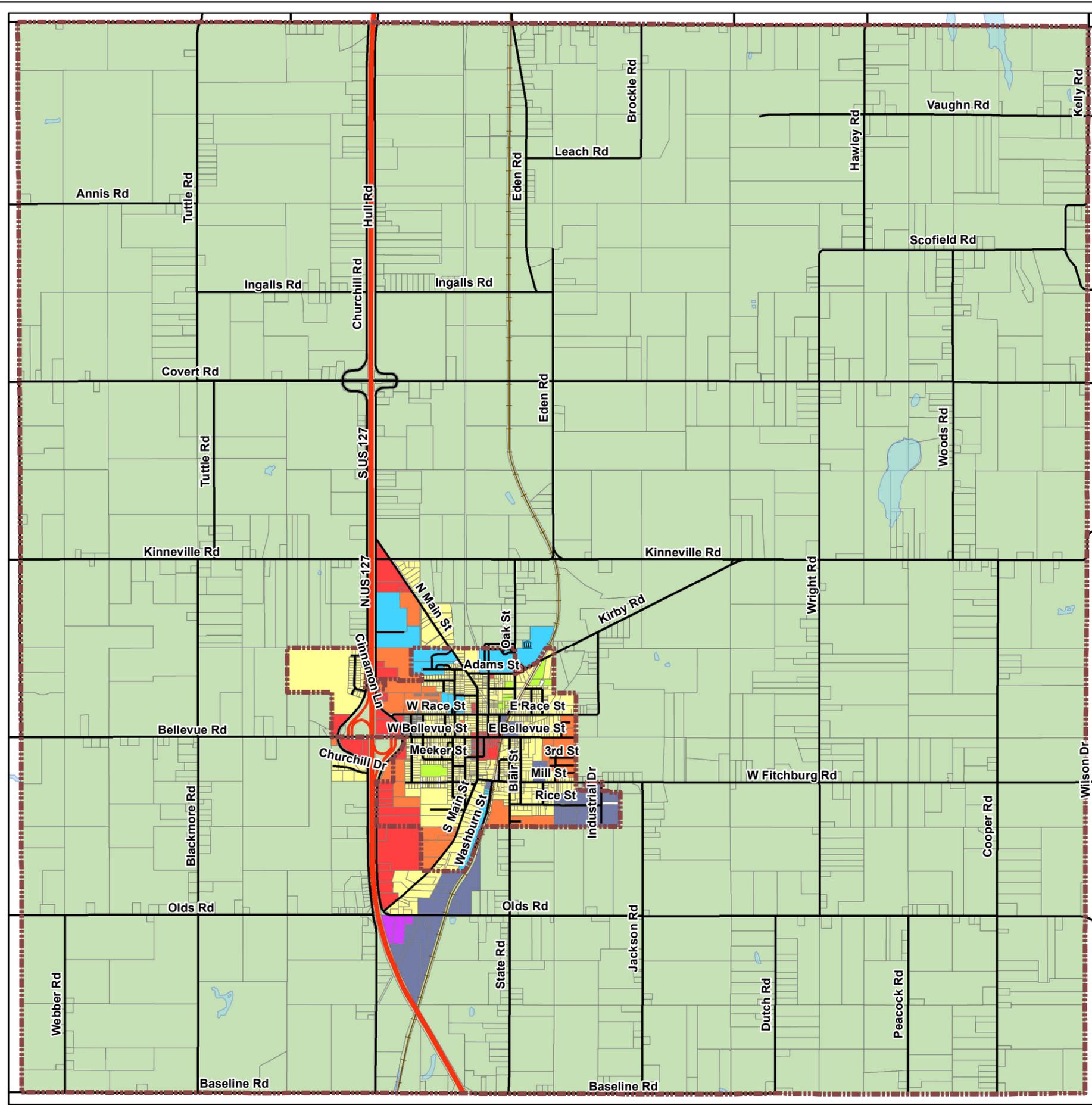
Scale: 1 inch = 850 feet



Leslie Township/City of Leslie Ingham County, Michigan

LEGEND

-  CVT Boundaries
-  State Highway
-  Tax Parcels
-  Road Centerline
-  Lake/Pond
-  Railroad
-  Agriculture
-  QPL Quasi Public/
Public/School
-  Single Family Residential
-  Multi Family/Planned Residential
or Institutional/Cottage
-  Vacant/Urban Dev. Potential
-  Commercial
-  Industrial
-  Office
-  Twp Hall
-  Fire House



Map Date: 04/25/2013
Prepared By River's Edge GIS



Scale: 1 inch = 3,250 feet



River's Edge GIS, LLC
2486 Bravender Road
Williamston, MI 48895

The information provided here is intended for reference purposes only. It was compiled from a variety of available sources with varying degrees of accuracy. It is not a legally recorded map or survey and is not intended to be used as one. Bloomfield Township assumes no responsibility for errors that arise from the use of the data.

Zoning Plan

Agriculture: This classification corresponds to the A-1 Agricultural (A-1) and the Pro-Agricultural (Pro-Ag) Districts in the Leslie Township Zoning Ordinance. Over the long-term planning horizon, there is no land designated as Agriculture on the Future Land Use Map in the City of Leslie with an expectation that land within the city limits will, over time, transition to residential, commercial and industrial uses.

Quasi-Public/Public/School (QPL): This area identifies parcels used for any of the following: a public government office, public or private school, park, library, post office, church or other similar use that is generally accessible to the public whether in public or private ownership. This does not correspond to a specific zoning classification but rather appears on the map as a planning tool to identify pedestrian destinations and public resources.

Single Family Residential: This classification corresponds to the R-1 zoning district in the township and the R-1A one-family low density residential district in the city. The dimensional requirements are different in the two municipalities due to the presence of public sewer and water service in the city. However, the intent of each district is to permit one single-family residential unit on one parcel or lot. In the township, the minimum lot size is one acre with a minimum width of 165 feet. In the city, the minimum lot size is 13,000 square feet with a minimum width of 88 feet.

Multi Family/Planned Residential or Institutional/Cottage: This classification corresponds to the R-2 and R-3 zoning districts in the township and the R-1B medium density residential district and the R-M1 multiple-family residential district in the city. The purpose of this district is to permit a mix of residential uses, including townhouses, row houses, and other multi-family structures, in a platted or planned development at a higher density than the Single Family Residential zone.

In the future, the community may also adopt a mixed use development (MXD) zoning district that can be applied to these areas. An MXD district would expand permitted uses to include compatible commercial and service uses.

Vacant/Urban Dev. Potential: This area identifies parcels that are currently vacant within the city limits and, as a result, have urban development potential. This designation does not correspond to a specific zoning classification. Instead, it appears on the map as a tool to identify locations with the potential for planned or infill development within the city limits. The underlying zoning for many of these parcels is currently agriculture or single-family residential and it is anticipated that the city would respond favorably to a higher density zoning classification in these areas if requested.

Office: This classification corresponds to the B-2 highway service district as it relates specifically to office uses. A specific office district does not currently exist. However, in the future, the city may choose to adopt a more limited office zoning district to serve as a buffer between highway commercial or industrial uses and residential uses. The minimum lot size of 5,000 square feet would likely apply to the new zone. It is not expected that the township will adopt an office zoning district.

Commercial: This classification corresponds to the B-1 general business district and the B-2 highway service district in the city and the B-1 general business district in the township. The dimensional requirements are different in the two municipalities due to the presence of public sewer and water service in the city. However, the intent of each district is to permit a wide range of commercial businesses and institutions to serve neighborhood, the city and the region. In the township, the minimum lot size is one acre with a minimum width of 165 feet. In the city, the minimum lot size is 5,000 square feet with a minimum width of 88 feet. These minimum dimensions are expected to remain in place.

Industrial: This classification corresponds to the M-1 industrial district in the city and the M-1 Industrial district in the township. The city code references the BOCA Building Code for guidance on dimensional requirements but does not establish a minimum lot size. The township zoning ordinance requires a minimum of 1 acre and 165' of frontage.

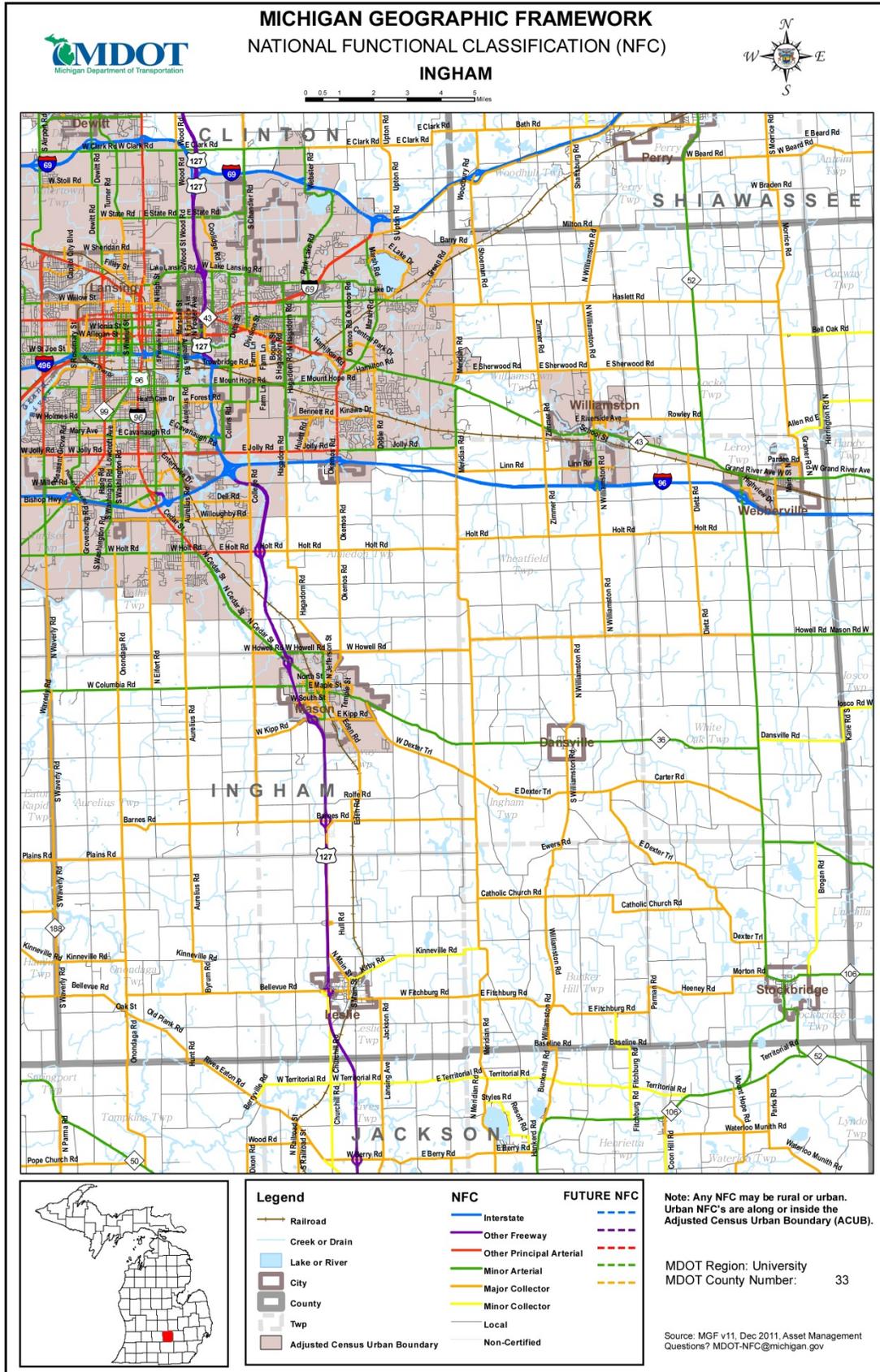
Appendix A: Supporting Technical Information

- **National Functional Classification (NFC) Road System Map**

- **2000 Land Cover Map**

- **Potential Conservation Areas Map**

- **Leslie School District Map**



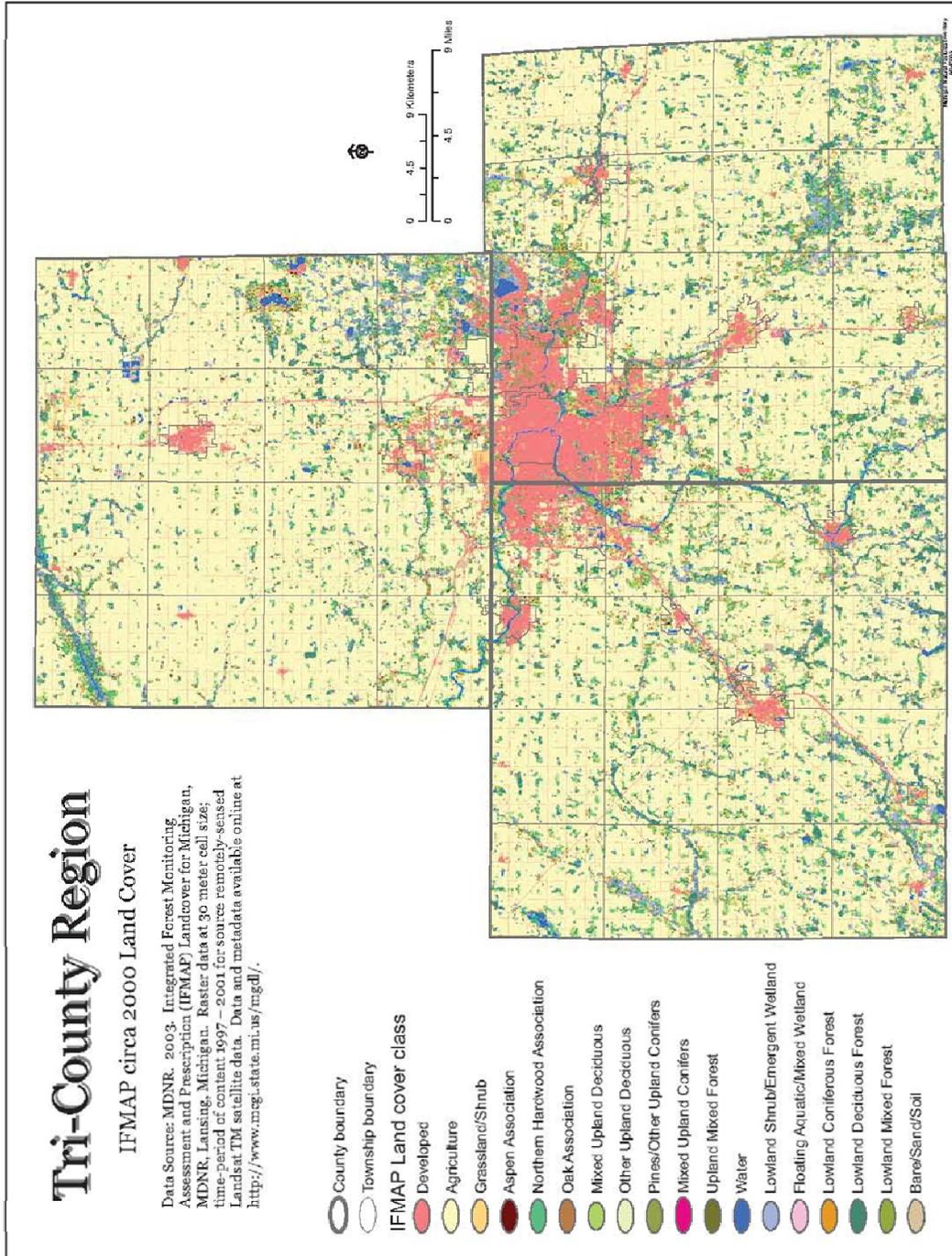


Figure 2. Circa 2000 Land Cover

Significant Natural Features in the Tri-County Region- 7

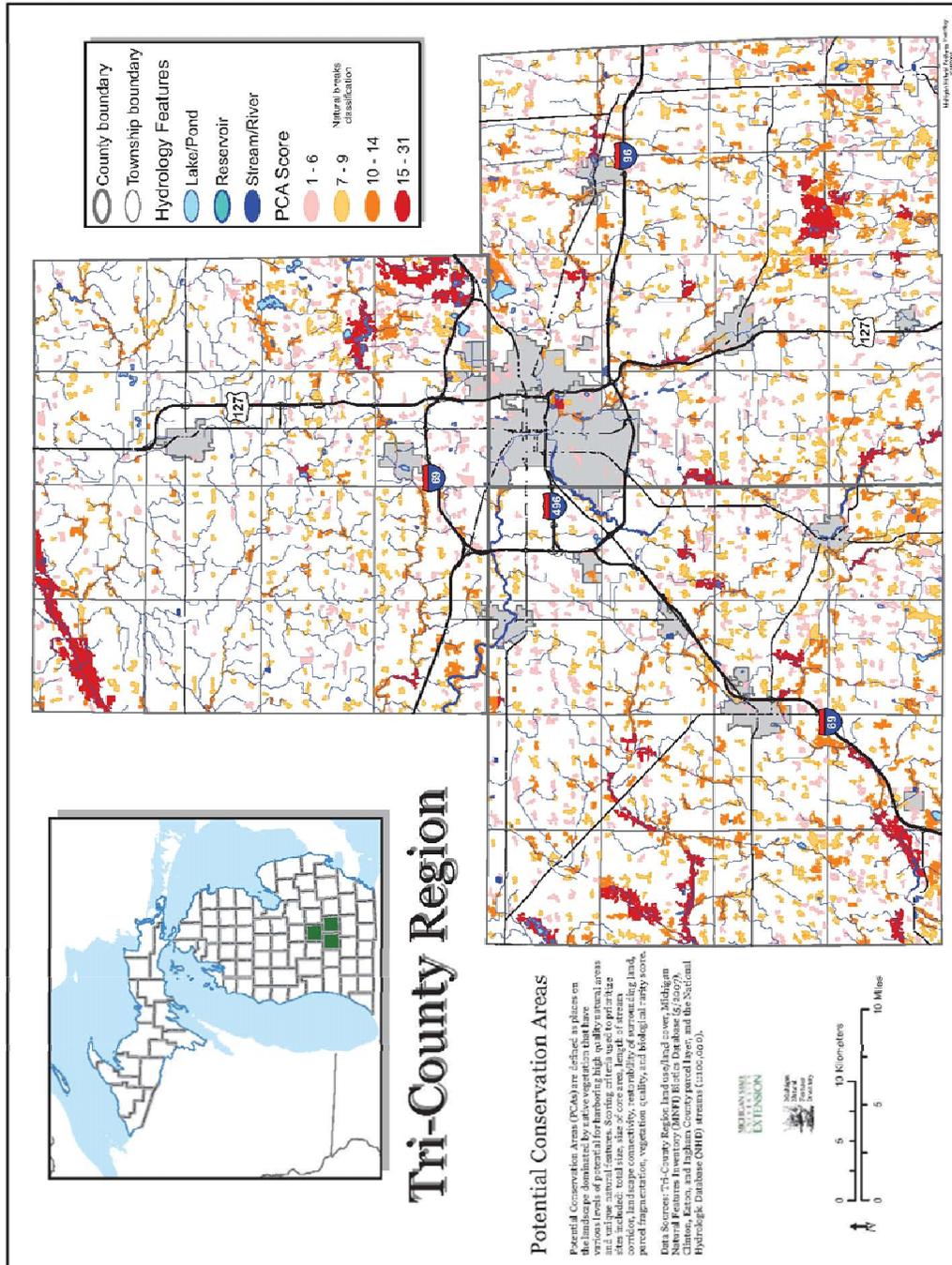
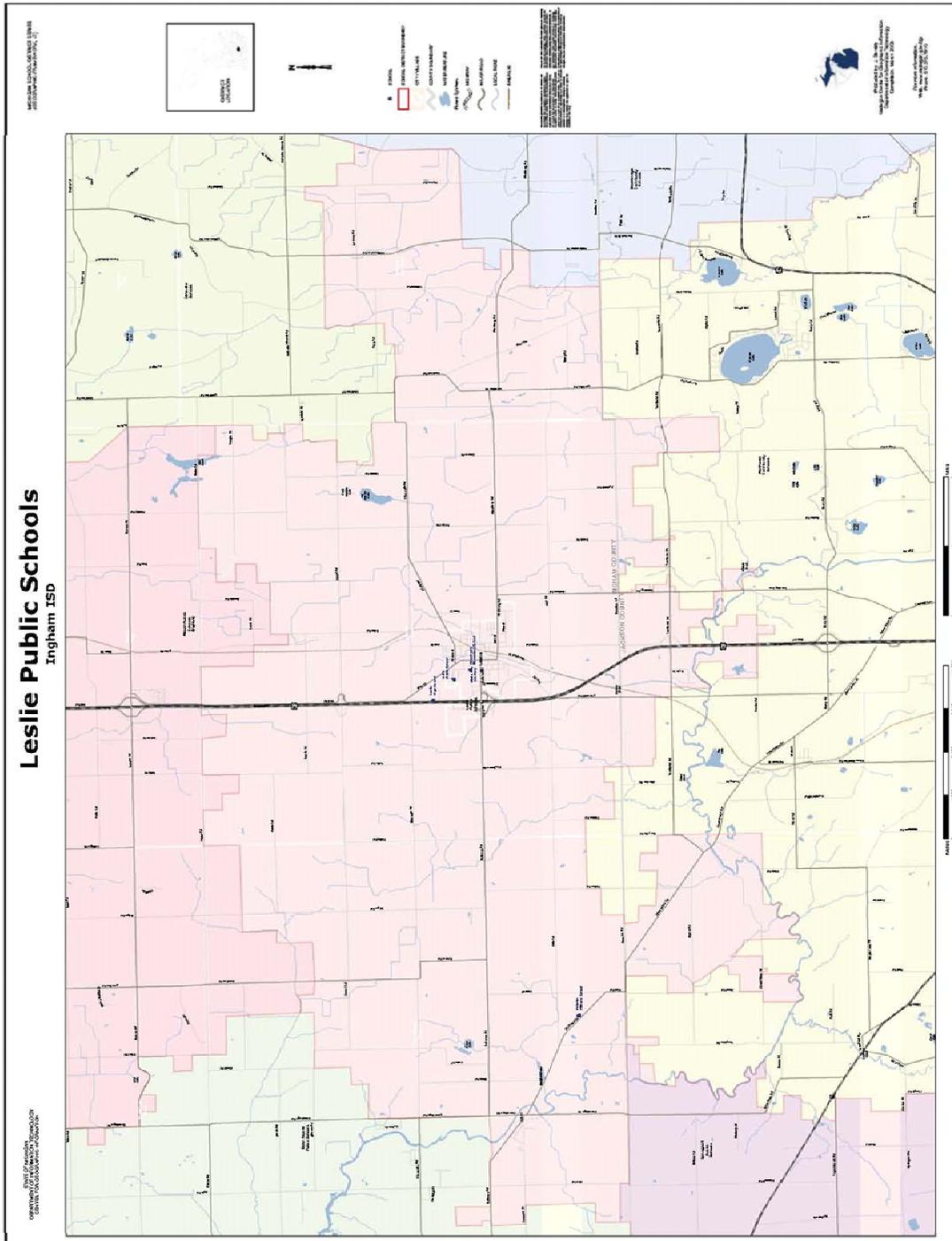


Figure 4. Tri-County Region Potential Conservation Areas

Significant Natural Features in the Tri-County Region- 10



Appendix B: March 19, 2013 Open House

Open House Notice

CITY OF **LESLIE** TOWNSHIP
COMMUNITY

Leslie Community Master Plan Open House Scheduled for March 19th

The City of Leslie and Leslie Township are working together to create a shared community master plan. The two local governments have formed a planning committee to work cooperatively on behalf of each community. The committee has no decision-making authority but will bring a draft master plan back to the respective planning commissions for consideration.

A master plan is a long-term vision for the future and is intended to guide future changes to the zoning ordinance and guide planning and funding decision for public facilities such as parks and roads. The committee would like to share some initial ideas with the community at a Public Open House scheduled for **Tuesday, March 19th at the Leslie Township Hall building at 6:00 pm**. The Leslie Township Hall is located at 4279 Oak Street.

A brief informational presentation will be given upstairs in the meeting room beginning at 6:00 pm and an open house format will follow until 7:30 pm. Light refreshments will be served. Members of the planning committee and the consultant will be available to answer questions and comment forms will be available. A representative from the railroad will also attend.

Open House Sign in sheets (1)

CITY OF LESLIE TOWNSHIP COMMUNITY		
Shared Master Plan Open House March 19, 2013		
Name	Zip Code	Title / Association*
Robert FOGG	49251	Leslie Twp Plan Comm
MIKE STITT	49251	" " " "
Derek Flory	49251	Leslie City Council
Pete Zamora	49251	Mayor City of Leslie
BILL MURZENMAYER	49251	Leslie Planning Comm.
JOE WARREN	49251	Leslie Planning Comm.
JERRY GARFIELD	49251	CITY CITIZEN

* Association: resident, business owner, elected official, etc.

Appendix C: Mailing Affidavits

CITY OF **LESLIE** TOWNSHIP
COMMUNITY

June 20, 2012

Dear Neighbors:

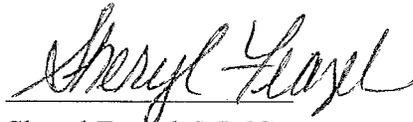
We are writing to inform you that the City of Leslie and Leslie Township are beginning the planning process to create a shared Master Plan for the two communities. The plan will include all of the area in the City and the Township together and will replace both the current master plan for the City and the Township. This communication is required by the Michigan Planning Enabling Act (PA 33 of 2008) and is also good planning practice. We request in advance your cooperation and your comments. We expect the draft plan will be shared with you in the spring when it has been written and approved by the City Council and the Township Board for distribution and review.

It is our intent to share the draft plan, the public hearing announcement and any other associated materials with you electronically. This will be done through a combination of email with attachments or links to website postings. We will also be glad to receive your comments back electronically. If you object to receiving material in an electronic format, please let us know and we will provide the information on paper by first class mail instead.

Sincerely,



Denaë Davenport, CMC
Clerk, City of Leslie
POB 496
Leslie, MI 49251
(517)589-8236
davenportd@cityofleslie.org



Sheryl Feazel, MMC
Clerk, Township of Leslie
POB 577
Leslie, MI 49251
(517)589-8201
sfeazel@cablespeed.com



CLERK
RIVES TOWNSHIP
8335 LANSING
JACKSON, MI 49201

CLERK
TOMPKINS TOWNSHIP
8211 DIXON RD.
RIVES JCT., MI 49277

CLERK
ONONDAGA TOWNSHIP
POB 67
ONONDAGA, MI 49264

CLERK
AURELIUS TOWNSHIP
1939 S. AURELIUS RD.
MASON, MI 48854

CLERK
VEVAY TOWNSHIP
780 S. EDEN RD.
MASON, MI 48854

CLERK
HENRIETTA TOWNSHIP
11120 MUSBACH RD.
MUNITH, MI 49259

CLERK
BUNKERHILL TWP.
CARRIE ZEITZ
3404 BRINDLE CT.
STOCKBRIDGE, MI 49285

CLERK
INGHAM TOWNSHIP
1420 JOHNSON ST. - POB 238
DANSVILLE, MI 48819

CATA Transportation Center (CTC)
420 South Grand Avenue
Lansing, MI 48933

TRI COUNTY REGIONAL PLANNING
913 W. HOLMES
SUITE 201
LANSING, MI 48910

CITY OF **LESLIE** TOWNSHIP
COMMUNITY

June 26, 2013

Dear Neighbors:

The Planning Commissions of the City of Leslie and Leslie Township in Ingham County, Michigan have worked cooperatively to complete a draft Shared Master Plan that provides a 20-year planning vision for the two communities. This letter is being sent to you in accordance with the requirements of Section 41 of the Michigan Planning Enabling Act (Act 33 of 2008), to inform you that the draft Shared Master Plan document and maps are available for review.

The draft Shared Master Plan and associated maps can be viewed and/or downloaded at both the City of Leslie and the Leslie Township websites. The City of Leslie website address is: www.cityofleslie.org. Leslie Township's website address is: www.leslietownship.org. The Leslie City Council and the Leslie Township Board of Trustees authorized this draft to be distributed in accordance with the Act after recommendation by the respective planning commission chairs. Please review the draft document and submit your comments to the City of Leslie and/or Leslie Township. If you have any difficulty accessing the document, please contact Brian Reed at 517-589-8236.

The Act requires you to submit your comments on the draft plan amendment no later than 63 days after the date of this letter. Your comments may be submitted by email to sfeazel@leslietownship.org and davenportd@cityofleslie.org or mailed to Leslie Shared Master Plan, PO Box 496, Leslie, MI 49251.

Sincerely,



Denae Davenport, CMC
Clerk, City of Leslie
POB 496
Leslie, MI 49251
(517)589-8236
davenportd@cityofleslie.org



Sheryl Feazel, MMC
Clerk, Township of Leslie
POB 577
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1420 JOHNSON ST. - POB 238
DANSVILLE, MI 48819

CATA Transportation Center (CTC)
420 South Grand Avenue
Lansing, MI 48933

TRI COUNTY REGIONAL PLANNING
913 W. HOLMES
SUITE 201
LANSING, MI 48910

fe

1577

USA
FIRST-CLASS
FOREVER



Becky Bennett
Ingham County Board of Commissioners
Ingham County Courthouse
P.O. Box 319
Mason, MI 48854

USA
FIRST-CLASS
FOREVER



|||||
Jackson & Lansing Railroad Compa
PO Box 85527
Westland, MI 48185-0527

Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

WOW
C/O ED SESI
2512 LANSING RD.
CHARLOTTE, MI 48813

Appendix D: Public Hearing Record

NOTICE OF PUBLIC HEARING Leslie Township Planning Commission

Notice is hereby given that the Leslie Township Planning Commission will hold a public hearing on Wednesday, September 18, 2013 beginning at 7:00 p.m. at the Township Hall, 4279 Oak Street, Leslie, MI 49251. The purpose of the hearing is to receive comments from interested persons on a proposal by the Planning Commission to adopt an updated Master Plan for Leslie Township.

The updated Leslie Township Master Plan is a Shared Master Plan for Leslie Township and the City of Leslie. It will be adopted by the both communities independently but provides a common vision for the future of the community. The plan includes text, charts, tables, graphs, illustrations and maps that describe the Planning Commission's proposal for Leslie's long-range future development. The updated Master Plan has been prepared under the authority vested in the Planning Commission by the Michigan Planning Enabling Act (PA 33 of 2008). As a part of the Master Plan process, a public open house was held with residents of the Leslie community to present draft ideas and obtain comments regarding the future growth of the Leslie Community.

A Master Plan is a long-range policy plan for land use that helps guide planning commission members and elected officials when making decisions regarding land use development, capital investments, recreation and others that may impact land use development patterns. The Master Plan is not a zoning map and does not change the zoning of individual properties.

A complete draft of the proposed Master Plan may be inspected prior to the hearing at the office of the Township Clerk, 4279 Oak Street, Leslie, MI 49251 during regular business hours. An electronic copy is available on the township's website. Written comments may be sent to the Planning Commission prior to the hearing on paper or electronically to sfeazel@leslietownship.org. Oral comments will be taken during the hearing.

This notice is published pursuant to Michigan Public Act Number 267 of 1976, as amended.

Sheryl Feazel
Leslie Township Clerk

Planning Commission Meeting
Wednesday, September 18, 2013
7:00 p.m.

The meeting was called to order by Chair Dale Ward at 7 p.m.

In attendance were: Marie Charnley, LaVern Eldred, Robert Fogg, Dallas Henney, Jerry Jackson, Fonda Kannawin, Patti Wade, and Dale Ward. Absent was Mike Stitt.

Also in attendance were Jerry Calhoun, Judy Vickers, Todd Eldred, Township resident Randy Chamberlain and from the City Pam Beegle and Sharon Lantz plus Lynn Wilson, consultant.

We said the Pledge of Allegiance.

The minutes of the June, 2013 Planning Commission meeting were approved and the minutes of the Planning Commission meeting September 4th were also approved. Moved by Jackson, 2nd by Fogg, passed with one correction of “cars” not “cats” on the 9/4/13 minutes.

Review of Joint Master Plan with the City of Leslie:

Lynn Wilson, Community Planner with Mead and Hunt, opened by introducing herself to those present and giving a presentation using large maps on an easel for all to see. She noted that she has worked with the joint City and Township planning committee for a year to come up with the Joint Master Plan.

She reviewed the “big picture” ideas of the committee. The plan will be a single document but the Township will adopt the plan independently as will the City.

Wilson presented a map of the vacant land inside the city limits. The City has a lot of vacant acreage within the city limits, probably enough to satisfy growth for at least the next 20 years. The joint planning commission was agreeable to push development within the city limits for a variety of reasons. They also looked at present city zoning. The City has an area on the south side of the City zoned Ag. This is a holding area for future expansion. The committee talked about extending Kimball Street to help with traffic patterns and to increase building areas.

The joint committee looked at 4-5 future plan options. The thought process was to extend growth either north along Hull Road or south along Hull Road/Olds Road and the Railroad tracks. Both the City and Township think it makes sense to protect Agricultural land and Ag businesses. The Township does not want sprawling urban development and the City wants to keep business activity within the City so the joint planning commission was in agreement on those points.

At that, Chair, Dale Ward asked if anyone had questions.

Todd Eldred asked about Future Use Plans. Jerry Jackson asked about the condition of the land along the RR tracks south of the City near Olds Road. Jackson thought it might be a wet-land or low ground. Wilson said it may be low but may not be a wet land.

Dallas Henney said it might be possible in the future to have an exit off US-127 possibly at Olds Road to an Industrial area south of town and noted that the land east and south of the present industrial park is good Ag land so expansion in those directions would not be best to preserve Ag land.

Wilson showed a map with the land in the township in 261. Land in 261 is committed to Ag use but can be transferred. Land in 261 stays capped at the 1994 tax rate.

It was noted that the present Industrial park needs to be developed to its fullest before expansion to the south. There is plenty of area in the City for all types of growth. One of the reasons for moving development north and south of the City is because of the freeway which is a divider.

The **PUBLIC HEARING** was opened. There were no written comments.

Henney commented that it was a very fruitful process and a hope for harmonious activity between the City and Township for the future which was the goal of both entities.

Patti Wade asked about the financial ramifications. Todd Eldred said he and the City Manager are working on financial planning for future plans of the joint planning commission. One policy in the joint plan was a statement to maintain growth in the urban center and maintain rural character in the Township. Any city expansion would be adjacent to the City for a 425 in the future.

The City of Leslie has their public hearing next Wednesday on the Joint Master Plan.

Wade had more comments about financial implications. Henney said that the charge of the committee was land use. The Financial aspect is up to the entities to fund the plan.

Charnley moved to send the joint master plan forward to the Leslie Township Board for approval. Jackson 2nd.

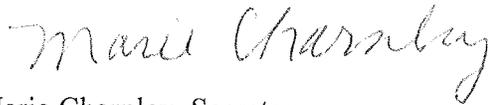
Roll Call Vote. All present planning commission members voted Yes except Stitt who was absent. Motion passed.

Jerry Calhoun mentioned that he sent a letter to the man who wanted to sell cars from his home (see 9-4-13 minutes).

November Leslie Township Planning Commission meeting is Wednesday the 6th at 7 p.m.

Motion to adjourn. Meeting adjourned at 7:58 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Marie Charnley".

Marie Charnley, Secretary

NOTICE OF PUBLIC HEARING

City of Leslie Planning Commission

Notice is hereby given that the City of Leslie Planning Commission will hold a public hearing on Wednesday, September 25, 2013 beginning at 6:00 p.m. at City Hall, 107 E. Bellevue St. Leslie, MI. The purpose of the hearing is to receive comments from interested persons on a proposal by the Planning Commission to adopt an updated Master Plan for the City of Leslie.

The updated City of Leslie Master Plan is a Shared Master Plan for the City of Leslie and Leslie Township. It will be adopted by the both communities independently but provides a common vision for the future. The plan includes text, charts, tables, graphs, illustrations and maps that describe the Planning Commission's proposal for Leslie's long-range future development. The updated Master Plan has been prepared under the authority vested in the Planning Commission by the Michigan Planning Enabling Act (PA 33 of 2008). As a part of the Master Plan process, a public open house was held with residents of the Leslie community to present draft ideas and obtain comments regarding the future growth of the Leslie community.

A Master Plan is a long-range policy plan for land use that helps guide planning commission members and elected officials when making decisions regarding land use development, capital investments, recreation improvements and others that may impact land use development patterns. The Master Plan is not a zoning map and does not change the zoning of individual properties.

A complete draft of the proposed Master Plan may be inspected prior to the hearing at the office of the City Clerk, 106 E. Bellevue St. Leslie, MI 49251 during regular business hours. An electronic copy is available on the city's website. Written comments may be sent to the Planning Commission prior to the hearing on paper or electronically to davenportd@cityofleslie.org. Oral comments will be taken during the hearing.

This notice is published pursuant to Michigan Public Act Number 267 of 1976, as amended.

Denae Davenport
Leslie City Clerk
106 E. Bellevue Street
PO Box 496
Leslie, MI 49251-0496

Leslie City Planning Commission
Minutes of the Regular Meeting conducted Wednesday, September 25, 2013

A regular meeting of the Leslie City Planning Commission was held at 6:00 p.m. on Wednesday, September 25, 2013 at Leslie City Hall, 107 E. Bellevue St., with Chair Muenzenmaier presiding.

1. Meeting called to order at 6:00 p.m.; roll call.

Present: Babin, Muenzenmaier, Valentine, Latter, Lantz, Herendeen

Absent and Excused:

Absent: Williams, Hite, Warren

Also present: City Manager Brian Reed, Councilmember Pam Beegle, Township Supervisor Todd Eldred, Township Clerk Sherry Feazel, Township Treasurer Patti Wade, Township board member Judy Vickers, Dallas Henney, Lynn Wilson from Mead & Hunt, Inc.

Pledge of Allegiance. Chair Muenzenmaier led the Planning Commission in the pledge of allegiance.

2. Review and approve the minutes of the last regular meeting from August 28, 2013.

Motion by Lantz, second by Latter to approve the minutes. All Ayes.

3. Approve the Agenda

Moved by Valentine, seconded by Babin, to approve the agenda. All ayes.

4. Public Comment: None

5. Unfinished Business: None

6. New Business

a. Public Hearing for Shared Master Plan. Chair Muenzenmaier opened the public hearing at 6:03pm. Lynn Wilson gave a brief presentation of the history of the planning effort and the master plan. Dallas Henney spoke on the cooperation between city and township to get this completed. Chair Muenzenmaier closed the public hearing at 6:10pm.

b. Recommend approval of the Shared Master plan. Motion by Valentine, second by Herendeen to recommend approval of the Shared Master Plan to the Leslie City Council. All Ayes.

7. Other Planning Commission Business.

None

8. Announce next meeting date:

Next meeting was scheduled for October 23, 2013 at 6pm.

9. Motion to adjourn the meeting:

Motion by Valentine, seconded by Lantz to adjourn the meeting. All Ayes. Meeting adjourned at 6:20pm.

Respectfully submitted,
Brian Reed, Leslie City Manager



MICHIGAN

Parks and Recreation Master Plan

City of Leslie 2016-2021

Table of Contents

A Letter to the Reader:	3
A. COMMUNITY DESCRIPTION	4
1. Location and Recreation Planning Area.....	4
2. Population	4
3. Age Distribution and Ethnicity.....	5
4. Physical Characteristics	5
5. Sports and Recreation.....	5
B. ADMINISTRATIVE STRUCTURE	6
1. The Role of Boards and Commissions.....	6
2. Parks and Recreation Staff	6
3. Current and Projected Annual Budgets	7
4. The Role of Volunteers and Other Organizations	7
C. RECREATION INVENTORY	8
1. City Park and Recreation Areas	8
2. Regional Facilities	11
3. Accessibility Considerations	11
4. Park and Recreation Grant History.....	11
D. PLANNING AND COMMUNITY PARTICIPATION PROCESS.....	12
1. Comparison to Recreation Standards.....	12
2. Public Input	12
a. Community Survey	12
b. Community Workshop	13
c. Planning Commission Goals and Objectives Meeting	13
3. Plan Review and Comment	13
E. GOALS AND OBJECTIVES.....	14
1. Introduction and Purpose.....	14
2. Goals and Objective Statements	14
F. ACTION PROGRAM	16
1. Purpose and Priorities	16
2. Project Descriptions	16
Appendix	19

City of Leslie

Parks and Recreation Master Plan

2016-2021

City Council

Pete Zamora, Mayor
Randy Fox, Mayor Pro Tem
Pam Beegle
Alison Morrison
Shelly Motes
Jennifer Shuster

Planning Commission

Wayne Babin, Chair
Sharon Lantz
Stan Williams
Adam Layne
Karl Mitchell

Parks and Recreation Committee

Pete Zamora, Mayor
Aaron Desentz, City Manager
Jeff Mantei
Mary Crowl
Judy Vickers
Brandon Hunter

City Administration

Aaron Desentz, City Administrator
Denaé Davenport, City Clerk
Sue Korson, Finance Director/City Treasurer
Rob Antekeier, Director of Public Works
Bob Delamarter, Police Chief
Bruce Howe, Fire Chief

Prepared by: Aaron Desentz, City Manager



THE CITY OF LESLIE

106 E. BELLEVUE • P.O. BOX 496 • LESLIE, MI 49251-0496
PHONE: 517-589-8236 • FAX: 517-589-0156 • WEB SITE: www.cityofleslie.org

A Letter to the Reader:

On behalf of everyone at the City of Leslie, I present to the reader this Parks and Recreation Master Plan. This 5-year plan is designed to coordinate parks and recreation planning within the City of Leslie for years to come. It allows the City staff and Administration to better plan these activities and align them with other City wide goals as well as other financial obligations. Finally, it keeps citizens and the reader informed of the parks and recreation plans for the next five years.

In contrast to the traditional manner of thinking about the management of parks within cities, the National Recreation and Park Association challenges recreation providers to think in terms of cities existing within parks. People do not congregate, recreate, or simply enjoy the outdoors only in park land designated for recreation purposes. They use streets (preferably complete streets with sidewalks and bike lanes), greenways, town squares, plazas, marketplaces, conservation lands, and numerous other areas, both publicly and privately owned. Numerous indoor facilities, again both publicly and privately owned, also serve the public in their desire for recreation and social contact.

Taking this perspective requires thinking and planning beyond the borders of traditional parks to a park system connected by trails, greenways, and other publicly-used spaces. It may also require increased coordination with other public agencies, private businesses, and/or non-profit organizations. This is why the plans contained within this document were developed over a period of almost 2 years and included plans and ideas collected from community wide surveys, workshops, and public input meetings.

The importance of coordinated planning within a community, at a regional level, and among government agencies, private organizations, businesses, and the public is becoming increasingly clear. The potential benefits include better environmental protection; greater efficiency in providing park and recreation opportunities; increased funding sources; greater potential for tapping into new, creative ways of accomplishing recreation goals; and enhancing public support for parks and their financing through millages and other taxing methods.

The following plan has been developed through the Michigan Department of Natural Resources (MDNR) Guidelines for Recreation Plans 2014. Its organization and contents were developed following the required format and contents of that document which includes a community description, a description of the City's administrative structure, a recreation inventory, information on the planning process, community goals and objectives, and an action program. The appendix contains reference material for the reader and coordinates with several provisions of the plan. Each appendix is referenced at points of the plan that are relevant to that sections contents.

While the plan is presented in this form to you the reader, the plan is intended to be a living document. Changes and amendments to the plan will happen as our interests and desires as a community evolve. Please feel free to share your thoughts and ideas with the City staff. We welcome input from the community that this plan is designed to serve.

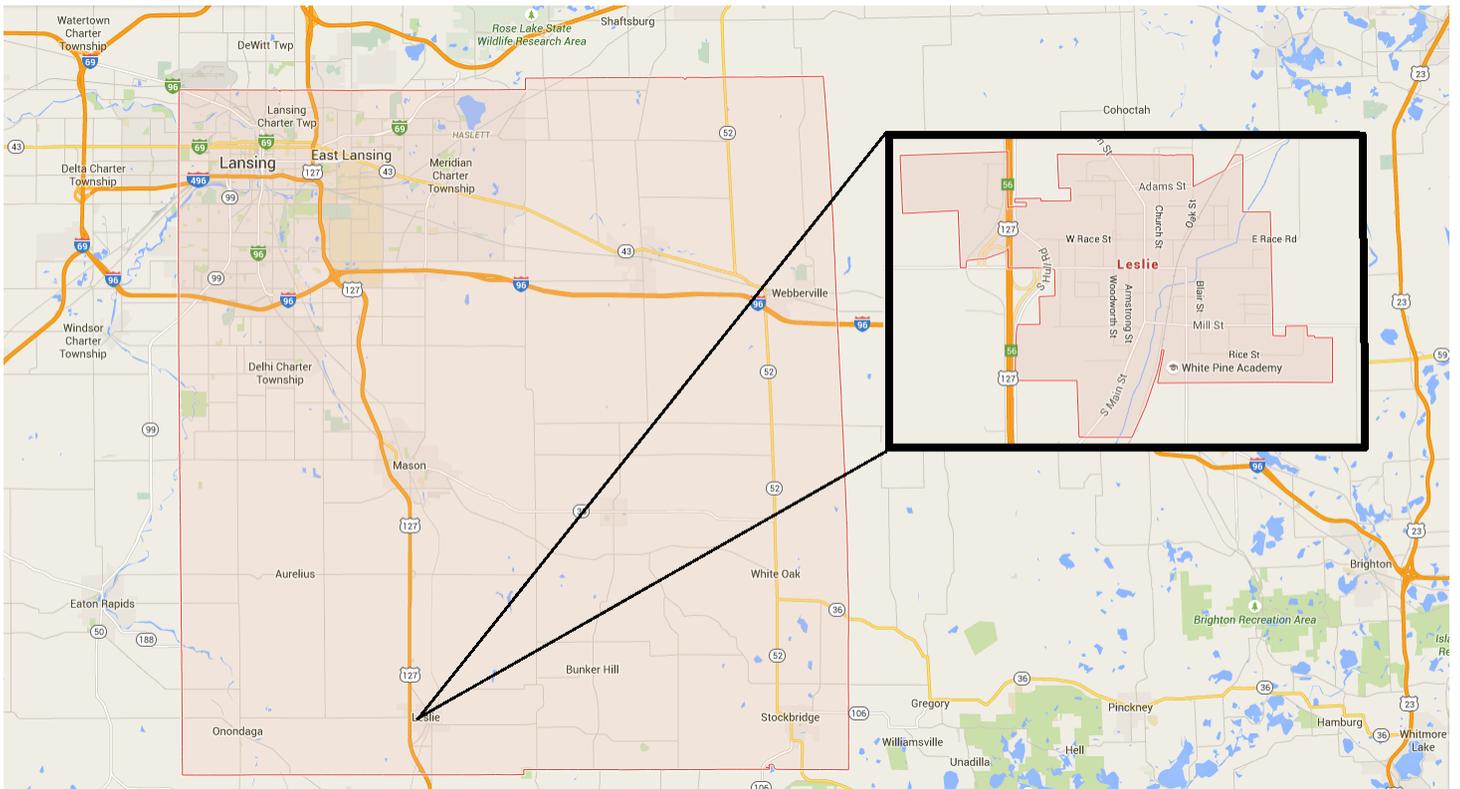
Aaron Desentz
City Manager

A. COMMUNITY DESCRIPTION

1. Location and Recreation Planning Area

The City of Leslie is located just east of US 127 in Ingham County. The city is located 28 miles directly south of Lansing and 17 miles directly north of Jackson. According to the United States Census Bureau, the city has a total area of 1.3 square miles, all land.

The City oversees and plans for all recreation activity within the City owned parks. Maintenance of the parks is assumed by the City. This plan has been created for all parks and recreation within the City limits with special attention paid to planning conducted by close neighboring partners and well as broader regional plans for parks and recreation.



Map provided by Google Maps

2. Population

In earlier plans, the City of Leslie anticipated a significant amount of growth between 2006 and 2016. However, the State of Michigan was hit especially hard by the economic downturn beginning in 2007. As employment in Michigan declined, many people left the state in search of jobs. In 2006, the City's population peaked at 2,310 according to the United States Census Bureau. It is estimated that the population of Leslie in 2016 will be 1,850.

Population projections by Woods and Poole show a steady upward trend through 2040. Those same projections show an increase in the population of Ingham County over the next several decades.

3. Age Distribution and Ethnicity

According to the 2010 census, the median age in the City is 35.7 years. 28.4% of the City's residents are under the age of 18. 61.8% of residents are between the ages of 18 and 64 and 9.6% of the residents are age 65 years and older. The racial makeup of the city is 96.5% White, 0.9% African American, 0.3% Native American, 0.5% Asian, 0.2% from other races, and 1.5% from two or more races. Hispanic or Latino or any race is 2.6% of the population.

4. Physical Characteristics

The City boundaries do not encompass any inland lakes. Huntoon Creek drains from Huntoon Lake and carries water through downtown Leslie and by the Washburn Street Baseball Diamonds. The topography of Leslie is relatively flat with slight shifts in elevation.

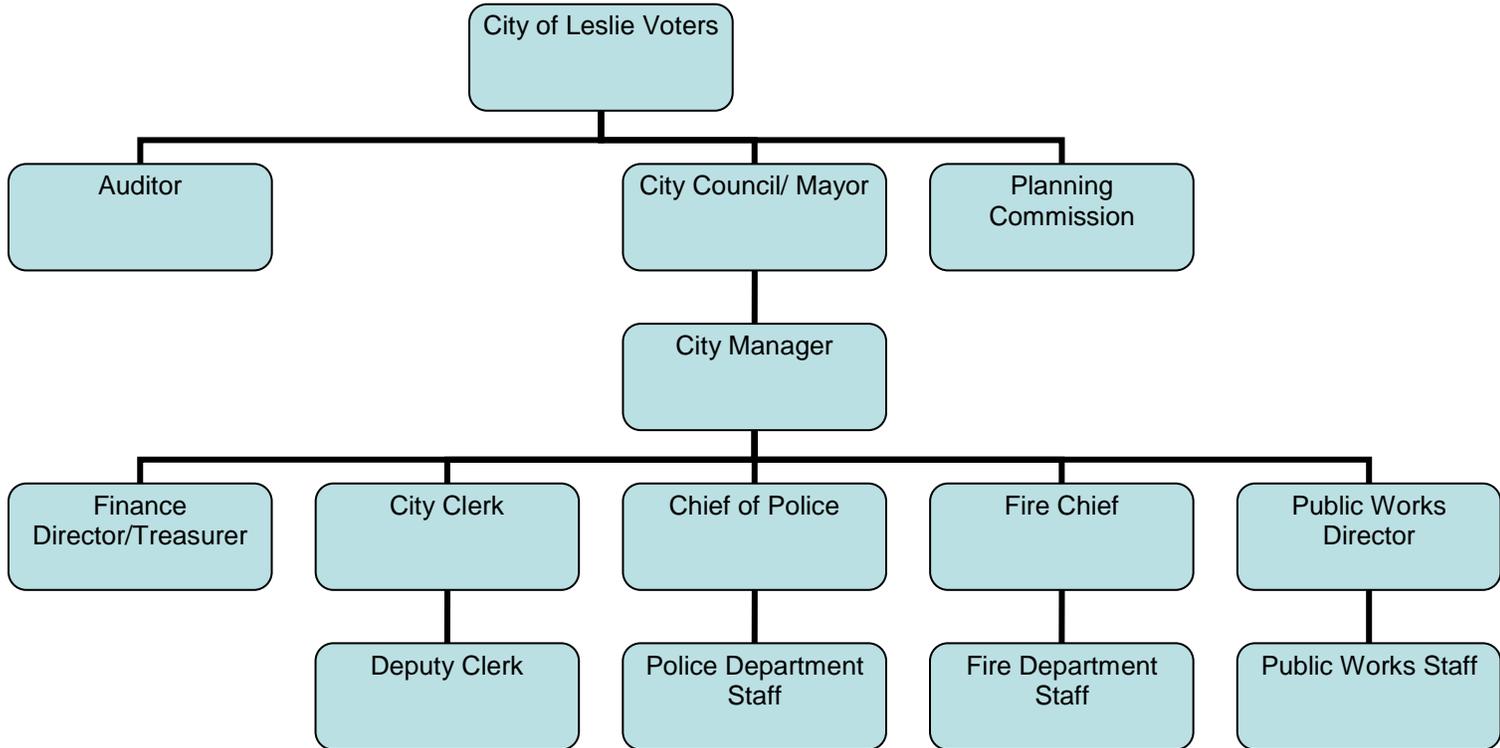
The climate in Leslie is a four-season cycle with the warmest months in June, July, and August and the coldest months in December, January, and February. The spring and fall seasons produce milder average temperatures and lower average precipitation and snowfall.

Leslie is a rural farming and bedroom community with easy highway access to the Lansing and Jackson metropolitan areas. The city has a historic downtown that has seen a number of improvements over the years. Several façade improvement projects and downtown housing projects have kept the downtown looking beautiful. The downtown serves as the local center of commerce for city residents as well as those from surrounding townships.

5. Sports and Recreation

Sporting events are widely celebrated in Leslie. Every year an annual All Sports Festival is held at the high school. Athletes can participate in a number of activities including baseball, soccer, and basketball. Distance running has been prominent in Leslie. The All Sports Festival holds a race every year that runs through the outskirts of the city and finishes on the high school running track. The City also hosts an annual Gus Macker outdoor basketball tournament in July.

B. ADMINISTRATIVE STRUCTURE



1. The Role of Boards and Commissions

Leslie was first settled by Elijah Woodworth in 1836. The name Leslie was adopted officially when a post office was assigned to the area in 1841. Leslie was later incorporated as a village in 1869 and as a city nearly 100 years later in 1968.

The City of Leslie is governed by State of Michigan statutes such as the Michigan Planning Enabling Act (PA 33 of 2008) as well as its own City Charter. The City Council is a seven member board of residents elected at large. The City Council has the ability to make the final determination of all matters of City business. All plans including the Parks and Recreation Plans are voted on by the City Council.

The City of Leslie Planning Commission is created by the City Charter. It is a nine member commission appointed by the Mayor subject to City Council approval. The Planning Commission is an advisory board that considers the different interests of growth and development of the City. Every member of the Planning Commission must be a resident of the City.

2. Parks and Recreation Staff

The City of Leslie does not have a dedicated Parks and Recreation Department. The City has adopted a Council-Manager form of government. The City Manager oversees the day-to-day operations of the City and is responsible for managing the City staff. The City Manager is responsible for the annual City Budget for Parks

and Recreation activities. All grant money authorization and purchases of land are approved by the City Council.

Construction and maintenance of recreation facilities are carried out by the City of Leslie Department of Public Works staff. Recreation activities are held by a number of collaborative partners including volunteer associations and Leslie Public Schools.

3. Current and Projected Annual Budgets

The fiscal year for the City of Leslie starts on July 1st of a given year and lasts until June 30th of the following calendar year. Park and recreation operation, planning, development and maintenance are funded through the annual budget process by the City Council. Recommendations for need for operation, construction or funding assistance are prepared by the City staff for consideration by the Council for inclusion in the budget.

Funding assistance options that have been identified to date include local and regional foundations, Michigan DNR administered grant-in-aid programs such as the Natural Resources Trust Fund, the Land and Water Conservation Fund, and the Recreation Passport Fund. Programs for private purchase involvement for small to medium sized enhancement elements such as pavers, benches, signage, lighting, clocks and memorials are potential recommendations from the City staff.

For fiscal year 2015-2016 the City has budgeted \$54,531 for parks and recreation activities. This money is paid by the General Fund which receives the bulk of its money from property taxes and State revenue sharing.

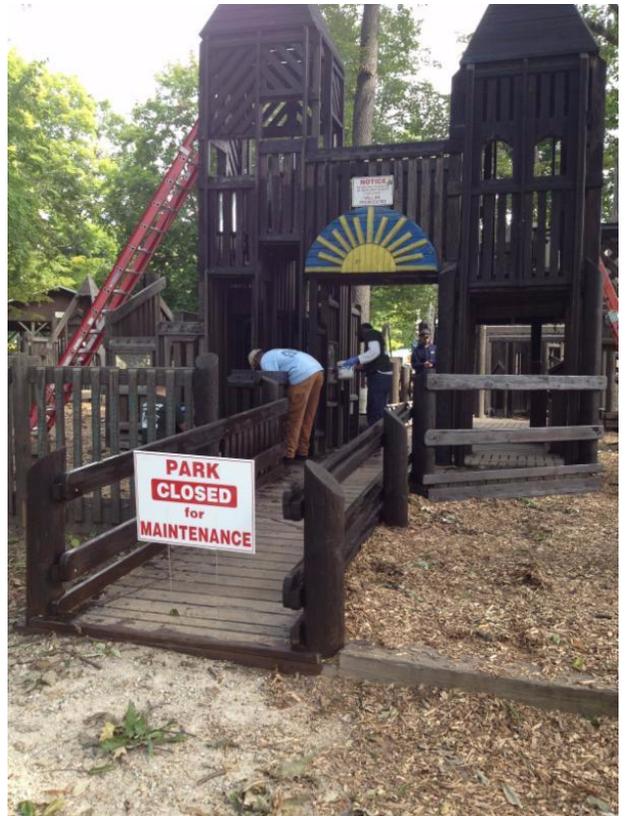
Future revenues for this fund are not expected to change much as operation and maintenance expenditures are not expected to change at a rate higher than inflation.

The City also maintains a Community Pool Fund. In the past, this fund received money from General Fund dollars as well as user fees. However, the community pool was closed in 2015 due to a number of high-cost maintenance issues. The City still budgeted \$10,653 to maintain the closed site.

The City is working on plans for the future development of the pool site. Before the closing of the pool, the expense to keep the program going was between \$52,633 in fiscal year 2013-2014 and \$76,109 in fiscal year 2014-2015.

4. The Role of Volunteers and Other Organizations

Volunteers have always been important to the development of a thriving recreation program. Leslie is fortunate enough to have an active base of volunteers to assist with the development of recreation programming and with the upkeep of parks facilities. Individuals from the City, Township, and School District all work together on a number of recreation opportunities that include baseball and softball tournaments, running and walking events such as



the Fall Festival 5k, the All Sports Festival, the annual Gus Macker in downtown Leslie, and biking events. Annually, representatives from Wow! (a locally operating cable company) volunteer to help with maintenance at various parks.

C. RECREATION INVENTORY

An inventory of the parks, monuments and recreation facilities in Leslie and the surrounding area was conducted by the City staff in 2015. Appendix B Recommended Classification System for Local and Regional Recreation Open Space and Trails, Appendix D – Barrier Free Accessibility Requirements for Parks, and Appendix C – Suggested Facility Development Standards published in the Michigan Department of Natural Resources (MDNR) “Guidelines for Development of Community Park, Recreation, Open Space and Greenway Plans, 2015” are included in this Appendix for reference. The included documents serve as the basis for the terms, classifications and standards for this report. The park and open space areas were evaluated by historical use, plan reviews and on-site physical observation in 2015. The accessibility assessments were conducted in conjunction with the inventory review process.

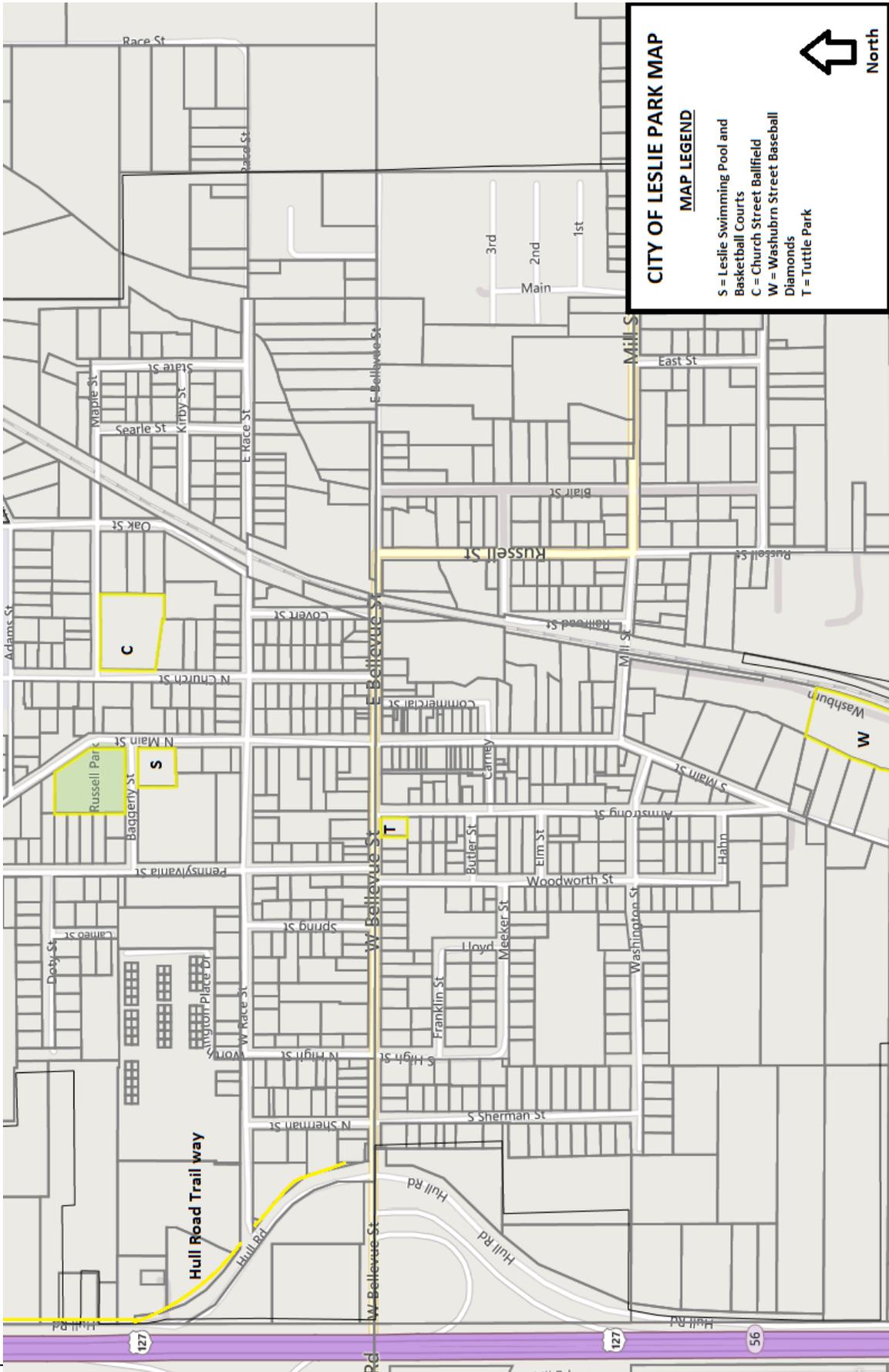
I. City Park and Recreation Areas

- a. Tuttle Park – Approximately 1/3 acre in size. Includes a gazebo built by community volunteers, a veteran’s memorial that was completely rebuilt in 1997, extensive landscaping, and a decorative brick paving in the walk area leading to the gazebo.
- b. Church Street Ball Field – Approximately 2.9 acres in size. Includes two (2) ball diamonds. The area is enclosed by a four (4) foot high fence. The City added fencing around the dugouts in the park in 2015.
- c. Washburn Street Baseball Diamonds – Approximately 5 acres in size. Located south of Mill Street on Washburn Street between the railroad and Huntoon Creek. The area has three (3) baseball fields and a restroom/concession stand building that was built by volunteers of the community. The ball fields have 3 foot high fences around them. There are also two (2) sets of bleachers built by volunteers at the site.
- d. Hull Road Trail Way – The trail way is a 3,100 linear feet of 5 foot wide paved path along Hull Road from Bellevue Street in the city to the high school in the township. It includes a wooden boardwalk with railings that extend 415 feet across low-lying areas through driveway approaches and the shoulder of the road. Maintenance of the trail way is shared between the City, Township, and School.
- e. Swimming Pool – This City is unable to afford extensive maintenance issues and rising capital costs of the pool and in 2015 the Swimming Pool was closed indefinitely. The pool area is 1 acre in size. It includes a bathhouse, swimming pool, diving pool, filter room area, and concession stands.
- f. Basketball Courts – 2 full sized basketball courts located next to the Swimming Pool off of Main Street.



- g. Russell Park – Approximately 2.5 acres in size. Enclosed on three sides with a fence. Includes many mature trees, two (2) picnic pavilions, several picnic tables and BBQ grills, a handicap accessible restroom facility funded and built by the Friends of the Leslie Parks in 1998, and a large wooden playscape built by community volunteers and funded by the MDNR.





2. Regional Facilities

In addition to the local community parks, opportunities for recreation activities are found all around Leslie in the surrounding Township. Noteworthy facilities in Leslie Township include:

- a. Township Hall baseball/softball fields
- b. Township Hall picnic pavilion
- c. Township Hall Community Center
- d. Township Hall playground area

3. Accessibility Considerations

An accessibility assessment was conducted during the park inventory and evaluation process in 2015. The Hull Road Trail Way is easily accessed from the main roads in town and the sidewalks that follow those roads. The trail way is 5 feet wide. Access to the Washburn Street Baseball Diamonds is primarily by car in that no or limited access is provided beyond the parking areas. The Church Street Ball Field has no walks or dedicated parking facilities to evaluate. The following summary ranks the parks in accordance with the accessibility standards ranking, 1-5, listed in the “Guidelines for the Development of Community Park, Recreation, Open Space and Greenway Plans” by the MDNR, 2015, and the 2010 ADA Standards for Accessible Design.

Park Accessibility Assessment Rank

- a. Tuttle Park - 3
- b. Russell Park - 2
- c. Church Street Ball Field - 1
- d. Washburn Street Baseball Diamonds - 2
- e. Hull Road Trail Way - 4
- f. Swimming Pool - 3

4. Park and Recreation Grant History

The City of Leslie has funded two (2) park facilities with grant funds from the Michigan Department of Natural Resources. This includes both Russell Park and the Hull Road Trail Way. Russell Park was partially financed by the MDNR Bond Fund. The Hull Road Trail Way was partially funded by the Clean Michigan Initiative. All parks are subject of routine maintenance. All surveys requesting information have been returned to the DNR at this time.

D. PLANNING AND COMMUNITY PARTICIPATION PROCESS

1. Comparison to Recreation Standards

Planning for quality of life matters such as open space and recreation can involve a variety of methodologies and approaches. Methodologies can range from empirical standards that are based on the number of facilities as a perceived national or regional average minimum necessary to provide adequate opportunities for a given population to very complex regional demographic analysis that extrapolates current use, needs and trend bias with local income and life style to formulate population specific standards. This five-year plan is using the Appendix C – Suggested Facility Development Standards, included in the Appendix and as adapted by the MDNR, as the basis for the 5-year Parks and Recreation Master Plan.

2. Public Input

Public input was requested and encouraged in combination by the City Council, City Administration, and by the Planning Commission. This activity has developed interaction and cooperation from community stakeholders and leaders. The City staff made every effort to elicit feedback from the general public. This has included a widely publicized survey distributed to both the general public as well as school children, a community workshop to further discuss feedback received from the community survey, discussion and input solicitation on goals and objectives at a regularly scheduled Planning Commission meeting, and the distribution of the draft Parks and Recreation Plan at key high traffic areas in the community.

Below is a list of the means that the City has elicited public input. The City has made every effort to communicate the availability of such methods of input by:

- Postings at high traffic areas in the community
- Newspaper postings
- Notifications posted on the City website
- Updates to the City Facebook page
- Direct marketing on television via the City cable access channel

a. Community Survey

A community survey was conducted in 2014. The survey was well received which gave the community a good response rate. The responses indicated that the feedback is well representative of the community. The survey was administered to both general residents as well as children attending the Leslie School system.

The results of the survey established the following priorities, preferences and needs.

a. General Direction:

- People use the pool and people want the pool reopened.
- Provide greater pedestrian and bike accesses throughout the City and connect to regional trails.

b. Most Used Parks:

- Most used parks by rank order Russell Park, the Swimming Pool, and the Basketball Courts.

c. Biggest Deficiencies:

- Many people were disappointed when the City closed the Swimming Pool. When asked what should be done with the site, many people indicated reopening the site as a pool.

d. Preferred Types of Development:

- Fixing and upgrading the Swimming Pool.
- Walking and biking trails development.
- Development of soccer fields.
- Upgrades to Leslie Public Schools recreational facilities.

e. Least Favored Development:

- Snowshoeing
- Snowmobiling

A copy of the 2014 Recreational Survey with the results is included in Appendix D.



b. Community Workshop

A community workshop was conducted on September 22nd 2015 at the Swimming Pool and Russell Park locations. The event was widely publicized through public meeting posting, newsletters, and on cable television.

The workshop was conducted in order to investigate feedback from the community survey. The workshop started a community wide conversation on the future of the Swimming Pool as well as the development of Russell Park. These two sites were chosen as they are the most widely used sites in the Leslie Community Parks system as shown in the 2014 survey. Attendees also gave their opinion on a variety of other parks and recreation issues within the City. A synopsis of this community workshop is found in Appendix E.

c. Planning Commission Goals and Objectives Meeting

Following the Community Workshop, the City publicized the next regularly scheduled Planning Commission meeting to generate discussion linking the goals and objectives of the parks and recreation system to the current City assets. The meeting was held on September 23rd, 2015. Attendees discussed the feedback received from the 2014 survey as well as the Community Workshop. A copy of the minutes from that meeting are found in Appendix F.

3. Plan Review and Comment

Park planning, individual park plans and the interactive review, input and comment process have produced this five-year Parks and Recreation Master Plan. This draft of the proposed five-year plan has been made for review from October 28th, 2015 until the December 1st meeting of the City Council. A public hearing will be conducted on that day to gather public input on the proposed plan.

E. GOALS AND OBJECTIVES

1. Introduction and Purpose

Goals are broad statements that the community identified as important to imperative considerations for the enhancement and development of the quality of life and opportunities for recreation throughout the community and region. The goals primarily address the needs of the community at large, but because of the needs of surrounding communities, also consider and provide enhanced facilities and programs that generally includes a portion of the population outside of the City of Leslie.

Objectives are specific responses to the stated goals and provide actions that will begin to achieve all or portions of those goals. Neither the goals nor objectives are stated in a specific order of priority or need; they are all considered sufficiently important that the execution or implementation of all or any portion of them is appropriate and necessary to the achievement of the overall purpose and need for quality of life leisure time activities.

The goals were developed as a product of all of the input received during the planning process. These goals are centered around three (3) main principals: service delivery, accessibility, and sustainability. These three principals align with the goals, policies and actions of our Leslie Community Shared Master Plan (2013). Leslie 2040: “Our goal is to be a connected, welcoming and growing community. We will implement design standards that promote human interaction including quality public spaces, parks and trails, and sidewalks.”

The three guiding principles of service delivery, accessibility, and sustainability were developed from this goal. Below are the three guiding principles as stated as stated in our community goals, followed by a list of objectives to help meet that goal:

2. Goals and Objective Statements

To deliver outstanding recreational opportunities for everyone in the Leslie community.

Objective: Develop and tie in the current City walkable routes system to the Ingham County and Jackson County trails systems.

Objective: Explore options and develop a plan for a site to construct a community band shell.

To remove all barriers in order to guarantee that City recreation opportunities can be enjoyed by all members of the community.

Objective: Pave all walkways within Russell Park to meet ADA universal access standards.

Objective: Create a route that people with disabilities can use to access the Washburn Street Baseball Diamonds.

Objective: Develop a new accessible route at the Church Street Ballfields that will connect to the sidewalk along Church Street.

Objective: Create a barrier free means of access to our community Basketball Courts.

Implement sustainable practices to keep our promise of outstanding recreation opportunity for future generations.

Objective: Develop sound maintenance standards for the preservation of parks infrastructure.

Objective: Explore all financial opportunities that the City may take advantage of in order to assist in keeping our promise to members of the community in delivering top notch recreational opportunities.

Objective: Market the importance and availability of recreation activities to the greater community.

Objective: Form volunteer groups that will assist in maintaining the beauty and quality of our parks system.

F. ACTION PROGRAM

1. Purpose and Priorities

The Action Program is a statement of the actions to be taken in the upcoming years to implement key improvement/enhancement projects identified in the community Goals and Objectives Statements. It describes specific projects and how and when those projects are anticipated to be implemented. The projects are also listed and included in the City of Leslie Capital Improvements Plan to align the City parks and recreation plans with financial restrictions and to balance future parks and recreation projects with other projects funded through General Fund dollars. The projects are not presented in any rank or priority order and are all to be considered necessary and of high priority for implementation as are all of the projects listed in the Goals and Objectives.

2. Project Descriptions

The anticipated five year Action Program includes, but is not limited to, the following projects.

Objective: Develop and tie in the current City walkable routes system to the Ingham County and Jackson County trails systems.

- Work with area partners including the Ingham County Parks Department, Jackson County Parks Department, Michigan Trails & Greenways Alliance, and the Tri County Regional Planning Commission in the development of a connected inter-county trail system.
- Create a strategic trail plan that will detail the best means for the City to develop its own walkable routes and connect into the trails and walkways of neighboring jurisdictions.
- Construct a connected walkway/trailway system as outlined in the strategic trail plan.



Objective: Explore options and develop a plan for a site to construct a community band shell.

- Develop a list of strategic locations that will best fit the need for a community band shell.
- Engage property owners in discussion regarding the acquisition of property for a community band shell.
- Acquire property and construct a community band shell.

Objective: Pave all walkways within Russell Park to meet ADA universal access standards.

- Develop site plans for the walkways and play surfaces in Russell Park.
- Construct walkways and play surfaces that will meet ADA universal access standards.

Objective: Create a route that people with disabilities can use to access the Washburn Street Baseball Diamonds.

- Develop site plans for the Washburn Street Baseball Diamonds to adapt the area for ADA universal access standards.
- Construct access routes according to developed plans.



Objective: Develop a new accessible route at the Church Street Ballfields that will connect to the sidewalk along Church Street.

- Develop site plans for the Church Street Ballfields that will allow access from the currently existing sidewalk along the ballfields to other areas of the park.
- Construct access routes according to developed plans.

Objective: Create a barrier free means of access to our community Basketball Courts.

- Construct a concrete connector from the current sidewalk along the basketball courts to the courts.

Objective: Develop sound maintenance standards for the preservation of parks infrastructure.

- Internally assess current maintenance standards of parks infrastructure.
- Develop a more efficient means of conducting maintenance through coordination and collaboration with local volunteer groups and community partners.
- Engage staff in discussion on how we might improve our maintenance and upkeep measures.



Objective: Explore all financial opportunities that the City may take advantage of in order to assist in delivering our promise to members of the community in providing outstanding recreational opportunities.

- Familiarize office staff and attend training on the various Michigan Department of Natural Resources grant resources.
- Explore all forms of grant sources and develop a calendar of grant cycles.

- Engage community partners in discussion on collaborative opportunities.

Objective: Market the importance and availability of recreation activities to the greater community.

- Utilize multiple methods of communication such as newspaper posting, mailers, e-newsletters, social media, website posting, fliers, and other methods to inform the community of the parks and recreation opportunities and projects that are happening in Leslie.

Objective: Form volunteer groups that will assist in maintaining the beauty and quality of our parks system.

- Conduct community meetings and solicit volunteers to help maintain a bright and beautiful future for the parks system.



Appendix A – Reserved

Appendix B – A Recommended Classification System for Local and Regional Recreation,
Open Space and Trails

Appendix C – Suggested Facility Development Standards

Appendix D – 2014 Community Recreation Survey

Appendix E – Memorandum on Community Workshop on the Leslie Community Pool and
the City Parks and Recreation System

Appendix F – September 23rd Planning Commission Meeting Minutes

Appendix A

(Reserved)

Appendix B

A Recommended Classification System for Local and Regional Recreation, Open Space and Trails

Appendix B. A Recommended Classification System for Local and Regional Recreation Open Space And Trails

Classification	General Description	Location Criteria	Size Criteria	Acres / 1,000 Population
Mini-Park	Used to address limited, isolated or unique recreational needs.	Less than ¼ mile distance in residential setting.	Between 2500 sq. ft. and one acre in size.	0.25 to 0.5 A
Neighborhood Park	Neighborhood park remains the basic unit of the park system and serves as the recreational and social focus of the neighborhood. Focus is on informal active and passive recreation.	¼- to ½-mile distance and uninterrupted by non-residential roads and other physical barriers.	5 acres is considered minimum size. 5 to 10 acres is optimal.	1.0 to 2.0 A
School-Park	Depending on circumstances, combining parks with school sites can fulfill the space requirements for other classes of parks, such as neighborhood, community, sports complex and special use.	Determined by location of school district property.	Variable-depends on function.	Variable
Community Park	Serves broader purpose than neighborhood park. Focus is on meeting community-based recreation needs, as well as preserving unique landscapes and open spaces.	Determined by the quality and suitability of the site. Usually serves two or more neighborhoods and ½ to 3 mile distance.	As needed to accommodate desired uses. Usually between 30 and 50 acres.	5.0 to 8.0 A
Large Urban Park	Large urban parks serve a broader purpose than community parks and are used when community and neighborhood parks are not adequate to serve the needs of the community. Focus is on meeting community-based recreational needs, as well as preserving unique landscapes and open spaces.	Determined by the quality and suitability of the site. Usually serves the entire community.	As needed to accommodate desired uses. Usually a minimum of 50 acres, with 75 or more acres being optimal.	Variable.
Natural Resource Areas	Lands set aside for preservation of significant natural resources, remnant landscapes, open space, and visual aesthetics/buffering.	Resource availability and opportunity.	Variable.	Variable.

APPENDIX B. (continued)

Classification	General Description	Location Criteria	Size Criteria	Acres / 1,000 Population
Regional / Metropolitan Park	Land set aside for preservation of natural beauty or environmental significance, recreation use or historic or cultural interest use.	Located to serve several communities within 1 hour driving time.	Optimal size is 200+ acres, but size varies based on accommodating the desired uses.	5.0 to 10.0 A
Greenways	Effectively tie park system components together to form a continuous park environment.	Resource availability and opportunity.	Variable.	Variable.
Sports Complex	Consolidates heavily programmed athletic fields and associated facilities to larger and fewer sites strategically located throughout the community.	Strategically located community-wide facilities.	Determined by projected demand. Usually a minimum of 25 acres, with 40 to 80 acres being optimal.	Variable.
Special Use	Covers a broad range of parks and recreation facilities oriented toward single- purpose use.	Variable-dependent on specific use.	Variable.	Variable.
Private Park/ Recreation Facility	Parks and recreation facilities that are privately owned yet contribute to the public park and recreation system.	Variable-dependent on specific use.	Variable.	Variable.

APPENDIX B. (continued)			
Classification	General Description	Description of each type	Acres / 1,000 Population
Park Trail	Multipurpose trails located within greenways, parks and natural resource areas. Focus is on recreational value and harmony with natural environment.	<ul style="list-style-type: none"> • Type I: Separate/single-purpose hard-surfaced trails for pedestrians or bicyclists / in-line skaters. • Type II: Multipurpose hard-surfaced trails for pedestrians and bicyclists/in-line skaters. • Type III: Nature trails for pedestrians. May be hard or soft-surfaced. 	Variable.
Connector Trails	Multipurpose trails that emphasize safe travel for pedestrians to and from parks and around the community. Focus is as much on transportation as it is on recreation.	<ul style="list-style-type: none"> • Type I: Separate/single-purpose hard-surfaced trails for pedestrians or bicyclists / in-line skaters <u>located in independent r.o.w. (e.g., old railroad r.o.w.)</u>. • Type II: Separate/single-purpose hard-surfaced trails for pedestrians or bicyclists/in-line skaters. <u>Typically located within road r.o.w.</u> 	Variable.
On-Street Bikeways	Paved segments of roadways that serve as a means to safely separate bicyclists from vehicular traffic.	<p>Bike Route: Designated portions of the roadway for the preferential or exclusive use of bicyclists.</p> <p>Bike Lane: Shared portions of the roadway that provide separation between motor vehicles and bicyclists, such as paved shoulders.</p>	Variable.
All-Terrain Bike Trail	Off-road trail for all-terrain (mountain) bikes.	Single-purpose loop trails usually located in larger parks and natural resource areas.	Variable.
Cross-Country Ski Trail	Trails developed for traditional and skate-style cross-country skiing.	Loop trails usually located in larger parks and natural resource areas.	Variable.
Equestrian Trail	Trails developed for horseback riding.	Loop trails usually located in larger parks and natural resource areas. Sometimes developed as multipurpose with hiking and all-terrain biking where conflicts can be controlled.	Variable.

Adapted From:

Lancaster, R. A., Ed. Recreation, Park and Open Space Standards and Guidelines. Alexandria, VA: National Recreation and Park Association, 1983.

Mertes, J. D. and J. R. Hall. Park, Recreation, Open Space and Greenway Guidelines. Alexandria, VA: National Recreation and Park Association, 1995.

Appendix C

Suggested Facility Development Standards

Appendix C. Suggested Facility Development Standards

ACTIVITY/ FACILITY	RECOMMENDED SPACE REQUIREMENTS	RECOMMENDED SIZE AND DIMENSIONS	RECOMMENDED ORIENTATION	NO. OF UNITS PER POPULATION	SERVICE RADIUS	LOCATION NOTES
BADMINTON	1620 sq. ft.	Singles - 17' x 44' Doubles - 20' x 44' with 5' unobstructed area on all sides.	Long axis north-south.	1 per 5000	¼ - ½ mile	Usually in school, recreation center or church facility. Safe walking or biking access.
BASKETBALL 1. YOUTH	2400-3036 sq. ft.	46'-50' x 84'	Long axis north-south.	1 per 5000	¼ - ½ mile	Same as badminton. Outdoor courts in neighborhood and community parks, plus active recreation areas in other park settings.
2. HIGH SCHOOL	5040-7280 sq. ft.	50' x 84'				
3. COLLEGIATE	5600-7980 sq. ft.	50' x 94' with 5' unobstructed space on all sides.				
HANDBALL (3-4 WALL)	800 sq. ft. for 4- wall. 1000 for 3-wall	20' x 40' - Minimum of 10' to rear of 3-wall court. Minimum 20' overhead clearance.	Long axis north-south. Front wall at north end.	1 per 20,000	15-30 minute travel time	4-wall usually indoor as part of multi- purpose facility. 3- wall usually outdoor in park or school setting.
ICE HOCKEY	22,000 sq. ft. including support area.	Rink 85' x 200' (minimum 85' X 185'. Additional 5000 sq. ft. support area).	Long axis north-south if outdoors.	Indoor- 1 per 100,000. Outdoor- depends on climate	½ - 1 hour travel time	Climate important consideration affecting number of units. Best as part of multi-purpose facility.
TENNIS	Minimum of 7,200 sq. ft. single court. (2 acres for complex.)	36' x 78'. 12' clearance on both sides; 21' clearance on both ends.	Long axis north-south.	1 court per 2000	¼ - ½ mile	Best in batteries of 2- 4. Located in neighborhood/ community park or near school site.
VOLLEYBALL	Minimum of 4,000 sq. ft.	30' x 60'. Minimum 6' clearance on all sides.	Long axis north-south.	1 court per 5000	½ - 1 mile	Same as other court activities (e.g., badminton, basketball, etc.).
BASEBALL 1. OFFICIAL	3.0-3.85 A minimum	<ul style="list-style-type: none"> • Baselines-90' Pitching distance-60.5' Foul lines-min. 320' Center field-400'+ • Baselines-60' Pitching distance-46' Foul lines-200' Center field-200' - 250' 	Locate home plate so pitcher throwing across sun and batter not facing it. Line from home plate through pitcher's mound to run east-northeast.	1 per 5000	¼ - ½ mile	Part of neighborhood complex. Lighted fields part of community complex.
2. LITTLE LEAGUE	1.2 A minimum			Lighted- 1 per 30,000		
FIELD HOCKEY	Minimum 1.5A	180' x 300' with a minimum of 10' clearance on all sides.	Fall season-long axis northwest to southeast. For longer periods, north to south.	1 per 20,000	15-30 minutes travel time	Usually part of baseball, football, or soccer complex in community park or adjacent to high school.

ACTIVITY/ FACILITY	RECOMMENDED SPACE REQUIREMENTS	RECOMMENDED SIZE AND DIMENSIONS	RECOMMENDED ORIENTATION	NO. OF UNITS PER POPULATION	SERVICE RADIUS	LOCATION NOTES
FOOTBALL	Minimum 1.5A	160' x 360' with a minimum of 6' clearance on all sides.	Same as field hockey.	1 per 20,000	15-30 minutes travel time	Same as field hockey.
SOCCER	1.7 to 2.1A	195' to 225' x 330' to 360' with a 10' minimum clearance on all sides.	Same as field hockey.	1 per 10,000	1-2 miles	Number of units depends on popularity. Youth soccer on smaller fields adjacent to schools or neighborhood parks.
GOLF-DRIVING RANGE	13.5A for minimum of 25 tees	900' x 690' wide. Add 12' width for each additional tee.	Long axis southwest/northeast with golfer driving toward northeast.	1 per 50,000	30 minutes travel time	Part of golf course complex as a separate unit. May be privately operated.
1/4-MILE RUNNING TRACK	4.3A	Overall width-276' length-600' Track width for 8 to 4 lanes is 32'.	Long axis in sector from north to south to northwest/southeast with finish line at northerly end.	1 per 20,000	15-30 minutes travel time	Usually part of high school or community park complex in combination with football, soccer, etc.
SOFTBALL	1.5 to 2.0A	Baselines-60' Pitching distance-45' (men) - 40' (women). Fast pitch field radius from plate-225' between foul lines. Slow pitch-275' (men) - 250' (women).	Same as baseball.	1 per 5,000 (if also used for youth baseball)	1/4- to 1/2- mile	Slight difference in dimensions for 16" slow pitch. May also be used for youth baseball.
MULTIPLE RECREATION COURT (BASKETBALL, VOLLEYBALL, TENNIS)	9,840 sq. ft.	120' x 80'	Long axis of courts with primary use north-south.	1 per 10,000	1-2 miles	In neighborhood or community parks.
TRAILS	N/A	Well defined head. Capacity- Rural trails 40 hikers/day/ mile. Urban trails-90 hikers/day/mile.	N/A	1 system per region	N/A	
ARCHERY RANGE	Minimum 0.65A	300' length x minimum 10' between targets. Roped clear space on sides of range. Minimum of 30' clear space behind targets. Minimum of 90' x 45' with bunker.	Archer facing north + or - 45 degrees.	1 per 50,000	30 minutes travel time	Part of a regional/metro park complex.
COMBINATION SKEET AND TRAP FIELD (8 STATION)	Minimum 30A	All walks and structures occur within an area approximately 130' wide by 115' deep. Minimum cleared area is contained within two superimposed	Center line of length runs northeast/southwest with shooter facing northeast.	1 per 50,000	30 minutes travel time	Part of a regional/metro park complex.

ACTIVITY/ FACILITY	RECOMMENDED SPACE REQUIREMENTS	RECOMMENDED SIZE AND DIMENSIONS	RECOMMENDED ORIENTATION	NO. OF UNITS PER POPULATION	SERVICE RADIUS	LOCATION NOTES
		segments with 100-yard radii (4 acres). Shot-fall danger zone is contained within two superimposed segments with 300-yard radii (36 acres).				
GOLF 1. PAR 3 (18-HOLE) 2. 9-HOLE STANDARD 3. 18-HOLE STANDARD	<ul style="list-style-type: none"> • 50-60A • Minimum 50A • Minimum 110A 	<ul style="list-style-type: none"> • Average length varies- 600-2700 yards • Average length 2250 yards • Average length 6500 yards 	Majority of holes on north-south axis.	<ul style="list-style-type: none"> • - - • 1/25,000 • 1/50,000 	1/2 to 1 hour travel time	9-hole course can accommodate 350 people/day. 18-hole course can accommodate 500-550 people a day. Course may be located in community, district, or regional/metro park.
SWIMMING POOLS	Varies on size of pool and amenities. Usually 1 to 2A site.	Teaching-minimum of 25 yards x 45' even depth of 3 to 4 feet. Competitive-minimum of 25m x 16m. Minimum of 27 square feet of water surface per swimmer. Ratio of 2:1 deck vs. water.	None-although care must be taken in siting of lifeguard stations in relation to afternoon sun	1 per 20,000 Pools should accommodate 3% to 5% of the total population at a time.)	15 to 30 minutes travel time	Pools for general community use should be planned for teaching, competitive, and recreational purposes with enough depth to accommodate 1m and 3m diving boards. Located in community park or school site.
BEACH AREAS	N/A	Beach area should have 50 sq. ft. of land and 50 sq. ft. of water per user. Turnover rate is 3. There should be 3-4A supporting land per A of beach.	N/A	N/A	½ to 1 hour travel time	Should have sand bottom with slope a maximum of 5% (flat preferable). Boating areas completely segregated from swimming areas. In regional/metro parks.

Adapted From:

Lancaster, R. A., Ed. Recreation, Park and Open Space Standards and Guidelines. Alexandria, VA: National Recreation and Park Association, 1983.

Mertes, J. D. and J. R. Hall. Park, Recreation, Open Space and Greenway Guidelines. Alexandria, VA: National Recreation and Park Association, 1995.

Appendix D

2014 Community Recreation Survey

Constant Contact Survey Results

Survey Name: Community Survey for Parks and Recreation Master Plan
Aug 07, 2014 11:46:34 AM

In what jurisdiction do you live?

	Number of Response(s)	Response Ratio
City of Leslie	67	47.1%
Leslie Township	44	30.9%
Other	21	14.7%
No Responses	10	7.0%
Total	142	100%

What is your gender?

	Number of Response(s)	Response Ratio
Male	52	36.6%
Female	80	56.3%
No Responses	10	7.0%
Total	142	100%

Do you currently have children living in your house?

	Number of Response(s)	Response Ratio
Yes	61	42.9%
No	71	50.0%
No Responses	10	7.0%
Total	142	100%

If yes, how many children currently live in your home?

	Number of Response(s)	Response Ratio
1	14	9.8%
2	25	17.6%
3	8	5.6%
4	4	2.8%
5	2	1.4%
More than 5	0	0.0%
No Responses	89	62.6%
Total	142	100%

What is your favorite sport or recreation activity?

89 Response(s)

What type of recreation activities are you involved in? (Check all that apply - more options to follow in next question)

	Number of Response(s)	Response Ratio
Skateboarding	1	<1%
Mountain biking	15	13.8%
Road biking	36	33.3%
Bowling	32	29.6%
Rock climbing	9	8.3%
Canoeing or kayaking	29	26.8%
Jogging or running	29	26.8%
Hiking or backpacking	29	26.8%
Horseback riding	8	7.4%
All-terrain - vehicle riding	14	12.9%
Snowmobiling	8	7.4%
Snowboarding	6	5.5%
Skiing	10	9.2%
Sledding/tubing	31	28.7%
Snowshoeing	3	2.7%
Walking	81	75.0%
Paintball	9	8.3%
Basketball	23	21.2%
Volleyball	17	15.7%
Sand Volleyball	12	11.1%
Total	108	100%

Part II: What type of recreational activities are you involved in? (Check all that apply)

	Number of Response(s)	Response Ratio
Soccer	19	19.3%
Baseball or softball	33	33.6%
Football	18	18.3%
Hockey	1	1.0%
Ice Skating	8	8.1%
Fishing	46	46.9%
Hunting	32	32.6%
Swimming or diving	46	46.9%
Golf	37	37.7%
Frisbe golf	7	7.1%
Tennis	19	19.3%
Horseshoes	9	9.1%
Shuffleboard	4	4.0%
Other	8	8.1%
Total	98	100%
5 Comment(s)		

What recreational facilities do you most enjoy in the Leslie area? (Check all that apply)

	Number of Response(s)	Response Ratio
Tuttle Park	22	21.1%
Russell Park	80	76.9%
Leslie Community Pools	46	44.2%
Basketball Courts	25	24.0%
Church Street Ballfields	16	15.3%
Washburn Baseball Diamonds	15	14.4%
Hull Road Trail	19	18.2%
Wild 100 Nature Center	26	25.0%
Tennis Courts	20	19.2%
Track	22	21.1%
Township Baseball/Softball field	20	19.2%
Township park area	14	13.4%
Township community center	8	7.6%
Other	8	7.6%
Total	104	100%

What type of improvements would you like to see to the recreational facilities in the community?

47 Response(s)

Do you travel to other communities for recreation?

	Number of Response(s)	Response Ratio
Yes	93	65.4%
No	23	16.1%
No Responses	26	18.3%

Total	142	100%
--------------	-----	------

If yes, what recreational activities or programs do you travel for? (Check all that apply - More to follow in next question)

	Number of Response(s)	Response Ratio
Skateboarding	0	0.0%
Mountain biking	10	13.1%
Road biking	19	25.0%
Bowling	20	26.3%
Rock climbing	8	10.5%
Canoeing or kayaking	28	36.8%
Jogging or running	11	14.4%
Hiking or backpacking	23	30.2%
Horseback riding	7	9.2%
All-terrain - vehicle riding	9	11.8%
Snowmobiling	3	3.9%
Snowboarding	4	5.2%
Skiing	9	11.8%
Sledding/tubing	23	30.2%
Snowshoeing	1	1.3%
Walking	26	34.2%
Paintball	4	5.2%
Basketball	8	10.5%
Volleyball	7	9.2%
Sand Volleyball	7	9.2%
Total	76	100%

Part II: If yes, what recreational activities or programs do you travel for? (Check all that apply)

	Number of Response(s)	Response Ratio
Soccer	13	18.0%
Baseball or softball	15	20.8%
Football	9	12.5%
Hockey	1	1.3%
Ice Skating	12	16.6%
Fishing	35	48.6%
Hunting	22	30.5%
Swimming or diving	24	33.3%
Golf	26	36.1%
Frisbe golf	4	5.5%
Tennis	6	8.3%
Horseshoes	3	4.1%
Shuffleboard	2	2.7%
Other	10	13.8%
Total	72	100%
7 Comment(s)		

What other recreational opportunities would you like to see in the community?

15 Response(s)

The Leslie Community Pool needs substantial repairs and the City cannot afford to keep the pool in operation after this year. When the pool is discontinued, what would you like to see done with the property that the pool is on right now?

57 Response(s)

Would you support a parks millage that would be designated for parks and recreation in the Leslie area?

	Number of Response(s)	Response Ratio
Yes	48	33.8%
No	19	13.3%
Maybe	36	25.3%
No Responses	39	27.4%
Total	142	100%

16 Comment(s)

If yes or maybe, would you support a .5 mill parks millage (approximately \$25/annually for a \$100,000 home with a taxable value of \$50,000)?

	Number of Response(s)	Response Ratio
Yes	71	50.0%
No	7	4.9%
No Responses	64	45.0%
Total	142	100%

If yes or maybe, would you support a 1.0 mill parks millage (approximately \$50/annually for a \$100,000 home with a taxable value of \$50,000)?

	Number of Response(s)	Response Ratio
Yes	53	37.3%
No	27	19.0%
No Responses	62	43.6%
Total	142	100%

If yes or maybe, would you support a 1.5 mill parks millage (approximately \$75/annually for a \$100,000 home with a taxable value of \$50,000)?

	Number of Response(s)	Response Ratio
Yes	26	18.3%
No	51	35.9%
No Responses	65	45.7%
Total	142	100%

If yes or maybe, would you support a 2.0 mill parks millage (approximately \$100/annually for a \$100,000 home with a taxable value of \$50,000)?

	Number of	Response Ratio
--	-----------	----------------

	Response(s)	
Yes	21	14.7%
No	54	38.0%
No Responses	67	47.1%
Total	142	100%

Would you support an Ingham County trails and parks millage that would be designated for trails and parks throughout the county?

	Number of Response(s)	Response Ratio
Yes	32	22.5%
No	33	23.2%
Maybe	33	23.2%
No Responses	44	30.9%
Total	142	100%
19 Comment(s)		

Appendix E

Memorandum on Community Workshop on the Leslie Community Pool and the City Parks
and Recreation System



THE CITY OF LESLIE

106 E. BELLEVUE ♦ P.O. BOX 496 ♦ LESLIE, MI 49251-0496
PHONE: 517-589-8236 ♦ FAX: 517-589-0156 ♦ WEB SITE: www.cityofleslie.org

MEMORANDUM

TO: City Council

FROM: Aaron Desentz, City Manager

DATE: 9/24/2015

RE: Community Workshop on the Leslie Community Pool and the City Parks and Recreation System

On Tuesday, September 22nd at 6:00pm I conducted a public workshop at the Leslie Community Pool site. The workshop consisted of 10 attendees, all of whom are City residents. Department of Public Works Director Rob Antekeier gave a tour of the facilities to all in attendance. We were shown the internal components of the pool that have failed and we discussed what it would take to move forward if the City were to reopen the pool. The group was then led across the street to Russell Park where we discussed the important of accessibility. We then opened the discussion to elicit ideas for improvements to the City of Leslie Parks and Recreation facilities.

Attendees were encouraged to write their ideas for each individual park down on a piece of poster board. The following is a list of the feedback that was received:

Tuttle Park:

- Open the artesian well
- Put a drinking fountain in the park

Russell Park:

- Add a sand volleyball court in the back corner
- Replace broken parts and missing in playscape
- Paved pathway
- Paint bathroom

Leslie Community Pool:

- Fill it in
- Create a splash pad
- Work with school dual use (individual discussed helping the school fund a swimming pool and holding public events there)
- Splash pad



THE CITY OF LESLIE

106 E. BELLEVUE ♦ P.O. BOX 496 ♦ LESLIE, MI 49251-0496
PHONE: 517-589-8236 ♦ FAX: 517-589-0156 ♦ WEB SITE: www.cityofleslie.org

Church Street Ballfield:

- Handicap access
- Trail way

Washburn Street Baseball Diamonds:

- Washburn street needs improving – pavement or concrete
- Improve parking

Basketball Courts:

- Provide sidewalk into courts
- Paint basketball courts

Hull Street Trail way:

- Check with county to get trail way to connect Mason and Leslie
- +1 (individual indicated they agree with above statement)

Other/New Park Ideas:

- Amphitheatre

This feedback was provided to the Planning Commission for their regularly scheduled meeting on Wednesday, September 23rd. The Planning Commission considered the above information as well as feedback from the 2014 Parks and Recreation Survey in their discussion regarding the Goals and Objective section of the proposed City of Leslie Parks and Recreation Master Plan.

Appendix F

September 23rd Planning Commission Meeting Minutes

LESLIE CITY PLANNING COMMISSION
Minutes of the Regular Meeting conducted. Wednesday, September 23, 2015

A regular meeting of the Leslie City Planning Commission was held at 6:00 PM on Wednesday, September 23, 2015 at Leslie City Hall 107 E. Bellevue St with Chair Babin presiding.

1. Meeting called to order by Chair Babin. Roll Call.

Present: Lantz, Latter, Muenzenmaier, Valentine, Warren, and Chair Babin.

Absent and Excused: Herendeen, and Williams.

Absent: None.

Also Present: City Manager Aaron Desentz, City Clerk Denae Davenport, Parks & Recreation Member Keneanne Cowden, Resident Anna Gilliland and Pam Smid..

Clerk Davenport reported that member Robert Hite has resigned from his position on the board.

2. Pledge of Allegiance.

Chair Babin led those present in the pledge of allegiance.

3. Review and Approve the Minutes from July 22, 2015 meeting.

There was no quorum at the Aug 26, 2015 meeting and therefore there no minutes of the August meeting to approve.

Motion Valentine, second Latter to approve the minutes of the July 22, 2015 meeting with the correction. **All ayes. Motion carried.**

4. Approve the Agenda.

Motion Lantz, second Valentine to approve the agenda. **All aye. Motion carried.**

5. Public Comment. None.

Note – the Unfinished Business items were taken in reverse order.

6. Unfinished Business:

A. Parks and Rec Plan – Goals & Objectives.

Manager Desentz outlined the Goals & Objectives: defining 3 major goals and several objectives for each goal. Members thoroughly discussed each goal and reviewed the objectives. Members discussed in depth the feasibility of reviving the community pool site concluded with the decision that it is not a practical or viable option to reconstruct the pool. After a lengthy discussion regarding other recreation options for the pool site there was no decision.

B. Renew Special Use Permit – 2014-SU-2, Smid.

Valentine commented that the redevelopment of the property at 200 N. Main St. wonderful and the property is a beautiful asset to our community.

Motion Valentine, second Lantz to approve the Special Use Permit 2014-SU-2 for 5 years. All ayes. Motion carried.

7. New Business: None.

Mayor Zamora arrived at 6:54 pm.

Member Latter leaves the meeting at 6:54 pm.

8. Other Planning Commission Business. None.

9. Announce next meeting date: October 28, 2015.

10. Motion to Adjourn the Meeting.

Lantz Muenzenmaier 6:59 pm.

Respectfully submitted,

Denae Davenport
Leslie City Clerk

MEMO FROM CLERK CHELSEA COX

TO: LESLIE CITY COUNCIL
FROM: CHELSEA COX—LESLIE CITY CLERK
SUBJECT: COUNCIL ORIENTATION
DATE: NOVEMBER 28, 2017

RULES, POLICIES, AND PROCEDURES

- A. Council Adopted Rules of Procedure for Meetings (Res. 2005-06).**
Resolution 2005-06 explains the overall order and organization for all City meetings. All boards and commissions follow the same general format. Minutes that are taken document any motion/vote taken during a meeting—if an individual wishes to have additional language recorded in the minutes, she or he can submit in writing with proposed attachment for council approval at next meeting.
- B. Open Meetings Act**
The City of Leslie follows all Open Meetings Act requirements. This Act allows for governmental accountability and enhances responsible decision-making. Please read through the OMA handbook and become familiar with the procedures.
- C. Freedom of Information Act**
The City Clerk serves as the FOIA secretary and is responsible for receiving FOIA requests, researching and compiling desired information and calculating any fees observed. In correlation with FOIA, I also have to adhere to a lengthy retention schedule for all documents in order to keep information on-hand and relevant.
- D. Boards and Commissions. (Information on methods of appointment)**
- **Downtown Development Authority (DDA)** – A nine person board that governs the Tax increment finance district in the Downtown Development Authority District. The TIF captures tax dollars from the City, School, County, and other taxing jurisdictions and uses the money to benefit the Downtown efforts and economic development efforts. The City’s Downtown Development Authority encompasses a great deal of property throughout the City.
 - **Local Development Finance Authority (LDFA)** – An 11 person board that governs the Tax increment finance district in the Leslie Business Park. The TIF captures tax dollars from the City, School,

County, and other taxing jurisdictions and uses the money to benefit the Business Park and economic development efforts.

- **Planning Commission** – A nine member board whom are appointed by the mayor subject to approval by the council. The planning commission may make recommendations to the city council, public officials, and to citizens regarding the planning and development of the City and the surrounding area. It is also the function of the planning commission to create a master plan for the city.
- **Board of Review** – A three person board that meets in March to review and correct the assessment roll. The BOR also meets to review protests before the board concerning a property owner's property assessment. The council may schedule additional meetings of the board of review to correct clerical issues or mutual mistakes of fact.
- **Zoning Board of Appeals** – A six member board to hear zoning variance requests, appeals, or requests for interpretation. The ZBA follows a strict decision making protocol for analyzing an issue.

E. Role of the City Clerk

I serve as the clerical officer for the Leslie City Council. I am responsible for taking and transcribing minutes of all council proceedings and prepare any other documentation as needed or requested. As the City Clerk, I conducts national, state, school and local elections, serve as the official custodian of all City records, documents, ordinances, and the City seal. I also administer oaths of office, and registers voters.


Clerk Chelsea Cox



HANDBOOK FOR

MUNICIPAL OFFICIALS



Published by the Michigan Municipal League

Printed July, 2004, 2006, 2015

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Preface

Better Communities. Better Michigan.

The Michigan Municipal League is the one clear voice for Michigan communities. Through advocacy at the state and federal level, we proactively represent municipalities to help them sustain highly livable, desirable, and unique places within the state. We create and offer our members services and events that range from traditional to cutting edge, in order to help educate and inspire them to remain focused on their passion for the area they represent. We are a nonprofit, but we act with the fervor of entrepreneurs; our people are dynamic, energetic and highly approachable, passionately and aggressively pushing change for better communities.

We salute the officials across the state that give freely of their time and show great dedication to their communities. Acutely aware that knowledge is the key to effective decision-making, the League and the MML Foundation present this *Handbook for Municipal Officials* with the hope that it will provide you with excellent information and act as an important aid as you carry out your local government responsibilities.

Every four years, over 5,000 officials are elected across the state to local government. Of these, approximately 3,600 are first-time officials, and often have little or no government experience. The League's objective is to educate these new officials on municipal issues by offering educational training and information. The *Handbook for Municipal Officials* is one of the many tools the League has developed to offer basic local government information for local officials and to familiarize them with the responsibilities they face as policymakers.

The *Handbook for Municipal Officials* is a collaborative effort of the Michigan Municipal League and the Michigan Municipal League Foundation.

Daniel P Gilmartin
CEO & Executive Director

Table of Contents

Section 1: Local Government

Chapter 1: Welcome to Public Service.....	1
Chapter 2: Structure of Local Government	6
Chapter 3: Charter Revision and Amendment.....	12
Chapter 4: Boundaries and Annexation.....	17

Section 2: Roles & Responsibilities

Chapter 5: Duties of City and Village Officials	21
Chapter 6: Successful Meetings	27
Chapter 7: Local Ordinances	32
Chapter 8: Ethics	36
Chapter 9: Influencing State and Federal Legislation	41
Chapter 10: Training of Municipal Officials.....	45

Section 3: Operations

Chapter 11: Written Policies and Procedures	47
Chapter 12: Municipal Service Options	51
Chapter 13: Employment and Personnel	56
Chapter 14: Labor Relations.....	61
Chapter 15: Municipal Liability	64
Chapter 16: Planning and Zoning.....	66
Chapter 17: Selecting and Working with Consultants.....	73

Section 4: Basic Finance

Chapter 18: Authority and Internal Controls.....	77
Chapter 19: Budgeting.....	82
Chapter 20: Purchasing	86
Chapter 21: Financing Capital Improvements.....	90
Chapter 22: Special Assessments and User Charges.....	95
Chapter 23: Limits of Municipal Expenditures	99

Appendices

Appendix 1: Glossary	102
Appendix 2: Michigan Laws of Interest to Cities and Villages.....	106
Appendix 3: Overview of the Michigan Open Meetings Act.....	115
Appendix 4: Overview of the Michigan Freedom of Information Act.....	118
Appendix 5: Sample Council Rules of Procedure.....	122
Appendix 6: Sample Budget Ordinance	129
Appendix 7: Questions and Answers	134
Appendix 8: For More Information	143

Index	148
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Section 1: Local Government

Chapter 1: Welcome to Public Service

The flush of election victory has faded a little and you've taken the oath of office. Now you're probably asking yourself, "What do I do next?"

Serving as an effective official requires dedication, knowledge and a substantial commitment of time and effort. No matter your motivation or background, as a member of the council/commission you have the opportunity to make important contributions to shape the future of your community. For this reason, becoming a local elected official can be one of the most rewarding experiences of your life.

On Being an Elected Official

Being well informed, listening carefully and knowing how to make decisions will enhance those qualifications you need to succeed as a public official: integrity, intelligence and a genuine concern for people.

Being Well-Informed

There is no substitute for thoroughly understanding the issues as well as the federal, state and local laws affecting these issues. As a public official you will receive an enormous amount of information. It is important to be able to handle this material efficiently and effectively.

For starters:

- **Become familiar with your city or village charter.** Ask your clerk for a copy of the charter. It is the governing document of your municipality. Think of it as the constitution of your city or village.
- **Know the duties and limitations of your office and of the municipality.** This requires familiarity with the state and federal constitutions, local ordinances and the court cases

interpreting them—as well as your city or village charter.

- **Know your city or village.** Know its history, its operations and its finances. Review all reports from the mayor (and/or manager if your municipality has one), department heads and citizen boards and commissions.
- **Become familiar with your municipality's plans.** Review the master plan, the parks and recreation plan, the infrastructure and economic development plans. There may also be a number of other documents outlining the goals, objectives and plans for your city or village.
- **Be aware of current state and federal legislation, pending court cases and other factors that affect local issues.** The Michigan Municipal League and the National League of Cities frequently send materials to help you stay up-to-date.
- **Talk to people with differing points of view and relevant information.** Your constituents, officials in neighboring villages, cities, and townships, and county and state officials will all have important and different perspectives on each issue.

Listening

Although seventy percent of our waking day is spent in some form of communication, and at least six hours a day is spent listening to some form of oral communication. We don't always do this well. Yet, it is imperative to listen actively and accurately to be an effective council/commission member.

Making Decisions

No government official can always make decisions that please everyone. Honest people have honest differences of opinion.

Making decisions is not always easy; it takes hard work and practice. However, each commission member must eventually “stand up and be counted.” It is this process by which your constituency judges you and for which it will hold you accountable.

Responsibilities of an Elected Official

The specific duties of village and city officials are spelled out in the charter of each municipality. However, all elected officials share certain responsibilities.

First and foremost, council members must remember they are elected to make decisions as a collective body, not to act as individuals or apart from the council. Together, as well as individually, it is their responsibility to:

Identify Community Needs and Determine Priorities

Each city and village is unique, with its own set of problems, and each person has a different view of the relative importance of those problems. You must discover the specific needs of your municipality and the relative importance of each.

Observe

Take a tour of the community with the rest of the council, the manager (if your municipality has one), and department heads. Such a tour is especially valuable for newly elected officials. They often discover areas never seen before, learn where the legal boundaries are and see where major trouble spots are now and where they might develop.

Keep your eyes open as you go back and forth to work or to city hall, taking the opportunity to look for problems. Use a different route to see more than just one area. There is really no substitute for first-hand observation.

Talk with Citizens

Direct interaction with your constituents is both politically and practically prudent. Municipal officials need to be accessible, concerned and open minded—and you will be if you talk not just with friends, but also with people you do not know well or at all. Be sure to include people representing various economic levels, professions, occupations and cultural backgrounds.

In talking with citizens, be concerned primarily with listening. Avoid arguing or defending existing positions. Your attitude should reflect a genuine desire to secure information.

In addition to seeking information in a person-to-person setting of your choice, you should also be prepared to receive unsolicited information and criticism from citizens who seek you out.

Read

Elected officials receive a large amount of printed material: minutes, reports, articles, letters, proposed state and federal legislation and more. Much of this relates to problems and possible solutions, and some of it may help you discover the needs and wishes of your constituents. A letter or a newspaper article may reveal a problem that had not surfaced previously. Problems in other communities that are spelled out in journals and other printed sources may raise the question, “Do we have that same problem in this community?”

Establish Priorities

Having defined the problems and needs of the community, it is important to establish the priority of each. How is this done—remembering that the resources, both human and financial, of any municipality are limited? Even if resources were unlimited, there are a number of activities that would not—and should not—be engaged in by the local government.

Each request should be examined in terms of citizen demand, financial cost, benefit to the entire community, availability from other sources and even political expediency. A balance should be maintained between the flexibility required to reorder

priorities when conditions require and the firmness required to resist changing the programs to meet the momentary whims of special interest groups in the community.

Participate in Formal Council Meetings

The council meeting is the final step in determining the projects and programs required to meet community needs. Here, under public scrutiny (sometimes face to face with suspicious and distrustful citizens), the municipal lawmaker must transact the business of the community based on established priorities and data that have been gathered and analyzed.

In council meetings, it is important to:

- **Look attentive, sound knowledgeable** and be straightforward and meticulously honest.
- **Be familiar with a systematic and efficient way to handle business brought before the council.** The mayor or president, manager or clerk will have prepared a concise and easily understood agenda outlining for you—and the general public—the order in which items will be considered during the meeting. This agenda may allow the general public and the members of the council themselves to bring up additional items of business for discussion. Your copy of the agenda may come with a packet of background material. These should be read before the meeting, to assist you in decision-making.
- **Bring all appropriate documents, notes and memoranda to the meeting.** Arrange the material in the same order as the agenda so pertinent information can be found easily.
- **Have a reasonable knowledge of parliamentary procedure and the rules of procedure the council has adopted.**

This will keep the meeting moving smoothly and efficiently, with a clear indication of each item's disposition. However, too much attention to procedure can slow down the meetings with complicated rules.

- **Eliminate personal remarks** intended to ridicule another person. Regardless of the actual relationships between the members of the council or commission, the general atmosphere of any meeting should be relaxed, friendly, efficient and dignified. Sarcasm, innuendoes and name calling should be avoided in interactions with the other council members, staff and the public. This does not mean falsehoods, misinterpretations, distortions and challenges to your integrity or honesty should be left unanswered. They should be answered—and sometimes vigorously—but these rejoinders should address the facts rather than the qualities, or lack of them, of the person being addressed.

Engage with Citizens

One of the greatest assets to elected officials is the public. Having causal and frequent interactions with community members a great way to build relationships and learn about community concerns and ideas. It's also important to establish more formal engagement strategies for important policy initiatives and planning projects. Effective engagement strengthens the community, improves government-citizen relationships, builds capacity, and eases program/policy implementation.

Because project and policy-based engagement can sometimes be a long and challenging process, the League makes the following recommendations for smoother civic participation:

- Develop a vision and goals for what engagement should look like.
- Start engagement in the project/policy ideation phase, and continue through plan formation and implementation.
- Build a diverse team of residents and community stakeholders representative of the community to guide public engagement activities.
- Build capacity by developing local leaders and partnering with organizations and community groups.
- In partnership with the stakeholder group, build a campaign around the

work, develop a project timeline, and celebrate accomplishments to keep the momentum going.

- Document activities in traditional and social media, evaluate engagement strategies, and make changes accordingly.
- Have fun! Stay open minded, positive, and energized throughout the process.

For more information and examples of great civic engagement across the state, visit placemaking.mml.org.

Placemaking

Investing in communities is critical to long-term economic development, and Michigan's future depends on its ability to attract and retain active, diverse, and engaged residents. Local governments must foster the dynamics of place to become thriving communities in the 21st century. Placemaking capitalizes on the distinctive assets of a community to integrate a mixture of uses that connect people and places on a human scale. It is scalable strategy to create adaptable, economically-competitive communities worth caring about.

Through forums, research, and education, the League identified eight assets Michigan's communities need to grow and strengthen for our state to sustain and prosper in coming years: physical design & walkability, green initiatives, cultural economic development, entrepreneurship, messaging & technology, transit, education, and being welcoming to all. Helping Michigan's leaders grow these assets in their own communities is the focus of the League's placemaking efforts. Visit placemaking.mml.org for comprehensive resources and solutions.

More and more of the problems a council must face extend beyond the legal boundaries of the municipality. Many—water and wastewater treatment, solid waste disposal, healthcare and drug abuse, for example—cross municipal, township, county or state boundaries and must be

solved either at a higher level or cooperatively by several different units.

Working with other units and agencies may be easier if you initiate meetings rather than wait for them to occur.

Communicate with the Media

If you have had little or no experience with members of the press, whether newspaper, radio or television, you may suddenly realize that public figures live in a different world than the rest of us. Anything you say in public—whether seriously or jokingly—can appear in the paper or on the TV screen the same day. An unguarded comment about a person or about someone's idea may be indelibly printed, much to your embarrassment. A poor choice of words, made on the spur of the moment, may be used to distort your opinion on a public issue. It is important to learn to work with the press effectively and comfortably.

Tips for Working with the Media:

- **Be honest.** Covering up, lying and distorting statements and actions are guaranteed to establish poor relations with the press.
- **Never say "No comment."** It is always better to say that you don't have all the facts yet and are not prepared to publicly discuss the issue at this time.
- **If you don't know the answer to a question, say so.** Offer to refer the reporter to a staff person with more information, or offer to call back later with more details. If you are going to call later, be sure to ask when the reporter's deadline is, and call promptly.
- **Be consistent.** Do your best to maintain the same position on public matters from one meeting to the next. If the facts have changed or you have thought through an issue and come to a rational change in opinion, be sure to carefully explain that to the media.
- **Be cautious.** Even though you may trust a reporter, remember that reporters have a story to get and that what you as a public official say or think or do, is news.

- **Do not make statements “off the record.”** They will only come back to haunt you later.
- **Be positive in your attitude toward the press.** The media can help the village president or city mayor, manager and council communicate the work of the municipality to the citizens of your community. A good working relationship can be established if the council is open in its dealings with the press. Under the Open Meetings Act the press is entitled to attend **all public** meetings. Provide members of the press with copies of reports, recommendations and other documents related to the business of the city or village and initiate contact with reporters rather than waiting for them to come to you.

Chapter based on materials provided by **Gordon L. Thomas** (*deceased*), former mayor of East Lansing, past president and honorary life member of the League.

Section 1: Local Government

Chapter 2: Structure of Local Government

The present status of cities and villages in Michigan is the result of historical tradition, of the home rule provisions of the Constitutions of 1908 and 1963, of the home rule acts of 1907, and the initiative of individual communities.

During the nineteenth century, the state Legislature recognized the need to incorporate the densely settled communities within the basic pattern of counties and townships. The system of local government written into Michigan's 1908 and 1963 constitutions recognized the continuing existence of counties and townships, with the voluntary incorporation of the more densely settled areas as cities and villages. An innovation in the 1908 constitution was a provision for city and village home rule charters—a change which was to have many repercussions.

Villages

The basic difference between a city and a village is that whenever and wherever an area is incorporated as a village, it stays within the township. The villagers participate in township affairs and pay township taxes in addition to having their own village government. Incorporation as a city, however, removes an area from township government. City dwellers participate in county elections and pay county taxes as do villagers but are removed from township units.

Villages in Michigan are organized primarily to establish local regulatory ordinances and to provide local services such as fire and police protection, public works, and utilities. Certain of the local duties required by the state are not demanded of the village but are performed by the embracing township including assessing property; collecting taxes for counties and school districts; and administering elections.

Most of the villages (212 of 260) are still governed under the General Law Village Act, 1895 PA 3 as amended. Charters for villages are the exception, although any village may adopt a home rule document under 1909 PA 278, the Home Rule Village Act.

Cities

A city, being withdrawn from the township, must perform the basic, state-required duties as well as its own services. In addition to being responsible for assessing property and collecting taxes for county and school purposes, the city also becomes solely responsible for registration of voters and conduct of all elections within its boundaries.

The greater independence of the city, in maintaining local regulations and functions and state-imposed duties in one integrated unit, accounts for the creation of many small cities in Michigan during recent decades. The trend has also developed in villages to seek incorporation as cities whereby they achieve a separation of jurisdiction from the township.

As of January 2015, Michigan had 279 incorporated cities and 254 incorporated villages—a total of 533 municipalities. Of this total number, 320 had adopted home rule charters.

In 1895, adoption of the Fourth Class City Act created two types of cities: those of 3,000 to 10,000 population, which came under the Act, and all others which remained “special charter” cities. As of October 2014, all but one of the “special charter” cities have reincorporated as home rule cities. As of January 1, 1980 all fourth class cities became home rule cities by virtue of 1976 PA 334 (see also OAG 5525, 7/13/1979), which continued the Fourth Class City Act as the charter for each former fourth class city until it elects to revise its charter. As of

January 2015, four cities continue to be governed by the Fourth Class City Act.

Standards of incorporation

For incorporation of a home rule village, a minimum population of 150 is required, but there must also be a minimum density of 100 persons per square mile. There is no statutory requirement that a village must become a city when it experiences a rapid growth in population. Once incorporated, villages may seek reincorporation as fifth class home rule cities, providing their population is between 750 and 2,000. Alternatively, they may seek reincorporation as home rule cities if their population exceeds 2,000 with a density of 500 per square mile. For many years the Home Rule City Act required 2,000 population and density of 500 per square mile for city incorporation. A 1931 amendment permitted fifth class city incorporation at 750 to 2,000 population with the same 500 per square mile density requirement, but authorized villages within this range to reincorporate as cities regardless of density.

There is no basic difference between a fifth class home rule city and a home rule city, except the population differential and the statutory requirements that fifth class home rule cities hold their elections on an at-large basis (wards are not permitted). If all the territory of an organized township is included within the boundaries of a village or villages, the village or villages, without boundary changes, may incorporate as a city or cities as provided in 1982 PA 457.

Unincorporated territory may be incorporated as a fifth class home rule city provided the population ranges from 750 to 2,000 and there is a density of 500 persons per square mile. The same density rule applies to the incorporation of territory as a home rule city if the area has a population of more than 2,000. There are no other methods of city incorporation today. A new city must be incorporated under the Home Rule City Act.

State Boundary Commission

Under 1968 PA 191, the State Boundary Commission must approve all petitions for city and village incorporation. The Boundary Commission is composed of three members appointed by the governor. When the commission sits in any county, the three members are joined by two county representatives (one from a township and one from a city), appointed by the probate judge.

In reviewing petitions for incorporation, the Boundary Commission is guided by certain statutory criteria: population; density; land area and uses; valuation; topography and drainage basins; urban growth factors; and business, commercial, and industrial development. Additional factors are the need for governmental services; present status of services in the area to be incorporated; future needs; practicability of supplying such services by incorporation; probable effect on the local governmental units remaining; relation of tax increases to benefits; and the financial capability of the proposed municipality (city or village). In other words, the Boundary Commission review centers on the feasibility of the proposed city or village.

After review on the basis of criteria, the Boundary Commission may deny or affirm the petition. (Affirmative action may include some revision of the proposed boundaries on the commission's initiative.) Once the Boundary Commission has issued an order approving incorporation, a petition may be filed for a referendum on the proposal. The referendum permits the voters to accept or reject the incorporation. If incorporation is approved by the voters, the incorporation may be finally accomplished only through the existing process of drafting and adopting a city or village charter.

Home Rule

Home rule generally refers to the authority of a city or village under a state's constitution and laws to draft and adopt a charter for its own government. This contrasts with legislative establishment of local charters by special act, which results in

mandated charters from state capitols. Home rule frees cities and villages to devise forms of government and exercise powers of local self-government under locally prepared charters adopted by local referendum.

Constitutional home rule is self-executing in some states and not so in others. Non-self-executing home rule, which Michigan wrote into its 1908 Constitution, leaves it up to the Legislature to implement the home rule powers. Michigan's Legislature did this by enacting the Home Rule City Act and the Home Rule Village Act, both of 1909.

In implementing home rule when it did, Michigan became the seventh state to join in a movement which now includes 37 states. It was more than a national trend which motivated the Michigan Constitutional Convention early in the 1900s. Under the special act system of the nineteenth century, Michigan cities were, according to one observer writing closer to the time, "afflicted by their charters with an assortment of governmental antiquities." Robert T. Crane, *Municipal Home Rule in Michigan*, Proceedings of the Fourth Annual Convention of the Illinois Municipal League (Urbana, 1917), pp.62-65.

The Legislature, under Article VII (Sections 21-22) of the 1963 Michigan Constitution, must provide for the incorporation of cities and villages by general law. Such general laws of incorporation must limit their rate of taxation and restrict their borrowing of money and contracting of debt. The voters of each city and village have power to frame, adopt, and amend charters in accordance with these general laws.

Through regularly constituted authority, namely their established representative government, they may pass laws and ordinances pertaining to municipal concerns subject to the constitution and general laws.

By January 2015, 274 cities and 46 villages had adopted home rule charters. The total of 320 charters so adopted makes Michigan one of the leading home rule states in the nation.

Charters

The Michigan Municipal League, versed in the needs of cities and villages, renders informational assistance through its charter inquiry service. A few Michigan attorneys have become specialists in drafting charters. The quality of city and village charters has improved steadily. No longer is it necessary for elected home rule charter commissioners to search for model charters elsewhere, since many good charters exist in Michigan.

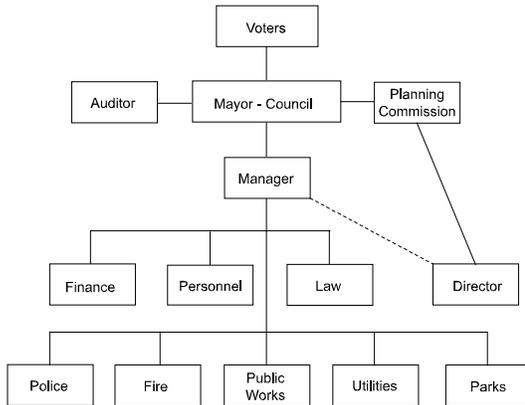
With some exceptions, Michigan charters have been influenced by nationwide trends in municipal practices such as the short ballot, the small council, election of councilmembers at-large, and nonpartisan nominations and election of councilmembers. Chief executives of either the appointed kind (a manager) or the elected type (a mayor) are favored. Municipal officials have shown their ingenuity in searching for what is most appropriate to their needs. No longer is the Legislature burdened with enacting individual charters. The responsibility lies with locally elected charter commissioners, subject to legal review by the governor under statutory requirements. Since charters must be adopted only by local referendum, the voters themselves make the final determination about the design of their government.

Form of Government: Cities

Council-manager form

Among Michigan home rule cities, more than 175 use the council-manager form, in which the elected council appoints a professionally trained and experienced manager to administer the day-to-day operations of the city, and to make recommendations to the city council. The council makes all policy decisions, including review, revision, and final approval of the proposed annual budget. The council may dismiss the manager (sometimes called city administrator or superintendent) if duties are not being performed satisfactorily.

Council-manager form



rather than through any specific authority extending beyond that of the councilmembers. The mayor also serves as chief administrative official, although department heads often operate more or less independently with only general coordination.

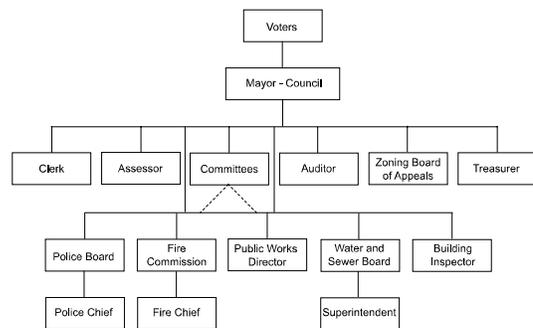
Under the weak mayor form there is no central administrator by formal title such as city manager. Some smaller cities are fortunate to have key long-serving staff who sense the overall cooperation needed to accomplish the city’s programs, and informally proceed for the city’s betterment.

Mayor-council plan

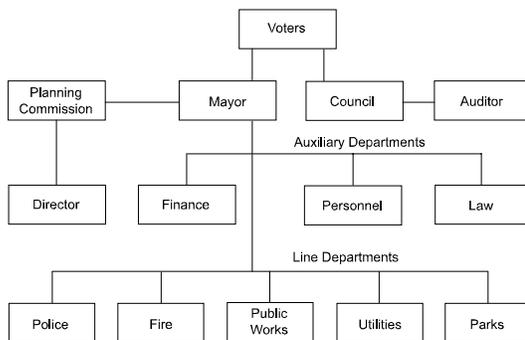
Two forms of the mayor-council plan are used by a number of Michigan home rule cities:

The “strong” mayor form is most often found in larger cities where the directly elected mayor, who is not a member of the governing body, appoints and removes the key administrative officials (those who, by charter, report directly to and assist the mayor); often has variations of veto power over council decisions; is usually salaried; and is expected to devote full-time to mayoral duties.

Weak mayor form



Strong mayor form



The “weak” mayor form is found generally in smaller cities and villages. The mayor (city) or president (village) is a member of the governing body, chairs council meetings, and normally is the municipality’s chief policy and ceremonial official by virtue of the position of mayor

Election/selection of mayor

Mayors in about two-thirds of Michigan’s home rule cities are chosen directly by the people, in at-large, city-wide elections (including all strong mayor communities). In the remaining cities the councilmembers typically choose the mayor from among their ranks to serve a one- or two-year term. A trend to call the members of a city’s governing body councilmembers rather than commissioners is at least partially to avoid citizen confusion with county commissioners.

City councilmembers and village trustees typically are elected for two-year or four-year terms, about half at each election, to preserve some continuity of personnel, experience, and perhaps policy. Often a charter calls for election of half of the council at each election, plus the mayor for a term half as long as the councilmembers, preserving continuity but making possible a shift of majority at any election.

Most Michigan cities have at-large elections for councilmembers, rather than ward elections where voters in each ward (geographic section of the city) elect a councilmember or members. Only a few Michigan cities have partisan elections where major political party labels on the ballot identify candidates.

Selection of administrative officials

The trend in Michigan home rule charters is to appoint, rather than elect, administrative officials who must have technical competence. In council-manager cities and villages, the manager appoints and removes department heads, sometimes with—but more often without—council approval, depending on charter requirements. In the weak mayor form, council approval of appointments is generally required.

Form of government: Villages

Of the 254 villages in Michigan, 46 have home rule charters, and 208 are governed under the General Law Village Act (1895 PA 3). Under that Act all of the then existing villages in Michigan were reincorporated and standards were set for future incorporations. The general law village, still the most common by far, has the typical weak mayor-council form of government.

Village presidents in general law villages are elected at-large, village-wide. The Act was amended in 1973 to provide for two-year terms for the president and made the village president a full voting member of the village council. In 1974, the Act was amended to provide for four-year terms for the six trustees—three of whom are elected biennially, unless a village exempted itself prior to January 1, 1974. The most recent amendments to the GLV Act passed in 1998. These included the ability to reduce council from seven to five members, allowed for the appointment of a clerk and treasurer, and allowed for nonpartisan elections.

The Home Rule Village Act requires that every village so incorporated provide for the election of a president, clerk, and legislative body, and for the election or appointment of such other officers and

boards as may be essential. However, the president need not be directly elected by the people but may be “elected” by the village council. Of the 46 home rule villages, only 22 have a village manager position.

The home rule village form of government offers flexibility that is not found in the 1895 statewide General Law Village Act provisions. Home rule village charters in Michigan are as diverse as the communities that adopt them.

Interesting municipal facts

Who’s the oldest? Who’s the newest?

- Sault Ste. Marie is the oldest community, founded in 1641. However, Detroit was the first *incorporated* “town” in 1802 and then as a city in 1815; followed by Monroe in 1837 and Grand Rapids in 1850.
- Grosse Pointe Farms is the only municipality incorporated from a detached territory (from Grosse Pointe Village in 1893).
- Village of Lake Isabella is the most recent incorporation from an unincorporated area, in 1998.
- The most recent incorporations as cities from general law villages are Jonesville and Dexter, in 2014.
- Mackinac Island is the only special charter city.
- Remaining Fourth class cities (population)
 - Harrisville (493)
 - Omer (313)
 - Sandusky (2,679)
 - Yale (1,955)
- The only city/city/village consolidation in Michigan occurred in 2000 when Iron River, Stambaugh, and Mineral Hills merged.

The following cities incorporated from townships

- Auburn Hills, 1983
- Burton, 1971
- Farmington Hills, 1972 (also included the villages of Quakertown and Woodcreek Farms)

- Livonia, 1950
- Norton Shores, 1967
- Portage, 1963
- Rochester Hills, 1984
- Romulus, 1968
- Southgate, 1958
- Sterling Heights, 1966
- Taylor, 1966
- Warren, 1955 (was a village plus incorporated Warren Township when it became a city)
- Westland, 1964

- Wayne County has the most cities with 33
- Oakland County has the most cities and villages with 39
- Keweenaw, Luce, Montmorency, Ontonagon, and Roscommon Counties each have one incorporated area, a village
- Crawford, Schoolcraft, and Alpena counties each have one incorporated area, a city.

Michigan Population

- 1820:** 8,767 (in the Michigan Territory, which included much of Ohio and Indiana)
- 1837:** Michigan admitted to the Union as 26th state
- 1840:** 212,267
- 2000:** 9,938,444
- 2010:** 9,883,640

Michigan has:

- 83 Counties
- 1,115 General law townships
- 127 Charter townships
- 274 Home rule cities
- 4 Fourth class cities
- 1 Special charter city
- 208 General law villages
- 46 Home rule villages

Most & Least

- Tuscola County has the most villages with 10

Smallest and Biggest		
Villages	2010 Population	County
Forestville	136	Sanilac
Eagle	123	Clinton
Melvin	180	Sanilac
Holly	6,086	Oakland
Milford	6,175	Oakland
Beverly Hills	10,267	Oakland
Cities	2010 Population	County
Lake Angelus	290	Oakland
Gaastra	347	Iron
Whittemore	384	Iosco
Warren	134,056	Macomb
Grand Rapids	188,040	Kent
Detroit	713,777	Wayne

Section 1: Local Government

Chapter 3: Charter Revision and Amendment

Background for Change

Michigan cities and villages exist within a framework that is part of a greater system of state and federal law. The system is described in governing documents which fit into a hierarchy of importance and must be kept current. Constitutions, statutes, and charters are primary examples of these documents.

Most Michigan cities are incorporated under the Home Rule City Act, 1909 PA 279 (HRCA) (MCL 117.1 et seq.). Home rule villages are created through the Home Rule Village Act, 1909 PA 278 (HRVA) (MCL 78.1 et seq.). The HRCA and HRVA are statutes that were authorized by the Michigan Constitution of 1908, and currently by Article VII, Section 22, of the Michigan Constitution of 1963.

Locally, the city or village charter is the principal governing document. This chapter addresses existing charters of home rule cities and villages. As each community changes in various ways over time, its charter has to change with it. The same is true at the state and federal levels. The U.S. Constitution has been amended 27 times to date. Michigan has had four constitutions and numerous amendments. Statutes are being enacted and amended constantly.

When a charter becomes outdated it hinders the ability of local government to serve properly. A charter that is no longer current is one with provisions that are illegal, obsolete, or missing. Changes are needed to correct misleading, unreliable, or unresponsive charters.

Illegal Charter Provisions

Charter provisions may be preempted by other law. No provision of any city or village charter shall conflict with or

contravene the provisions of any general law of the state (MCL 117.36; 78.27). Other instances of illegality result when a court declares them so.

Obsolete Charter Provisions

The mere passage of time contributes to charter obsolescence. Provisions that once made sense in the history of a community may later be irrelevant or too restrictive. Certain dollar limitations for expenditures, titles of municipal officers and departments, and descriptions of functions are some of them. Archaic charter language, or charters dominated by male pronouns, also contribute to examples of obsolescence. One charter provision may be in conflict with another, leading to confusion of interpretation.

Omitted Charter Provisions

Does the charter claim all powers allowed by law or does it unduly limit their exercise?

The HRCA and HRVA provide in similar language that each city or village charter may provide “for the exercise of all municipal powers in the management and control of municipal property and in the administration of the municipal government, whether such powers are expressly enumerated or not; for any act to advance the interests of the city or village, the good government and prosperity of the municipality and its inhabitants and to pass all laws and ordinances relating to its municipal concerns, subject to the constitution and general laws of this state” (MCL 117.4j(3); 78.24(m)).

The HRVA permits a village to adopt as part of its charter any chapter, act, or section of state statutes not inconsistent with the Act, which relates to the powers or

government of villages generally (MCL 78.25).

The HRCA and HRVA prescribe certain charter content. Essential provisions are mandated. Others are permissive. Still other provisions are prohibited, or are further restricted.

Room for Improvement

With decades of experience under municipal home rule, generations of citizens have come to view home rule as deserving of the public trust, as reflected increasingly in modern charter language.

Does the community want or need more innovative charter provisions than presently exist? It is possible to guide local officials, officers, and employees in their various functions by specific creative charter authorizations declared to be in the public interest. Examples are continual planning for change; providing continuing education at all levels of civic participation; improving intergovernmental relationships; employing alternative dispute resolution methods; conserving resources (both human and environmental); keeping the public informed of vital concerns; enhancing cultural qualities; and promoting ethical standards and behavior.

Examination of the local charter for practical use should also raise the following questions:

- Is it organized in logical sequence?
- Does it define key terms?
- Is the language clear and understandable?
- Are provisions easy to locate when needed?
- Does it have an index?
- Is it preceded by a meaningful preamble and historic statement?

To Revise or Amend

The two forms of legally authorized charter changes are by revision or amendment.

The home rule acts allow communities to make substantial or nominal changes in their charters by different routes. Charter revision implies re-examination of the entire

document, and that it may be recreated without obligation to maintain the form, scheme, or structure of the former charter. Amendment implies that the general plan and scope of the former will be maintained, with corrections to better accomplish its purpose. Revision suggests fundamental change, while amendment is a correction of detail, according to the Michigan Supreme Court.

A change in the form of government will require charter revision and not merely amendment. What constitutes such a change may require in-depth study. Legal advice should be sought if that question arises.

Charter Revision

Cities

Revision of city charters may be initiated by a resolution adopted by 3/5 of the legislative body or by petition signed by at least five percent of the registered voters, unless the present charter provides otherwise. In any case, the decision to revise is for the electors to approve or reject. They must also select a nine member charter commission to revise the charter, none of whom may be an elected or appointed city officer or employee. Both matters may be voted upon at the same or separate elections. An advisory vote may also be taken on the question of a change in the form of government.

The city council determines the place of meeting, the compensation of charter commission members, and provides funds for expenses and ballots.

The city charter commission convenes on the second Tuesday after the election. The city clerk presides at the first meeting. The clerk administers oaths of office and acts as the clerk of the commission.

The city charter commission assesses the qualifications of its members, chooses officers, determines rules of procedure, keeps a journal, and fills vacancies. City charter commission members are compensated for attending a maximum of 90 meetings (one per day). A majority of city charter commission members constitute a quorum. Commission sessions are public.

It is generally advisable for a city charter commission to engage a legal consultant experienced in these matters as there are numerous legal issues at stake.

A proposed revised charter is submitted to the governor for approval. The attorney general reviews it and advises the governor regarding its legality. The governor signs the charter if approved; otherwise the charter is returned to the charter commission with a commentary of recommended corrections.

An approved proposed city charter is to be published in full as prescribed by the charter commission. The adoption of the revised charter is for the electorate to decide by a simple majority of those voting on the question. Specific provisions for a city charter may also be decided as separate ballot propositions. The ballot questions are to be approved for clarity and impartiality by the attorney general. The ballot contains voting instructions and explains the effect of each proposal.

If a proposed city charter revision is rejected, the charter commission reconvenes and determines whether to take no further action or to proceed with a further revision. If no action is taken, the city charter commission ceases to exist. Proposed revised city charters may be submitted to electors by a charter commission three times within a three-year period. A new proposal to revise a charter may be voted upon at any time after termination of the charter commission.

Home Rule Villages

The initiation of a home rule village charter revision requires a 2/3 approval vote by the legislative body, or by electors' petition of at least 20 percent of the total vote cast for president (village) at the last preceding election, unless otherwise provided by charter. The village charter commission consists of five elected members.

The village council determines the place of meeting, the compensation of charter commission members, and provides funds for expenses and ballots.

The village charter commission convenes within ten days after its election,

and frames a charter within 60 days thereafter.

The village charter commissions assesses the qualifications of its members, chooses officers, determines rules of procedure, keeps a journal, and fills vacancies. Three or more village charter commission members constitutes a quorum. Commission sessions are public. The county prosecutor is required by statute to advise village charter commissions.

A proposed revised charter is submitted to the governor for approval. The attorney general reviews it and advises the governor regarding its legality. The governor signs the charter if approved; otherwise the charter is returned to the charter commission with a commentary of recommended corrections.

The attorney general's position is that publication is to be in a newspaper in general circulation within the community, which is the statutorily required method of publication of village charters.

The adoption of the revised charter is for the electorate to decide by a simple majority of those voting on the question. A proposed revised village charter must be filed with the village clerk not less than 90 days before the election. A revision may be submitted to the electors only once in two years.

Charter Amendment

Amendment of a city charter may be proposed by 3/5 of the members of the legislative body, or by an initiatory petition of electors containing the signature of at least 5 percent of the qualified registered electors of the city. If proposed by the legislative body, the proposal is submitted to the electors at the next municipal or general state election, or special election held in the city not less than 60 days after it is proposed. In the case of petitions, the election is to occur not less than 90 days following their filing.

A village charter amendment may be submitted to the electors by a 2/3 vote of the legislative body or petitioned for by not less than 20 percent of the number of electors voting for president at the last election.

The governor is presented with the proposed amendment of a city or village charter for approval, and signs it if approved. If not approved, it is returned to the legislative body with stated objections for reconsideration. If 2/3 of the members agree to pass it, it is submitted to the electors. If the amendment was initiated by petition, it is submitted to electors notwithstanding the objections.

An amendment to a village charter is submitted to electors at the next general or special election. An amendment originated by the legislative body is published and remains on the table for 30 days before action on it is taken. The form of a proposed amendment to appear on the ballot is determined by resolution of the legislative body, unless provided for in the initiatory petition. Publication is made in a newspaper published or circulating in the village at least once, not less than two weeks, nor more than four weeks before the election.

Proposed amendments are to be published in full with existing charter provisions to be altered or abrogated by them. The purpose of a city charter amendment is designated on the ballot in not more than 100 words, including the short title or caption. The statement of purpose must be true and impartial so as to create no prejudice for or against the amendment. The attorney general examines it for compliance before its printing. The form of the proposed amendment is determined by resolution of the legislative body unless provided for in the initiatory petition. In the latter case the legislative body may add an explanatory caption.

A proposed amendment is confined to one subject. If a subject embraces more than one related proposition, each of them must be separately stated to allow an elector to vote for or against each proposition.

A majority vote of electors voting on the question is required to pass an amendment.

A failed proposed amendment to a city charter may not be resubmitted for two years.

Legal References

The sections of the Home Rule City Act that directly relate to charter revision are 18, 19, 20, 22, 23, 24, 26, and 28. Those that govern amendment are 21, 22, 23, 24, 25, 26, and 28. The corresponding sections of the Home Rule Village Act are 14, 15, 18, 19, 20, 21, and 26 for revision and 17, 18, 19, 20, and 21 for amendment.

The remaining provisions of each of the acts, respectively, must be referred to in considering changes to a city or village charter. Certain features of each municipal charter are mandatory and are not subject to exclusion. Others, as noted above, are permissive or restrictive and deliberate consideration is to be given to them. Constitutional provisions and a host of statutory laws also bear upon what may appear in charters, and to what extent and content.

Courts have interpreted the validity of various charter provisions and the statutes that dictate their use. The Michigan attorney general has also rendered opinions, when requested, for guidance in areas of specific legal concern.

All sources of law that bear upon charter issues need to be consulted in any effort to reform charters, to achieve the desired benefit to the communities served by them.

Charter Revision Strategies

To do justice to the charter revision process, it is well to project an 18-month time frame after the election of the charter commission in order to complete the task. Each commission will set its own pace. It should meet regularly and assign a chapter of the charter at a time to be considered at a subsequent meeting or meetings. The review of each provision should be by all members so that each participant has a grasp of the issues involved. The entire charter document is subject to revision and improvement. Officeholders are to be consulted for views regarding the effect of current charter provisions upon their duties and performances.

It is well for the commission members to wrestle with and to dispose of the most

volatile issues first, and to resolve them expeditiously—and to then close ranks. The charter commission must present to the public a unified approach and avoid divisions caused by single or limited issue positions, which tend to discourage voters and lead to defeat of the product of countless hours of study, debate, and drafting. It is also well to have one person draft all segments of the document, to preserve continuity of style and form. Until the commission approves a final version, each draft should be regarded as tentative to allow the entire work product to evolve into a cohesive whole.

The election cycle is a foremost consideration in the timing of charter submission to the electorate. To achieve timely completion of the charter is to also allow sufficient opportunity for review by the attorney general on behalf of the governor. It is prudent, and a courtesy to those offices, to request their optimum timing in advance. The review of total charter language is given expert, in-depth analysis by the highly experienced assistant attorney general in charge of that service. The reviewer may need to refer various articles of the charter to other state agencies for inspection. Further consideration must be given to the prospect that added time will be needed for adjustment if objections are raised.

Revised charters and amended charter provisions approved by the electorate with the vote for and against are filed in duplicate with the county clerk and the secretary of state, within 30 days after the vote is taken. They become effective upon filing, unless a different effective date is specified in the document, in the case of a city charter.

Conclusion

The service performed for the community by the members of a charter commission is immeasurable and has its own reward. It is a significant honor to participate in the creation of the document that most directly affects the quality of local government and the well-being of its citizens.

The League's Resource Center and its city charter database are excellent resources for research as to what other city and village charters contain. In addition, the League has an online Charter Revision Handbook to aid charter commissions in this effort.

Chapter based on materials provided by **Dan Matson**, city attorney for the City of DeWitt and village attorney for the Village of Fowler. He chair of the Michigan Association of Municipal Attorneys' Charter Focus Group and Ethics Roundtable Committee.

Section 1: Local Government

Chapter 4: Boundaries and Annexation

Introduction

The first and only principle of law governing boundaries of municipalities is that no one—no governmental authority, or individual, person or entity—has any legally protected right to the placement of a municipal boundary in a particular location. Municipal boundaries are drawn by politicians in the legislature. They can be redrawn at any time by those same politicians or by a vote of the people.

Political boundaries are created by incorporation. They are changed by disincorporation, consolidation, annexation, or detachment.

Incorporation

Villages and cities have separate statutes addressing incorporation. Both statutes have one thing in common. The process begins by securing a petition for incorporation from the State Boundary Commission (SBC). The SBC has an informational guideline on how to fill out a petition to incorporate.

In general, the petition must be signed by a sufficient number of qualified electors. It must legally describe the area to be incorporated and have a survey attached showing the boundaries in juxtaposition with its surrounding communities. Before submitting the petition, it is recommended that the municipality meet with the staff of the SBC. They will review the petition and tell you to correct any deficiencies. This is important because a petition, once submitted, cannot be amended. It will be rejected if there is any doubt whether it meets all of the statutory requirements.

The SBC determines the legal sufficiency of the petition; holds a public hearing to determine the reasonableness of the incorporation; and, if so found, approves the petition. A period of 45 days is then triggered allowing five percent of the population to petition for a referendum. If no

petition is filed, or if a referendum is held and the incorporation passes, the SBC then orders an election to be held to elect a charter commission. Upon election, the charter commission drafts a charter and sends it to the governor's office for approval. If so approved, an election is then held (1) to approve the charter, and (2) to elect the first slate of municipal officials. If the charter does not secure approval of the electorate, the charter commission has three years within which to submit a new proposed charter to the governor's office.

(See Chapter 3, Charter Revision and Amendment for more on charter commissions)

Disincorporation

Disincorporation in a home rule city begins with the filing of a petition of at least 25 percent of the city electors. A city sends the petition to the county commission, which is required to review it. If the county approves the petition, it will pass a resolution calling for an election. A 2/3 vote of the city electorate is required to win.

Home rule villages have no statutory mechanism to disincorporate. They would have to insert a provision in their charter permitting them to do so before they could disincorporate.

Consolidation

Consolidation begins with the filing of a petition with the SBC signed by five percent of the total population of the two or more cities or villages. If the petition is approved, the SBC orders an election on the question to be held along with the election of nine charter commissioners. If the question passes the election, the charter commission drafts the proposed charter. If the governor's office approves the charter, the election is held on the charter and candidates for office to the newly consolidated entity.

Annexation

There are three rules to consider. First, in order to be annexed, the territory has to be contiguous to the municipal border. Second, the amount of land touching along the boundary line must be somewhat proportional to the size of the territory to be annexed. And, third, no islands of township property can be created between the municipality's old boundary and the newly drawn boundary line.

Home rule villages secure permission from the county commission to hold an election to annex property. If the county approves the petition, it passes a resolution ordering an election.

Home rule cities annex property in several ways. If the property is owned by the city and vacant, the city council adopts a simple resolution stating their intent to annex the property. If the township agrees, annexation takes place by the adoption of a joint resolution of the legislative bodies of the city and the township. If the property is in a charter township, the county is petitioned to hold an election in the city and in the area to be annexed.

Most other annexations are through petition to the SBC. Petitions can be filed by the city, by 75 percent of the land owners, by 25 percent of the registered voters in the area to be annexed or by one percent of the entire population of the city and township.

The petition process consists of:

1. a pre-application review of the petition provided by the SBC containing: legal description of the territory, a survey, a map of the general area in juxtaposition with the rest of the city.
2. a determination of the legal sufficiency of the petition by the SBC.
3. a public hearing by the SBC.
4. an adjudicative hearing at which time the SBC reviews their staff reports and responses to questionnaires sent out to the city and township, and
5. approval by the SBC.

If the SBC approves the petition and the head of the Consumers and Industry Services Department signs off, a 45-day

referendum period is required before the annexation becomes final. If five percent of the registered voters in the area to be affected, file a petition to hold an election on the question of annexation, the election is held. If both the majority of the electors in the annexed area and the majority of the city or township electors voting separately approve the annexation, the decision of the SBC stands. If either group fails to register a majority vote, the SBC decision is overturned.

Exemption and Exclusions from Annexation

Two Year Rule

No petition will be accepted by the SBC if filed within two years of a previous determination by the SBC on any portion of the territory included in a current petition.

Charter Township

If a charter township substantially meets all of the following requirements, property can only be annexed under the provisions set forth in Section 34 of the Charter Township Act. The township has:

- a state equalization value greater than \$25 million;
- a minimum density of 150 persons per square mile;
- fire protection services provided directly or by contract;
- a zoning ordinance or master plan;
- solid waste disposal services;
- water or sewer services;
- police protection by contract or otherwise.

All of these services must be provided to the entire township.

Annexation of territory from a charter township is still permitted but it is only allowed by:

- election called for by petition of registered voters within the territory to be annexed and the city;
- joint resolution of the city and the township, and

- petition to the SBC to straighten the boundary between the two municipalities or to remove enclaves.

The Charter Township Act does not provide a means for a property owner to petition for annexation with the SBC.

PA 425 Agreements

Property within the jurisdiction of an agreement entered into pursuant to 1984 PA 425 cannot be annexed during the term of the agreement. The 425 Agreement must have been entered into for an actual economic development project as defined by the act. It cannot be entered into merely to exchange utility services between the municipalities. There also has to be an actual conditional transfer of property. To effectively block annexation, the 425 agreement cannot have been entered into as a sham or “shark-repellant” to block annexation. *Twps of Casco, Columbus and Lenox v SBC*.

Boundary Changes by Agreement

Two statutes, the “Urban Cooperation Act” and “Act 425,” are often used to approve a boundary change between a city and township.

Urban Cooperation Act

The Urban Cooperation Act (1967 PA 7) and the Intergovernmental Transfers of Functions and Responsibilities Act (1967 PA 8) are preferred by cities. The acts permit two or more local governments to enter into an interlocal agreement to do anything either one of them could do on its own. If the agreement is to provide water and sewer to an area of the township, the consideration would be the sharing of the millage on the property with the township. Each municipality would hold a public hearing on the agreement. Final agreement would not occur until after the expiration of a 45 day referendum period.

To effect a boundary change under an Act 7 or 8 agreement, each municipality would have to adopt mutual resolutions under Section 9 of the home rule cities act

agreeing to annexation of property into the city.

PA 425 Agreements -- Conditional Transfer of Property for Economic Development

1984 PA 425, as amended, permits units of government to conditionally transfer municipal jurisdiction over property from one municipality to another for the purposes of economic development. For example, if a developer of an economic development project in the township requires water and sewer, the property is conditionally transferred into the city in order to secure those services. The city shares the taxes it receives from the transferred property with the township for the length of the agreement, at the end of which the property either returns to the township or stays with the city. Each municipality has to hold a public hearing. Finalization of a 425 agreement does not occur until the expiration of a 30-day referendum period, when it is filed with the county clerk and the secretary of state.

Detachment

Villages

Detachment of property from a home rule village is initiated by the filing of a petition with the county clerk of one percent of the population of the qualified electors in the village and township. If the petition is legally sufficient, the county approves the petition and orders the election. The votes of the village and township electors are counted collectively. A majority wins. Assets owned by the home rule village in the detached area are sold pursuant to the statute and the proceeds divided proportionately with the township. Debts are likewise divided and shared proportionately with the township.

Home Rule Cities

The detachment process is started by the circulation and filing of a petition signed by one percent of the registered electors of the city or township with the county clerk. If legally sufficient, the county board approves and orders an election to be held on the

question of detachment, with the combined total of all the votes cast in both the city and township being counted together. A simple majority determines the outcome. Any assets that the city may own in the detached territory are then sold under special formula in the home rule city act and divided proportionately between the city and the

township. Debts and obligations are also divided proportionately with the township

Material for the chapter was provided by **William B. Beach**, retired senior attorney with Miller, Canfield, Paddock and Stone, P.L.C.).

Section 2: Roles and Responsibilities

Chapter 5: Duties of City and Village Officials

Sources of Authority

The duties of local elected officials are specified in each city or village charter. The Home Rule City Act (1909 PA 279) and Home Rule Village Act (1909 PA 278) both require the adoption of a “home rule” charter. Essentially, home rule is the right of citizens to determine their own government structure. This is done through a written charter drafted by an elected charter commission and adopted by the electors by referendum. The home rule acts establish the procedures for framing charters. (See Chapter 3: Charter Revision and Amendment).

Both Acts outline the mandatory, as well as permissible, provisions for local charters. Mandatory requirements of the charter provide for the election of certain local officials and define the powers and duties of those officials—and to some extent the appointed officials for home rule municipalities.

Mandatory Charter Provisions

(HRCA, MCL 117.3; HRVA, MCL 78.23)

- Election of mayor and legislative body; election/appointment of officers;
- Nominations of officers;
- Elections;
- Officers-qualifications, duties, compensation, contracts;
- Establishment of wards;
- Taxation;
- Appropriation of money;
- Public peace, health, and safety services;
- Ordinances;
- Adoption of laws, codes and rules;
- Adoption by reference;
- Open meetings;
- Public access to records

- Legislative journal; and
- System of accounts.

Permissive Charter Provisions

(HRCA, MCL 117.4; HRVA, MCL 78.24)

Both Acts list many provisions which *may* be included in the charter to require council action. Some of these include: provisions for streets; utilities; planning; establishment of special assessment districts; and penalties for ordinance violations.

Prohibited Powers

(HRCA, MCL 117.5; HRVA, MCL 74.25)

In addition, both Acts prohibit cities and villages from taking certain actions in their charter. For example, no city may exceed the tax limits established by law or the charter; call more than two special elections a year; or sell certain land or issue certain bonds except by the vote of the people.

Power and Duties of the Council

The home rule acts each place the legislative authority of the municipality in the council. It is important to remember that this authority is granted to the council as a whole, rather than to individual members, and that many of the powers granted to the council are permissive in nature rather than obligatory.

Does this mean that as a council you may take any action you deem appropriate as long as it is “for the benefit” of your community? Probably not. Cities and villages operate as governments of law within a system of constitutional federalism and a complex network of federal and state laws and regulations. Foremost are the guarantees and restraints found in the U.S. Constitution, and federal legislation and regulations. Next are Michigan’s

constitution, statutes, and regulations. The next level of regulation is local, and includes your charter, municipal ordinances, and policies.

Ordinances, Resolutions, and Motions

For the newly elected official, the distinction between motions, resolutions, and ordinances can be confusing.

- **Ordinances** are formal actions by the council and constitute local legislation. If the council wants to change a duly adopted ordinance, it must amend, repeal or rescind the ordinance. (See Chapter 7: Local Ordinances). Ordinances carry the force of law and may impose penalties on violators. The clerk is required by state law to maintain an ordinance book, and from time to time a municipality may compile or codify all of its current ordinances and publish that compilation or code.
- **Resolutions** are less formal than an ordinance, and are often used for short-term matters, such as adopting the annual budget. A resolution may be used to state the council's position, such as to support or oppose a piece of state or federal legislation. When the council wishes to commend a citizen or commemorate an occasion, it acts by resolution. Resolutions are a part of the permanent record of the municipality.
- **Motions** are used to introduce a subject or propose an action to the council. For example, a trustee might say, "I move the ordinance (or resolution) be adopted." Once a motion is made and seconded, the matter can be discussed and acted upon. (See Chapter 6: Successful Meetings).

The League's Resource Center maintains a collection of sample ordinances. You may request them by emailing info@mml.org. Your municipal attorney should review all ordinances, including samples you receive from the League, to provide you with guidance on the language, the relevance of state statutory requirements, and the application of case and

constitutional law, as well as consistency with previous ordinances.

Some actions, such as a zoning ordinance, require that a public hearing be held prior to enactment. In other instances, it may be politically wise to hold a public hearing, even though it may not be mandatory.

A 2/3 majority of the council is required to pass certain types of ordinances. The village or city attorney should be consulted about which ordinances require this type of super-majority.

Some villages and cities require an ordinance to be "read" several times before it is adopted. This may be a full reading of the entire ordinance—which can be quite lengthy—or only a synopsis. The introduction of the ordinance is usually considered the first reading, and a second reading occurs at a subsequent meeting when the ordinance is actively considered. These readings are not required by state statute, but they do provide an opportunity for public awareness and input. Your charter or council rules of procedure may provide for such readings and may authorize the suspension of one or more readings to avoid verbatim readings of lengthy measures or emergency actions.

Operating in the Sunshine

A basic premise of democracy is that the public's business is conducted in public. This requirement is particularly necessary in a representative democracy.

The State of Michigan has established that the public is entitled to full and complete information regarding the affairs of government and the actions of those who represent them. In 1976, the Legislature enacted the "Sunshine Laws." The Open Meetings Act (OMA), and the Freedom of Information Act (FOIA) provided for the people's right to know and set limits and parameters on a council's actions. (See Appendix 5: Overview of the Open Meetings Act and Appendix 4: Overview of the Freedom of Information Act).

In a nutshell, the OMA requires that all deliberations and decisions of a public body shall be made in public—with only a few, very specific exceptions.

The Freedom of Information Act regulates and sets requirements for the disclosure of public records by all public bodies in the state. FOIA states that all persons, except those in prison, upon written request have a reasonable opportunity to inspect, copy, or receive copies of the requested public record of the public body.

This sounds easy—however, the problem arises in the definition of terms. For example:

- What is a public record?
- Are personnel records of public employees subject to FOIA? What about medical records?
- Can someone FOIA an expensive software program from the municipality, thereby saving themselves several thousand dollars?
- What is a reasonable opportunity?
- Does an employee/official have to stay at village/city hall all night to accommodate a FOIA request?

The answer to these questions is: “It depends.” Documents may be kept confidential only when there is an actual detriment to the municipality, not when the matter would simply be embarrassing.

General guidelines and reference materials are available from many sources, including the League’s Resource Center. However, when specific circumstances arise that make you question the appropriateness of a closed session or the necessity to post a meeting or whether or not to release a document, the safest course of action is to follow the guidance of your municipal attorney. Based on a professional understanding of the law, and the interrelationships of various levels of the law, your municipal attorney will be able to assist you in determining which laws are applicable and how they apply to your village or city.

Citizen Participation in Council Meetings

An important part of serving your community as an elected representative is providing citizens with an opportunity to communicate with the council—not only on a one-to-one basis with you as they meet you on the street, but also in a more formal public forum. Townships may hold an annual town meeting where citizens may participate and vote—however, this is not an option for cities and villages. Only the mayor or president, member of the council, or a staff member (depending on your local charter and rules) may introduce an agenda item. Only members of the council (including the president or mayor under most charters) may vote on matters brought for action.

Meet with Citizen Groups

From time to time, councilmembers are asked to meet with organized groups of citizens such as a parent/teacher organization, a subdivision association, service clubs, or the chamber of commerce. Sometimes you may simply be asked to listen. At other times, you may be asked to speak or discuss a problem. The time spent with these groups can provide valuable insight and build support in the community.

One of the most pervasive criticisms of government is that it is too far removed from the people. Any effort you make to meet with citizen groups will help reduce this complaint.

Tips for Meeting with Citizen Groups

- Find out as much as possible about the group before meeting with them;
- Prepare thoroughly;
- If you are asked to give a speech, be brief. Ten to 15 minutes is plenty. Allow enough time for questions from the audience;
- Be forthright and willing to meet issues head-on without dodging or flinching; and
- If you don’t know the answer to a question, say so. Faking it may bring about embarrassing repercussions later.

Relationships with Municipal Staff

Work with the manager

If your city or village has a manager, the functions of the council and manager are clearly differentiated—at least in theory. The council is the legislative body that must, within the confines of the charter and appropriate state and federal laws and court decisions, formulate policy by which the municipality is to be run. The manager and staff execute this policy—they do not determine the policy. The council, on the other hand, should not wander through city hall making sure that tasks are performed or that directives are carried out.

In actual practice, a clear-cut separation is more difficult. Councils do direct the manager from time-to-time to follow certain administrative practices, and the manager does, at times, influence policy. The council and manager should discuss this interaction and, wherever possible, establish clear guidelines to help keep these functions separate. Each must recognize that occasionally these functions will overlap.

The council is responsible for policy decision making. This is not always easy or pleasant, but it is necessary. As much as possible (except in routine matters), the council should make decisions with as much help from citizens, the manager, and the staff as they can secure.

It is the manager's responsibility to implement policies and programs and, if directed by the city or village charter, to supervise, hire, and fire municipal employees. This doesn't mean the council is powerless in these areas. It can direct the manager to execute its wishes. Noncompliance can result in dismissal of the manager. The manager acts as the liaison between employees and the council. She or he must see that both are well informed about what the other is thinking and doing. Misunderstandings are far less likely to occur if both employees and council are well informed.

Respect the Relationship with Municipal Employees

Perhaps one of the most important jobs of the council is to hire, evaluate, and retain competent staff—and to compensate them fairly. This four-part chore may require the assistance of other professionals. A process by which the council can evaluate the manager and/or department heads is the tool to keep everyone working on the same page. Fair compensation avoids the revolving door.

The council should also trust the staff's professional judgment. They have training, experience, and information the council does not—and need not—have. Remember to show your appreciation for a staff member's time and effort. A smile, a nod, a "thank you," or a compliment will go a long way in establishing a good working relationship with staff.

Powers and Duties of Elected and Appointed Officials

Mayor/President

Both the Home Rule City Act and Home Rule Village Act provide for the election of an "executive head." The role and duties of this individual, known as a president in a village and as a mayor in a city, vary greatly and are established by local charter. It should be noted the term "executive head" is not defined in either Act.

Mayor/President Pro Tempore

Although most, if not all home rule cities and villages have a mayor or president pro tempore, the position is not required by either act. The method of selection as well as the role and duties of these officials are defined by local charters.

City/Village Manager

In the same manner, the duties and role of the chief administrative officer for the municipality, variously known as a manager, administrator, or superintendent, are defined by local charter or, in some instances, by local ordinances—or a combination of the two.

Municipal Attorney

An important, though not always visible, member of the team is the attorney.

Although the duties of the attorney are not always spelled out in the charter, at the request of council they might include:

- drafting ordinances;
- preparing legal opinions;
- reviewing policies and procedures for compliance with local, state and federal law;
- defending the village or city in a court of law; and
- prosecuting violators of municipal ordinances.

Often a small city or village cannot afford to have its attorney present at all meetings. However, copies of agendas and minutes should be submitted for review to assure that they conform to the law and to keep the council from unintentionally placing the municipality in a questionable legal position.

The League's Resource Center and Legal Affairs Division do not give legal advice or render legal opinions (and in fact, are not allowed to by law). However, the legal staff will confer with your attorney on legal issues in your community.

The Resource Center can assist by providing sample ordinances and policies as a starting point for drafting ordinances or policies for your city or village. Many of these are available on the League's website at mml.org.

City/Village Clerk

The office of clerk is a pivotal one, dealing with vital areas of city or village operation: records management, finance, and elections. The importance of recording and preserving the official action of the legislative body cannot be overstated. Years from now, these records will provide the only documentation of actions taken by the municipality.

Traditionally, the municipal clerk has been an elected official. As the requirements for this position became more technical, it is more common for this to be an appointed office. Specific duties of the clerk will be

outlined in the charter. Additional duties may be assigned by the council and/or the manager.

Michigan election law (MCL 168.1 et seq.) dictates that the city clerk will manage city elections, and in addition, state and federal elections under the direction of the Bureau of Elections in the secretary of state's office. Village clerks no longer run village elections.

In a small city or village, the office of clerk can be the most controversial, and perhaps most misunderstood position. Several steps can be taken to help resolve or avoid some of these issues:

- The clerk and council should discuss mutual expectations of the roles and responsibilities of each position. This can lead to cooperation and mutual respect.
- The clerk and council should network with other municipal officials. The Michigan Association of Municipal Clerks offers support for clerks. Help is often just a phone call or click (online at michiganclerks.org) away.
- The clerk and council should attend educational programs about the roles and responsibilities of officials, teamwork, and local government.

City/Village Treasurer

Appointment of the treasurer by the council allows for the requirement of specific job skills and experience for the position, makes the treasurer accountable to the council, and provides greater job security and continuity. In 37 cities the treasurer is an elected position. As a general rule, the treasurer:

- has custody of and receives all village/city money, bonds, mortgages, notes, leases and evidence of value;
- keeps an account of all receipts and expenditures;
- collects and keeps an account of all taxes and money appropriations, keeping a separate account of each fund; and
- makes periodic reports to the manager or clerk and council as required by law.

Changing your Charter

The charter for your city or village can be changed following the procedures outlined in the Home Rule Village Act, 1909 PA 278 as amended (MCL 78.1- 78.28) or the Home Rule City Act, 1909 PA 279 (MCL 117.21-117.26). An amendment must be approved by the council, submitted to the governor's office for review, and approved by the electors. Both the Acts provide for amendment to the charter to be instituted by petition.

Municipalities interested in amending their charters should work with their municipal attorney to assure that the procedure required in the relevant state statute is followed.

A detailed account of charter amendment and revision can be found in Chapter 3: Charter Revision and Amendment.

Words of Wisdom

The following suggestions have been provided by experienced municipal officials:

- Realize you cannot solve every problem quickly. Looking at problems from the inside lends a different perspective when you are forced to look at all aspects.
Manager
- You have information citizens do not and you are charged with educating as well as listening to citizens. *Manager*

- Get involved. Know what is going on. Communicate with other council members. Review your meeting material prior to the night of the meeting.
Councilmember
- When first elected, listen and observe. Don't challenge existing staff or practices in public until you have done your homework and know what you are talking about. It boils down to good manners. Often, "jumping the gun" on an issue causes it to be magnified in the media. *Clerk*
- Show respect to other officials, including those appointed rather than elected. Our clerk and treasurer are now appointed by the council. They are still officials. Don't treat them like they are your private secretaries. *Clerk*
- Be professional. Don't turn municipal issues into personal issues. Communication and cooperation are the key.
Councilmember

Section 2: Roles and Responsibilities

Chapter 6: Successful Meetings

Rules of Procedure

Adopting rules of procedure to govern its meetings may very well be one of the most important actions a council takes. These rules assist in ensuring that meetings are efficient and genial and provide guidelines for dealing lawfully and effectively with the public and the media

The council should review its rules of procedure at its first meeting after members elected at the municipality's regular election have taken office and when a quorum is present. Following discussion and any amendments, the council should adopt the rules of procedure by majority vote.

Typically, council rules contain provisions for:

- notification of meetings;
- regular and special meetings;
- attendance at meetings;
- meeting information packets;
- agenda preparation and distribution (including the use of a consent agenda);
- voting;
- public hearings;
- parliamentary procedure;
- conduct of meetings (decorum of council members; disorderly conduct);
- public participation;
- minute preparation;
- committees (establishing; appointments; duties and responsibilities);
- resolutions; and
- ordinances (introduction; public hearing; publication; amendments).

The rules should indicate the sequence of the council agenda as well as the procedure for holding public meetings. They might also include whether or not the mayor or president is entitled to speak in debate, any restrictions on abstentions, how items are added to the agenda, how the agenda is distributed, limits on speeches—basically

anything having to do with how you procedurally conduct your meetings.

Agendas

An agenda is a guide for conducting an official business meeting of a duly constituted body. Generally, the person who sets the agenda is the presiding officer (hereafter called the chair). The chair should set a deadline before each meeting to receive agenda items. The deadline should allow enough time before the meeting for an agenda to be produced and supporting information and documents to be mailed or delivered to the members. Board or council members should have enough time before the meeting to read and digest the information. Allowing time for the members to prepare will help the meeting proceed at a more efficient pace.

The chair should mail a message or verbally remind each person on the board or council of the deadline each time an agenda is being prepared. Most people can be verbally reminded before the preceding meeting is adjourned. Other interested and appropriate individuals should also be notified of the date and time when agenda items are due.

The person responsible for each agenda item should be listed on the printed agenda next to that item.

Sample Agenda Outline

1. Call to Order (Pledge of Allegiance, if there is to be one)
2. Roll Call
3. Approval of (regular/special) minutes of the last meeting
4. Approval of Agenda
5. Public Comments – Reserved Time (for items listed on this agenda)
6. Petitions and Communications
7. Consent Agenda

8. Introduction and Adoption of Ordinances and Resolutions; Public Hearings
9. Reports of Officers, Boards and Committees; Routine Monthly Reports from Departments
10. Unfinished Business (unfinished or pending matters)
11. New Business
12. Miscellaneous
13. Public Comments – General
14. Recess – Work Session
15. Closed Session (for situations that meet the circumstances specified in the Michigan Open Meetings Act.)
16. Adjournment

Open Meetings Act

The basic intent of the Open Meetings Act (OMA) is to strengthen the right of all Michigan citizens to know what goes on in government.

Briefly, the OMA requires that nearly all deliberations and decisions of a public body be made in public. While it sounds simple, problems arise in the definition of terms. What is a “public body”? Is a subcommittee of the council a “public body”? Is a discussion of the candidates for the manager’s position a “deliberation”? Does the council have to discuss its final offer to the fire union in public session? The answer to most of these questions is the same: “It depends.”

Remember, the general rule of thumb is to conduct the public’s business in public. Deliberate so the constituents know why decisions are made. Deliberations and documents may be kept confidential only when disclosure would be detrimental to the municipality, not when the matter would be uncomfortable or embarrassing.

When specific circumstances cause you to question the appropriateness of a closed session or the appropriate posting requirements, the safest course of action is to follow the guidance of your municipal attorney. The specific details of the situation and recent legislation and court decisions will make each situation unique.

Closed meetings

In order for a public body to hold a closed meeting, a roll call vote must be taken; depending on the circumstances, either two-thirds of its members must vote affirmatively or it must be a majority vote. (See Appendix 2: Overview of the Open Meetings Act). Also, the purpose for which the closed meeting is being called must be stated in the meeting when the roll call is taken. The law provides for closed meetings in a few specified circumstances:

- to consider the purchase or lease of real property (2/3 vote);
- to consult with its attorney about trial or settlement strategy in pending litigation, but only when an open meeting would have a detrimental financial effect on the public body’s position (2/3 vote);
- to review the contents of an application for employment or appointment to a public office when the candidate requests the application to remain confidential (2/3 vote). However, all interviews by a public body for employment or appointment to a public office must be conducted in an open meeting; and
- to consider material exempt from discussion or disclosure by state or federal statute (2/3 vote); and
- to consider dismissal, suspension or disciplining of, or to hear complaints or charges brought against or to consider a periodic personnel evaluation of, a public officer or employee if requested by the named person (majority vote).

Recording Minutes

Minutes are recorded to provide an accurate written history of the proceedings of a board, commission, or committee meeting. The OMA contains the legal requirements for minutes of public body meetings. Minutes must be kept for all meetings and are required to contain:

- a statement of the time, date, and place of the meeting;
- the members present as well as absent;

- a record of any decisions made at the meeting and a record of all roll call votes; and
- an explanation of the purpose(s) if the meeting is a closed session.

Except for minutes taken during a closed session, all minutes are considered public records, open for public inspection, and must be available for review as well as copying at the address designated on the public notice for the meeting.

Proposed minutes must be available for public inspection within eight business days after a meeting. Approved minutes must be available within five business days after the meeting at which they were approved.

Corrections in the minutes must be made no later than the next meeting after the meeting to which the minutes refer. Corrected minutes must be available no later than the next meeting after the correction and must show both the original entry and the correction.

Closed Meeting Minutes

Minutes of closed meetings must also be recorded, although they are not available for public inspection and would only be disclosed if required by a civil action. These minutes may be destroyed one year and one day after approval of the minutes of the regular meeting at which the closed session was approved.

Public Hearings

Council rules should include a procedure for public hearings. A *public hearing* is that portion of a meeting designed specifically to receive input from the public on a single issue. It may be required by ordinance, charter, or statute. The time, place, and subject of the hearing must be posted as required by the ordinance, charter, or statute. The hearing may be before, during, or after a regular meeting or may be at a special meeting called specifically for that purpose. Public hearings are formal meetings of the council to obtain input from the public. Public hearings offer citizens an opportunity to be heard, and should be viewed as a

serious effort on the part of elected officials to secure as much information as possible about a topic before a final decision is made. Public hearings are legal requirement for some matters, such as:

- adoption of the budget, and
- changing the zoning ordinance.

Local charters may also include provisions on public hearings, such as requiring a public hearing for the consideration of a proposed ordinance. Even if not required by law, a public hearing can be useful in helping municipal officials understand how their constituents feel and why they feel that way.

Parliamentary Procedure

A good working knowledge of meeting management and the basic elements of parliamentary procedure will engender a sense of confidence at your first public meeting. You should feel comfortable with how to make a motion, what is expected of you in debate, and how a vote is taken. In other words, know your rights and how to enforce and protect them.

Parliamentary procedure is not meant to be restrictive or prevent free expression of opinion, but rather to serve as a protection of the rights of all—the majority, the minority, individual members, absent members, and all of these together. For a governmental body, that also includes your constituency—the public. The purpose is to expedite business, maintain order, insure justice, and make sure that the will of the organization is accomplished properly and fairly. In other words, these procedures are designed to help, not hinder, the process.

In a message to Congress in 1961, President John F. Kennedy stated “The basis of effective government is public confidence.” As a member of your city or village council, you can help inspire that confidence by being professional in your duties, by having a good working knowledge of parliamentary procedure, and by projecting your image as an efficient, fair-minded, knowledgeable official. An orderly, smoothly run meeting, one that

accomplishes the tasks at hand, should be your goal. And it shouldn't last too long either.

It all sounds so simple. A motion is made, discussed, and voted on. How much easier can it get? Well, we have a tendency to make it much more difficult than it has to be.

Parliamentary law is composed of the rules and customs governing deliberative assemblies. The most widely used authority is *Robert's Rules of Order Newly Revised* (*Roberts Rules*), used by more than 75 percent of all deliberative assemblies, including governmental bodies. Meetings of governmental bodies are regulated by federal and state laws (such as the Open Meetings Act), which take priority, and local charters (which may stipulate that the president votes only to break a tie), and any rules that your municipality has adopted regarding procedure. **If you have adopted the current version of *Roberts Rules*, it should be consulted as a last resort if nothing else applies, not as the first and foremost authority.**

As a member of the public body, you have the responsibility to become familiar with requirements and restrictions under the OMA, your own governing documents—especially your charter—and your council rules of procedure. Your agenda, how business is introduced, how debate is conducted, how the vote is taken—all of these things have their basis in parliamentary procedure.

There are some basic concepts that are common to all organizations: a quorum must be present to take legal action; only one main proposition can be on the floor at a time; only one member can speak at a time; the issue, not the person, is always what is under discussion; and usually, a majority vote decides.

A motion is handled in the following manner:

1. A member is recognized and makes a motion by stating “I move...” (Never use “I want to...” or “I think we should...” or “I motion...” or “So moved.”)

2. Another member “seconds” the motion, without waiting for recognition. This means that another person thinks the subject is important enough for discussion and vote. (To expedite business and avoid confusion when no second is offered, you might want to adopt a rule that eliminates the requirement for a second).
3. The chair states the question: “It is moved and seconded that . . .” The motion now belongs to the assembly for discussion.
4. The chair asks: “Is there any discussion?” or “Are you ready for the question?” The motion is opened for debate, and the member who made the motion has first priority in speaking to the question. According to *Roberts Rules*, each member has the right to speak twice in debate, but may not speak the second time until everyone has had a chance to speak the first time.
5. The chair states “The question is on the adoption of the motion to...” the vote is taken by whatever means is established in your community. If by voice vote, “All those in favor say ‘aye’. All those opposed, say ‘no’.”
6. The chair announces the results of the vote. “The ayes have it and the motion is adopted.” Or “The nays have it, and the motion is lost.”

The chair must be comfortable not only with procedures in handling motions, but also showing impartiality; keeping the discussion focused; soliciting opinions from members; not allowing blame-oriented statements; protecting staff and colleagues from verbal abuse or attack; encouraging alternate solutions; making sure everyone knows what is being voted on; and, even explaining what a “yes” or a “no” vote means.

Individual members should respect their colleagues and the chair; obtain the floor by being recognized by the chair before speaking; use correct terminology; limit remarks to the issue under consideration; raise concerns and objections during debate;

and, actively listen to citizen input and discussion.

Also, remember silence gives consent. Some communities have a restriction on the ability of members to abstain from voting, or they may need approval of a majority, or even unanimous approval, of the other members, in order to abstain from voting. If you have no such rule, you may abstain, but the abstention is not counted as a “yes” or “no” vote. In essence, you have given your permission to the will of the majority, whatever that might be.

Following are the five classes of motions and some examples of when to use them:

1. Main motion
 - To introduce a subject, *make a main motion*
2. Subsidiary motions assist the members in treating or disposing of a main motion
 - To kill or reject a main motion without a direct vote on it, *move to postpone indefinitely*
 - To change a pending motion, *move to amend*
 - To send a pending question to a small group for further study, *move to commit or refer*
 - To put off action or a decision until later in the same or next meeting, *move to postpone definitely*
 - To change the rules of debate, *move to limit or extend limits of debate*
 - To close debate, *move the previous question*
 - To set aside the pending question temporarily in order to take up more pressing business, *move to lay on the table*
3. Privileged motions deal with rights and privileges of members and do not directly affect the main motion.
 - To return to the printed agenda, *call for the orders of the day*
 - To secure a privilege, such as insuring your ability to see or

hear, *raise a question of privilege*

- To take a short break in the meeting, *move to recess*
 - To close a meeting, *move to adjourn*
 - To set a time to continue the business to another day without adjourning the current meeting, *move to fix the time for which to adjourn*
4. Incidental motions are incidental to the business at hand
 - To endorse the rules, *rise to a point of order*
 - To reverse or question the decision of the chair, *appeal*
 - To question the correctness of a voice vote as announced by the chair, *call for a division of the assembly* (rising vote)
 5. Motions that bring a question again before the assembly allow the assembly to reopen a completed question
 - To give members a chance to change their minds, some motions can be redebated and revoted. The move must come from the prevailing side (yes if it was adopted; no if it failed), *move to reconsider*
 - To change what was adopted at a previous meeting, *move to amend something previously adopted*
 - To change the outcome of an affirmative vote, *move to rescind*

Each of these motions, of course, has its own rules regarding when it is in order, if it must be seconded, if it is debatable or amendable, and what vote is required for adoption; and even if it can be reconsidered. Make it your business to become as knowledgeable as you can, and then share your knowledge with others.

This chapter is based on materials provided by **Connie M. Deford**, retired city clerk of Bay City.

Section 2: Roles and Responsibilities

Chapter 7: Local ordinances

Prerequisites to Valid Ordinance Enactment

To be valid, an ordinance must, at a minimum, serve a public purpose within the scope of the local governing body's authority; it must be consistent with applicable local, state, and federal charters, laws, constitutions, and public policies; and it must be precise and reasonable.

Local Government Authority

Local governments in Michigan have no power of their own, except as granted to them by the state constitution, statutes, and local charters, as applicable. Some of the basic constitutional and statutory provisions which empower local governments to enact ordinances are as follows:

1. **The Michigan Constitution** provides local governments with the legislative power and authority to adopt ordinances. For example, cities and villages get their authority from Article 7, §22.

“Each such city and village shall have the power to adopt resolutions and ordinances relating to its municipal concerns, property and government, subject to the constitution and law.”

The Michigan constitution requires that constitutional provisions and state laws concerning local government powers must be liberally construed. Article 7, §34 provides:

“The provisions of this constitution and law concerning counties, townships, cities and villages shall be liberally construed in their favor. Powers granted to counties and townships by this constitution and by law shall include those fairly

implied and not prohibited by this constitution.”

2. **State statutes** also provide local governments with authority to adopt ordinances. These statutes are specific to the type of local government involved and set forth procedures for adoption and other matters such as permissible penalties for ordinance violations. The basic authorization sections are as follows:

- 1909 PA 279, The Home Rule City Act
- 1909 PA 278, The Home Rule Village Act

Requirements of a Local Ordinance

Serve a public purpose

An ordinance must advance a public purpose, not the interests of a private person or an arbitrary class of persons. An ordinance that grants special privileges to a single person or entity exceeds the scope of the governing body's powers. An ordinance must relate to local matters, not to matters of statewide concern. In addition, an ordinance must serve a lawful purpose, either as expressly provided for by law or as necessary for the general health, safety and welfare of the community.

Consistency with State and Federal Laws and Local Charters

The provisions of an ordinance must be consistent with state law; the ordinance may not conflict with or be preempted by a state law. The same holds true for federal law. A direct conflict exists if an ordinance permits what a state statute prohibits or prohibits what a state statute permits. Some areas of potential local regulation may be preempted by a state (or federal) statute, either expressly or because the statutory scheme occupies the field of regulation. In that case,

the local regulation cannot be upheld, even though there is no direct conflict. An ordinance may not conflict with the provisions of a local charter.

Clear and Precise Language

If an ordinance is vague, ambiguous, or indefinite so that it is impossible to determine what the ordinance requires or to determine the legislative intent, the courts will hold the ordinance void. The meaning of an ordinance must be clear enough so that persons who are subject to its provisions can determine what acts will violate it. A penal ordinance (one that imposes a penalty for violation) will be strictly construed by a court in favor of the defendant.

Reasonable in Nature

An ordinance must be reasonable, both at first sight and as applied to a particular situation, or it will be held invalid. In general, whether or not an ordinance is reasonable will depend on the particular language of the ordinance or the particular circumstances to which the ordinance is applied. The inquiry will typically focus on whether the ordinance is intended to advance a legitimate police power objective, whether the ordinance constitutes a rational means to accomplish that objective, and the impacts of the ordinance on rights or privileges which have been granted or guaranteed by applicable laws and constitutions. However, a presumption of reasonableness applies to local ordinances and an ordinance will not be invalidated unless it is clearly arbitrary, confiscatory, discriminatory, or otherwise unreasonable.

Choosing between Ordinances and Resolutions

For each proposed action of a local governing body, it must be determined whether the action requires an ordinance or a resolution. In most cases, the proper approach will be obvious. However, the choice of approach is critically important because the use of the wrong device may result in invalidation of the action taken. If the substance of a local governing body's

action requires adoption of an ordinance, a resolution cannot operate as a *de facto* ordinance, and the attempt to legislate by resolution will be invalid. A state statute or local charter may specify whether an action must be by ordinance or resolution.

Typically, any act imposing a sanction for the violation of the act must be by ordinance. If a statute or local charter does not specify whether an action must be taken by ordinance or resolution, the nature of the proposed action must be examined to determine whether an ordinance or resolution is required. Generally, resolutions implement ministerial functions of government for short-term purposes, while ordinances are intended to have a permanent and more general effect. Labeling a resolution an ordinance does not make it so.

Basic Adoption Procedures and Requirements

Assuming that there is proper authority to enact an ordinance, the ordinance must be enacted according to the procedures set forth by statute or local charter. For example, notice and voting requirements must be observed. Also, ordinances must be published, printed and authenticated by the local government as required by applicable laws. The statutes provide varying times within which an ordinance may become effective, depending upon the type of local government involved.

Notice

Generally, to be bound by an ordinance, a person must have notice of an ordinance, or the reasonable opportunity to have had notice of it. This requirement does not typically pose any problems. State statutes may require that specific notice requirements be met in adopting or amending an ordinance. For example, MCL 125.3103 of the Michigan Zoning Enabling Act provides that prior to the adoption of a zoning ordinance, not less than 15 days' notice of the time and the place of the public hearing must be published in a newspaper of general circulation. Local charters may also

contain notice requirements which must be observed.

Voting Requirements

Unless otherwise provided by statute, an ordinance must be adopted by a majority vote of the elected members of the governing body. Voting requirements and procedures can become complicated, however, particularly in situations involving abstentions, absences, conflicts of interest, the use of alternates, protest petitions and ordinances dealing with special topics. It is important to be familiar with the exceptions to majority vote requirements. Check applicable statutes and local charters.

Publication

After an ordinance is adopted, it must be published in a local newspaper of general circulation before it becomes effective. As applied to ordinances, “publication” means printing or otherwise reproducing copies of them in a manner so as to make their contents easily accessible to the public. Some types of local governments are expressly authorized to publish an ordinance by publishing a summary of the ordinance along with a designation of where a true copy of the ordinance can be inspected or obtained. (Home Rule City Act – whether or not provided in the charter, MCL 117.3(k); Home Rule Village Act, MCL 78.23(i)). The ordinance must be published within the time period specified by statute. The time period varies depending upon the type of local government involved. There must also be compliance with publication requirements or procedures contained in local charters. If a city or village passes an ordinance that incorporates by reference a state statute, the code does not need to be published in full if the code is available for distribution in the clerk’s office and there is compliance with other applicable requirements under the statute and charter.

Printing and Adopting

Local charters will set forth ordinance requirements. These are to include the method for adopting, continuing, amending, and repealing city ordinances under the

Home Rule City Act, and for the publication of an ordinance or a synopsis of an ordinance according to the Home Rule Village Act.

Effective Date

Ordinances usually do not take immediate effect unless stated in the ordinance, particularly if they provide for penalties. Always check applicable charter provisions.

Reading Requirements

Reading requirements govern the number of times that an ordinance must be read aloud or considered by the local governing body, either in full or by title, and on how many different occasions. Applicable state and local laws, including local charters, should be consulted to determine the reading requirements in a particular jurisdiction.

Adoption of Technical Codes by Reference

Various statutes authorize the adoption of specified technical codes by reference. See, for example, the statutory authority for home rule villages (MCL 78.23(i) and home rule cities (MCL 117.3(k)). Charters may also contain requirements for adopting and publishing technical codes by reference.

The statutes authorizing adoption of technical codes by reference may also provide specific means of publishing the codes. Further, all requirements for publication contained in a local charter must be met. Failure to meet the publication requirements as provided by statute and charter will make the code unenforceable. Although a statute authorized the city to adopt the Uniform Traffic Code by reference and without publication in full, both the statute and the city charter required that the city ordinance adopting the code by reference be published in full as a prerequisite to the legal effectiveness of the code being adopted; failure to publish the adopting ordinance in full made that ordinance invalid and precluded prosecution for a violation of the traffic code.

Efforts should be made to stay current. State codes adopted by reference should be

readopted to reflect changes made in the codes as they occur.

Drafting

To be valid, an ordinance must be drafted in the proper form. Although state law does not appear to require any particular form for ordinances (except for ordinance enacting clauses), local charters may contain form requirements which must be followed. Otherwise, there are no absolute rules for drafting ordinances.

Ordinance Amendments

The specific procedures and requirements that govern amendments as provided by state statute, charter provisions, and other applicable laws should always be examined and followed:

- Amendments change, add, or delete material in an ordinance.
- Local charters frequently contain publication requirements in connection with ordinance amendments.
- Amendments should be drafted to conform to the titles and numbering system of the ordinance being amended. The definitions contained in the ordinance should be referred to and followed.
- It is not necessary to repeal an ordinance section or provision in order to change it. The particular section or provision only needs to be amended to read as desired.
- If an ordinance section or provision has already been amended, it is not necessary to repeal the prior amending ordinance. It is only necessary to amend the provision as it currently exists.
- In adding new material, such as a new subsection, the entire section being amended generally should be set forth in full, including the new material, to show how the amended section will read in full. If this is not done, confusion may arise as to where the new material fits in the section being amended and whether old material is superseded. If a long section is being amended, it is appropriate, and may be more

convenient, to set forth only the amended subsection.

- The amending ordinance should state exactly where the new material is to be placed, by section or subsection number.

The first, and perhaps one of the most important steps in the preparation of an ordinance, is to determine exactly what it is the local governing body wants the ordinance to accomplish. Often, local legislation is proposed on the vague idea that there “ought to be a law” and with no clear understanding or articulation of what the ordinance should prohibit or require. If the person drafting an ordinance does not know the precise objectives of a proposed new ordinance or the purpose for a proposed change in an existing ordinance, he or she will be defeated from the outset.

After gaining a clear understanding of the local governing body’s purpose and intent, the drafter must express that purpose in appropriate language arranged in a readable and useable manner. Although the drafting of plain, accurate, and effective ordinances may be as much of an art as it is a science, it is an endeavor that one can get better at with practice.

This chapter is based on materials provided by **George B. Davis**, a partner at Davis & Davis PLC in Grand Rapids, Michigan.

Section 2: Roles and Responsibilities

Chapter 8: Ethics

So there you were, as a councilmember, trying to do the best job you could juggling competing demands—answering calls from residents; asking questions of your city manager, finance director, and DPW director—trying to keep up with what’s going on. And all of a sudden, an angry resident jumps up at a council meeting, charges you with having “a conflict of interest” on a zoning matter, and says you are violating the state ethics law. Your friendly local newspaper reporter corners you after the meeting and asks, “Well, what about it? Are you in violation of the law?”

Who said serving on the city or village council would be easy?

Like it or not, we live in a time of unparalleled cynicism toward government at all levels. Fair or not, critics are quick to point to alleged ethical improprieties as further proof of the untrustworthiness of government officials. In this environment, even the suggestion of improper action can trigger unhappy consequences. Local officials thus need to be aware of the state laws under which they can be held accountable.

This chapter summarizes the two statutes comprising the principal ethics regulation of Michigan local government officials: The State Ethics Act, 1973 PA 196 (Act 196); and 1968 PA 317, dealing with public contracts. Every local public official in Michigan is subject to them and should be familiar with them.

What Is a Conflict of Interest, and Why Should We Care?

To understand the Michigan laws on the subject, let’s begin with what they are trying to address: What is a “conflict of interest,” and why should we care about it?

The second question is easy to answer: Public office is a public trust. Elected officials are merely hired hands, delegated power from the public, obliged to exercise that power as the public’s trustees. We owe a duty of loyalty to the public interest. Actions or influences tending to undermine that loyalty are destructive to the public’s

confidence in government. We all should care about that.

A conflict of interest is any interest competing with or adverse to our primary duty of loyalty to the public interest. A competing interest may be a personal interest, or it may be a duty or loyalty we owe to a third party. In either case, there is a “conflict” if the competing interest impairs our ability to decide a public question objectively and independently.

That is a broad definition, and not everything which might fall within it is necessarily a problem. Each of the statutes discussed below is based upon this general concept: An influence which could impair our impartiality is a potential problem. The laws distinguish between conflicts which are permissible and those which are not.

State Laws

The two state laws each address different aspects of conflict and ethics issues. Act 196 is concerned with individual behavior, and Act 317 regulates approval of public contracts in which local officials may have an interest. Each statute has its own peculiarities.

State Ethics Act (Act 196)

Act 196 prescribes general standards of conduct for public officers and employees by establishing seven areas of prohibited conduct. A local government official shall not:

1. divulge confidential information

2. represent his or her opinion as that of the local government.
3. use governmental personnel, property, or funds for personal gain or benefit
4. solicit or accept gifts/loans/goods/services, etc. which tend to influence his or her performance of official duties.
5. engage in a business transaction in which he or she may profit from confidential information
6. engage in or accept employment/render services for a public or private interest which is incompatible/in conflict with the discharge of official duties or which may tend to impair his or her independence of judgment.
7. participate in the negotiation or execution of contracts/making loans/granting subsidies/fixing rates/issuing permits, certificates, or other regulation/supervision relating to a business entity in which the public officer has a financial or personal interest.

In practice, subparts (6) and (7) created a serious hardship for part-time local officials—such as elected trustees—who are usually employed full-time at other jobs. The Legislature thus amended Act 196 to provide narrow exceptions to subparts (6) and (7), enabling the official to participate in and vote on the governmental decision, but only if all of the following occur:

- a. a quorum is not available because the public officer's participation would otherwise violate (6) or (7);
- b. the official is not paid for working more than 25 hours per week for the governmental unit; and
- c. the officer promptly discloses any interest he or she may have in the matter and the disclosure is made part of the public record of the governmental decision to which it pertains.

In addition, if the governmental decision is the award of a contract, the officer's direct benefit from the contract cannot exceed the

lesser of \$250 or five percent of the contract cost; and the officer must file a sworn affidavit as to the amount of direct benefit, which is made part of the public record.

The exceptions are of limited use since they are available only if there otherwise would be a failure to obtain a quorum.

Prohibitions on Public Contracts (Act 317)

Unlike Act 196, which seeks to regulate the behavior of the individual official directly, Act 317 addresses conflict concerns by prohibiting local public officials from pursuing certain public contracts. Section 2 of the act provides that a local official shall not:

1. be a party, directly or indirectly, to a contract between himself or herself and the official's governmental entity.
2. directly or indirectly solicit a contract between the official's governmental entity and any of the following:
 - a. himself or herself;
 - b. any co-partnership of unincorporated association of which he or she is a partner, member, or employee;
 - c. any private corporation in which he or she is a stockholder (over certain thresholds) or of which he or she is a director, officer, or employee; or
 - d. any trust of which he or she is a beneficiary or trustee.

Act 317 further prohibits the official from either taking part in the negotiation or renegotiation of any such contract or representing either party in the transaction. As with Act 196, there are exceptions. The principal exception is that the prohibitions do not apply to officials paid for working an average of 25 hours per week or less for the governmental entity. The prohibitions also do not apply to community college, junior college or state college or university employees. This is a more useful exception for trustees than that found in Act 196, since the quorum issue is not a precondition.

Even if the exception is available, Act 317 imposes strict disclosure and approval requirements:

- a. Prompt disclosure of any pecuniary interest, which is made part of the public record. Disclosure must be made at least seven days prior to the meeting at which a vote will be taken.
- b. Approval requires a vote of at least 2/3 of the full membership of the approving body (not 2/3 of those present) without the vote of the official making the disclosure.
- c. The minutes must include summary information regarding the name of

Other Considerations

In addition to the two principal ethics statutes, local elected officials should be aware of other potential sources of ethical rules. One example is local charter requirements or local ethics ordinances or policies. Prior to 1997, Act 317 contained a provision which said that the act superseded all local charter provisions pertaining to conflicts of interest, and that Act 317 constituted the “sole law in this state” with respect to conflicts of interest in public contracts. This created an argument that all local ethics regulation was preempted by the act. In 1997, however, the legislature

Ethics questions: What would you do in these situations?

Situation #1

You work for a large manufacturing company which also happens to be your village’s largest taxpayer and employer. The company applies for a tax abatement for the plant in your village. You work at another facility and the tax abatement does not impact your job. Should you vote on the abatement?

Situation #2

Before you were elected to the village council, you served on the zoning board of appeals (ZBA), so you know the ZBA procedures very well. A few months after your election, your neighbor files a petition with the ZBA seeking a variance. Since you know how the ZBA works, he asks you to accompany him to the ZBA and to speak on his behalf. Should you do it?

Situation #3

You are a member of the board of directors of your local chamber of commerce and have been for many years. You then run for and are elected to your village council. The chamber later proposes that the chamber and the village enter into a contract in which the village pays the chamber for economic development services. Should you vote on the contract?

each party to the contract, the principal terms, and the nature of the official’s pecuniary interest.

Finally, Act 317’s prohibitions do not apply to contracts between public entities, regulated public utility contracts, and contracts awarded to the lowest qualified bidder (other than the public official) upon receipt of sealed bids pursuant to published notice.

amended Act 317 to reduce the scope of the potential preemption and expressly approve of local ethics regulation in subjects other than public contracts (1997 PA 145). The legislative analysis accompanying the bill makes it clear the state

preemption is narrow, and therefore, that local regulation—regarding disclosure, conflicts of interest in other situations and nepotism, for example—is permitted. Local officials should consult with their city or

village attorney to become familiar with such local regulations.

Local officials should also be aware of 1978 PA 566 (Act 566), which generally prohibits a public officer from holding two or more “incompatible offices” at the same time. Act 566 is based upon general principles of conflict of interest by prohibiting a public official from serving in two public offices whose duties are directly adverse to one another. “Incompatible offices” is defined to mean public offices held by a public official which, when the official is performing the duties of either public office, results in:

1. subordination of one office to another,
2. supervision of one office by another, or
3. a breach of duty.

The Michigan Supreme Court has said that a breach of duty occurs if the two governmental entities in which the official holds offices are parties to a contract or

enter into contractual. Local public officials seeking to hold two public offices should first ask whether Act 566 will preclude the dual service as a way to avoid potential embarrassment. For more information, the League has sample ethics ordinances and policies, an ethics handbook, and the following One Pager *Plus* Fact Sheets available at mml.org:

- Ethics: Contracts of Public Servants with Public Entities
- Ethics: Incompatible Public Offices - 2010 Updates
- Ethics: Misconduct in Office by Public Officers
- Ethics: Standards of Conduct for Public Officers/Employees

Conclusion

Local elected officials should be mindful of the relevant laws governing ethical issues.

Ethics answers

Situation #1:

No. Act 196 states that a local public official shall not participate in the granting of subsidies, issuance of permits or certificates, or any other regulation relating to a business entity in which the official has an interest. An exception may be available, but only if the official’s participation is necessary to achieve a quorum. The Attorney General has said that if the council person does participate, the council action may be void or voidable where the person’s vote was determinative. See OAG No. 5864 (1981); OAG No. 6005 (1981).

Situation #2:

No. The Michigan Court of Appeals has labeled this situation as “patently improper” and an abuse of public trust for the reason that the person making the argument to the ZBA is also one of the people charged with appointing the ZBA. This creates duress on the ZBA, raising doubt about the impartiality of the ZBA’s decision. Any decision made by the ZBA under these circumstances is void. See *Barkey v. Nick*, 11 Mich App 361 (1968).

Situation #3:

No. Although Act 317 grants to part-time officials an exception from the general rule that officials shall not take any part in the approval or negotiation of a contract between the village and any private corporation of which the official is a director, the Act goes on to require that the contract may only be approved by a 2/3 vote of the full membership “without the vote of the [official].” In other words, Act 317 might permit you to vote, but your approving vote doesn’t count. See OAG No. 6563 (1989). The strict disclosure provisions will apply in any case.

Act 196 and Act 317 provide a good starting point for local elected officials to assure themselves that they are acting appropriately. Adhering to the provisions of these statutes will give you the comfort of knowing, if and when your friendly reporter pulls you aside, that you will be giving the right answers.

Materials for this chapter provided by **Michael McGee**, principal in the law office of Miller, Canfield, Paddock and Stone, P.L.C.

Section 2: Roles and Responsibilities

Chapter 9: Influencing State and Federal Legislation

The Michigan Municipal League provides wide-ranging public policy advocacy services—both at the state and federal levels—for member cities, villages, and urban townships.

Since the late 1960s, the League has maintained a full-time advocacy and lobbying presence at the State Capitol in Lansing through the League's State and Federal Affairs Division (SFAD). The SFAD staff monitors, analyzes, and articulates the municipal viewpoint on many of the 3,000 or more bills that are introduced in the Michigan Senate and Michigan House of Representatives during each two-year legislative session. SFAD staff interacts directly with legislative leadership, legislative committee and sub-committee chairs, individual legislators, and key staff from both legislative chambers. They communicate the municipal point of view on a host of policy issues ranging from taxation and appropriations priorities to public safety, public works, and environmental concerns.

SFAD staff also interacts regularly with executive branch staff and top-level officials in the various state departments and agencies whose decisions can have an impact on municipal operations.

How League's Policies and Positions on Legislation Are Set

The genesis of the League's legislative policies and positions on specific bills rests with the League's five standing committees:

Economic Development
Energy, Technology & Environment
Municipal Finance
Municipal Services, and
Transportation and Infrastructure

These committees, each consisting of approximately 20 mayors, councilmembers, managers, and senior staff from cities and

villages throughout the state, meet several times per year (generally quarterly) to review and recommend League positions on specific bills before the Legislature. The committees also conduct an annual review of, and recommend amendments to, the League's policy statements, which guide League staff in discussions and negotiations on legislative issues.

Recommendations on legislation and League policies are then forwarded to the League's 18-member Board of Trustees for further review and concurrence. In turn, recommended amendments to the League's policy statements are then forwarded to the League's member cities and villages for review, debate, and a final vote at the League's annual business meeting.

Additionally, at the start of each two-year legislative session, the League's standing committees recommend a list of specific legislative priorities which are discussed and given final approval by the Board of Trustees.

Municipal Officials' Role in Lobbying

The strength of the League's advocacy program comes from its base of elected officials from the state's 533 cities and villages. Our success as a lobbying unit is directly and unmistakably related to their level of active participation in an issue.

The ultimate success of the League's aggressive lobbying effort in Lansing depends directly on the willingness of municipal officials to take the time and make the effort to get actively involved in the process. Time and again, the League's ability to influence the outcome of legislation affecting municipalities has hinged on the efforts of Michigan's mayors, councilmembers, managers, and key staff to

contact their legislators and urge support for the League's viewpoint on legislation.

To ensure that legislative information is received by municipal officials and acted on in a timely manner, please review our lobbyist blog, *Inside 208*.

In some instances—upon receiving a call-to-action communication from the League—a local official will personally call his or her state senator or state representative and urge that official to vote a certain way. In other instances, the legislative director will share pertinent information on legislative activities with the mayor, village president, council and manager, and coordinate a community or region-wide response to their area's senators and representatives.

This communications network—from the League to local officials to legislators—is remarkably effective. With few exceptions, state senators and state representatives respond quickly and positively to phone calls, letters, and emails from municipal officials in the home district. Where once councils would simply pass a resolution and hope that the legislator read it before voting on an issue of importance to cities and villages, now municipal officials have established a direct pipeline into their legislator's office. And it works!

The technique is especially effective when legislators are urged by their municipal officials to contact League lobbyists for additional technical information and background on a particular bill or legislative issue. When legislators call the League's Lansing office at the urging of local municipal officials, League lobbyists respond with timely and insightful information and a clear message that echoes what municipal local officials in their district have told them.

On occasion—depending on the issue—the League encourages municipal officials to travel to Lansing and meet directly with their senator and representative. Once again, this is a situation in which League staff monitors developments, interacts with legislators and staff, and then makes a determination that a direct, face-to-face

contact between local officials and their legislators will be of great benefit to championing the municipal viewpoint on a bill.

Most often, these meetings with legislators and municipal officials are pre-arranged, with legislators given background materials explaining the municipal viewpoint. Frequently, however, the League will ask local officials to travel to Lansing and request a non-scheduled visit with their legislator during critical committee discussion or floor debate on an important bill.

Almost without exception, these face-to-face meetings—if conducted in an atmosphere of cordiality and respect—yield positive results and help galvanize strong future relationships.

How the League and its Staff Works to Impact the Outcome of Legislation

The League's State and Federal Affairs Division staff in Lansing closely monitors the development and introduction of bills that are introduced each two-year legislative session in the Michigan House and Senate. This work requires daily, one-on-one interaction with legislative leaders, the chairpersons of Senate and House committees, and individual legislators who are working on issues of interest to cities and villages.

League staff also nurtures professional relationships with key staff in both the governor's office and the Legislature who play a pivotal role in the conceptualization, development, drafting, amending, and final passage of the bills that the League is following. In addition, League staff maintains extensive contact with representatives of other interest groups such as the Michigan Townships Association, the Michigan Chamber of Commerce, the Michigan Manufacturers Association, organized labor groups, and other local government associations such as the Michigan Association of Counties and the County Road Association of Michigan.

Success in the legislative arena often means building and maintaining coalitions

comprised of a wide range of individuals and interest groups who share a desire to see a particular bill passed and signed into law or delayed for further consideration.

Whenever a bill that will have a significant impact on cities and villages is introduced in the House or Senate, League staff analyze the legislation, ascertain its effect on municipal operations, and develop a list of influential individuals and organizations with whom the League can partner to advance the municipal viewpoint and secure the desired outcome.

Michigan is one of a handful of states with a full-time Legislature. For Michigan's 38 state senators and 110 state representatives, lawmaking is a very demanding full-time job. Generally, the Legislature is in session at least three days per week (usually Tuesday, Wednesday, and Thursday) most weeks of the year. While the Legislature does recess for an average of a few weeks each spring, two months in the summer, and a few weeks at the end of each calendar year, the business of discussing, evaluating the impact of, amending, and building support for thousands of legislative bills continues without pause throughout the year. That means that the work of the League's State and Federal Affairs Division also continues, without pause, throughout the year.

League staff are frequently at the table when bills are discussed and amendments are drafted. During each legislative session, the League participates in dozens of work groups, task forces, subcommittees, and other activities where legislation is analyzed and final agreements are made.

League staff members also consult regularly with municipal constituent groups such as the Michigan Association of Mayors (MAM), the Michigan Local Government Management Association (MLGMA), the Michigan Association of Municipal Attorneys (MAMA), and the Michigan Chapter of the American Public Works Association (APWA), among others. These organizations help SFAD staff to gauge the impact of legislation (and regulatory decisions) on cities and villages.

In the last few years, the League has also undertaken an ambitious public relations program designed to bring additional public attention to the legislative issues of its members.

A typical legislative day will find League lobbyists at the Capitol building by early morning to testify before Senate and House committees and talk with individual legislators. Depending on the legislative schedule, League lobbyists may be scattered at several House committee meetings or stationed outside the senate chamber to talk one-on-one with senators prior to, and during, the senate session. By early afternoon, the venue changes slightly as League lobbyists attend one of several senate committee meetings while simultaneously monitoring floor action in the house chamber. Breakfasts with coalition partners, lunches with legislative staffers, and an occasional dinner meeting are all part of a routine day for League lobbyists at the Capitol.

Michigan Municipal League Publications

The League's State and Federal Affairs Division produces a number of publications to keep member cities and villages up-to-date on current legislative and regulatory developments in Lansing.

Legislative Link – Produced by the League staff in Lansing, the *Legislative Link* is a brief one-page weekly update on the “happenings” in Lansing and Washington. This communication is sent via email and/or fax.

Email Alerts/Advisories – Produced by League staff and distributed via the League's email network, email alerts are direct calls to action urging municipal officials throughout the state to immediately contact their state senators and state representatives and urge them to vote a certain way on pending legislation that is moving through a legislative committee or on the floor of the Michigan Senate or Michigan House.

Targeted email alerts and advisories – Occasionally, League staff prepares and

distributes via email, special advisories, alerts and calls to action tailored to individual municipal officials. Most

often, these communications are sent to municipal officials whose legislators can provide critical votes on key legislation.

Section 2: Roles and Responsibilities

Chapter 10: Training of Municipal Officials

Elected officials

In this era of unprecedented change, citizens expect more of their elected officials. The public expects responsiveness and accountability at all levels of government. What better place to start than at the local level, where citizens can experience directly the difference that good decision-making and ethical standards can make in a community? Local government is more important than ever before. People who are elected today must demonstrate their professionalism and integrity.

As a leader in your municipality, you should place importance on continual training and updating your knowledge base, as well as emphasizing the development of the knowledge and skills of employees. As an elected official, mindful of the liability exposures to your municipality, you should be aware of established case law and its relevance to your municipality.

Case Law

The case of *Geraldine Harris v City of Canton, Ohio*, decided February 28, 1989, by the U. S. Supreme Court, impacts all local governments in the area of personnel and training.

Harris, detained by the Canton police, brought a civil rights action against the city, alleging violation of her right to receive necessary medical attention while in police custody. The U.S. District Court for the northern District of Ohio decided in Harris' favor and the city appealed. Harris won her case against Canton by proving that the Canton police clearly needed better training and that city officials were "deliberately indifferent" to that need.

The U.S. Court of Appeals, Sixth Circuit subsequently held that inadequacy of police training may serve as a basis for municipal liability. The court concluded that the lack

of training for the police force in this case was reckless and negligent and Harris' civil rights were violated.

In a 1995 case, *Hilliard v. Walker's Party Store, Inc.*, decided in Federal District Court in Michigan, it was held that a municipality may be liable in a federal civil rights action when policy makers are on actual or constructive notice of the need to train employees, but fail to adequately do so. The focus must be on the adequacy of training in relation to tasks that particular employees must perform.

The common denominator in both cases is the fact that the government officials in charge were not correctly trained to handle the situations and to treat the persons concerned with proper care and concern.

The importance of comprehensive and timely training for municipal employees is not limited to police officers with respect to potential liability for the municipality. Although most case law addresses police officer liability, the concept of failure to train may be applied in other areas.

Municipalities must be continually aware of the need for training. In terms of practical application, each person in municipal employment should keep a log documenting all aspects of individual training. The person in charge of training for the municipality should have an identical log and periodic inspection should be made to ensure that individual logs are up to date.

New employees should receive written policy and procedure manuals and sign a log that they have received this manual, which affirms the municipality's desire to provide correct training and orientation. Employees should be routinely scheduled for training to comply with municipal policies and to keep current with changes in the law as it affects job duties and responsibilities. A positive aspect of the *Canton v Harris* decision is that it stimulated the demand for current

training and updates on changes in the law and provides the added benefit of having better trained employees. Of top priority today is sharpening techniques and skills to implement higher productivity among public employees while maintaining high quality services and controlling costs.

Training for elected officials to assist them in becoming better leaders is a prime focus for the League's education programming. An intensive Elected Officials Weekender training is held yearly, along with numerous specialty trainings throughout the year. The League also offers the Elected Officials Academy, which is a four level, voluntary recognition program for elected officials. A number of other programs are geared specifically for the elected official. These programs help elected officials hone their skills and gain the knowledge they need to govern and lead citizens in cities and villages throughout the state. Many of these sessions are held in the evening and on weekends for the convenience of elected officials.

For more information on education seminars and on-site trainings, call the League at 1-800-653-2483 or visit mml.org.

Section 3: Operations

Chapter 11: Written Policies and Procedures

Why you should Put Policies and Procedures in Writing

If your municipality is small or if it operates under a relatively close-knit management group, policies may be “understood.” This means that while you may not have written policies, managers and supervisors have a good idea of the municipality’s expectations regarding certain basic issues pertaining to employees.

Relying on “understood” policies, however, may lead to misunderstandings. For example, the department of public works (DPW) manager calls a meeting and launches into a tirade about the number of employees he sees not wearing appropriate personal protective equipment (PPE). One supervisor may interpret it as a decided shift in the organization’s policy toward this requirement. She responds with a sudden crackdown on lapses in following PPE requirements in her area, disciplining every employee who fails to wear PPE when appropriate. Another supervisor, present at the same meeting, does not take the manager’s tirade as seriously. He knows that some lapses will occur. Besides, he is certain that the manager was not directing his comments at *his* area. He knows there are other areas within the DPW and other departments that are far less strict about PPE than he is. So he decides to sit tight for a while and wait for this “storm” to blow over before he does anything drastic.

Just imagine the kind of resentment and frustration a situation like this might create. What if two employees from the department share rides to work and begin to compare notes on how their supervisors reacted to the manager’s tirade? The individual whose supervisor disciplined him will have every reason to feel angry and put upon. On an organization-wide basis, this can mean lower morale and productivity, more grievances, and understandably poor

relations between supervisors and employees. In addition, neither supervisor has done anything that will consistently improve employee compliance with the requirement to wear PPE.

Managers and supervisors who have worked for the same municipality for a number of years may *think* they understand its policies. Usually all they really have is a sense of how their peers and predecessors have handled similar situations in the past. Other managers go on instinct, dealing with each situation as it arises and relying on their own “good” judgment to make the right decisions. Either approach will almost certainly result in inconsistencies. These inconsistencies can, in turn, result in misunderstandings, grievances, and even lawsuits. There have been many instances where managers and supervisors have taken a single manager’s decision—with no written policy to back it—as “policy setting.” The decision has then influenced many similar decisions by other managers and supervisors throughout the organization. If the original decision was sound, this may not result in any immediate disastrous consequences. What happens, however, if that manager acted illogically, irrationally or even illegally? Managers and supervisors who think they are in accordance with municipal policy may repeat the original error in judgment many times.

These kinds of situations illustrate why a policy manual is absolutely essential in today’s complex, competitive, and regulation-ridden work environment. Employers cannot expect their managers or supervisors to keep up with the many forces that continually shape a municipality’s policy. Among these forces are the latest changes in the law, changes in the character of the work force and its expectations, and changes in operations. There should be a single, current, authoritative source of

guidance and information that they can use when making decisions or enforcing policy. This will reduce the tendency to act on memory or instinct. With a policy manual, managers and supervisors will be able to act decisively, fairly, legally, and consistently. Employees will also know that their managers or supervisors are acting in accordance with municipal policy as well as applicable federal and state regulations.

Of course, a policy manual may not answer all your problems. Your supervisors must know what your policies regarding employee safety and health are, and understand the reasons behind them. Without this understanding, you cannot expect them to carry the policies out with the commitment that is so vital to their effectiveness.

Take your right-to-know program as an example. Let's say a supervisor must hire a large number of summer workers and get them in the field quickly. The supervisor knows it is your policy to provide all new hires in that department with right-to-know training as the Michigan Occupational Safety and Health Act (MIOSHA) requires. However, the supervisor has projects that need immediate attention and would like to ignore the requirement, especially since the employees are short-term. If supervisors do not understand how failure to comply with MIOSHA might result in injury to employees and/or fines to the municipality, they may not cooperate with your efforts to provide employees with a safe and healthful workplace.

Good written policies do more than help supervisors and managers make difficult decisions and enforce rules. They provide the framework and background for such decisions, so that supervisors can explain to their subordinates (and to themselves) why a certain action or decision is the right one under the circumstances. Some policy manuals give a brief introduction to each policy, stating the reason a policy is necessary in this area, and what the organization hopes to achieve through implementation of the policy. Such information is invaluable when it comes to

explaining an unpopular decision to employees, or when a supervisor must decide a course of action that runs contrary to his or her instincts.

How are Policies Made?

Most policies are a natural outgrowth of the decision-making process. A manager who faces a situation or problem for the first time evaluates it and makes a decision or issues an order that he or she feels is appropriate. While this decision may not present an immediate problem, it could lead to complications later. Let's say that a similar situation arises later, but under slightly or quite different circumstances. The manager who must make the decision this time around has to revise the original to fit these changed circumstances. After a period of time, you have many supervisors and managers making totally different decisions in the same area while believing that they are adhering to "organization policy."

Most policies develop from past practices—good or bad, fair or unfair. Even in organizations where a policy manual exists, these past practices can continue to influence managerial decisions. In other words, managers cannot ignore them.

The best policy is one that arises from the best decisions of the past. It should incorporate the careful thought, the good judgment, and the valuable experience of all managers who have faced problems or decisions in a particular policy area. This process should eliminate the irrational, illogical, and unfair decisions that have contributed to inconsistent application of the organization's policy. Most important of all, a good policy is a natural outgrowth of the organization's management philosophy and overall objectives. It helps management direct the organization according to its established goals and mission.

More specifically, policy development occurs when a group of people—a policy committee—meets and reaches consensus on specific policy statements. Committee members review past practices and the traditional approaches to certain situations as well as the latest legal requirements and

management techniques. They try to pool their ideas and experiences, iron out differences of opinion, and come up with policies that are both fair and workable. Ideally, representatives come from the employee, supervisory, and management ranks. This helps to assure that the committee considers the interests of all three groups during policy formulation. Policy development should also include a procedure for enforcing, reviewing, and updating the policies.

What Purposes Does a Policy Manual Serve?

A well written, up-to-date policy manual guides managers and supervisors in making decisions, training, and handling employment issues that relate to safety and health. A policy manual also offers other less obvious benefits. Consider the following:

A policy manual serves as a basic communications tool. The very process of compiling a policy manual includes a survey of managers', supervisors', and employees' views on each subject or policy area. This process provides top management with an opportunity to find out where their staff stands and how they feel about certain issues. Top management can also learn what steps the management staff would like to see the organization take, what areas are giving them problems, and where confusion and misunderstandings lie. In other words, the policy formulation process is perhaps the best opportunity that an organization's top managers will have to communicate with its management team on subjects of mutual interest. In return, supervisors and managers get a chance to find out exactly where top management stands on these issues.

The important thing to remember about policy manuals, however, is that communication should not stop once the committee completes the manual. On the contrary, this should be where the real communication—between supervisors and employees as well as between supervisors and their superiors—begins. Every single time a question concerning a policy arises,

the supervisor or manager in charge has an opportunity to improve communication and understanding with the employee(s) involved.

A policy manual is an excellent training resource. You can use the manual both in training newly hired or promoted supervisors and in conducting refresher courses for experienced supervisors. Some organizations have actually structured their supervisory training programs to correspond with the manual's table of contents. You can develop and use case studies to illustrate problems. Case studies can be particularly useful when discussing employment-related safety issues. The manual can serve as a guide in deciding the right way to handle these hypothetical situations.

A policy manual serves as written documentation of the organization's commitment to its employees' safety and health. Simply having policies on personal protective equipment or right-to-know does not guarantee that you are in complete compliance with the law.

However, having policies can be helpful if an employee files a complaint and someone from MIOSHA comes to inspect your operations. If you can show the MIOSHA inspector that you have clearly stated and widely publicized policies in these areas, it will be viewed positively for you. It can also help to reduce any fines you might receive if the MIOSHA inspector finds violations.

A policy manual saves time. Your managers and supervisors will not waste hours coming up with decisions that others have made before. They will not have to struggle with how to handle a "delicate" situation. They will not have to wonder if management would approve of their actions. If your policy committee researches and writes the policies well, supervisors and managers will have all the information and support they need to carry out top management's objectives.

These and other reasons make it *desirable* to have a safety policy and procedures manual. In addition, there are other reasons that make such a manual all but *mandatory* if you are to fulfill your

obligations to serve the public and to preserve all its resources—human, material, and monetary. The regulatory requirements that MIOSHA imposes frequently change. Without current, documented policies and procedures, managers and supervisors are likely to make some mistakes in the area of safety and health that can lead to costly losses.

Another reason for developing a policy manual is the increasing difficulty of managing and controlling complex operations. For example, in some organizations, managers of relatively small departments often make decisions that can affect the entire organization. It may not be possible or even desirable to control all management decisions under circumstances like these. It is, however, desirable to provide managers with a framework within which they can make their own decisions on important or sensitive issues in a fair and consistent manner.

Another important reason for having a policy and procedure manual is requirement in some MIOSHA standards for organizations to provide information to their employees. Employees in particular are becoming more outspoken about their desire to know what regulatory agencies require of their employers. They are most likely to bring their concerns to their immediate supervisors or department heads. It is, therefore, essential that these managers have a resource to which they can turn to provide the requested information.

A policy manual is more than an item you might want to have. It is something you *must* have to preserve your ability to serve your public, to attract and retain satisfied employees and to reach your objectives through logical and consistent management decision-making.

Reprinted with permission from the Michigan Municipal Worker's Compensation Fund's, *Safety, Health and Resource Manual*.

Section 3: Operations

Chapter 12: Municipal Service Options

Introduction

A principal responsibility of local government policy bodies is to determine the mix of community services to provide to local residents. While variation or mix of services is noted among municipal governments, each unit makes four basic decisions about services:

1. method of organization, production and provision;
2. quantity of services to be produced and provided;
3. quality of services to be delivered; and
4. how to pay for services provided.

These decisions are somewhat interdependent, but can be addressed separately.

The basket of services provided by municipalities to residents varies widely in Michigan. Citizen expectation as to what services are desired beyond the basic constitutional duties of assessing property, collecting property taxes and administering elections are articulated through the political process and imbedded in the city charter.

The Home Rule City Act requires the provision of police, fire, sewer, and water services to residents. Note, the key word is “provision;” the Act does not require the city to be the “producer” but in most circumstances, cities both produce and provide the varied sets of urban services.

As both a producer and provider of selected services such as police, fire, recreation, sewer, water, and other utilities, excess capacity is often present, thus enabling the city to become a seller of services to neighboring local units. As adjacent jurisdictions increase in population, and migration from the central city to surrounding areas occurs, cities and villages may find themselves in a situation of

seeking other service production and provision partners due to economic constraints.

This chapter is intended to provide municipal officials with both a conceptual framework and practical guidelines for exploring ways to provide municipal services other than through self-production and provision.

Community Service Production and Provision Options

Communities, given a choice, would prefer to self-produce and provide municipal services. Any other option to service provision increases transaction costs (negotiating with someone else, public or private) and local officials perceive a loss of control when joining with other units for service provision.

Why Seek Alternatives to Self-Production of Service?

Communities explore alternatives to self-production and provision when faced with excess service capacity, financial stress, capacity constraints (financial or human capital), spillover benefits or costs associated with the service, or as a means of sharing risk.

For example, fire protection and emergency service production requires significant financial investment in equipment and accessories, training of personnel, and management. Once the fire suppression or emergency response capacity is generated, excess capacity is often created since emergencies do not occur frequently or regularly.

Communities with excess capacity attempt to sell a portion of the capacity to neighbors, thus a buyer-seller relationship is established.

City government, as a population center, historically became the producer and provider of fire services, and in many cases, sold fire suppression activity to neighboring townships. As a practical matter, a city would be unwilling to sell services to an area outside of the incorporated territory if they lacked the capacity or were unable to obtain compensation to cover the marginal costs of the additional service requirements.

Intergovernmental contracting

The buy-sell, or intergovernmental contracting, method to obtain municipal services is by far the most common method of service provision once self-production is not feasible.

Joint production arrangements and intergovernmental contracting for services represent cost-effective means to obtain services or provide services to units lacking the financial capacity. The key to developing viable and enduring intergovernmental arrangements is to develop a concise and detailed intergovernmental agreement.

Intergovernmental arrangements require patience, perseverance, compromise, and most of all, an open mind.

Joint Service Production through Authorities

Joint production of service may take several forms. A municipality may join forces with an adjacent community to provide services such as fire, police, ambulance, sewer, water, emergency dispatch, solid waste, land use planning, building inspection, and recreation, to name a few.

The city may join with neighboring local governments to establish a special assessment district with a defined service district. Increasingly, local units are creating authorities as a means of producing and providing a service and sharing both financial and associated risks.

Privatization of Services

When adequate private market options are available to the community, service provisions may be privatized. Solid waste collection is a service that a large percentage

of Michigan municipal governments have privatized.

Consolidation of services

A final option is the consolidation of municipal services.

Three types of consolidation exist:

- functional,
- geographic, and
- political.

Functional consolidation might include specific service functions such as fire, police, sewer/water, assessing, road maintenance, or solid waste collection. Such arrangements would involve two or more local government units with each legislative body appointing representatives to an oversight board.

The consolidation of school districts is an example of geographical consolidation.

The political boundaries of a consolidated school district are not consistent with the general-purpose governments, but cut across boundaries. So, a separate governing body (school board) is established to provide oversight.

The most difficult consolidation to achieve is political; that is, merging two or more separate units of government into a new government.

The most recent example is the consolidation in the Upper Peninsula of the cities of Iron River and Stambaugh and the village of Mineral Hills. This merger was approved by voters on November 2, 1999 and took effect July 1, 2000. The new city was called Iron River.

Another example of political consolidation is Battle Creek Township and the city of Battle Creek, although technically the merger between the city and township was accomplished through annexation. As one would expect, political consolidation is difficult to achieve since a sense of community and community identity is involved.

Legal Authority for Contracting and Alternative Delivery Systems

The State of Michigan has permissive legislation enabling local governments to

engage in contracting, consolidation and joint ventures for service provision. Basically, if a local government unit has the authority to engage in the provision of a service to residents, the entity may provide the service through a contractual arrangement (public or private).

The Legislature has enacted a number of intergovernmental statutes specific to municipal services, such as fire, police, sewer, water, and other utilities.

In 1967, during a specifically called session of the Legislature, two broad intergovernmental statutes to facilitate intergovernmental contracting and cooperation were enacted. The Urban Cooperation Act (1967 PA 7) and Intergovernmental Transfers of Functions and Responsibilities Act (1967 PA 8) are frequently used for buy-sell contracts and joint production arrangements for a variety of community services. The popularity of the two statutes is in part due to the flexibility of the laws permitting local governments to tailor agreements to the specific needs of the communities. The two statutes do not provide taxation authority, thus necessitating contracting parties to negotiate the terms, conditions, financing, and method of cost-sharing for the services exchanged or provided.

The Emergency Services Authority Act (1988 PA 57) provides general-purpose governments with the ability to create a special unit of government (an authority) to provide police, fire or emergency service for a unit or in a multiple arrangement. The advantage of creating an “authority” to produce and provide the service is that the new entity is an independent body with its own appointed board, bylaws, and capacity to levy millage in support of the enterprise. Levying millage to support an authority requires voter approval.

Obstacles to Contracting and Joint Ventures

Joint or contractual partnerships may be impeded due to the transaction costs, (the costs of reaching joint decisions). The fear over the perceived loss of control, turf

protection, “skeletons in the closet,” uncertainty of the sustainability of the joint agreement, and the perception that “hidden agendas” are present may constrain viable partnerships from materializing. Local residents and public officials often shy away from joint production arrangements due to the perception that service quality and quantity will change once the unit engages in a joint or contractual venture.

Methods of Cost Allocation under Joint Production Arrangements

The method of sharing and allocating cost shares under a joint production or contractual arrangement is often critical to the success and failure of joint ventures. A necessary step in negotiating sustainable joint ventures involves developing a clear rationale as to why a particular cost allocation method has been selected.

Allocating cost shares is a separate decision from selecting a method to finance the service. In joint production arrangements, sharing costs and generating monies needed to finance a service become somewhat muddled. The strengths and weaknesses of a number of cost allocation methods will be discussed to illustrate how the distributional consequences change under each method.

Relating Benefits to Costs

A basic guiding principle in allocating cost shares is: where possible, relate benefits (services received) to the costs of production and provision. Identifying service demand gets complicated with services such as police, fire, emergency response services, or economic development. Other services such as sewer and water, streets, sidewalks, curb/gutters, street lighting, inspection, tax assessing, etc., lend themselves to easier identification of beneficiaries and demand.

Factors to Consider in Allocating Cost Shares

Buy-sell, contractual, or co-production/provision arrangements for providing community services present a challenge to both the producer (seller) and buyer. The

seller is concerned about covering the total costs of producing and providing services, maintaining service capacity and establishing the price to charge for the services rendered.

Buyers, on the other hand, are concerned about not being overcharged for the service since many municipal services are provided in a monopoly environment.

A variety of options are available to local governments when it comes to allocating cost shares under joint ventures and co-production arrangements. Units that are similar in size and demographic composition and engage in joint ventures will find that an equal division of cost shares presents no problems. The more dissimilar communities are when entering into joint production arrangements, the more creative they need to be to insure equity in cost sharing. Developing a weighted cost share formula that includes factors that influence demand is most fair. This type of “weighted” formula works well with services such as fire, police, ambulance, library and recreation. Population density, congestion, household income or other demographics may influence demand.

Population may be the appropriate factor in determining cost shares for jointly produced planning and development services. Or, a combination of population and tax base could be used since the output from planning and development has applicability to a wide variety of users (governments, private firms and individuals).

Jointly produced infrastructure services, such as sewer and water, present less of a challenge. Variable costs are easily identified and are related to consumption.

Units contracting for services are also concerned with whether the supplier of services will accommodate their specific needs.

Financing Joint Ventures

Financing joint ventures represents a critical decision point, for the selected finance method has far-reaching distributional consequences (who benefits and who pays

the costs). Local governments can use general fund revenues, extra-voted property taxes, special assessment, user fees, third party payments, grants and donations/contributions to fund community services. Each financing strategy carries issues that need to be resolved by the body politic.

General fund revenues are used to finance services that are made available to all community residents. Units engaging in co-production arrangements for service provision often use general fund monies (if available) to support such activities, but with stressed budgets, local governments have sought alternative sources of funding.

Extra-voted property taxes have become a common means of supporting local services and are a way to expand service delivery. Local governments frequently go to the voters requesting additional millage levies for police and fire protection, library, buildings, recreation, new technology acquisition, emergency services and 911, all aimed at maintaining or expanding the level of output of services. Extra-voted revenues become restricted revenues and are treated as special revenue funds (meaning that their use is limited for a specific activity).

Special assessment levies are the financing strategy most municipalities prefer. Special assessment districts are formed when the beneficiaries of a service or public improvement are clearly identifiable, such as the case of streets, sidewalks, street lighting, drains and curb/gutters. Increasingly, local governments use the special assessment districts to provide fire, police, ambulance, and recreation services. Technically, special assessment levies are not considered property taxes, although property value is used as the base upon which the levy is assessed.

User fees and service charges, in large part, eliminate the problem of benefits not being related to costs of the service received. Beginning in the mid-1980s, local governments began to rely more on user fees and service charges to support community services. This was especially true after the

demise of the federal revenue sharing program in 1986 as units scrambled to replace federal monies. User fees increase administrative costs due to collection, monitoring and accounting, but help to regulate demand for the service.

User fees are increasingly being used to support fire run calls, selected police services (such as obtaining an accident report for an insurance carrier) and ambulance calls. Even if a governmental unit is producing and providing a service through the general fund or special millage, local units may assess a user fee.

Third party payments can partially support services such as emergency services, police, fire and ambulance. Homeowner and auto insurance policies, in most cases, contain provisions for reimbursing policyholders for costs incurred in ambulance transport and fire suppression calls. Though local governments incur additional costs in billing customers who use emergency services, third party payments can assist in offsetting costs for service provision. If a unit decides to bill residents or users of emergency services for emergency response, an informational campaign is needed to inform citizens of the new strategy. Residents may have to check with their insurance carriers to see if such coverage is provided or if a rider can be purchased. Charging users for emergency services permits a service provider to charge non-community residents for services used.

Obviously, local governments can combine financing options to provide community services. Utilizing extra-voted millage to support a service does not preclude the use of third party payments. Or a base level of service can be financed through general fund revenue and additional services through the collection of user fees and service charges. Local officials need to examine each revenue option and determine which method matches their community's needs.

Past Relationships Impact Joint Agreements

Joint production arrangements and buy-sell agreements are influenced positively or negatively by intergovernmental relationships. Municipalities often find that border disputes (annexation), conflict over economic development location, and past disagreements inhibit the capturing of benefits from joint relationships. The passage of the Conditional Land Transfer Act, 1984 PA 425, was adopted in part to create a cooperative spirit between adjacent communities and to minimize conflict related to annexation by the sharing of rents from economic development projects.

One of the key roles that elected officials can assume is that of "intergovernmental leader." Political boundaries often become walls even when the lowering of the barrier would result in mutual economic and service gains for both jurisdictions. Building relationships with neighboring jurisdictions is the first step in addressing intergovernmental production and provision options.

Based on materials provided by **Lynn R. Harvey** (retired) professor and extension specialist for state and local government, Department of Agricultural Economics at Michigan State University.

Section 3: Operations

Chapter 13: Employment and Personnel

A proactive approach to employment related issues can pay substantial dividends in reduced legal challenges and associated costs. Municipalities should review the following ten potential problem areas:

1. Pre-Employment Inquiries
2. Personnel Records
3. Disabilities Discrimination
4. Workplace Violence
5. Harassment
6. Fair Labor Standards Act
7. Independent Contractors
8. Family Medical Leave Act (FMLA)
9. Employment Posters
10. Employee Documentation

Pre-Employment Inquiries

While most employment disputes involve current or former employees, a municipality must be aware of issues related to applicants as well. Employers should familiarize themselves with the guidelines and procedures of the issues listed below as they apply to both pre-employment interviews and information requested on an application form:

- Protected classification
- Disabilities and medical history
- Accommodating applicants
- Arrest and conviction records
- Physical and medical examinations
- Drug testing
- Background checks

Personnel Records

Under the Bullard-Plawecki Employee Right to Know Act, employers are required to allow former and active employees to review and obtain a copy of his or her personnel records upon written request and at reasonable intervals. Generally, an employee's review is limited to no more than twice a year unless otherwise provided by law or a collective bargaining agreement.

An employer may charge a fee for copying the personnel records, which is limited to the actual incremental cost of duplicating the information.

The Bullard-Plawecki Act defines *personnel record* as a record kept by the employer that identifies the employee and is used, has been used, or may be used relative to an employee's qualifications for employment, promotion, transfer, additional compensation and/or disciplinary action. An employee is entitled to review his or her personnel records whether the information is kept in a single "personnel file" or in a number of files.

Any medical-related information pertaining to an employee must be kept confidential, in a separate locked cabinet, apart from the location of an employee's personnel records.

Personnel records do not include:

- Employee references supplied to an employer if the identity of the person making the reference would be disclosed;
- Materials related to the employer's staff planning with respect to more than one employee, including salary increases, management bonus plan, promotions, and job assignments;
- Medical records;
- Information of a personal nature about a person other than the employee if disclosure of the information would constitute a clearly unwarranted invasion of the other person's privacy;
- Information that is kept separately from other records and relates to a criminal investigation;
- Records limited to grievance investigations which are kept separate from other records and not used for purposes of qualifications for employment, promotion, transfer,

-
- additional compensation, or disciplinary action;
 - Records maintained by an educational institute which are directly related to a student; and
 - Records kept by an executive, administrative or professional employee that are kept in the sole possession of the maker of the record and are not accessible or shared with other persons.

Disability Discrimination

Both the federal Americans with Disabilities Act (ADA) and the Michigan Persons With Disabilities Civil Rights Act, 1976 PA 220 (PWDCRA), prohibit an employer from discriminating against a qualified individual with a disability in regard to application procedures, hiring, promotion, termination, compensation, job training and other terms, conditions, and privileges of employment if the applicant or employee can perform the essential functions of the position, with or without an accommodation. Reasonable accommodation is a key requirement of the ADA and the PWDCRA since many individuals may be excluded from jobs that they are qualified to perform because of unnecessary barriers in the workplace.

Workplace Violence

Workplace violence continues to be a significant issue for employers. Violence in the workplace obviously affects employee safety, well-being, and productivity. An employer may be held responsible for the actions of its employees. In addition, the courts have recognized claims against employers based upon negligent hiring, supervision, and retention of employees. Also, the “general duty” clause in the federal Occupational Safety and Health Act of 1970 (OSHA) has been extended to cover incidents of workplace violence.

Harassment

Employees have a right to work in an environment free from unlawful harassment in the workplace including: sexual harassment and harassment of discrimination based on race color sex, age, religion, national origin, marital or veteran

status, height, weight, disability, or other protected classes established through state or federal law or by local ordinance.

Prevention is the best tool employers have to eliminate harassment in the workplace. They can do this by establishing an effective complaint or grievance process, providing anti-harassment training to their managers and employees, and taking immediate and appropriate action when an employee complains. Additional information on harassment can be found at www.eeoc.gov.

Fair Labor Standards Act (FLSA)

The Fair Labor Standards Act establishes the minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments. Special rules may also apply to state and local government employment involving fire protection and law enforcement activities, volunteer services, and compensatory time off in lieu of overtime pay. More information on the Fair Labor Standards Act can be found at www.dol.gov.

Exempt or Non-Exempt

An employer must classify of each employee as either exempt or non-exempt according to the FLSA. Non-exempt positions are legally entitled, whereas exempt position are not. To determine if a position is exempt, it must meet the duties and salary test of the FLSA.

Overtime Considerations

Both the federal Fair Labor Standards Act and a similar Michigan statute require that overtime be paid at 1.5 times a non-exempt employee’s regular rate of pay for each hour over 40 worked in a workweek. Averaging of hours over two or more weeks is not allowed even if the employee is paid biweekly. The Act does *not* require that an employee be paid overtime for hours worked in excess of eight per day, or for work on weekends or holidays, so long as the employee does not work more than 40 hours in a week.

The act does not consider paid holidays, sick time, and vacation leave as hours worked. An employee's meal period can also be excluded from compensable working time if it is at least 30 minutes long and the employee is completely relieved of all duties and free to leave the workstation. Rest periods or coffee breaks 20 minutes or shorter must be counted as hours worked. Whether rest periods longer than 20 minutes count as hours worked depends upon an employee's freedom during the breaks.

Compensatory Time or Overtime

The FLSA authorizes a public agency to provide compensatory time (comp time) off in lieu of overtime compensation, at a rate of not less than 1.5 hours for each hour of overtime worked. In order for the use of comp time to be allowed, there must be an agreement or understanding between the employer and employees.

An employee who has accrued comp time and wishes to use the time must be permitted to do so within a "reasonable period" after making the request if it does not "unduly disrupt" the operations of the agency. Undue disruption must be more than mere inconvenience to the employer.

Even where there is a comp time agreement, an employer may freely substitute cash, in whole or in part, for comp time. In addition, the U.S. Supreme Court has ruled that nothing in the FLSA prohibits a public employer from compelling the use of comp time. Upon termination of employment, an employee must be paid for all unused comp time figured at:

- (a) the average regular rate received by the employee during the last three years of employment, or
- (b) the final regular rate received by the employee, whichever is higher.

Overtime Rules for Police and Fire

In addition to the difference in maximum comp time accrual caps, the FLSA provides another very significant difference for public employees engaged in law enforcement and fire protection activities. As a general rule, employees must be paid overtime at 1.5

times their regular rate of pay for all hours worked in excess of 40 hours per week. Under Section 207(k) of the act, however, police and fire employees who have an established and regularly recurring work period that is not less than seven consecutive days nor more than 28 consecutive days are only entitled by the statute to receive overtime pay if they work more than the maximum number of hours established by law for their work period.

For employees having a 28-day work period, overtime must be paid for hours worked in excess of 171 (law enforcement) or 212 (fire protection). These figures are prorated for employees whose work periods are less than 28 days. For example, police and fire employees with a seven-day work period must be paid overtime after 53 and 43 hours of work, respectively. An employer can agree by union contract, or otherwise, to pay overtime for fewer hours worked.

Independent Contractors

There are a number of benefits to utilizing the services of an independent contractor to perform functions for your municipality. At the same time, there are considerable risks in incorrectly designating a person as an independent contractor when he or she is really an employee. This exposure includes liability for back taxes, overtime compensation, medical expenses, and costs related to completing the work assignment. The existence of an employer-employee relationship versus an independent contractor relationship depends, to a large extent, on the amount of control the municipality exerts over the worker.

The Internal Revenue Service provides common law rules that help an employer determine the degree of control and independence of a possible independent contractor. These include:

1. Behavioral: Does the employer control or have the right to control what the worker does and how the worker does his or her job?
2. Financial: Are the business aspect of the worker's job controlled by the payer?

These include things like how the worker is paid, whether expenses are

reimbursed, who provides the tools, equipment, and supplies, etc.

3. Relationship Type: Are there any written contracts or employee-type benefits? Will the relationship continue and is the work performed a key aspect of the business?

Family and Medical Leave Act (FMLA)

The Family Medical Leave Act of 1993, 29 U.S.C. §2601 et seq., entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons. Eligible employees who work for a covered employer are entitled to:

- Twelve workweeks of leave in a 12-month period for:
 - the birth of a child and to care for the newborn child within one year of birth;
 - the placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
 - to care for the employee’s spouse, child, or parent who has a serious health condition;
 - a serious health condition that makes the employee unable to perform the essential functions of his or her job;
 - any qualifying exigency arising out of the fact that the employee’s spouse, son, daughter, or parent is a covered military member on “covered active duty;” or
- Twenty-six workweeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member’s spouse, son, daughter, parent, or next of kin (military caregiver leave).

Employers Subject to the FMLA

Currently, a private sector employer must employ 50 or more employees in 20 or more workweeks in the current or preceding

calendar year. Public employers, however, are covered without regard to the number of employees employed. This is somewhat misleading because even if a small public employer is technically covered by the FMLA, the employee will not be eligible under the Act unless he or she works within 75 miles of 50 employees of the employer.

Eligible Employees

Only eligible employees are entitled to FMLA leave. An eligible employee is one who:

- Works for a covered employer (all public employers are “covered employers”);
- Has worked for the employer for at least 12 months;
- Has at least 1,250 hours of service for the employer during the 12-month period immediately preceding the leave; and
- Works at a location where the employer has at least 50 employees within 75 miles.

Employment Posters

Both federal and state labor regulations require employers to clearly display labor and employment posters detailing applicable labor laws. These posters should be posted in a conspicuous area available to all employees. Both federal agencies, such as the Department of Labor, and state agencies have these posters available at no cost and several vendors also provide applicable posters as updates occur for a small annual fee.

Employee Documentation

Too often employers cannot establish the appropriateness of an adverse employment action due to a lack of documentation. Having fair, accurate, and non-biased documentation of employee behavior and performance can establish that the adverse

action wasn't related to discrimination based on race, color, sex, age, religion, national origin, marital or veteran status, height, weight, disability, or other protected classes

established through state or federal law or by local ordinance. Without documentation, it may become difficult for the employer to defend its actions against an employee.

Section 3: Operations

Chapter 14: Labor Relations

Many elected municipal officials find themselves caught in a trap because they allow themselves to be drawn into the local labor relations process. The trap is such that, the more you squirm, the tighter the bindings get. Elected officials are bound to aggravate some constituents no matter what they do.

The solution, with labor relations, is to avoid getting involved in the process as much as possible. Mayors in strong mayor governments are an exception because, as chief executives, they must direct the labor relations in their cities. All other officials, especially councilmembers, would be well advised to stay away from labor relations.

However, keeping out of the labor relations process is easier said than done. Inevitably, city or village councils must approve all labor agreements. They must also adopt budgets which affect, and are affected by, negotiated agreements.

Councilmembers have a responsibility to vote intelligently and with the best interests of the entire community in mind. To do this, they must be well informed.

However, becoming informed leads to a degree of unavoidable involvement. For instance, it would be a council's duty to not approve a labor agreement that would bankrupt the municipality. But such a choice should never have to be made. There are specific steps to take to avoid it.

The goal as elected officials is to stay as far removed from the labor relations process as possible. At the same time, elected officials should be able to fulfill their responsibilities.

Stay Off the Negotiating Team

First, elected officials should not be on the management negotiating team. In most municipalities, elected officials rarely consider this role. However, in smaller communities, there are not always enough

executives who can handle negotiations. Councilmembers are sometimes tempted to get directly involved. This is almost always a mistake.

For one thing, it is not wise for the ultimate decision-maker to face the union across the bargaining table. An argument often used by union negotiators is "I don't think I can convince my membership of your position." Management negotiators need to be able to use the same argument, either expressly or by implication. There needs to be some unseen person or persons who are hard to convince. If the council is right there at the bargaining table, obviously the management negotiators cannot use the same argument when they are cornered.

Another reason to exclude elected officials from the bargaining team is that they may not be skilled negotiators. Most people negotiate many aspects of their daily lives, but labor negotiations require specific technical knowledge. Experience in negotiating the price of a house or used car or the settlement of a lawsuit is, unfortunately, of very little practical use in labor negotiations.

Also, experience in private sector labor negotiations is very often of limited use in public sector labor negotiations. The issues, though similar in appearance, are usually quite different in substance. The life experiences of most elected officials will help them judge a labor agreement they are asked to approve, but do not qualify them to actually negotiate it.

The last reason for an elected official not to be on the bargaining team is political. Issues in labor negotiations stir the emotions. Members of management negotiating teams routinely must say "no" to union representatives who passionately believe in the justice of their proposals. Management negotiators are often perceived as stingy and mean. Frequently union

negotiators do not realize that they are told “no” simply because management cannot say “yes.” The elected official who is one of the people at the table saying “no” is alienating constituents.

Avoid Discussing Negotiations

Elected officials also should avoid discussing labor negotiations. Do not voice a position. No matter what your position is on the labor issue, someone will disagree with it. When the council is presented with a negotiated labor agreement for approval, the differences have been worked out and the parties have agreed to it. Both parties are, in effect, asking for the same thing. If any opinion is expressed prior to that, an official will be perceived as taking sides and will alienate someone.

The worst possible situation is the councilmember whose next-door neighbors are the union president on one side and the leader of the citizens’ committee for tax reduction on the other. A councilmember in such a position can only say to both, “I don’t believe it would be appropriate to discuss the negotiations,” or “I believe in a fair day’s work for a fair day’s pay and I hope the negotiators reach an agreement to that effect.”

This is particularly good advice for the official who was elected with specific union support. The best way such an elected official can help his union friends is to stay out of the negotiations. Any discussion of bargaining table issues away from the bargaining table by people such as councilmembers, who must be ultimately involved, can only disrupt the process. It can never help.

Stay Uninvolved, but Informed

On the other hand, if the council is to be more than just a rubber stamp approving all labor agreements, it may have to have some involvement in determining policies and guiding the management negotiators. The degree to which this is necessary varies.

If the city or village has an experienced management negotiator with whom the council is comfortable, the need for such

involvement is minimal. In a town with an elected chief executive, the council can quite properly exercise no involvement until it is called upon to approve the negotiated labor agreement. If the council feels it needs to discuss the negotiations prior to their completion, it should do so only under carefully controlled circumstances. Whatever the degree, the method of such involvement is important.

Michigan’s Open Meetings Act permits a public body to meet in closed session to discuss labor negotiations. Using a closed or executive session can be an effective way for a city council to exercise some control over the city’s negotiators without disrupting the collective bargaining process. However, this will only work if strict confidentiality is subsequently maintained.

Suggest Broad, General Guidelines

It is important that the council avoid tying the hands of its negotiators by mandating specific bargaining outcomes. Broad, general policy guidelines can be helpful to a negotiator, but absolute, specific instructions can be crippling.

For example, if a city council insists a particular fringe benefit be abolished or a particular work rule be established, it may find later that the result was achieved, but only at an unacceptable cost. This would be especially true if the union negotiators somehow learned of, or guessed at, the council mandate.

Delegate Negotiating Responsibility

It is a much better policy for a city council to delegate all negotiating responsibility to a negotiator with only the broadest of guidelines, if any. This can be a lot to ask; however, the city council is not abdicating its responsibilities. After all, in the final analysis, the council can vote to not approve a labor agreement.

Never Disapprove the Labor Agreement

Even though the option is always available, a city council should never veto a labor agreement. Disapproval by a city council of

a labor relations agreement is roughly equivalent to using atomic weapons in international relations. Disapproval is a power whose very existence keeps both management and union negotiators in line, but which should not be exercised unless all else fails. It is much better to fire the negotiator than to disapprove the agreement.

Obviously, care in selecting the negotiator would be appropriate. Choosing an experienced negotiator with a proven track record is the safest course. When an elected body, be it a city council or a school board, vetoes a negotiated labor agreement, it destroys the credibility of its negotiator and either seriously damages or destroys the credibility of the entire organization. In such a case, the Michigan Employment Relations Commission (MERC) may order the council itself to the bargaining table if an unfair labor practice is charged.

The general advice to elected officials, then, is to place labor negotiations in the hands of the best people available and stay out of the negotiations as much as possible.

Another Pitfall

Another labor relations pitfall that councils should avoid is employee discipline cases. An employee who has been disciplined might turn to a friendly councilmember for help. If the councilmember takes any action, he or she is in a no-win situation. If the employee is represented by a union, the councilmember cannot possibly be of any real assistance, and could add to the problem. The employee's union is always in the best position to see to it that each employee is treated fairly and justly. The union has the know-how, the means, the legal duty and the exclusive right to stand up for its members.

What Role to Play

Labor relations professionals are fond of saying that the correct role for the elected official to play in municipal labor relations is none at all. Unfortunately, this is too simple.

In most communities, elected officials have a serious responsibility regarding the operation of the municipal government. No elected official, particularly a member of a city or village council, should be advised to abdicate or ignore such responsibility.

Ironically, the collective bargaining process works best when there is no direct involvement by elected officials. The issues at the bargaining table are complex enough without adding a political dimension. Involvement by elected officials, by definition, adds a political dimension.

The precise degree of involvement in labor relations, if any, is a decision each elected official must make based on the circumstances of his or her own situation. Perhaps the best advice on this point comes from a small town councilman who advised his colleagues, "When in doubt, stay out."

This chapter is based on materials provided by **Joseph W. Fremont**, the labor relations consultant for the League from 1984 until his retirement in 2005.

Section 3: Operations

Chapter 15: Municipal Liability

Knowledge Can Beat the Fear of Liability

Municipalities operations always seem to be at the cutting edge of trends in litigation. Whether it's huge verdicts—such as the \$14 million jail death verdict against an MML Liability Pool member a few years ago—or new areas of exposure, such as prisoner exoneration claims or class action basement flooding lawsuits—local government always seems to get hit early, and often.

We hear so often that our society has become more litigious that it almost has become a cliché. Municipalities often seem to be a primary target for litigation because of the so-called “deep pockets” of their tax base.

To add some perspective, there are more than 500 cities and villages that are members of the Michigan Municipal League. Many of them, especially our villages, go years without an insurance claim. If you add the number of villages that rarely encounter an insurance claim beyond a minor traffic collision or the payment of medical bills for a slip and fall claim, the number of members who have had “big hits” is truly small indeed.

Most claims for bodily injury, property damage or “wrongful acts” that are made against a municipality never result in a lawsuit. The Liability and Property Pool handles about 1,500 claims filed against our municipal members each year. Only about 150 of those develop into lawsuits.

Two points should be clear. First, you should be generally aware of liability issues that affect municipalities and elected officials. But, secondly, elected officials should avoid becoming inflicted with “litigation paralysis”—the belief that making no decision and avoiding possible lawsuits is preferable to acting in the best interest of your community.

Generally, city and village councils and their individual elected officials have personal immunity from liability for their decisions. Local government would truly come to a standstill if elected officials could be successfully sued by the “losers” of every motion on which they vote.

Listing all the possible sources of municipal claims and how to reduce your claims exposure is beyond the scope of this limited space. Certainly, you did not make a commitment to service in local government with the intent of becoming an expert on municipal liability.

But as an elected official, there are three things you should know.

First, know who your municipal attorney is, and utilize this person's expertise. We recommend that your attorney be present at all council meetings, and he or she should be given time to review the agenda in advance of the meeting. Your own good judgment will often tell you which action items on the agenda require diligent deliberation and possible legal advice.

Question your attorney on the legal ramifications of your decisions. If one or more legal issues require further study, it is preferable to table a motion than to act with incomplete information.

Second, your municipality should have an acceptable insurance program. Know who is responsible for placing the insurance. You should have a coverage proposal you can review, and other sources of information readily available. It is very important that your municipality's liability insurance has adequate limits, and that coverage is available for activities that may result in claims against the municipality.

For example, if you are a growing community with new development, you probably have one or more zoning variance requests each year. Make sure you are aware of how your insurance program responds to

zoning and land use litigation before you make a decision on a zoning issue.

Last, use the services of your Michigan Municipal League. Through a variety of media, we offer numerous opportunities to educate and familiarize municipal officials and staff on liability issues.

- educational workshops are held annually throughout our state dealing with various liability issues;
- an email (info@mml.org) or phone call to the League's inquiry service can direct you to sources of information or individuals that can provide assistance;
- the League's Risk Management Services Division has a staff of professionals who can assist you with most liability issues;
- a wealth of insurance information is available online at mml.org—this is the

website of the Michigan Municipal Liability and Property Pool, the League-sponsored and administered insurance program; and

- the League's Annual Convention has a variety of concurrent sessions and networking opportunities at which information can be obtained

If your municipality is already a member of the Liability and Property Pool, you are taking advantage of comprehensive liability insurance designed for Michigan municipalities, and enjoying immediate access to the information resources mentioned above.

Section 3: Operations

Chapter 16: Planning and Zoning

A Balancing of Interests

Perhaps one of the most difficult aspects of planning and zoning is the need to balance the various, often competing, interests of property owners and residents. These competing interests are represented through the concept of property rights. Local decision makers are required to balance the interests of private property rights against the need to protect the public interest. In other words, how much regulation is enough to protect the public and at what point does that regulation begin to infringe on property rights?

In the midst of these sometimes competing interests and views are the local authorities for zoning; the zoning administrator, the planning commission, the zoning board of appeals, and the city or village council. Dealing with each of these conflicting perspectives is simply not possible, and the intent of zoning is to avoid conflicts that arise. Instead, zoning follows some basic principles and procedures designed to treat each person, property, and point of view fairly and consistently.

Legal Framework

Local planning and zoning authority is based in two statutes, the Michigan Zoning Enabling Act (MZEA) (PA 110 of 2006) and the Michigan Planning Enabling Act (MPEA) (PA 33 of 2008). These laws consolidated and updated various older enabling statutes, and should be referenced when adopting or updating local planning and zoning documents, as they address topics like:

- The creation and membership of the planning commission and zoning board of appeals (ZBA);
- The division of responsibilities between these appointed bodies and the local legislative body;

- Requirements for adopting a master plan and zoning ordinance; and
- Minimum standards for public notices and processes around planning and zoning decisions

If your community has not yet reviewed its ordinances against these new statutes, it is critical to undertake that review, to ensure that you are on solid legal footing.

The Planning Team

The laws that originally set up the land use planning and zoning system for Michigan anticipated the need for the three bodies most involved to work closely together to coordinate their efforts.

The planning commission, an appointed body, was originally given the responsibility of writing and adopting the master plan. This was done to ensure some degree of independence from the political arena, which had plagued the planning process in earlier years. In 2002, this requirement was changed to include more involvement by the legislative body in the planning and adoption process. The planning commission was also given the duty of writing the first draft of the zoning ordinance. This was done to ensure a direct connection between the master plan and zoning ordinance.

The city/village council may choose to be the adopting authority of the master plan, but is required to adopt the zoning ordinance because it is the law.

The zoning board of appeals was granted the authority to waive certain zoning ordinance requirements where conditions of the ordinance deprived property owners of the right to develop their property.

There are, however, situations where this delicate balance fails. For example:

- The planning commission adopts a master plan with which the legislative body has fundamental differences. The

- legislative body may refuse to allow the plan to be adopted by the planning commission, or the legislative body may itself refuse to adopt the plan. Accordingly, any attempt to implement the plan through the zoning ordinance may then fail when the legislative body refused to adopt either the plan or the ordinance. To reduce the chance of conflict, the legislative body and planning commission should work together on strategic goal setting early in a master planning process; and
- The ZBA grants variances without sufficient justification, which detracts from the ordinance’s effectiveness. In extreme cases, such actions might allow the ZBA to, in effect, take over the zoning policy-making function that is normally reserved for the planning commission and legislative body. If the ZBA believes the zoning ordinance is generally flawed, rather than a unique situation with a particular property, it should communicate with the planning commission to address the issue.

The legislative body, planning commission, and ZBA may find periodic joint meetings or other formal communications helpful: all have an interest in keeping the master plan, as a policy document, the zoning ordinance, as a law, and the administrative and quasi-judicial decisions made on individual applications in alignment.

The Master Plan

Policies regarding land use are expressed through the master plan. A master plan will include a description of the community, outline goals and objectives and map areas of different land uses, ranging from residential to industrial. The master plan must constantly be reviewed to make sure that the new growth conforms to what was planned. But as events unfold, these plans may change to take unanticipated events into account. While a master plan typically considers a timeframe of decades, the MPEA requires a community to formally review its plan at least every five years.

While the planning commission is responsible for drafting the master plan, the legislative body must “approve the plan for distribution,” and may elect to become the adopting authority for the plan. After preparing a proposed plan, the planning commission must submit the proposed plan to the legislative body for review and comment. Before the adoption process can proceed, the legislative body must approve the distribution of the proposed plan. If it does not, it must return the plan to the commission with its objections. The commission must then revise the plan until it is accepted by the legislative body.

The long-term effect of this change to the adoption process will have to be determined. But even if the planning commission is delegated the responsibility of completing and adopting the master plan, the legislative body should be involved in all of the critical steps of the process in order for the plan to be effectively implemented.

Developing a master plan is a reasonably logical process. It consists of:

- identifying community issues;
- collecting information regarding those issues;
- determining the direction in which the community wants to develop;
- deciding how to proceed in that direction;
- adopting the plan;
- fashioning a method of implementation; and
- reviewing the plan periodically.

Of these, perhaps the most important is determining the direction of the community through the development of a community vision and setting goals that will achieve that vision. To begin this process, the planning commission and legislative body should discuss philosophical, broad-ranging questions related to growth and community character. These might include such questions as, “Do we want to grow?” or “What does ‘small town character’ mean to us?”

Once the master plan is in place the normal reaction is a let-down; the planning commission’s hard work has paid off and

the plan is completed and ready to be filed. But, in reality, the work has just begun. All too often, the plan sits on a shelf and collects dust.

A plan which is not actively followed and implemented may lead to problems for the community in the future. Failure to follow the plan may discredit any attempt to use the plan as a defense for actions which may be challenged by property owners or developers.

The Zoning Ordinance

Local control of the use of land (with some exceptions, such as state and federal land uses) is an accepted legal principle. Land use is traditionally controlled through the separation of land into various use areas, called zoning districts. The rules governing these districts are contained in a zoning ordinance which includes provisions controlling the type and intensity of development allowed.

Communities often have to wrestle with complex zoning and growth policy issues brought on by new development. The need to provide flexibility, coupled with the desire to maintain some degree of control, has created the need to find innovative zoning and land use policy solutions. Some of these include:

- A planned unit development (PUD) process offers the opportunity to review large or complex developments for their ability to better meet the intent of the zoning ordinance than the strict application of the ordinance provisions. The MZEA introduced the ability for a PUD to take place on noncontiguous properties. In all cases, the zoning ordinance must enable and define the process for a PUD before one may be considered;
- A form-based code (FBC) places focus on the shape, size, and arrangement of buildings or other improvements on a property, with the activity happening on the property a secondary consideration—some communities find this approach is better able to manage community character and impact of

development than a focus on traditional divisions of residential, commercial, etc., activity. Note that the MZEA does not explicitly discuss or authorize FBCs separately from more traditional zoning;

- Two or more communities may form a joint planning commission, to facilitate coordination of development across jurisdictions; and
- The MZEA introduced the option for an applicant to offer conditions to a rezoning request, such as limiting permitted uses under the rezoning to only some of the uses permitted in the target district. Note that municipalities are clearly forbidden from requesting conditions or amending the conditions proposed—this option should be used carefully, if at all.

The Zoning Board of Appeals

A community that has established a zoning ordinance must have a zoning board of appeals (ZBA). A city council may act as the ZBA, or a separate board of not less than five members may be appointed. The Zoning Board of Appeals has a quasi-judicial function and must act objectively when evaluating an appeal. If the elected body also serves as the ZBA, it may become difficult to remain an objective evaluator when an individual is also an elected official.

The number of members is based on population; less than 5,000 must have at least three members. More than 5,000 must have at least five members. The only appointment guidelines are residency, population distribution, and representation for the various interests in the community (residential, commercial, industrial, education, etc.). All members serve three-year terms. Two alternate members may be appointed and serve in the case of an absence or in the case of a conflict of interest with one of the regular members. The alternate, if called, serves on a case until a decision is reached, even if called on the basis of an absence of the regular member, and even if that member returns.

The board has the responsibility for ensuring that the zoning ordinance is properly and fairly applied. The need for the ZBA is based on the realization that a single set of regulations cannot anticipate every potential condition related to individual properties and uses. The most common action by the board is the consideration of variances.

A **variance** is permission to waive or alter a requirement or limitation of the zoning ordinance. There are two types of variances.

A **use variance** permits a use of land that is otherwise not allowed in that district. A use variance is a modification of the literal provisions of the zoning ordinance that may be authorized by the board when strict enforcement of the ordinance would cause *unnecessary hardship* for the property owner due to circumstances unique to the property. To obtain a use variance, the applicant must demonstrate through review standards that the unnecessary hardship related to the use of the property exists. The community may choose to exclude the consideration of use variance in its zoning ordinance.

A **nonuse variance**, also known as a dimensional variance, is a modification of the literal provisions of the zoning ordinance that may be authorized by the board when strict enforcement of the ordinance would cause *practical difficulties* for the property owner due to circumstances unique to the property. Nonuse variance requests are typically associated with modifications of required yard setbacks, building heights, parking requirements, landscaping or buffering restrictions, and related building or facility placement matters and sizes.

Every person has the right to seek relief from a zoning ordinance requirement. If the standards used by the board are carefully considered and followed, the integrity of the ordinance will be maintained. But too often variances are granted because no one sees any harm in doing so, rather than carefully considering the ordinance standards. The board soon gains a reputation for not following its ordinance; one merely has to

go to the ZBA to obtain relief from the ordinance.

Eventually, the offhand granting of variances harms the community's ability to enforce the ordinance. Moreover, poorly supported decisions can, over time, have the effect of destroying the credibility of the zoning ordinance as well as the ZBA. It is up to the members to prevent this by strictly applying the review standards of the ordinance necessary to obtain a variance: variances create an exception from the ordinance, and should be exceptional, rather than routine.

Procedures and Processes

Foremost among today's planning and zoning issues is the need to have specific, written procedures for handling planning and zoning matters. The entire zoning process, from the time that a person first approaches the municipality to the issuance of the occupancy permit or possible sanction of violations, should be clearly understood by all parties involved. Some basic rules:

- Proper forms should be in place to document applications and permits;
- Meetings should be governed by consistent rules;
- All actions should be clearly and thoroughly documented;
- Applications should not be accepted if incomplete (inadequate site plan, fee unpaid, etc.);
- If required public notices were not sent or were published improperly, stop the process and start over; and
- Action on any application should be delayed until the applicant or a representative is present (unless legal time limits dictate otherwise).

Another important aspect is keeping good records. One test of record-keeping is the ability to pick any application that has been approved and constructed and be able to follow each step, from the first contact of the application to the last permit, by the records kept for that application. Project files should include, at a minimum:

- relevant pages of minutes at which the proposal was discussed,
- staff notes, meeting notes, correspondence, telephone conversation notes, etc.,
- copy of the application and supporting material, and
- approved/signed copy of the site plan.

Making Effective Decisions

Following an effective decision-making process is one of the most important methods of avoiding, or at least surviving, challenges to decisions. Careful consideration and support of decisions through the use of the standards of the zoning ordinance is important. These standards must be written into the ordinance and if all standards are met, the application must be approved.

If the decision is challenged, the importance of using the ordinance's standards becomes self-evident. A well-supported decision provides the background needed to build a solid legal foundation for the decision. The use of standards will help avoid the "arbitrary and capricious" label often given to zoning decisions that are not well supported.

The record must show sufficient facts to back up the findings made according to the ordinance standards. Some simple considerations:

- It is not enough to deny an application because of a vague notion that the use is not a "good idea," or that it will "harm the neighborhood;"
 - The presence of a roomful of people opposing the project is not sufficient reason to deny an application;
 - The past performance of the applicant should not be used as a basis for a denial. If there are doubts about performance, make proper use of conditional approvals, performance bonds, and proper documentation;
 - Approvals and denials should each be thoroughly documented on the record, clearly stating how the ordinance standards were, or were not met; and
- Questions of doubt should be resolved before taking action; do not act hastily. Zoning decisions are permanent; take care that the decision is the best that can be made given the information available.

The Role of the Public

Having noted the need for objectivity, the question arises as to what role the public should play. Various zoning approvals require participation by the public in the decision-making process, usually in the form of public hearings. The dilemma in which most decision makers find themselves is trying to determine what weight to give the comments (and complaints) of the public.

People do not generally come to a meeting in support of a particular project; most have concerns that they wish addressed, many are simply opposed to what is proposed. The foremost concern that any decision maker should have is to ensure fairness for all concerned; the applicant as well as the public. To ensure fairness, keep some simple things in mind.

- Everyone must have the opportunity to speak and present evidence at public hearings. While some limitations may be placed on this right, no action should be taken that would deprive a person of their right to be heard.
- Most people are uncomfortable speaking in public. While the chair cannot make everyone effective speakers, he/she can make sure that meeting rules are followed and order maintained. Keeping a subtle balance between the degree of formality required, and the degree of informality that is sometimes needed is a learned art.
- Recognize emotional responses and treat them with concern and understanding. Land use issues can elicit strong emotions. Strong responses, within limits, should be expected and understood. Decision makers must learn to control their emotions, even when the comments get personal.
- The chair can help maintain order by following meeting rules and requiring

that comments are made only on the subject at hand. It is often helpful to point out what request is being made and to ensure that the public understands the limitations of the board or commission.

Enforcement

No matter how well written the zoning ordinance may be, it is essentially made meaningless unless the community has an effective enforcement process. Creating and maintaining an effective enforcement program requires a good COP (Commitment, Ordinances, Process):

Commitment: The community, including its enforcement officials, administration and legislative body, needs to have a firm commitment to the enforcement of its ordinances. This means providing the necessary resources to monitor and penalize. It also means ensuring that enforcement officials are not subject to interference from the administration and legislative body members.

Ordinances: Ordinances must be clearly written and be able to be reasonably monitored and enforced. Each time a new regulation is drafted, it would be useful to ask the enforcement officials how they may go about monitoring and implementing the various ordinance provisions. Ordinances that require unreasonable actions on the part of enforcement officers are less likely to be properly administered.

Process: Finally, it is important that there be a consistent, well documented enforcement process. For example, a follow up to a violation might be similar to this:

1. Verbal notification is sent to the property owner, followed up by a written notice.
2. If not corrected, a second notice (usually worded somewhat more forcefully) may be sent.
3. If not corrected after the second notice, a citation is issued.

(Note: The procedures for each community will be different, and may depend on whether the ordinance violation requires a civil or criminal action.)

How to Avoid Litigation

The short answer to avoiding litigation is simple. You can't! Governments are always open to lawsuits, regardless of the methods used to reach a decision. Disappointed applicants and neighbors far too often look to the courts to make a decision favorable to their position. However, there are some actions that you may take to strengthen your legal position.

The first way to avoid a legal challenge to your decisions is to follow the procedures and principles outlined in this chapter. As many members have already experienced, the zoning process involves a wide variety of technical, administrative, and discretionary factors. The technical factors may include compliance with the specific requirements of the zoning ordinance, such as setbacks, height, parking, etc. The administrative requirements may include ensuring that notices are mailed and published, meeting procedures followed, and other similar actions.

Finally, and probably most important, are the judgmental factors that are required in making effective zoning decisions. The standards provided in the zoning ordinance for various types of decisions are the clearest guide given to decision makers. All decisions should be based on these standards and the facts that are used to apply them.

Other factors that should be remembered:

- Keep the master plan and zoning ordinance up-to-date. A current plan and ordinance can bolster an effective defense. An outdated plan or ordinance is subject to attack as not relevant to today's conditions.
- Recognize the landowner's right to a reasonable rate of return, although that may not be the use that provides the highest profit or "highest and best use," not a term applicable to zoning.
- Do not exclude lawful land uses if there is a demand and an appropriate location in the community.
- Base decisions on the ordinances and facts rather than emotions or opinions of the applicant.

- Make decisions using the written standards of the zoning ordinance.
 - Know the rules of procedure and follow them consistently.
 - Resolve questions of doubt before taking action; do not act hastily. Zoning decisions are permanent; try to get it right the first time.
 - Know the limits of the community's authority and act in good faith.
- Correct immediately any situations that could be/are found liable.
If sued, hire competent legal counsel familiar with the type of litigation involved.

Chapter based on materials provided by **Steve Langworthy**, retired partner with LSL Planning.

Section 3: Operations

Chapter 17: Selecting and Working with Consultants

Why Use a Consultant

Today, cities need to consider delivery options for information and services not even contemplated decades ago. Both small and large municipalities will find themselves in situations where, due to a lack of available personnel or to a lack of expertise in a specific area, they need to seek outside professional assistance. Often a consultant can provide the required staffing and knowledge.

Consultants are defined as those with training and experience in a specific field who offer others their expertise. Why, when and how a community retains a consultant is an important policy issue.

When to Use a Consultant

No one can be an expert in every aspect of local government. Consultants are typically retained for one of three reasons:

1. to provide specialized service not available through existing staff resources;
2. to supplement existing staff in completing projects and/or doing planned projects when the existing staff does not have time or the expertise to complete the project; and
3. to get a second opinion from an outside source on a possible project or to review, provide input, analyze data and conclusions reached by the cities through other studies.

Consultants are retained for many types of projects and services. For example:

- street construction;
- water, wastewater and storm sewer projects;
- information technology support;
- labor relations;
- master land use planning;

- grant application preparation and oversight;
- subdivision plan reviews;
- short and long term strategic planning; and
- recreation master planning.

Common Types of Consultants and Professional Services

The most common types of consultants are:

- engineers;
- planning consultants (land use and zoning);
- strategic planning consultants;
- attorneys—general counsel, labor/employee relations, environmental, insurance claims, bond counsel, litigation/special counsel (example: tax tribunal cases) and real estate transactions;
- human resources/training/safety consultants;
- property assessors;
- information technology experts;
- privatization of services consultants;
- auditors and financial advisors;
- pension plan administrators; and
- retired city/village management professionals.

Retired city and village managers are valuable resources for communities of all sizes. A municipality might call one for interim management services during recruitment of a new manager or to assist the staff in managing specific projects or functions.

How to Retain a Consultant

The first step in retaining a consultant is to establish criteria and guidelines. Items to consider in formulating your guidelines are:

- whether to designate an individual or committee to be responsible for retaining the consultant;
- who will be planning, monitoring, and scheduling the project or service;
- what the scope of the project or service will be; and
- what base qualifications will be required for firms or individuals to be considered. These should include:
 - professional and ethical reputation,
 - professional standing of the firm's employees (registered, licensed, certified),
 - ability to assign qualified personnel to the project and to complete it within the allotted time, and
 - experience in providing the services or project development.

Selection Process

Michigan, unlike many other states, does not have a state law requiring local governments to establish procedures for purchasing of goods and services or the selection of consultants. Local charters and/or ordinances usually establish the consultant selection procedures. If the project will be funded in part or in full with state or federal monies, check the requirements for consultant selection procedures. Those responsible for the selection process need a working knowledge and familiarity with the purpose and general nature of the project to be performed.

Sole Source

If the city has experience with one or more consultants, preference may be given to continuing the professional relationship with these firms. If you are not required by jurisdictional policy or ordinance to send out requests for proposal or bids, you can hire the consultant directly. An agreement as to the scope and cost of the project is negotiated with this firm and the project proceeds.

Request for Proposals (RFP)

Under an RFP the city provides firms with a specific detailed description of the project

and requests that the firms submit a proposal addressing the manner in which the project would be completed and the cost of the project. From the responses, the local government selects the consultant based on two criteria: cost and responsiveness to the RFP.

The method for selecting a consultant using an RFP should follow many of the steps outlined below in the RFQ process.

Request for Qualifications (RFQ)

Unlike a RFP, the RFQ provides the opportunity to select a consultant based on the needs of the community and qualifications of the consultant, not low bid. In July 2002, the State of Michigan enacted legislation (2002 PA 504) requiring state agencies to use Qualification Based Selection (QBS) methods to select consultants. While this legislation does not apply to local governments, it emphasizes the advantages to using QBS in selecting consultants.

For more information on the QBS process, visit www.qbs-mi.org or call 517-332-2066.

In preparing the RFQ, the following elements should be included:

- a type of consultant being sought;
- a brief outline of services desired;
- date and time the sealed qualifications are to be submitted to the local government; and optional, but recommended, elements:
 - expected date of completion or length of contract, and
 - anticipated end product such as reports or designs.

These elements will help the consultant and local government determine the availability of resources.

There are three options for establishing the cost of services:

1. negotiating the cost with the consultant selected,
2. listing the anticipated range of fees in the QBS, and
3. having the consultant place the estimated fees in a separate envelope. This envelope would only be opened if

the consultant were selected and would be used in contract negotiations. When the contract is signed with the successful firm the remaining fee envelopes should be returned unopened to the unsuccessful consultant firms.

The QBS process allows the local community to select one or a small number of consultants to interview. This selection should be based on the number of responses to the RFQ.

During the interview, ask who will be the key personnel assigned to your project. The proposed project manager should be in attendance at the interview. The scope of services should also be discussed in the interview, but fees should not.

After the interviews, check with recent clients of each firm and determine the quality of performance that each client has experienced. Try to include clients in addition to those specified by the firm.

After the interviews, rank the firms using criteria such as location, reputation, compatibility, experience, financial standing, size, personnel availability, quality of references, workload and other factors specific to the project. Decide which firm you consider to be best qualified, and initiate contract negotiations.

If an agreement cannot be reached with the first firm selected, notify them in writing to that effect. Meet with your second selection, going through the same process. When you and the consulting firm agree on all matters and charges for services, the selected firm should submit a written contract for both parties to sign. Make sure your attorney reviews the contract before the city signs the agreement.

A courtesy letter should be sent to each firm that expresses interest in the proposed project, informing them of the outcome of your decision.

Project management

Once you select a consultant, you need to design a process to manage the contract. These elements will help ensure the successful completion of the project:

- appoint a project manager,

- establish a work schedule (including milestones) for the project,
- cross-check the consultant's work, and
- determine and evaluate the final work product.

While these elements are components of good project management, the extent to which each element is used will depend on the magnitude and scope of the work. For example, a small project may only require a project manager and an evaluation of the final product, without a work schedule.

The project manager is essential to any consultant contract regardless of its size. This municipal representative administers the contract, including but not limited to monitoring the work, approving payments for the work and accepting the final work product. The project manager should be given enough authority to ensure that the city receives maximum benefit from the consultant's work.

Establishing milestones will tell the municipality when each stage of the project should be completed. Failure to meet these milestones could be an early indicator of possible delays and/or trouble with the consultant's work product. This gives the project manager an opportunity to correct the problem or it could serve as a reason to terminate the consultant's contract.

Identifying deliverables in conjunction with the milestones will provide the city with another tool to evaluate the consultant. Deliverables, for example, might include a draft chapter of a master plan, a grant application or securing certain permits. The type and extent of the deliverables depend on the size and scope of the project.

In addition to milestones and deliverables, monitoring the work can involve regular meetings with the consultant, visits to the consultant's office, telephone calls, emails, and faxes.

The larger the contract, the more likely there will be a need to amend the contract. In large projects, unforeseen delays can make it necessary to amend the contract. The contract amendment should be included in the original contract.

The success of any project is determined by the process and resources allocated to the effort. Using consultants can be a valuable tool in the management and delivery of services for our communities.

Chapter provided by Lou LaPonsie, city manager and past trustee of the League, and charter member of the village management

committee of the Michigan Local Government Management Association.

-and-

Reid S. Charles, who has served in various management and planning positions in local government, and lectured and taught courses on planning and municipal finance.

Section 4: Finance

Chapter 18: Authority and Internal Controls

Introduction

Oversight and governance of financial affairs is among the most important of the responsibilities of municipal elected officials. Inadequate oversight can lead to abuses such as embezzlement, misuse of and/or misappropriation of funds, and general loss of esteem for the municipality and its officials. Excessive control or oversight can render your city or village ineffective and incapable of delivering important services.

Local elected officials are given the responsibility and authority to establish financial policies for their municipality. For example, only the elected governing body of a municipality can levy property taxes, establish fees and charges for utility services, levy special assessments, incur debt, establish spending levels, and determine independent audit requirements. Appointed officials may recommend policies in these matters but the final authority to enact financial policy is reserved for the governing body of elected officials. They fulfill these responsibilities through their budgets, ordinances, and resolutions, all of which must be enacted by at least a majority vote of the body. (Check your charter for the vote requirement for your city or village.)

This chapter provides a brief overview of the very complex and pervasive subject of municipal finance in Michigan. It is essential that elected officials turn to the resources which are at their disposal (their manager, finance officer, assessor, treasurer, accountant, attorney, and independent auditor) in fulfilling their duties and responsibilities.

Limitations on Local Authority

Authority and responsibility for municipal financial policies are established by the Michigan Constitution, state statutes, federal

statutes, state and federal administrative codes, and city and village charters. These instruments, along with case law, grant certain authority on one hand and limit it on the other.

State Limitations

Municipal elected officials in Michigan have become acutely aware of the limits imposed by the Michigan electorate through constitutional provisions which limit the authority of local officials to levy property taxes.

Constitutional revisions adopted in the late 1970s (known as the Headlee Amendments) limited local authority by:

- requiring local voter approval for increasing tax rates above the rates then authorized by law or charter, and
- rolling back or decreasing millage rates so the total amount of taxes paid on existing property increases by no more than the rate of inflation during periods when property values increase by more than the rate of inflation.

If one class of property has declining or stagnant market values and another class has spiraling increases, the total roll for the taxing unit may not increase more than the rate of inflation. And, the taxing authorities are not required to reduce the millage rate. In many local units, residential property values have spiraled upward while other classes stagnated. As a result, residential taxpayers found little or no relief from the Headlee roll back requirements.

Again in 1994 the Michigan electorate amended the Constitution with Proposal A. This amendment defined a special class of property, *Homestead*, which is treated differently than the other classes of property (i.e., commercial, industrial, non-homestead residential, agricultural, etc.). Homesteads are exempt from the local school tax of 18 mills. No other class has this exemption.

Schools were provided with state funds, generated by the state sales tax, to offset this loss of revenue.

In addition, Proposal A requires each parcel to be taxed on the basis of its taxable value which is to be limited to an annual increase of "...the rate of inflation or five percent, whichever is less." This limitation is imposed for each parcel.

Prior to Proposal A, properties were taxed on the basis of their state equalized value which was set at 50 percent of market value and adjusted upward or downward as the market value changed.

The local assessor now maintains two columns on the tax roll: the state equalized value and the taxable value. Taxes are levied on the taxable value. As long as the property continues under the same ownership, the taxable value of the parcel may only increase at the rate of inflation or five percent, whichever is less. However, upon sale or transfer of the property to another owner, the state equalized value (SEV) becomes the new taxable value.

By shifting school financing from the property tax to the sales tax, the reduced potential captured revenue through tax increment financing has had a negative side effect on certain financing authorities for future programs. The full effect of Proposal A is still unknown. Some believe it has had an inflationary effect on home values. Others believe that the reverse will be true in the future when new owners find the accumulated state equalized value (SEV) entered into the roll of taxable value for their payment of taxes. It also remains to be seen what its full impact will be on local units of government

State Statutes

State statutes also limit the authority of local officials in administering their financial affairs in matters ranging from procedures to be followed by local governing bodies in advertising the annual budget hearing to the use of motor fuel taxes on local street systems; from debt limits to fidelity bonding requirements for local treasurers; from the annual audit to creating special financing

authorities. A listing of all controlling state statutes is not possible in this limited space. (See Appendix 2: Michigan Laws of Interest to Cities and Villages.)

State statutes control almost every aspect of municipal finance. Local elected officials should seek advice and counsel from their own local resources when embarking upon changes of policy and practices in the conduct of the financial affairs of their local government.

Case Law

Case law issuing from the judicial system also imposes controls and limitations on local elected officials. For example, a state court adjudicated a disputed special assessment which was levied upon owners of homes in a platted subdivision with streets emptying out into a major thoroughfare which was to be improved with special assessment financing. The court set aside the special assessment on the subdivision homeowners because in the opinion of the court:

- a. the benefit derived from the improvement was a general benefit to the community and not a special benefit to homes in the subdivision, and
- b. special assessments may only be levied for direct benefits (i.e., the street upon which their homes fronted) and such may not be levied for indirect benefits (for the major thoroughfare to which their frontage street connected). See *Jonson vs. Inkster*, 401-MICH-263, Michigan Supreme Court, 1977.

A second example has had perhaps an even greater impact on municipal finance.

On December 28, 1998, the Michigan Supreme Court ruled unconstitutional the city of Lansing's stormwater service "fee," declaring that the fee was actually a "tax" under the Headlee Amendment to the Michigan Constitution that required a vote of the city's electorate.

The ruling, in *Bolt v City of Lansing*, 459 Mich 152, 587 NW2d 264 (1998) could have significant implications for municipalities statewide. Bond counsel for cities and villages have expressed concern

that the ruling could impact the security of revenue bonds backed by user fees. (See CH 22 Special Assessments and User Fees for more information on *Bolt*.)

Case law in municipal liability has been a source of concern for the financial stability of municipal units of government. Indeed, creation of liability risk pools, including that of the Michigan Municipal League, is a response to case law.

Again, as municipal elected officials seek to establish policies affecting financial affairs of their local unit of government, they must heed advice of financial experts and their legal counsel.

Local Limitations

City and village charters, ordinances, and resolutions of policy are instructive to uninitiated elected officials. These local instruments often reflect provisions of the State Constitution, state statutes and other regulatory requirements of the higher levels of government. Indeed they must be in compliance with them. Careful review and drafting by legal counsel and financial administrators should assure compliance.

Local charters establish millage limits, debt limits, and the fiscal year. They often spell out purchasing and contracting authorities, budget requirements, audit requirements and reporting of financial condition on a regular basis. Duties and responsibilities for financial management of the unit of government are usually assigned by the all-important local charter.

Charters often spell out the minimum requirements for the annual budget document including:

- presentation of proposed revenues and expenses in detail sufficient to effectively control the financial management of the municipality;
- presentation of actual audited revenues and expenses for the last fiscal year;
- revenues and allocations for the current fiscal year and actual expenses to date;
- separate presentation of operating and capital budget accounts;
- procedure and deadline for adoption including (a) advertisement, (b)

opportunity for public review and (c) public hearing; and

- procedure for amendment and reallocation after adoption.

Purchasing and contracting requirements of charters usually include provisions that (a) limit authority to acquire without approval of the governing body, (b) require advertisement in approved publications, and (c) require receipt of sealed bids which are to be opened in public.

These are but two examples of charter limits and grants of authority. Ordinances and/or resolutions are often necessary to implement state statutory requirements and those of local charters.

City/village ordinances and/or resolutions limit and regulate financial management in more detail than is permitted or desirable by local charters. These are more easily amended than the local charter and greater detail can be accomplished.

Ordinances and resolutions may deal with such areas as administering blanket purchase orders, counter-signatures on checks, depositories for funds, and credit card control. Again, local ordinances can be instructive for the uninitiated. Although they have little of the appeal found in best seller novels, they should be regarded as required reading for the novice elected official. And, a refresher reading by seasoned officials is suggested. Although attention has been given to limitations on the authority of local governments and their elected officials in the foregoing, much still remains as discretionary authority to be exercised by them.

Financial Controls – Internal Management

After the city or village council has approved the annual budget and allocated funds for specific purposes, financial controls should be in place to assure compliance with the council's wishes, as well as compliance with laws, charters, and ordinances. These controls include an accounting system from which regular financial reports are extracted and transmitted to managers, administrative

officers, department heads, and the governing body for review and examination. Charters and ordinances of some units require monthly financial reports, others quarterly.

In reviewing these periodic reports, elected officials should first determine if the reports permit them to carry out their responsibilities. Does the report provide budget allocations as approved and expenses as they are incurred to date? Are any budget allocations over spent? Are there allocations not being used? Is it necessary to reallocate funds to provide services as planned? Is the rate of expenditures in some budgetary accounts such that they will be over expended by the end of the fiscal year?

Financial reports can also be used as strategic planning tools. They provide opportunities for mid-year budget reviews and planning sessions. As a starting point for the preparation of the next budget, councils can review progress of current projects and programs. They can also provide input for the planning and funding of projects in the next year of the capital improvement plan.

Finally, internal financial controls should reduce opportunities and temptations for fraud or embezzlement. Separating duties of employees and mid-level administrators is sometimes necessary. It is wise to have checks signed and counter-signed by persons from two separate lines of authority such as the treasurer and the clerk. Internal controls should be examined periodically by the independent auditor to keep systems updated with current technologies, especially in automated environments.

The Independent Audit

The annual report of the independent auditor is provided especially for the governing body of the local unit of government. It is intended to provide an independent review of financial management practices of the local unit by professional public accountants. The state requires an audit either annually or biannually, depending on the size of your municipality. Certain funding sources (e.g. federal funds, grants,

state money, etc.) may also require an annual audit.

The audit report provides opinions of the auditor as to whether:

- financial management practices are being conducted according to generally accepted accounting principles;
- financial reports are presented fairly and accurately; and
- financial management has complied with applicable laws and regulations.

The auditor may provide a management letter which provides opinions on potential problems with financial systems and controls. The letter may also provide suggested improvements. Comments on the opinions and suggested improvements by the chief administrative official or manager should be provided to the elected governing body. As part of the normal services of the independent auditor, tests of financial controls should be conducted to assure adherence to laws and regulations. Such tests should also be designed to uncover weak systems which may provide opportunity for fraudulent behavior including embezzlement.

It is impractical to pay for tests of all such control systems annually. It is suggested, however, that the auditor independently and without prior knowledge of municipal officials, select one or two aspects of the system to test. For example, the auditor may select to examine a random sample of all checks issued for purchases of items having a price range of \$1,000 to \$5,000 for compliance with purchasing regulations and ordinances. By annually selecting a limited number of test subjects in addition to those for which potential problems are apparent, continued improvements in these systems can be expected.

By now you have probably concluded that financial aspects of the tasks of local elected officials aren't getting any easier and they are growing in importance. Good financial planning and management is a way of life. Good, sound systems and practices are the product of a series of decisions over a period of years. They are not the product

of a short-term budget crunch or a financial crisis with quick-fix solutions. The task is to make thoughtful policy decisions with a view toward continual improvements over a period of time.

Local elected officials should always seek advice and counsel from their chief financial officer, assessor, manager and municipal attorney when embarking upon changes of policy and practices in the conduct of the financial affairs of their local government.

Chapter provided by **A. Frank Gerstenecker**, retired city manager and former consultant for the League's Executive Search Service.

And –

Reid S. Charles, who has served in various management and planning positions in local government, and lectured and taught courses on planning and municipal finance.

Section 4: Finance

Chapter 19: Budgeting

The annual budget is the most significant of all policy-making opportunities available to local officials. Used wisely, the budget process can achieve the goals and objectives of the city or village and assure the delivery of the services expected by the citizens.

Focusing on the budget as a policy document allows elected officials to avoid the temptation to deal only with those items with which they may feel most comfortable—line item details of office supplies, for example—and concentrate instead on basic policy issues.

Budgeting often takes two forms. The first is the operating budget dealing with short-term, year-after-year matters. The second is the capital budget for long-term, non-recurring expenses.

The Operating Budget – A Plan for Day-to-Day Operations

Section 15 of the Uniform Accounting and Budgeting Act requires cities and villages to adopt a balanced budget (expenditures cannot exceed revenues) prior to the beginning of each fiscal year. The Act, however, does not specify the format of the budget for either the general fund (operating budget) or any special or enterprises funds your community may use. Local governments are also required to set the millage rate required to cover the anticipated expenditures for the year, as well as to establish the necessary fees and charges for various services.

Common Budget Formats

There are several budget formats available for use by local governments. The most basic is the line item budget. Other budget formats have been developed to assist legislative bodies in establishing policies rather than counting paper clips, the most common being the program budget, program

performance budgeting (PPBS); management by objectives (MBO); and zero based budgeting (ZBB). It is also possible to combine one or more of these formats.

- **The line item budget** divides expenditures into administrative categories such as salaries, contractual services, office supplies, postage, etc. This type of budget is easy to prepare, but makes it difficult to determine if goals are achieved or if programs are adequately funded.
- **The program budget** presents expenditures by program along with a narrative description of the services to be provided. Each program budget is composed of line item amounts. For example, a municipality may decide to initiate a street sweeping program. The entire program is presented including line item allocation of the costs required to support the program. While a program budget is more complex to prepare, it allows the council to view and evaluate the merits and costs of each program.
- **The program performance budget (PPBS)** shows the relationship between the dollars spent and units of service performed to determine a cost per unit (e.g., cost per mile of street swept). This is the most complex of all types of budgets to prepare and unit costs for some services are difficult to measure (e.g. cost per crime prevented by a crime prevention bureau). However, it is useful in assessing the relative success of each program. Once again, line item allocations of the costs must be made.
- **The management by objectives budget (MBO)** allows the identification of specific programs or objectives to be accomplished during the budget year. This approach will allow the management to establish target dates

and costs for specific objectives and provide a means for the legislative body to measure the performance of the various departments and the management structure.

- **Zero based budgets (ZBB)** require each department to examine its programs by requiring justification for every dollar requested. Because of its somewhat complicated nature, ZBB should only be used on a limited basis.

Of the foregoing types of budgets, the program budget is often the most useful and practical for local officials. It clearly outlines the purposes for which funds are being proposed and it encourages a policy-making approach to budgeting. Many local governments will use parts of all the budgeting types, adapting each to the needs of the community. Regardless of the overall budget format used, it is necessary to prepare line item detail for each section.

Revenue Sources

An important step in the budget process is to determine, as accurately as possible, the amount of revenue available for the upcoming fiscal year. Revenue sources for the operating budget are closely regulated by state law and local charter. Special items of income vary among local units of government. Revenue sources for general operating budget purposes include:

- property taxes (controlled by law and charter);
- City income taxes;
- licenses and permits (building, plumbing, heating, electrical, air conditioning, occupancy, amusements, etc., controlled by ordinance);
- intergovernmental (state shared revenues, Act 51 monies, grants such as CBDG, Clean Michigan, etc.);
- charges for sales and services (engineering review fees, plan review fees, etc.);
- fines and forfeitures (drug forfeiture proceeds, library book fines, and penal fines);
- interest income; and
- miscellaneous.

Of those revenue sources on the list, local elected officials have much discretionary authority in all except property taxes, city income taxes, and intergovernmental revenue sources.

A city income tax is currently imposed in 22 Michigan cities, ranging in population from 1,884 (Grayling) to 713,777 (Detroit). Again, as is the case with property tax, state statutes closely control the creation of revenues from this source through the Uniform City Income Tax Act (1964 PA 284). As amended, the Act now provides:

- Newly imposed city income taxes must receive voter approval.
- The tax may be imposed on residents, non-residents earning income in the city and the income of corporations earned in the taxing city.
- Limits on the rate of taxation (percent of income) permitted based upon the size of the city and other criteria.
- Exclusion of certain types of income from the tax.

Intergovernmental revenues are a constant concern for local officials as the formula for the statutory portion of revenue sharing is subject to change by the state legislature and to reduction by executive order of the governor. The same is true for grants from both the state and federal government, as well as Act 51 monies.

Expenditures

Public expenditures are the amounts paid by the municipality for the services required by the residents and businesses of the city or village. Under state law, all public expenditures are to be only for public purposes. Generally, allowable expenditures fall into the following categories:

- general government (council, manager, finance, clerk, etc.);
- public safety (police, fire, code enforcement and inspections, etc.);
- public works (streets, drains, sidewalks, engineering, water and sewer, etc.); and
- leisure services (parks and recreation, library, museum, etc.).

The Capital Budget—A Longer View

The capital budget provides funding for non-recurring expenditures such as construction and acquisition of buildings, infrastructure, facilities, and equipment. These expenditures are “lumpy,” non-repetitive, and may span several years for project completion or acquisition.

The capital budget is another annual plan of revenues and appropriations. It is a document adopted by the local legislative body and having the force of law as a legally binding allocation of funds. It often represents the first year of a multi-year capital improvement program.

Revenue sources for the capital may include any of those for the operating budget plus other sources for long-term capital improvements:

- special assessments;
- fees charged for construction;
- major road funds, Act 51—gas and weight taxes,
- local road funds, Act 51—gas and weight taxes;
- enterprise fund allocations from water, sewer, and other utilities; and
- bond proceeds from issues by the local governing body and any of the authorities created by it (e.g., building authorities, downtown development authorities, housing authorities).

Capital budget expenditures for property acquisition, construction and equipment usually include allocations to provide facilities for the operating departments of the local unit. Most of these are easily recognizable:

- general public works (streets, drains, water, sewer, sidewalks, lighting, motor equipment pool);
- police (equipment, vehicles, facilities),
- fire (equipment, apparatus, station houses);
- parks (land acquisition, recreation centers, play fields, athletic equipment, nature trails, etc.); and
- library and museum (buildings, furnishings, and equipment).

When considering capital expenditures for new facilities, budget makers must keep in mind the need for operating funds to place the new building or facility into operation. The need for additional employees, costs for heat, lighting, water, telephones and so on are appropriate concerns of those with budget making authority.

The capital improvement program (CIP) is among the most important policy planning tool available to local budget makers.

The CIP provides a longer-range schedule for the community’s major capital projects year-by-year. The Michigan Planning Enabling Act of 2008 (MPEA) requires that the CIP must project at least six years into the future: the first year of the CIP should be the upcoming budget year for capital budget allocations. Each operating department is expected to be represented in the CIP, and the task of the budget makers is to make sure the year-to-year estimated costs are within the financial capacity of the local unit.

Used properly, the CIP provides a systematic approach to financial planning so that budget makers can weigh the relative priority of these projects, build up funds for plan ahead for major investments, or undertake multi-year projects. This planning may include:

- increases in operating costs for new facilities;
- acquisition of rights-of-way;
- contributions to other authorities;
- special assessment projects; and
- bond issuance planning.

The CIP can also provide opportunity for a systematic approach to preventive maintenance and the rebuilding of facilities and infrastructure. Scheduling of heavy preventive maintenance and rebuilding will often extend beyond the required 6-year CIP time span, making a longer planning horizon appropriate for some projects. For example:

- concrete streets—joint grouting and resealing plus selective slab replacement—seven-year cycle,
- concrete sidewalks—leveling and flag replacement—five-year cycle,

- water distribution system—system replacement—20 to 30 year cycle or
- public buildings—plumbing, heating, electrical system updates—20 to 30 year cycle.

Under the MPEA, the planning commission is responsible for preparing the CIP annually and submitting it to the legislative body for final approval, unless exempted by charter or otherwise. The planning commission should coordinate with the chief executive official (e.g. village president or manager) to compile projects from each department or operating unit within the village into the CIP. Each year, the CIP should be updated to maintain the minimum 6-year planning horizon, and to review and adjust the planned projects for each year based on changing budgetary conditions. This process provides an opportunity for the planning commission to consider projects against the adopted master plan for the village, ensuring that major investments best support the community's long-range goals.

Capital improvement programming is essential for the long-term wellbeing of the community. The importance of this part of municipal finance cannot be overstated.

For More Information

Sample budgets, budget policies and ordinances are available through the League's Resource Center, by emailing info@mml.org.

Chapter based on materials provided by **A. Frank Gerstenecker**, retired city manager and former consultant for the League's Executive Search Service.

Michigan Planning Enabling Act (ACT 33 of 2008) CIP requirements:

The capital improvements program shall show those public structures and improvements, in the general order of priority, that in the planning commission's judgment will be needed or desirable and can be undertaken within the ensuing 6-year period. The capital improvements program shall be based upon the requirements of the local unit of government for all types of public structures and improvements. Consequently, each agency or department of the local unit of government with authority for public structures or improvements shall upon request furnish the planning commission with lists, plans, and estimates of time and cost of those public structures and improvements. The planning commission, after adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements, (unless the planning commission is exempted from this requirement by charter or otherwise). If the planning commission is exempted, the legislative body shall either prepare and adopt a capital improvements program, separate from or as a part of the annual budget, or delegate it to the chief elected official or a non-elected administrative official, subject to final approval by the legislative body. (MCL 125.3865)

Section 4: Finance

Chapter 20: Purchasing

Introduction

Purchasing departments exist to help governments manage their finances by making the best expenditure decisions possible. Elected officials have an important responsibility to monitor the finances of their organizations, part of which includes approving purchase transactions. There are several ways that the legislative body can support purchasing activity. First, the council establishes the vision for the organization, setting the tone for the day-to-day activities, as well as the ethical standards for the organization. Elected officials can set meaningful rules regarding fairness and open competition and work to keep these rules current. Finally, councils can support professional development and technological improvements.

This chapter will provide an understanding of the public purchase process through a review of enabling legislation and a discussion of the day-to-day aspects of the operation.

State Statute

There are no longer any state statutes requiring public bids on municipal contracts. 1993 PAs 167 & 168 which required municipalities to seek competitive bids for purchases over \$20,000 in order to receive state shared revenue money, were repealed in 1996. The state has relegated the task of developing public purchasing guidelines to local governments.

Charter Provisions

Local government officials must look to their charter for purchasing guidelines and restrictions. A charter may establish who is responsible for purchasing (such as the manager or administrator) and also include the maximum dollar amount that can be appropriated before advertising for competitive bids. Other local control

mechanisms for the allocation of municipal funds are through ordinances and policies. In recent years, in order to set more realistic spending limits, some municipalities have amended their charters (which requires review by the governor and a vote of the electors) to allow the purchasing function to be legislated by local ordinance.

Local Ordinances

Legislation has a major impact on the services that can be provided to residents. The activities conducted in public procurement are restricted to those authorized by law. Therefore, many public entities have an ordinance that defines important parameters of the purchasing process. Well-written legislation will allow the purchasing department flexibility in using criteria in addition to price as evaluation tools. This ordinance may discuss how responsibility for the purchasing function flows. For example, the ordinance may state that the organization's executive branch (manager, mayor, administrator, etc.) may enter into contracts based on the recommendation of the purchasing director with approval of the legislative body for certain dollar limits.

Ordinances will vary in the level of detail included. Some will establish a dollar amount for obtaining both written bids and legislative approval for purchase transactions; advertising requirements; and outlining the circumstances in which competitive bidding is not required. Ordinances may further detail specific responsibilities of the purchasing function such as encouraging competition; promoting standardization in the use of like products throughout the organization; barring vendors from bidding opportunities; and disposal of obsolete property. Some organizations have socially motivated buying policies, such as local preferences or disadvantaged business

programs.

In these cases, authorization for such programs will often be addressed within this enabling legislation.

Cradle to Grave Philosophy

Professionally staffed purchasing departments follow the “cradle to grave” philosophy. In other words, a purchasing department is responsible for obtaining all of the products and services needed by the organization at the right time, for the right price and in the right quantity (*cradle*). Purchasing should redistribute property, equipment and other resources among departments when necessary (*mid-life*). Finally, purchasing is responsible for disposing of the organizations’ assets once they have become obsolete and of no further use (*grave*).

The purchasing process begins with the adoption of the budget, which is the organization’s fiscal plan for the year. The budget document provides purchasing with information about upcoming capital projects, equipment and service needs, as well as daily operating supply item needs. Purchasing uses this financial perspective to plan the timing of purchase transactions and to combine the needs of several departments with the overall goal of taking advantage of quantity discounts.

The budget document can be used by purchasing to prepare a procurement calendar. This calendar is a plan for bidding all capital and recurring operating supply needs. The calendar helps purchasing meet the entity’s needs using an organized approach. The purchasing calendar, in conjunction with the budget, permits the organization to spread its expenditures throughout the fiscal year.

The next step involves developing specifications or an exact description of the product or service needed. This may be done by the end user, the purchasing department, an outside consultant if the item is complex in nature, or it may be a group effort. Purchasing reviews the specifications for completeness and clarity, and makes sure this description is open to competition and

not restrictive in nature. Competitive bidding has long been recognized as one of the best avenues to insure a healthy and equitable public purchasing process (*Public Procurement Management, First Edition*, NIGP, Herndon, VA 2000).

The specifications are combined with the appropriate terms and conditions into a bid document and are advertised in the local press and distributed to suppliers that are able to respond. Advertising is an expense, which in lean economic environments, may be considered expendable. It is important to note that posting public notices of purchase transactions is an essential component of maintaining an exemplary and inclusive process.

Bidders are informed of the date, the exact location, and the time of day responses must be submitted (often referred to as the bid due date or bid opening date). This is critical information in that if this deadline is missed, bidders run the risk of their bids not being accepted. In general, bids are submitted to the clerk’s office or some other area independent of the purchasing or requesting department. They are time-stamped and held in a secure location until the time of the scheduled bid opening. Such precautions help protect the integrity of the bid process by reducing the possibility of bid tampering. Bid openings are conducted in public and vendors are encouraged to attend and take advantage of the opportunity to review the responses submitted by their competitors.

Companies and their respective responses are evaluated to determine the lowest responsive and responsible bidder. This allows for a review of the product, its pricing and compliance with the specifications (*responsive*), as well as the offering firm’s financial standing, references and experience (*responsible*). Although price is always of primary concern, a vendor that delivers a quality product on time may prove to offer a lower overall product cost.

After the evaluation process, the purchasing transaction will be submitted to the legislative body for approval in accordance with the dollar limits set within

the charter, ordinance, or policy. Transactions below the specified limit will be approved administratively.

Purchasing departments are typically responsible for disposing of the organization's obsolete assets. Property disposal can be handled as a trade-in allowance toward the purchase of a new piece of equipment, using a sealed bid process or by conducting a live auction often with a professional auctioneer. The evaluation standards work in reverse of the purchase process, i.e., the highest bidder is selected.

Purchasing as a Corporate Citizen

Purchasing has a responsibility to and relationship with both internal and external customers. It often functions as an ambassador to the business community while at the same time working to protect the organization's interests. The purchasing department has a responsibility to its suppliers to be fair, accessible and to conduct its business with integrity.

Its internal customers are the employees that rely on purchasing to acquire the products and services needed to carry out their work. Purchasing works closely with the corporation counsel to make sure that policies, procedures, contracts, etc. properly protect the organization while being fair to vendors. The department has an impact on the municipality's financial health by fostering competition and making sure it pays a fair price for products and services. These efforts serve to instill behaviors that project the organization as business-friendly and well managed.

Trends

As with other areas, the impact of technology on the public purchasing arena has been substantial. Purchasing has incorporated technology into its processes in several ways. First, it is common for purchase orders to be generated using a software package specifically designed for this purpose, automatically routed through the approval process, and sent to the vendor electronically.

Another example is the use of the internet. Purchasing professionals can research products, locate distributors, and receive timely information online. Many public organizations have a website which can be used as a mechanism to reach a wider pool of vendors. Information can be posted to the internet on doing business with the organization as well as a list of currently available bid opportunities. Websites can be used as an alternative bid document distribution method. Rather than incurring duplicating, envelope insertion, and postage costs, bids can be generated electronically and posted to the website. Interested vendors can print these documents as needed.

Some advanced technology applications allow vendors to submit bid responses to the organization electronically while still following the established bid security procedures. Some departments are moving away from the practice of maintaining vendor databases and are placing the responsibility of researching opportunities on the business community.

Cooperative purchasing arrangements are another emerging trend. The concept behind cooperative buying is to seek and obtain the best deal possible by buying in volume. These arrangements cover the spectrum from being formal, dues paying groups to having informal alliances that meet on an as-needed basis. In order to be successful, members must agree on the types of products that can be of use to the group and incorporate the flexibility for each organization to fine tune its needs into the specifications.

Conclusion

The public purchasing process is conducted in accordance with the organization's enabling legislation, in an open, accessible, and competitive manner. Technology should be used to expedite the process, enhance the routine aspects of the operation and to conduct research.

A well run, professional purchasing operation reflects positively on the entire organization. As an elected official, you can encourage suppliers to contact the

purchasing department knowing they will be treated fairly. Taxpayers can be informed that their money is being handled responsibly.

Chapter provided by **Rae Townsel**, purchasing agent for the city of Southfield..

Section 4: Finance

Chapter 21: Financing Capital Improvements

Few municipalities have cash resources to finance facilities with large price tags and long life, such as a new municipal office, a new water treatment facility, a new civic center, or other long term capital improvements. Most must incur debt in the form of a bond issue to finance such improvements and facilities, similar to the home buyer who must incur debt in the form of a mortgage.

The incurring of debt by a municipality should be considered among the most serious of all courses of action available to a village council. Indeed, state statutes and administrative regulations require local authorities to follow certain procedures and processes prior to issuance of most debt.

Bond Issuance and Notes—Incurring Debt

Notes

Notes are instruments of debt having shorter duration than the term of bonds. Notes may be issued for bridging short lapses of time between the date of need for an expenditure and the date when budgeted revenues are available.

The most common of these are tax anticipation notes (TANs) which may be issued for operating or capital improvement purposes. These notes are essentially a promise to pay the lender, usually a local bank, from tax revenues anticipated during the current or next succeeding fiscal year.

Amendments to the Municipal Finance Act (2001 PA 34) have provided cities and villages with additional tools and allow the issuance of short-term debt for the planning and engineering costs for capital improvements. As a result of these amendments, cities, villages, counties, and townships are able to issue bond anticipation notes (BANs), grant anticipation notes (GRANs) and revenue anticipation notes (RANs) in anticipation of funds from these bonds, grants, and revenue sharing, respectively. However,

there are limitations on the amount of short-term debt that can be issued in relationship to the amount of the grant, revenue sharing, or bond issue. Prior to the issuance of these notes, the municipality is encouraged to contact its financial advisor and/or bond counsel to insure compliance with state law.

Energy conservation notes may be approved for issuance for periods not to exceed ten years. Use of proceeds from such notes is limited to financing improvements resulting in energy conservation.

Installment sales contracts are permitted by 1933 PA 99 (Purchase of Lands and Property for Public Purpose) for installment periods not exceeding 15 years or the useful life of the property being acquired, whichever is shorter. Installment contracts may be used for acquisition of land, equipment or property. Approval by the Michigan Department of Treasury and vote of the electorate are not required.

Bond Issuance

Long term municipal debt is most often incurred in the form of bond issues. Most are issued as tax exempt bonds but municipalities may be, under certain circumstances, required to issue taxable bonds. Interest income received by the buyer or holder of the tax-exempt bond is not subject to federal, state, or local income taxes. This creates a higher demand for tax-exempt bonds and issuing municipalities realize great savings in interest costs. This also reduces income tax revenues returned to the various units of government.

Financial experts and statutes have given titles to various types of bond issues which reflect the quality of the issue.

General obligation (GO) bonds are the highest quality because they pledge the taxing capacity of the municipality to retire the bonds and pay the interest on them. There are two

types of GO bonds, discussed below. Revenue bonds on the other hand, have a lower quality because only the revenues from service fees and charges for use of the system (e.g. water, sewer, electric, parking, etc.) are available to pay principal and interest on the issued bonds.

Unlimited tax general obligation (UTGO) bonds, or voted GO bonds are bonds for which the electorate has pledged to tax themselves an amount which is sufficient to retire the bonds and pay interest on all that are outstanding. That is, the local taxing authority is not limited in the amount of taxes that can be levied to retire the bonds and pay interest in any year. The electorate must vote to approve the issue prior to the issuance of the debt.

Limited tax general obligation (LTGO) bonds or non-voted GO bonds are bonds for which the authority to raise taxes to pay principal and interest with bonds is limited to the maximum amount of taxes that the municipality is permitted to levy by state law and the local charter. The electorate has not approved the issue nor given specific authority to be taxed above the level authorized by law or charter to pay principal and interest on the issue.

With special assessment district (SAD) bonds, payment of principal and interest is assured by pledging revenues from collection of special assessments and interest thereon.

Revenue bonds are used to finance municipal operations which are characterized as being self-supporting and having their own revenue source such as service fees (e.g., sewer and water systems, golf courses and recreation facilities, parking garages, and auditoriums). Revenue bonds are retired with revenue produced from the facility or other service fees.

Villages may issue **Michigan Transportation Fund bonds** and pledge a portion of their statutory share of transportation funds to pay principal and interest on the bonds.

A city or village may issue **intergovernmental contracts and authority bonds** if they enter contracts with counties and authorities to have a facility (water system, sewer system) built and leased to the operating city or village, which pays rent on the facility in sufficient amount to pay debt service costs on the bonds issued by the county or authority. Local building authorities, which will be

discussed later in this chapter, provide an example of such an authority.

The county drain commission may issue **county drain bonds**—bonds for drain and sanitary sewer system improvements and apportion the cost for debt service among the cities, villages, and townships which benefit.

Tax increment bonds—Tax increment financing (TIF) through the creation of TIFAs, LDFAs, and DDAs which may issue TIF bonds, are discussed in depth later in the chapter.

Amendments to the Municipal Finance Act also created **capital improvement bonds**, which may be issued for any “depreciable asset” as Limited Tax General Obligations (LTGOs) of the issuing municipality. This type of bond issue is subject to the right of referendum, as are several of the other types of bond issues discussed above, and is payable from the general taxing powers, subject to statutory and charter limitations, of the issuing municipality and/or other revenue sources.

There are pitfalls in incurring bonded indebtedness. Scarce resources are consumed by interest and principal costs and the cost of issuance. For example, debt service costs over a 15-year bond issue could be more than double the cost of the facility. Costs over a 30-year issue could be more than triple the initial cost of the facility or project. And, as infrastructure and facilities age, costs of repair and maintenance accelerate. Continuing debt service costs mitigate against the allocation of sufficient funds for current maintenance requirements.

Special Financing Tools for Development/Redevelopment

Cities and villages are the crucible for fostering development and redevelopment. Realizing this, the state legislature has enacted permissive legislation to assist cities and villages with this purpose.

- **Housing authorities** and building authorities are possibly the oldest of these special development entities, having been created by legislation in 1933 and 1948, respectively. Housing authorities were permitted for the purpose of eliminating detrimental housing conditions through acquisition, construction, and ownership of

housing. Municipalities may create housing authorities and incur debt for housing purposes.

- **Building authorities** may, among other things, acquire, own, construct, operate, and maintain buildings, recreational facilities, parking garages, and so on for any legitimate public purpose of the municipality. They can incur debt through bond issues and lease the resultant facility back to the municipality with rental income to pay the principal and interest on the bonds. Upon final retirement of the bonds, the authority would convey the property to the municipality. Michigan cities and villages have made widespread use of this financing technique. However, it should be noted that the capital improvement bonds discussed above could eliminate the issuance of building authority bonds.

Special Financing for Economic Development

Cities and villages often need special financing tools to complete projects designed to preserve their economic health. Several Michigan statutes allow municipalities to create specialized organizations for use as economic development tools. The chart the end of this chapter compares these organizations.

Four of these organizations are able to use tax increment financing revenues (TIF). In the simplest terms, TIF is the capture of the increase in property tax revenue in a defined district to fund capital improvements in that area.

- **A downtown development authority (DDA)** may be created to halt property value deterioration, to increase property tax valuation in the business district, to eliminate the causes of deterioration, and to promote economic growth.
- **A tax increment finance authority (TIFA)**, available prior to 1989, has been replaced by the LDFA; no new TIFA may be created, and the boundaries for an existing TIFA cannot be expanded. As of 2011, transit-oriented development and transit-oriented facilities are allowable activities by TIFA's.

- **A local development financing authority (LDFA)** may be created to encourage local development, to prevent conditions of unemployment, and to promote growth. In 2011, transit-oriented development and transit-oriented facilities became allowable activities by LDFA's.
- **A brownfield redevelopment authority (BRA)** may be created to clean up contaminated sites, thus allowing the property to revert to productive economic use. In 2011, transit-oriented development and transit-oriented facilities became eligible to be used by BRA's.
- **A corridor improvement authority (CIA)** may be created to redevelop a commercial corridor and to promote economic growth. In 2011, transit-oriented development and transit-oriented facilities became eligible to be part of CIA's. In addition, municipalities can now set up transit TIF districts that do not require a community to wait for opt-outs of tax capture from other governmental units (counties, libraries, community colleges, etc.).

Three other types of organizations your community may find useful, although they cannot use tax increment financing revenues, are:

- **An economic development corporation (EDC)** may be created to alleviate and prevent conditions of unemployment and to assist industrial and commercial enterprises. In 2011, transit-oriented development and transit-oriented facilities are now part of the list of enterprises for which a project may be undertaken in the Act.
- **A principal shopping district (PSD)** may be created to develop or redevelop a principal shopping area and to collect revenues, levy special assessments, and issue bonds to pay for its activities.
- **A business improvement district (BID)** may be created to develop a more successful and profitable business climate in a defined area, and to collect revenues, levy special assessments and issue bonds to pay for its activities.

Tax Abatement Programs

In 1974, the Legislature decided to encourage economic development by providing for reduced property tax assessments for specifically selected business projects which were yet to be

developed. The Legislature adopted 1974 PA 198 (Plant Rehabilitation and Industrial Development Districts Act), which

Summary of Economic Development Tools

	DDAs	TIFAs	LDFAs	BRAs	EDCs	CIA	PSDs	BIDs
Authorized municipalities	Cities, villages and townships	Cities	Cities, villages and urban townships	Cities, villages and townships	Cities, villages and townships	One or more cities, villages, and townships	Cities with designated principal shopping district(s)	One or more cities with an urban design plan
Limitations	One per municipality	No new areas established after 1989	One per municipality	Industrial or commercial property	Industrial area	Established commercial district adjacent to arterial or collector road with size and use restrictions	Commercial area with at least 10 retail businesses	Commercial or industrial area with boundaries established by city resolution
Requirements	Deteriorating property values	Deteriorating property values	Industrial area	Environmental contamination	Industrial or 501(c)(3) nonprofit	10 contiguous parcels or 5 acres; mixed-use; water and sewer available	Designated as a principal shopping area in master plan	Designated as a BID by one or more cities by resolution
Eligible projects	Located in DDA district with approved DDA/TIF plans	Within defined TIFA area	Public facility to benefit industrial park	Environmental cleanup	Issue bonds for private industrial development	Improvement of land and to construct, rehabilitate, preserve, equip or maintain buildings or facilitate transit in the area	Improve highways and walkways; promotion; parking, maintenance, security or operation	Improvement of highways and walkways; promotion; parking, maintenance, security or operation
Funding sources	TIF from District; millage	TIF from plan area	TIF on eligible property	TIF; Revenue Bonds	Tax exempt bonds	TIF, special assessments, bonds, fees, donations	Bonds, special assessments	Bonds, special assessments, gifts, grants, city funds, other

was the first of three acts enabling abatement of part of the tax burden for impending business investments in facilities and equipment.

PA 198 provides for a reduction of the assessed value of qualifying projects for up

to 12 years at the discretion of local governing bodies.

The cost of renovations or rehabilitation may be entirely exempt from increases in assessed value for property tax purposes. Thus, taxes on costs of renovation or

rehabilitation could receive abatement of 100 percent. Taxes on new building and equipment could be abated no more than 50 percent. Personal property and real property, excluding land, are eligible for abatement if the intended use is for manufacturing, research and development, parts distribution and warehousing.

Abatements for commercial property, granted by 1978 PA 288, became very controversial, and by act of the Legislature no new commercial abatements were permitted after December 31, 1985.

Stimuli for development of high technology enterprises attracted legislative interests and in 1984 PA 385 (Technology Park Development Act) enabled municipalities to create one “technology park district” having a minimum of 100 acres of vacant land near a public university. Like the preceding Acts, abatement could not exceed 50 percent for a maximum of 12 years.

PA 266 of 2003 allows for creation of Tool and Die Renaissance recovery zones, where eligible businesses can be granted virtually tax free status for up to 15 years. The state is responsible for designating the zones, but local governments must approve them.

Briefly, the abatement process involves creation of a district, receipt of applications in a form acceptable to the State Tax Commission, local approval of the exemption certificate and state approval of the exemption certificate.

Some of the foregoing development/redevelopment initiatives provide financing through the issuance of tax-exempt bonds discussed earlier.

Chapter provided by **Robert C. Bendzinski**, president of Bendzinski & Co., Municipal Finance Advisors, established to provide financial advisory services to municipalities since 1977.

Portions of this chapter are adapted from materials prepared by **A. Frank Gerstenecker**.

Section 4: Finance

Chapter 22: Special Assessments and User Charges

Municipalities often raise funds for special purposes by imposing special assessments or user charges as an alternative to imposing a tax. All three financing mechanisms have elements in common, and distinguishing one from the other is not always a simple matter. Any assessment or user charge not properly imposed, however, will be construed as a tax, which must satisfy different requirements for validity.

While a *special assessment* bears some of the characteristics of a tax, it differs in that a special assessment may be levied only on land and may be imposed only to pay the cost of an improvement or service by which the assessed land is specially (as opposed to generally) benefited.

In contrast, a broadly imposed *tax* yields a general benefit to the community with no particular benefit to any person or parcel.

Generally, a *user charge* is the price paid for a service provided based directly on the value of the individual use of the service or benefit. Although a municipality may impose a *tax* whether or not the taxpayer particularly benefits from the purposes served by the tax, and may *specially assess* parcels which do particularly benefit from an improvement, it may impose a *user charge* only on individuals actually served. While the improvements made with a special assessment generally must increase or maintain the value of the lands specially benefited, the services which are the subjects of rates and charges do not necessarily have that effect. The value to one user may be greater than another depending on individual needs and consumption.

In *Bolt v City of Lansing*, the Michigan Supreme Court developed a test for user charges. In order to avoid classification as a

tax, a user charge must “serve a regulatory purpose rather than a revenue-raising purpose.”

Rates and charges must also bear a direct relation to the cost of providing the service to the ratepayer. A fee designed to raise revenue for general public services in addition to covering the cost of providing the service which is the subject of the fee is actually a tax. A fee designed to raise revenue from a broad range of users of a system to pay the cost of an improvement to a discrete part of the system which will benefit only a smaller group of users may also be considered a tax.

Revenues derived from user charges (or assessments) must be segregated from other municipal funds and applied solely to the expenses of providing the service or the improvement. The expenses of providing the service may include some indirect costs of providing the service.

Special Assessments

Authority

To impose a special assessment, a municipality must first have the statutory authority to make the improvement or provide the service for which the assessment will be imposed. Second, the municipality must have the statutory authority to assess for that type of improvement or service.

Special assessments may be imposed for many types of improvements and even services for which specific statutory and other local implementing authority is found. Typical subjects of special assessments are street improvements, including paving, curb, gutter and sidewalk improvements, and water and sewer improvements. In addition to statutory authorities, city and village charters and special assessment ordinances,

if any, should be reviewed as sources of authority.

Where statutory authority exists, municipalities will often finance an improvement through the issuance of bonds in anticipation of special assessments, secured primarily by the assessments and secondarily by the general fund of the municipality.

Basic Requirements

The lands proposed to be specifically assessed comprise a special assessment district. The assessments are apportioned among the landowners in the district. Assessments may be required to be paid in a single payment or in multiple installments. Interest may be charged on unpaid installments.

An improvement which reduces property value may not be specially assessed. Further, the benefit conferred by the improvement may not be disproportionate to the cost of the improvement, i.e. the cost of the improvements may not exceed the anticipated increase in the value of the property resulting from the improvement. Although this proportionality may “not require a rigid dollar-for-dollar balance,” the cost of the improvement must reasonably relate to the increase in value in order to avoid an unconstitutional taking of property.

No specific method of apportioning the cost of an improvement is required, provided that the method selected is fair, just, equal and proportionate to the benefits conferred.

Key Procedures

Procedural requirements vary widely depending on the particular statute, charter or ordinance involved. The following are key elements to any assessment process:

1. petitions,
2. hearings on necessity and the apportionment of the assessment, and
3. notice
 - content
 - nature, location, cost of improvements

- apportionment of cost
- opportunity to object and appeal
- dissemination
 - publication and mailing
 - timing.

Enforcement

Once confirmed, assessments may become a lien on the assessed property.

User Charges

Subjects and statutory authority

The Revenue Bond Act of 1933, provides the principal statutory authority for the imposition of rates and charges for the “service, facilities and commodities furnished by... public improvements.” It authorizes any public corporation to purchase and acquire one or more public improvements; to own, operate and maintain the same; to furnish the services of such public improvement to users within or without its corporate limits; to establish by ordinance such rates for services furnished by the public improvement as are necessary to provide for the payment of administration, operation and maintenance of the public improvement so as to preserve it in good repair and working order; and to provide for the debt service, if any, on bonds issued to finance the improvement providing the service.

Other statutes and local charters provide additional authority. Municipalities regularly impose rates and charges for a variety of services.

Rate Ordinances

Municipalities impose user charges by adopting a rate ordinance governing a particular service or range of services. The ordinance should set forth the purpose of the ordinance, the service provided, the rates to be imposed and the various classifications of users, the timing and method of billing and payment, penalties for nonpayment and other enforcement provisions. To meet the *Bolt* standard described below, the ordinance should make a serious attempt, to relate the user charge to a regulatory scheme.

Ordinances may also address a broader and

more detailed range of subjects, including regulations governing the use or provision of the service and licensing issues. Various grant making and regulatory authorities may require the use of a particular form of rate ordinance as a condition for approval.

Standards in Ratemaking: The *Bolt* Test

The Michigan Supreme Court's decision in *Bolt* turned ratemaking on its head. In *Bolt*, the court articulated a new three-part test for determining whether a charge is validly characterized as a fee:

1. it must serve a regulatory purpose,
2. it must be proportionate to the necessary costs of the service, and
3. the user must be able to refuse or limit use of the commodity or the service for which the charge is imposed.

These three criteria are not to be considered in isolation “but rather in their totality, such that a weakness in one area would not necessarily mandate a finding that the charge at issue is not a fee.” *Graham v Township of Kochville, supra, 236 Mich App 141 (1999)*.

As indicated in *Graham*, voluntariness may be less significant where the elements of regulation and proportionality are strong. Conversely, where the regulatory aspect of the fee is less obvious, the voluntary use of the system may assume more importance.

The method selected for calculating rates and charges must be reasonable and may not be arbitrary and capricious. Substantial evidence preferably set forth in the rate ordinance itself should justify the charges made and the method used.

The *Bolt* court held that user charges must reflect “the actual costs of use, metered with relative precision in accordance with available technology....”

The rates and charges for municipal services must be applied to similarly situated users in a similar way. It is appropriate to distinguish among different classes of users and to apply different rate schedules to each class.

The requirement that rates be uniformly applied is an extension of the overall requirement that charges be proportional to

the value of the services rendered and the cost of providing the service. *Alexander v Detroit 392 Mich 30 (1974)*.

Enforcement and Collection

In general, statutes authorizing user charges for services provide that the charges become a lien on premises served. Statutes also commonly allow the municipality to discontinue service for non-payment of the charges.

Chapter provided by **Amanda Van Dusen**, a principal in the law firm of Miller, Canfield, Paddock and Stone, P.L.C.

Section 4: Finance

Chapter 23: Limits of Municipal Expenditures

Municipalities are frequently requested to make donations to various worthy private organizations. Such organizations include chambers of commerce; hospitals; museums; veterans' organizations; community funds; Boy Scouts, Red Cross; and other educational, promotional, or benevolent associations. Frequently, it is difficult for the legislative body of a municipality to refuse such requests. However, it appears clear from Michigan law that such donations are questionable expenditures of public funds.

Generally, a municipality's power to spend money is derived from the state through the Michigan Constitution and state laws. In addition to specific grants of power, cities and villages with home rule authority are also able to rely on the applicable provisions in the Constitution and statutes for the power to spend on municipal concerns. Regardless of the authority, it is generally held, however, that municipalities have the power to expend funds only for a public purpose.

One test for determining a public purpose is whether the expenditure confers a direct benefit of reasonably general character to a significant part of the public. It should be noted that the public purpose test has also been limited to the provision of services for which municipalities exist and the powers they have authority to exercise. With respect to the question raised, neither the Michigan Constitution nor state law grants to municipalities the power to spend public money on employee parties, gifts, etc. Nor can a good argument be made that the expenditures are for a public purpose. Absent a grant of spending authority, and no clear public purpose defined, the expenditure is most likely illegal. Simply put, a municipality cannot give public funds away.

What Is a Public Purpose?

The Michigan Supreme Court has defined the objective of a public purpose:

Generally a public purpose has for its objective the promotion of the public health, safety, morals, general welfare, security, prosperity, and contentment of all the inhabitants or residents within the municipal corporation, the sovereign powers of which are used to promote such public purpose....The right of the public to receive and enjoy the benefit of the use determines whether the use is public or private. (*Hays v City of Kalamazoo*, 316 Mich 443, 453-454 (1947))

The following questions may be helpful in determining whether an expenditure is appropriate:

1. Is the purpose specifically granted by the Michigan Constitution, by statute, or by court decision?
2. Is the expenditure for a public purpose?
3. Is the municipality contracting for services that the municipality is legally authorized to provide?
4. Is the operation or service under the direct control of the municipality?

If you can answer "yes" to these questions, the expenditure is most likely appropriate.

Michigan Constitution of 1963

The following provisions of the Michigan Constitution are the basis for municipal expenditures:

Article 7, Sec. 26.

Except as otherwise provided in this constitution, no city or village shall have the power to loan its credit for any private purpose or, except as provided by law, for any public purpose.

Article 9, Sec. 18.

The credit of the state shall not be granted to, nor in aid of any person, association or corporation, public or private, except as authorized in this constitution. (Note: This applies to all political subdivisions of the state. *Black Marsh Drainage District v Rowe*, 350 Mich 470 (1958)).

Private Purpose Decisions

Expending public funds for a private purpose under Michigan law is illegal. For over a century, the Michigan Supreme Court has considered the limitations on expending public funds and has been consistent in its rulings. Most involve the relationship of a municipality with private businesses.

1. A contract in which the village of Fenton proposed to expend \$1200 to drain a marsh, improve a highway, and construct a dock in order to induce a certain firm to establish a stave mill in the village, was held invalid. *Clee v Sanders*, 74 Mich 692 (1889).
2. Money from a bond issue could not be spent if it appeared that the purpose of the bond issue was actually to provide a fund for paying bonuses to industry for locating in the city. *Bates v Hastings*, 145 Mich 574 (1906).
3. A city-owned building, which was occupied by a manufacturing company, burned down. The city agreed to pay the insurance proceeds to the manufacturer if it would rebuild the building and occupy it for a term of years. The rebuilding, however, was not done on the city-owned property. It was held that payment of the \$5,000, even though not raised by tax money, was unlawful. *McManus v Petoskey*, 164 Mich 390 (1911).

Public Purpose—but Outside Municipal Control

Most of the above cases involve a purpose which is worthy, but private in nature. There is another line of cases that involves an additional concern. If the purpose for which the funds are expended is

public in nature, *but the operation is not under the control of the city or village which is making the contribution*, it may nonetheless still be an illegal expenditure.

In *Detroit Museum of Art v Engel*, 187 Mich 432 (1915) the Supreme Court ruled that Detroit could not pay the salary of the museum director, even though the city had title to the real estate on which the museum was located and had minority representation on its board of directors. One sentence of the opinion which has been much quoted is:

The object and purpose of relator is a public purpose in the sense that it is being conducted for the public *benefit*, but it is not a public purpose within the meaning of our taxing laws, unless it is managed and controlled by the public.

In more recent cases the *Art Museum* doctrine has been applied on a limited basis. *Hays v City of Kalamazoo*, 316 Mich 443 (1947) involved the validity of the payment of membership fees by Kalamazoo to the Michigan Municipal League. The court distinguished the *Art Museum* case by saying that, contrary to the payment of dues to the League, the transaction with the Museum did not “involve the right of a municipality to avail itself of, and to pay for, information and services of benefit to the city in its governmental capacity.”

In 1957, the Michigan Supreme Court held that Detroit could properly transfer to Wayne County certain city park land to facilitate the construction of a home for neglected and abandoned children. In sustaining the right of the city to assist the project in the manner indicated, the court noted that two-thirds of the population of the county resided in the city of Detroit, and that the proposed institution would provide care for children from within the city. The court held that the city was aiding in the accomplishment of a purpose that it might itself have accomplished directly under its charter. *Brozowski v City of Detroit*, 351 Mich 10 (1957).

Opinions of the Attorney General

There are numerous opinions by the Attorney General regarding municipal expenditures. The following are offered as examples.

- Money raised under the special tax for advertising can be used to advertise the city's advantage for factory location, but not to buy land to be given for a factory, to build a factory for sale or rent, or to give a bonus for locating a factory in the city (1927-28 AGO p. 672).
- In a park owned by the American Legion which had installed a lighting system and held ball games open to the public, it would be unlawful for a village to assume the cost of the electricity used by the park up to \$100 per year, even though the majority of the village taxpayers had signed a petition requesting such payment (1935-36 AGO p. 5).

Expansion of Public Purpose

The Attorney General has said that a county may not use federal revenue sharing funds to make a grant to a private nonprofit hospital (1973 AGO No. 4851). The Attorney General concluded that since it could not expend its own funds as contemplated, it could not disburse federal funds for that purpose. The Attorney General suggested that the county might obtain social service and medical service needs by contract. In a later opinion the Attorney General concluded a county could not expend federal revenue sharing funds for loans to private businesses unless the federal statute expressly authorized such expenditure (1987 AGO No. 6427).

Considerable use has been made of the authority to contract with private nonprofit agencies to perform services on behalf of a city or village. 1977 AGO No. 5212 specifically recognized the validity of this procedure. The state legislature subsequently amended section 3 (j) of the Home Rule City Act as follows:

In providing for the public peace, health, and safety, a city may expend funds or enter into contracts with a

private organization, the federal or state government, a county, village, township, *or* another city for services considered necessary by the municipal body vested with legislative power. Public peace, health, and safety services may include, but shall not be limited to, the operation of child guidance and community mental health clinics, the prevention, counseling, and treatment of developmental disabilities, the prevention of drug abuse, and the counseling and treatment of drug abusers. 1978 PA 241.

In addition, there have been other expansions of a municipality's spending power with respect to a downtown development authority, MCL 125.1651 et seq. (1975 PA 195); public economic development corporation, MCL 125.1601 et seq. (1974 PA 338); empowerment zone development corporation, MCL 125.2561 et seq. (1995 PA 75); enterprise community development corporation, MCL 125.2601 et seq. (1995 PA 123); and brownfield redevelopment financing, MCL 125.2651 et seq. (1996 PA 381). Each law allows money and resources to be used for economic growth under the control or oversight of the municipality's governing body.

Specific Authorizations Granted by Law

As a public decision maker, you have a legal duty to make sound financial decisions.

Whenever a question arises that does not easily match statutory law, or meet the public purpose analysis, the expenditure is likely improper. Remember, if the question cannot be resolved, your village attorney is the best resource for legal advice. You may also wish to consult the state of Michigan Department of Treasury website (treas.state.mi.us/localgov/Audit/lawfulex.htm) for guidelines.

Statutory Authorizations for Expenditure

Listed below are several specific statutory authorizations for public expenditures:

- Cultural activities (Home Rule City Act). MCL 117.4k.
- Water supply authority. MCL 121.2.

- Public utility. MCL 123.391.
- Exhibition area. MCL 123.651.
- Memorial Day/Independence Day/Centennial celebrations. MCL 123.851.
- Band. MCL 123.861.
- Publicity/Advertising. MCL 123.881.
- Principal shopping district. MCL125.981.

Appendix 1: Glossary

Annexation – The incorporation of a land area into an existing city or village with a resulting change in the boundaries of that unit of local government.

Bond – A certificate or instrument certifying the existence of a debt. Local units of government only have those powers to borrow monies expressly granted by law. Municipal obligations are generally classified as either general obligation or special obligation bonds. A special obligation bond is payable from a specially identified source; a general obligation bond is payable without reference to a specific source.

Charter – The basic laws of a municipal corporation describing the powers, rights, and privileges which may be exercised within a political or geographic area by that municipal corporation and its officers. A charter is similar to a constitution on the state and federal levels of government.

Budget – Under the Michigan Uniform Budgeting and Accounting Act (MCL 141.421 et. seq.), *budget* means a plan of financial operation for a given period of time, including an estimate of all proposed expenditures from the funds of a local unit and the proposed means of financing the expenditures. It does not include a fund for which the local unit acts as a trustee or agent, an intragovernmental service fund, an enterprise fund, a public improvement or building fund or a special assessment fund.

Conditional Transfers of Land – A potential alternative to annexation. Public Act 425 of 1984 (MCL 124.21 et seq.) allows the conditional transfers of land from one local unit of government to another for a period of not more than 50 years for the purpose of economic development. The conditional transfer must be evidenced by a written contract which must include certain

conditions including the manner and extent to which taxes and revenues are shared, the duration of the agreement, methods by which a participating unit may enforce the contract and designation of which local unit has jurisdiction upon the expiration or termination of the contract.

Consolidation – The formation of a new city boundary through consolidation of any of the following:

- a. two or more cities or villages;
- b. a city and one or more villages; or
- c. one or more cities or villages together with additional territory not included in any incorporated city or village.

A new village boundary may be created by the consolidation of two or more villages.

Council – A legislative, executive, advisory, or administrative governmental body whose elected or appointed members are assigned certain duties and responsibilities by law such as a city/village council or a citizens advisory council.

Enterprise Fund – A fund established to finance and account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. Examples of enterprise funds are those for water, gas and electric utilities, sports facilities, airports, parking garages and transit systems.

Franchise Agreement – As used in local government, it is a negotiated contractual agreement between a utility provider and a government agency authorizing the provider to build and operate a utility system or conduct business within a given geographical area.

Franchise Ordinance – Unilateral action taken by the legislative body of a local unit of government to establish the non-negotiable terms of obtaining the permission to transmit and distribute a public utility system or to conduct business of a public utility within a given geographical area.

General Fund – A fund used to account for all transactions of a governmental unit which are not accounted for in another fund. The general fund is used to account for the ordinary operations of a governmental unit which are financed from taxes and other general revenues.

General Law Village – Villages incorporated under the General Law Village Act, MCL 61.1 et seq. General law villages are subject to legislative amendments to the General Law Village Act, including the major re-write of the Act in 1998. Under provisions of the Home Rule Village Act (MCL 78.1 et seq.), all villages incorporated after 1909 must be incorporated as home rule villages.

Governmental Immunity – Doctrine, the basis of which may be statute or court decision, that protects or insulates a governmental agency from tort liability when engaged in a governmental function, subject to certain exceptions. Governmental agency employees also enjoy broad immunity protection when the agency is engaged in a governmental function.

Home Rule – The authority of local governments to frame, adopt or change their own charter and to manage their own affairs with minimal state interference.

Incorporation – The formation of a new village or city governed by the State Boundary Commission Act, the Home Rule Village Act and the Home Rule City Act, from:

- a. unincorporated territory; or
- b. one village or city and contiguous unincorporated territory; or

- c. an incorporated village without change of boundaries

Mayor – An elected official who serves as chief executive, chair or nominal head of a city council or commission. Under the “weak mayor” form of government, the mayor’s administrative powers are limited and the mayor is chief executive in name only. Under the “strong mayor” form of government, the mayor does not hold membership on council, but exercises veto power. The “strong mayor” holds executive power while council holds legislative power.

Municipal Bond – A security issued by, or on behalf of, a political subdivision, the interest on which is generally exempt from federal income tax.

Municipal Corporation – A voluntary public corporation which is established by state law as a result of the incorporation of an aggregate of citizens residing within a certain area, place or district. Historically, a municipal corporation in Michigan has been limited, in definition, to cities and villages. The 1963 Michigan Constitution eliminated the phrase *municipal corporation* as it appeared in article X of the 1908 Constitution and replaced it in article IX with *city, village, charter county, charter township, charter authority or other authority, the tax limitations of which are provided by general law*. Generally, a municipal corporation operates for the express purpose of promoting public health, safety, and welfare.

Ordinance – A law or an order enacted by the legislative body of a local unit of government, usually pertaining to a specific subject. An **ordinance code** is a systematic integration of all municipal ordinances into a single book, organized by subject matter, tied together by a common numbering system and indexed.

President – The chief executive officer of a village. The president is elected and is a voting member of the council.

Property Tax – A tax based on the assessed value of a property, either real or personal. Tax liability falls on the owner of record as of tax day. Real property includes all lands, buildings, and fixtures on the land. Personal property is generally movable and not affixed to land. It includes equipment, furniture, electric and gas transmission, and distribution equipment, etc.

Public Act (PA) – Legislation passed by both the state House and Senate and signed by the Governor. When legislation is signed into law, it becomes a public act, assigned a number and is denoted by PA and the year it became law.

Resolution – Official action of a legislative body, primarily administrative or ministerial in nature.

Request for Proposal (RFP) – Document issued outlining the format of bids, deadlines, minimum requirements, and general guidelines for potential purchase of products or services.

Revenue – For revenues recorded on the accrual basis, the term designates additions to assets which:

1. do not increase any liability;
2. do not represent the recovery of an expenditure;
3. do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets; and
4. do not represent contributions of fund capital in enterprise and intragovernmental service funds.

The same definition applies to those cases where revenues are recorded on the modified accrual or cash basis, except that additions would be limited partially or entirely to cash.

Revenue Bond – A bond payable from revenues secured from a project which is financed by charging use or service charges. The primary authority for revenue bonds is the Revenue Bond Act of 1933 (MCL

141.101 et seq.) The bonds may be used for a variety of public improvements including airports, bridges, electric and gas utilities, garbage facilities, hospitals, housing, parking facilities, pollution control, recreation facilities, sewer and water facilities, etc.

Revenue Sharing – A state program to share tax revenues with all eligible units of government, but particularly local government in accordance with a method of distribution, as by formula or per capita. The term refers to revenues collected by the state and shared with municipalities. These include revenues from the sales tax.

Site Plan – A plan, prepared to scale, showing accurately and with complete dimensions, the boundaries of a site and the location of all buildings, structures, uses and principal site development features proposed for a specific parcel of land.

Special Assessment – A method of raising funds for special purposes available to municipalities as an alternative to imposing a tax. A special assessment may only be levied on land and may only be imposed to pay the cost of an improvement or service by which the assessed land is specially (as opposed to generally) benefited. To impose a special assessment, a municipality must first have the statutory authority to make the improvement or provide the service for which the assessment will be imposed and, second, the statutory authority to assess for that type of improvement or service.

Special Permit or Use – Authorization allowing a use of property if specific conditions are met as permitted by a zoning ordinance or regulation.

Tax Exemption – The exclusion from the tax base of certain types of transactions or objects. Property which is exempt or free from taxation is usually the property of a charitable, public service, educational or other governmental institution.

Tax Rate – The amount of tax applied to the tax base. The rate may be a percentage of the tax base, as in the case of the sales and income taxes. In the case of the property tax, rates are expressed in cents (such as \$.45 per \$100 of taxable value) or as a millage rate (such as 30 mills) where one mill equals one-tenth of a cent.

Tax Roll – The end product of the assessment phase that lists the owners of each property, each property’s legal description as well as its taxable value and the liability of each owner.

Taxing Powers – The basis for levying taxes. Local governments rely on taxing

powers granted by state law to levy property and other taxes.

Variance – Authorization for the construction of a structure or for the establishment of a use which is prohibited by a zoning ordinance. Generally, a variance may not be granted unless the literal enforcement of the zoning ordinance would cause a property owner “practical difficulties or unnecessary hardship.”

Zoning – Division of a municipality into districts, the regulation of structures according to their construction, nature, and extent of use, and the regulation of land according to use.

Appendix 2: Michigan Laws of Interest to Cities and Villages

Public Acts are available for free on the Michigan Legislature website (legislature.mi.gov).

Conflict of Interest and Incompatible Public Offices

Conflict of Interest of Legislators and State Officers Act, 1968 PA 318, MCL 15.301 et seq. Prohibits legislators and state officers from having an interest in any contract with the state or any political subdivision which would cause a substantial conflict of interest.

Contract of Public Servants with Public Entities Act, 1968 PA 317, as amended, MCL 15.321 et seq. Regulates contractual conflicts of interest.

Incompatible Public Offices Act, 1978 PA 566, MCL 15.181 et seq., as amended. Encourages the faithful performance of official duties by prescribing standards of conduct for public officers and employees and prohibiting the same person from holding incompatible offices simultaneously.

Political Activities by Public Employees Act, 1976 PA 169, MCL 15.401 et seq. Regulates political activity by public employees.

Standards of Conduct and Ethics Act, 1973 PA 196, MCL 15.341 et seq. Prescribes standards of conduct for public officers and employees.

Economic Development

Downtown Development Authority, 1975 PA 197, as amended, MCL 125.1651 et seq. Provides for creation of an authority to correct and prevent deterioration in business districts. The authority can capture tax

increment revenue and levy a tax on property within the district.

Local Development Financing Act, 1986 PA 281, as amended, MCL 125.2151 et seq. Provides for creation of an authority to prevent conditions of unemployment and promote economic growth in the authority district. The authority can capture tax increment revenue.

Plant Rehabilitation and Industrial Development Districts Act, 1974 PA 198, as amended, MCL 207.551 et seq. Provides for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; provides for the exemption from certain taxes.

Principal Shopping Districts and Business Improvement Districts, 1961 PA 120, as amended, MCL 125.981 et seq. Authorizes the creation of certain boards and the collection of revenue and bonding for the redevelopment of principal shopping areas and business improvement districts of certain cities.

Tax Increment Finance Authority, 1980 PA 450, as amended, MCL 125.1801 et seq. Provides for the creation of Tax Increment Finance Authorities (TIFAs) to capture tax increments which may be spent or pledged to make improvements within the TIFA district. Tax increment revenue is produced by applying existing tax levies to the difference between the taxable value of property after improvements have been made in the TIFA district where the property is located over the taxable value of that property fixed on the date a tax increment financing plan is adopted.

Technology Park Development Act, 1984
PA 385, as amended, MCL 207.701 et seq. Provides for the establishment of technology park districts in local government units; provides for exemption from certain taxes and levying of specific tax on owners of certain facilities.

Finance

Budget Hearings of Local Governments, 1963 PA 42, (2nd Ex. Sess), MCL 141.411 et seq. Requires public notice and hearing on annual proposed budget.

General Property Tax Act, 1893 PA 206, as amended, MCL 211.1 et seq. Provides the primary but not exclusive source of statutory law concerning property taxation. All property, except that which is expressly exempt, is taxable. The Act also provides for collection of delinquent property taxes by providing for the sale and redemption to collect tax liens on such property.

Local Development Financing Act, 1986 PA 281, as amended, MCL 125.2151 et seq. Provides for the creation of Local Development Finance Authorities (LDFAs) to capture tax increments which may be spent or pledged to make improvements within the district.

Local Improvement Revolving Fund, 1957 PA 57, as amended, MCL 141.371 et seq. Authorizes cities and villages to raise money by taxes or bond issue within certain limits for the purpose of establishing a local improvement revolving fund.

Revenue Bond Act of 1933, 1933 PA 94, as amended, MCL 141.101 et seq. Provides for the issuance of revenue bonds to finance public improvement which are self-supporting through use or service charges.

Surplus Funds Investment Pool Act, 1982 PA 367, as amended, MCL 129.111 et seq. Provides authority for the investment of surplus funds of a local unit in an investment pool by a financial institution.

Tax Increment Finance Authority, 1980 PA 450, as amended, MCL 125.1801 et seq. Provides for the creation of Tax Increment Finance Authorities (TIFAs) to capture tax increments which may be spent or pledged to make improvements within the TIFA district. Tax increment revenue is produced by applying existing tax levies to the difference between the taxable value of property after improvements have been made in the TIFA district where the property is located over the taxable value of that property fixed on the date a tax increment financing plan is adopted. (After 1989, a new district could not be created or the boundaries expanded.)

Tax Tribunal Act, 1973 PA 186, as amended, MCL 205.701 et seq. Creates the Michigan Tax Tribunal to hear appeals related to the assessment and collection of taxes.

Truth in Budgeting Acts, 1995 PA 40, as amended, MCL 141.412; 1995 PA 41, as amended, MCL 141.436 & 141.437; 1995 PA 42, as amended, MCL 211.24e. Permits a local unit of government to combine the “notice of public hearing” on the unit’s budget with a notice stating that the property tax millage to be levied will be a subject of the hearing. This eliminates the need to publish a notice of increasing property taxes and hold a public hearing pursuant to the Truth in Taxation Act.

Truth in Taxation Act, 1982 PA 5, as amended, MCL 211.24e et seq. Provides that no local unit of government may levy an *ad valorem* property tax for operating purposes in excess of the base tax rate, as defined in the act, without first holding a public hearing pursuant to notice which contains the proposed additional millage rate and percentage increase in operating revenue which would be generated from the levy. A truth in taxation hearing is not necessary if the local unit complies with section 16 of the Uniform Budgeting and Accounting Act.

Uniform Budgeting and Accounting Act, 1968 PA 2, MCL 141.421 et seq. Requires local governments to comply with the uniform charts of accounts prescribed by state treasurer, to file an annual financial report, to be audited periodically and to formulate and adopt an annual budget.

Historic Preservation

Local Historic Districts Act, 1970 PA 169, as amended, MCL 399.201 et seq. Provides for the establishment of historic districts and acquisition of resources for historic preservation purposes.

Municipal Historical Commissions, 1957 PA 213, as amended, MCL 399.171 et seq. Authorizes cities, villages, townships, and counties to create historical commissions and prescribes their functions, to issue revenue bonds, and to appropriate money for activities and projects.

Housing

Allowances for Moving Personal Property from Acquired Real Property, 1965 PA 40, as amended, MCL 213.351 et seq. Authorizes and requires public agencies to pay allowances for the expense of moving personal property from real property acquired for public purposes.

Blighted Area Rehabilitation, 1945 PA 344, as amended, MCL 125.71 et seq. Authorizes counties, cities, villages, and townships to adopt plans to prevent blight and to adopt plans for the rehabilitation of blighted areas and authorizes assistance to acquire, improve, and dispose of real property in blighted areas.

General Property Tax Act, 1893 PA 206, as amended, MCL 211.1 et seq. Provides the primary but not exclusive source of statutory law concerning property taxation. All property, except that which is expressly exempt, is taxable. The act also provides for collection of delinquent property taxes by

providing for the sale and redemption to collect tax liens on such property.

Housing Cooperation Law, 1937 PA 293, as amended, MCL 125.601 et seq. Authorizes cities, villages, and other public bodies to aid housing projects of housing authorities and the like by furnishing parks, playgrounds, streets, and other improvements and facilities.

Housing Facilities, 1933 PA 18 (Ex. Sess.), as amended, MCL 125.651 et seq. Authorizes a city, village, or other unit of government to purchase, acquire, maintain, and operate housing facilities, to eliminate detrimental housing conditions and to create a commission with power to effectuate such purposes.

Housing Law of Michigan, 1917 PA 167, as amended, MCL 125.401 et seq. Promotes health, safety, and welfare by regulating the maintenance, safety, and improvement of dwellings, establishes administrative requirements, prescribes procedures for maintenance, improvement, or demolition of certain commercial buildings.

Neighborhood Area Improvements, 1949 PA 208, as amended, MCL 125.941 et seq. Authorizes cities, villages, and townships to designate neighborhood areas for the purpose of planning and carrying out local public improvements for the prevention of blight, to carry out such plans by acquiring and disposing of real property and providing for the establishment of local assessment districts.

State Housing Development Authority Act, 1966 PA 346, as amended, MCL 125.1401 et seq. Creates a state housing development authority, defines the powers and duties of the authority, establishes a housing development revolving fund and land acquisition and development fund and provides tax exemption.

The Uniform Condemnation Procedures Act, 1980 PA 87, as amended, MCL 213.51 et seq. Provides procedures for condemnation of real or personal property by public agencies or private agencies.

Utilization of Public Facilities by Physically Limited, 1966 PA 1, as amended, MCL 125.1351 et seq. Provides for the accessibility and utilization by physically limited persons of public facilities, prescribes for the creation of a barrier free design board with duties and powers, and prescribes powers and duties of other state and local authorities.

Intergovernmental Relations

Contracts for Assessing Services, 1961 PA 37, as amended, MCL 123.621. Permits cities, villages, and townships to contract for assessing services.

Emergency Services to Municipalities, 1988 PA 57, as amended, MCL 124.601 et seq. Provides for the incorporation of an authority by 2 or more municipalities (cities, villages & townships) for the purpose of providing emergency services, provides for powers and duties of authorities, and provides for the levy of property taxes for certain purposes.

Intergovernmental Conditional Transfer of Property by Contract (Act 425), 1984 PA 425, as amended, MCL 124.21 et seq. Permits the conditional transfer of property by contract between certain local units of government, provides for permissive and mandatory provisions in the contract and conditions upon termination.

Intergovernmental Contracts Between Municipal Corporations Act, 1951 PA 35, as amended, MCL 124.1 et seq. Authorizes intergovernmental contracts between municipal corporations, contracts with a third party to furnish municipal services to property outside the corporate limits, contracts between municipal corporations and with certain non-profit public

transportation corporations to form group self-insurance pools.

Intergovernmental Transfers of Functions and Responsibilities, 1967 PA 8 (ex sess), as amended, MCL 124.531 et seq. Provides for intergovernmental transfers of functions and responsibilities.

Interlocal Tax Agreements, 1995 PA 108, as amended, MCL 124.502 and 124.505a. Provides for interlocal agreements for sharing revenue derived by and for the benefit of local government units.

Joint Public Building, 1923 PA 150, as amended, MCL 123.921. Authorizes cities, villages, and other units of local government to acquire, singly or jointly, public buildings for the purpose of housing governmental offices or any other public uses and purposes.

Metropolitan Councils Act, 1989 PA 292, as amended, MCL 124.651 et seq. Authorizes local governmental units to create metropolitan councils under certain circumstances, prescribes the powers and duties, and authorizes councils to levy a property tax.

Mutual Police Assistance Agreements, 1967 PA 236, as amended, MCL 123.811 et seq. Authorizes cities, villages, and other units to enter into mutual police assistance agreements and provides for the compensation of units of local government entering into such agreements.

Police and Fire Protection, 1951 PA 33, as amended, MCL 41.801 et seq. Provides police and fire protection for certain cities, villages, and other units, authorizes contracts for protection and purchase of equipment, authorizes creation of special assessment districts and creation of administrative boards and authorizes collection of fees for such services.

Recreation and Playgrounds, 1917 PA 156, as amended, MCL 123.51 et seq.

Authorizes cities and villages and other units to operate systems of public recreation and playgrounds.

Urban Cooperation Act of 1967, 1967 PA 7 (Ex. Sess.), as amended, MCL 124.501 et seq. Provides for interlocal public agency agreements and permits allocation of certain taxes received from tax increment financing plans as revenues, permits tax sharing, and provides for additional approval for agreements.

Local Government Powers, Duties, and Responsibilities

Allowances for Moving Personal Property from Acquired Real Property Act, 1965 PA 40, as amended, MCL 213.351 et seq. Authorizes and requires public agencies to pay allowances for the expense of moving personal property from real property acquired for public purposes.

Building Authorities, 1948 PA 31 (1st Ex. Sess.), as amended, MCL 123.951 et seq. Provides for the incorporation of authorities to acquire and maintain buildings, parking lots, transit-oriented developments, transit-oriented facilities, recreational facilities, and stadiums for the use of local units of government and the issuance of bonds for such authorities.

Compulsory Arbitration of Labor Disputes in Police and Fire Departments (Act 312), 1969 PA 312, as amended, MCL 423.231 et seq. Provides for compulsory arbitration of labor disputes in municipal police and fire departments and prescribes procedures and authority.

County Departments and Board of Public Works, 1957 PA 185, as amended, MCL 123.731. Establishes the department and board of public works in counties and outlines the duties of municipalities subject to the Act.

Freedom of Information Act, 1976 PA 442, as amended, MCL 15.231 et seq.

Regulates and requires disclosure of public records to the public by all public bodies in the state.

General Law Village Act, 1895 PA 3, as amended, MCL 61.1 et seq. Provides for the government of certain villages (statutory charter for general law villages). Provides for powers and duties of village council and officers; the authority to levy tax, borrow money, issue bonds; alter boundaries by annexation; adopt ordinances; and disincorporation.

General Property Tax Act, 1893 PA 206, as amended, MCL 211.1 et seq. Provides the primary but not exclusive source of statutory law concerning property taxation. All property, except that which is expressly exempt, is taxable. The Act also provides for collection of delinquent property taxes by providing for the sale and redemption to collect tax liens on such property.

Home Rule City Act, 1909 PA 279, as amended, MCL 117.1 et seq. Provides for the incorporation of cities and for revising and amending their charters; provides for certain powers and duties; and provides for the levy and collection of taxes, borrowing of money, and issuance of bonds.

Home Rule Village Act, 1909 PA 278, as amended, MCL 78.1 et seq. Provides for the incorporation of villages and for revising and amending their charters; provides for the levy and collection of taxes, borrowing of money, and issuance of bonds.

Incompatible Public Offices Act, 1978 PA 566, MCL 15.181 et seq., as amended. Encourages the faithful performance of official duties by prescribing standards of conduct for public officers and employees and prohibiting the same person from holding incompatible offices simultaneously.

Michigan Campaign Finance Act, 1976 PA 388, as amended, MCL 169.201 et seq.

Regulates political activity, campaign financing, campaign contributions and expenditures, campaign advertising and creates state campaign fund.

Michigan Liquor Control Act, 1933 PA 8, as amended, MCL 436.1 et seq. Creates liquor control commission and prescribes its powers, duties and limitations.

Open Meetings Act, 1976 PA 267, as amended, MCL 15.2621 et seq. Requires public bodies (legislative or governing body including boards, commissions, committees, subcommittees, authorities or councils which are empowered to perform governmental or proprietary functions or a lessee thereof performing an essential public purpose pursuant to a lease) to conduct nearly all business at open meetings.

Political Activities by Public Employees Act, 1976 PA 169, MCL 15.401 et seq. Regulates political activity by public employees.

Public Employment Relations Act, 1947 PA 336, as amended, MCL 423.201 et seq. Prohibits strikes by certain public employees, provides review from disciplinary action, mediation of grievances and protects rights and privileges of public employees.

Purchase of Lands and Property for Public Purpose, 1933 PA 99, as amended, MCL 123.721 et seq. See also Municipal Finance Act, 1943 PA 202, as amended, MCL 133.1. Authorizes incorporated villages, townships and cities to enter into contracts for the purchase of lands, equipment for public purposes.

State Boundary Commission Act, 1968 PA 191, as amended, MCL 123.1001 et seq. Creates the State Boundary Commission and prescribes its powers and duties with respect to municipal incorporation, consolidation and annexation.

Uniform Condemnation Procedures Act, 1980 PA 87, as amended, MCL 213.51 et seq. Provides procedures for condemnation of real or personal property by public agencies or private agencies.

Miscellaneous

Armistice, Independence and Memorial Day Expenditures, 1905 PA 170, as amended, MCL 123.851 et seq. Authorizes townships, cities and villages to appropriate money to defray the expenses of observance of Armistice, Independence and Memorial Day or for the observance of a diamond jubilee or centennial.

Bands, 1923 PA 230, as amended, MCL 123.861 et seq. Authorizes villages and townships and cities with a population not exceeding 50,000 to levy a tax for the maintenance and employment of a band for musical purposes for the benefit of the public provided that a special question is subjected to the voters and agreed to by a majority vote.

Bidders on Public Works, 1933 PA 170, as amended, MCL 123.501 et seq. Regulates the practice of taking bids and awarding contracts on public work construction and maintenance (except public buildings).

Garbage Disposal Plants, 1917 PA 298, as amended, MCL 123.261. Authorizes three mill garbage tax for cities and villages.

Gifts from Municipal Utilities, 1969 PA 301, as amended, MCL 123.391. Authorizes the giving of gifts or contributions from the operating revenues of any municipality owning or operating any public utility as determined by its governing board.

Gifts of Property to Local Government, 1913 PA 380, as amended, MCL 123.871 et seq. Regulates gifts of real and personal property to cities, villages, townships, and counties.

Municipal Water and Sewage System Liens, 1939 PA 178, as amended, MCL 123.161 et seq. See also Revenue Bond Act, 1933 PA 94, as amended, MCL 141.121. Provides for the collection of water or sewage system rates and assessment charges, and provides for a lien for nonpayment for services furnished by municipalities.

Prohibited Taxes by Cities and Villages, 1964 PA 243, as amended, MCL 141.91. Prohibits the imposition, levy or collection of taxes other than ad valorem property taxes by cities and villages except as otherwise provided by law.

Resignations, Vacancies and Removals, R.S. 1846, ch. 15, as amended, MCL 201.1 et seq. Provides for procedures regarding resignations, vacancies and removals from public office and for filling vacancies.

Special Tax for Advertising, 1925 PA 359, as amended, MCL 123.881. Empowers the council or corporate authorities of any city or village to levy a special tax to be used for advertising the industrial, commercial, educational, or recreational advantages of the city or village and to establish recreational and educational projects for the purpose of encouraging growth or trade of the city or village.

Utilization of Public Facilities by Physically Limited Persons, 1966 PA 1, as amended, MCL 125.1351 et seq. Provides for the accessibility and utilization by physically limited persons of public facilities, creates the barrier for the design board with duties and powers, prescribes powers and duties of other state and local authorities.

Water Furnished Outside Territorial Limits, 1917 PA 34, as amended, MCL 123.141 et seq. Authorizes municipal corporations having authority by law to furnish water outside their territorial limits, to sell water to other municipal corporations,

contract with individuals, firms or corporations regarding the construction of water mains, sale of water, to construct water mains through the highways outside territorial limits with the consent of appropriate authorities.

Youth Center, 1967 PA 179, as amended, MCL 123.461. Authorizes tax levy of 1.5 mills for 20 years for operation of a youth center.

Organization, Governmental Forms and Dissolution

Disconnection of Land from Cities and Villages, 1949 PA 123, as amended, MCL 123.31 et seq. Provides a mechanism by which an owner of farmland may have it disconnected from a city or village if the land is: (1) 10 or more acres; (2) is not subdivided; (3) is located on a border or boundary and the disconnection will not isolate any part of the city or village from the remainder of the city or village; and shall have been used for only agricultural purposes for the three years preceding the filing of the petition to disconnect.

General Law Village Act, 1895 PA 3, MCL 61.1 et seq. Provides for the government of certain villages (statutory charter for General Law Villages). Provides for powers and duties of village council and officers, the authority to levy tax, borrow money, issue bonds, alter boundaries by annexation or disconnection, adopt ordinances and disincorporate.

Home Rule City Act, 1909 PA 279, as amended, MCL 117.1 et seq. Provides for the incorporation of cities and for revising and amending their charters; provides for certain powers and duties; and provides for the levy and collection of taxes, borrowing of money, and issuance of bonds.

Home Rule Village Act, 1909 PA 278, MCL 78.1 et seq. or section 17 (MCL 78.17) with reference to the authority of general law villages to amend the statutory charter (1895 PA 3) locally.

Personnel & Employment

Bullard-Plawecki Employee Right to Know Act, 1978 PA 397, MCL 423.501 et seq. Permits employees to review personnel records; provides criteria for review; and prescribes what information may be contained in personnel records.

Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq. Defines civil rights, prohibits discriminatory practices and prescribes the powers and duties of the civil rights commission.

Fire Department Hours of Labor, 1925 PA 125, as amended, MCL 123.841 et seq. Regulates the hours of labor of employees in municipal fire departments.

Persons With Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101 et seq. Prohibits an employer from discriminating against a qualified individual with a disability in regard to application procedures, hiring, promotion, termination, compensation, job training and other terms, conditions, and privileges of employment if the applicant or employee can perform the essential functions of the position, with or without an accommodation.

Preference in Employment (Veterans), 1897 PA 205, as amended, MCL 35.401 et seq. Provides for preference of honorably discharged members of the armed forces of the U.S. for public employment. Applicable to discipline public employees who are veterans.

Whistle Blowers Protection Act, 1980 PA 469, as amended, MCL 15.361 et seq. Provides protection to employees who report a violation or suspected violation of state, local or federal law and also protection for employees who participate in hearings, investigations, etc.

Planning & Zoning

Condominium Act, 1978 PA 59, MCL 559.101 et seq. Provides for condominium

projects; prescribes powers and duties of Department of Consumer and Industry Services; and provides protection for certain tenants, senior citizens, etc.

Land Division Act (formerly Subdivision Control Act of 1967), 1967 PA 288, as amended, MCL 560.101 et seq. Regulates the division of land, provides for proper ingress to and egress from lots and parcels, establishes procedures for vacating, correcting and revising plats, and related issues.

Michigan Planning Enabling Act, 2008 PA 33, MCL 125.3801 et seq. Codifies the previously separate planning acts for counties, townships, cities, and villages into one act to provide for the creation, organization, powers, and duties of local planning commissions; to provide for the powers and duties of certain state and local governmental officers and agencies; to provide for the regulation and subdivision of land.

Michigan Zoning Enabling Act, 2006 PA 110, MCL 125.3101 et seq. Codifies the previously separate County Zoning Act, Township Zoning Act and City and Village Zoning Act into one act regulating the development and use of land; provides for the adoption of zoning ordinances; provides for the establishment in counties, townships, cities, and villages of zoning districts.

Mobile Home Commission Act, 1987 PA 96, as amended, MCL 125.2301 et seq. Creates a mobile home commission and prescribes its powers and duties in those of local governments; provides for mobile home code, licensure and regulation.

Natural Beauty Roads, 1970 PA 150, as amended, MCL 247.381 et seq. Designates certain roads as Michigan Natural Beauty Roads, provides certain powers and duties and also provides for the development of guidelines and procedures.

Neighborhood Area Improvements Act, 1949 PA 208, as amended, MCL 125.941 et seq. Authorizes cities, villages and townships to designate neighborhood areas for the purpose of planning and carrying out local public improvements for the prevention of blight, to carry out such plans by acquiring and disposing of real property and providing for the establishment of local assessment districts.

Sunshine Laws (Right to Know/Open Government)

Bullard-Plawecki Employee Right to Know Act, 1978 PA 397, MCL 423.501 et seq. Permits employees to review personnel records; provides criteria for review; and

prescribes what information may be contained in personnel records.

Freedom of Information Act, 1976 PA 442, MCL 15.231 et seq. Regulates and requires disclosure of public records to the public by all public bodies in the state.

Open Meetings Act, 1976 PA 267, MCL 15.261 et seq. Requires public bodies (legislative or governing body including boards, commissions, committees, subcommittees, authorities or councils which are empowered to perform governmental or proprietary functions or a lessee performing an essential public purpose pursuant to a lease) to conduct nearly all business at open meeting.

Appendix 3: Overview of the Michigan Open Meetings Act

1976 PA 267

Basic Intent

The basic intent of the Michigan Open Meetings Act is to strengthen the right of all Michigan citizens to know what goes on in government by requiring public bodies to conduct nearly all business at open meetings.

Key Definitions

“Public body” means any state or local legislative or governing body, including a board, commission, committee, subcommittee, authority or council, which is empowered by state constitution, statute, charter, ordinance, resolution or rule to exercise governmental or proprietary authority or perform a governmental or proprietary function, or a lessee thereof performing an essential public purpose and function pursuant to the lease agreement.

“Meeting” means the convening of a public body at which a quorum is present for the purpose of deliberating toward or rendering a decision on a public policy.

“Closed session” means a meeting or part of a meeting of a public body which is closed to the public.

“Decision” means a determination, action, vote or disposition upon a motion, proposal, recommendation, resolution, order, ordinance, bill or measure on which a vote by members of a public body is required and by which a public body effectuates or formulates public policy.

Coverage

The coverage of the law is very broad, including the State Legislature as well as the legislative or governing bodies of all cities, villages, townships, charter townships, and all county units of government.

The law also applies to:

- local and intermediate school districts;

- governing boards of community colleges, state colleges and universities; and
- special boards and commissions created by law (i.e., public hospital authorities, road commissions, health boards, district library boards, and zoning boards, etc.).

The Act does not apply to a meeting of a public body which is a social or chance gathering not designed to avoid the law.

Notification of Meetings

The law states that within 10 days of the first meeting of a public body in each calendar or fiscal year, the body must publicly post a list stating the dates, times, and places of all its regular meetings at its principal office.

If a public body does not have a principal office, the notice would be posted in the office of the county clerk for a local public body such as a village council or the office of the Secretary of State for a state public body.

If there is a change in schedule, within three days of the meeting in which the change is made, the public body must post a notice stating the new dates, times and places of regular meetings.

Special and Irregular Meetings

For special and irregular meetings, public bodies must post a notice indicating the date, time, and place at least 18 hours before the meeting in a prominent and conspicuous place at both the public body’s principal office and, if the public body directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of the public meeting agendas or minutes, on a portion of the website that is fully accessible to the public.

Note: A regular meeting of a public body, which is recessed for more than 36 hours, can only be reconvened if a notice is posted 18 hours in advance.

Emergency Meetings

Public bodies may hold emergency sessions without a written notice or time constraints if the public health, safety, or welfare is imminently and severely threatened and if two-thirds of the body's members vote to hold the emergency meeting.

Individual Notification of Meetings by Mail

Citizens can request that public bodies put them on a mailing list so that they are notified in advance of all meetings. Section 6 of the law states that:

“Upon the written request of an individual, organization, firm or corporation, and upon the requesting party's payment of a yearly fee of not more than the reasonable estimated cost for printing and postage of such notices, a public body shall send to the requesting party by first class mail, a copy of any notice required to be posted....”

In addition, upon written request, public bodies are required to send free notices of meetings to newspapers, radio, and television stations at the same time that they are required to post those notices.

Closed Meetings

The basic intent of the OMA is to ensure that public business is conducted in public. The act states “all meetings of a public body shall be open to the public and shall be held in a place available to the general public” (MCL 15.263). However, the act does provide for closed meetings in a few specified circumstances.

For instance, a closed meeting **may** be called by a **2/3 roll call vote** of members elected or appointed and serving for the following purposes:

- to consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained;

- to consult with its attorney about trial or settlement strategy in pending litigation, but only when an open meeting would have detrimental financial effect on the public body's position;
- to review the contents of an application for employment or appointment to a public office if the candidate requests the application to remain confidential. However, all interviews by a public body for employment or appointment to a public office have to be conducted in an open meeting pursuant to this act; and
- to consider material exempt from discussion or disclosure by state or federal statute.

In addition, a closed meeting **may** be called by a **majority vote** of members elected or appointed and serving for these purposes:

- to consider the dismissal, suspension or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or individual if the person requests a closed hearing;
- for strategy and negotiation sessions necessary in reaching a collective bargaining agreement if either party requests a closed hearing. The purpose for which a closed meeting is being called must be entered into the minutes at the meeting at which the vote was taken.

Minutes of a Meeting

Minutes must be kept for all meetings and are required to contain:

1. a statement of the time, date, and place of the meeting;
2. the members present as well as absent;
3. a record of any decisions made at the meeting and a record of all roll call votes; and
4. an explanation of the purpose(s) if the meeting is a closed session.

Except for minutes taken during a closed session, all minutes are considered public

records, open for public inspection, and must be available for review as well as copying at the address designated on the public notice for the meeting.

Proposed minutes must be available for public inspection within eight business days after a meeting. Approved minutes must be available within five business days after the meeting at which they were approved.

Corrections in the minutes must be made no later than the next meeting after the meeting to which the minutes refer.

Corrected minutes must be available no later than the next meeting after the correction and must show both the original entry and the correction.

Explanation of Minutes of Closed Meeting

Minutes of closed meetings must also be recorded although they are not available for public inspection and would only be disclosed if required by a civil action. These minutes may be destroyed one year and one day after approval of the minutes of the regular meeting at which the closed session was approved.

Enforcement of the Act

Under the law, the attorney general, prosecutor, or any citizen can challenge in

circuit court the validity of a decision of a public body to meet in closed session made in violation of its provisions. If the body is determined to be in violation of the law and makes a decision, that decision can be invalidated by the court.

In any case where an action has been initiated to invalidate a decision of a public body, the public body may reenact the disputed decision in conformity with the Act. A decision reenacted in this manner shall be effective from the date of reenactment and will not be declared invalid by reason of a deficiency in the procedure used for its initial enactment.

Penalties under the Act

The first time a public official intentionally breaks this law, he or she can be punished by a maximum fine of \$1,000. For a second offense within the same term of office, the official can be fined up to \$2,000, jailed for a maximum of one year or both. A public official who intentionally violates the Act is also personally liable for actual and exemplary damages up to \$500, plus court costs and attorney fees.

Appendix 4: Overview of the Michigan Freedom of Information Act

1976 PA 442

Public Act 563 of 2014 made significant changes to FOIA concerning fees; the receipt, processing, and denial of requests; and civil actions and appeals brought under the Act. The new law goes into effect on July 1, 2015. Please visit mml.org for our FOIA Resource Packet detailing these numerous changes.

Basic Intent

The Freedom of Information Act regulates and sets requirements for the disclosure of public records by all “public bodies” in the state.

Key Definitions

“Freedom of Information Act Coordinator” means an individual who is a public body or an individual designated to accept and process requests for public records.

“Public body” means:

- a state officer, employee, agency, department, division, bureau, board, commission, council, authority or other body in the executive branch of the state government, but does not include the governor or lieutenant governor, the executive office of the governor or lieutenant governor or employees thereof;
- an agency, board, commission, or council in the legislative branch of the state government;
- a county, city, township, village, intercounty, intercity or regional governing body, council, school district, special district, or municipal corporation, or a board, department, commission, council, or agency thereof; or
- any other body which is created by state or local authority or which is primarily funded by or through state or local authority.

“Public record” means a writing prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.

Coverage

The Freedom of Information Act regulates and sets requirements for the disclosure of public records by all “public bodies” in the state. All state agencies, county and other local governments, school boards, other boards, departments, commissions, councils, and public colleges and universities are covered. Any program primarily funded by the state or local authority is also covered.

Public Records Open to Disclosure

In general, all records except those specifically cited as exemptions are covered by the Freedom of Information Act. The records covered include working papers and research material, minutes of meetings, officials’ voting records, staff manuals, final orders or decisions in contested cases and the records on which they were made, and promulgated rules and other written statements which implement or interpret laws, rules, or policy, including but not limited to, guidelines, manuals and forms with instructions, adopted or used by the agency in the discharge of its functions.

It does not matter what form the record is in. The Act applies to any handwriting, typewriting, printing, photostating, photographing, photocopying, and every

other means of recording. It includes letters, words, pictures, sounds or symbols, or combinations thereof, as well as papers, maps, magnetic or punched cards, discs, drums, or other means of recording or retaining meaningful content.

Public Records Exempt from Disclosure

A public body may (but is not required to) withhold from public disclosure certain categories of public records under the Freedom of Information Act. The following categories of information may be withheld:

- specific information about an individual's private affairs, if the release of the information would constitute a clearly unwarranted invasion of the person's privacy;
- investigating records compiled for law enforcement purposes, but only to the extent that disclosure as a public record would do any of the following:
 - interfere with law enforcement proceedings,
 - deprive a person of the right to a fair trial or impartial administrative adjudication,
 - constitute an unwarranted invasion of personal privacy,
 - disclose law enforcement investigative techniques or procedures,
 - disclose the identity of a confidential source or, if the record is compiled by a criminal law enforcement agency in the court of a criminal investigation, disclose confidential information furnished only by a confidential source or
 - endanger the life or physical safety of law enforcement personnel;
- public records which if disclosed would prejudice a public body's ability to maintain the physical security of custodial or penal institutions occupied by persons arrested or convicted of a crime or admitted because of a mental disability, unless the public interest in disclosure under this Act outweighs the public interest in non-disclosure;
- a public record or information which is furnished by the public body originally compiling, preparing, or receiving the record or information to a public officer or public body in connection with the performance of the duties of that public officer or public body, if the consideration originally giving rise to the exempt nature of the public record remains applicable;
- trade secrets or commercial or financial information voluntarily provided to an agency for use in developing governmental policy;
- information or records subject to attorney-client privilege;
- information or records subject to other enunciated privileges such as physician-patient and those recognized by statute or court rule;
- A bid or proposal by a person to enter into a contract or agreement, until the time for the public opening of bids or proposals, or if a public opening is not to be conducted, until the deadline for submission of bids or proposals has expired.;
- appraisals of real property to be acquired by a public body until either of the following occurs:
 - An agreement is entered into.
 - Three years have elapsed since the making of the appraisal, unless litigation relative to the acquisition has not yet terminated.
- test questions and answers, scoring keys and other examination instruments or data used to administer a license, public

- employment, or academic examination;
- medical counseling or psychological facts which would reveal an individual's identity;
- internal communications and notes between the public bodies of an advisory nature to the extent that they cover other than purely factual materials and are preliminary to a final agency determination of policy or action. This exemption shall not apply unless the public body shows that in the particular instance the public interest in encouraging frank communications between officials and employees of public bodies clearly outweighs the public interest in disclosure. (Factual materials in such memoranda are open records and must be separated out and made available upon request even if the other material is not.);
- law enforcement communication codes and deployment plans unless the public interest in disclosure outweighs the public interest in non-disclosure;
- public records of a law enforcement agency, the release of which would do any of the following (unless the public interest in disclosure outweighs the public interest in nondisclosure in the particular instance):
 - identify an informer,
 - identify a law enforcement undercover officer or agent or a plain clothes officer,
 - disclose the name, address, or telephone numbers of family members of law enforcement officers or agents,
 - disclose operational instructions for law enforcement officers or agents,
 - reveal the contents of law enforcement officers or agents' staff manuals,
 - endanger the life or safety of law enforcement officers or agents and their families or those who furnish information to law enforcement agencies or departments,
 - identify a person as a law enforcement officer, agent or informer,
 - disclose personnel records,
 - identify residences that law enforcement agencies are requested to check in the absence of their owners or tenants;
- information pertaining to an investigation or a compliance conference conducted by the department of consumer and industry services under article 15 of the public health code, Act No. 368 of the Public Acts of 1978. Except records pertaining to the fact that an allegation has been received and is being investigated or the fact that an allegation was received and a complaint was not issued and the allegation was dismissed,
- records of a public body's security measures;
- records or information relating to a civil action to which the requesting party and the public body are both parties; and
- information that would disclose the social security number of any individual.

Availability of Public Records

This section of the Act has changed significantly. Please refer to the League's FOIA Resource Packet

Fees for Public Records

This section of the Act has changed significantly. Please refer to the League's FOIA Resource Packet

Denial of a Record

This section of the Act has changed significantly. Please refer to the League's FOIA Resource Packet.

Appendix 5: Sample Council Rules of Procedure

Council rules of procedure for home rule cities and villages are generally authorized by city/village charter. Rules of procedure help a council to run an efficient meeting and to deal with the public and the media in a positive manner.

The council should review its rules of procedure at its first meeting after councilmembers have been elected, have taken office and when a quorum is present. Following discussion and any amendments, the council should adopt the rules of procedure. This sample provides suggestions on what can be included in the rules of procedure. It may be modified locally as appropriate.

Author's notes are contained within brackets.

Table of contents

A. Regular and special meetings

1. Regular meetings
2. Special meetings
3. Posting requirements for regular and special meetings
4. Minutes of regular and special meetings
5. Study sessions

B. Conduct of meetings

1. Meetings to be public
2. Agenda preparation
3. Consent agenda
4. Agenda distribution
5. Quorum
6. Attendance at council meetings
7. Presiding officer
8. Disorderly conduct

C. Closed meetings

1. Purpose
2. Calling closed meetings
3. Minutes of closed meetings

D. Discussion and voting

1. Rules of parliamentary procedure
2. Conduct of discussion
3. Ordinances and resolutions
4. Roll call
5. Duty to vote
6. Results of voting

E. Citizen participation

1. General
2. Length of presentation
3. Addressing the council

F. Miscellaneous

1. Adoption and amendment of rules of procedure
2. Suspension of rules
3. Bid awards
4. Committees
 - a. Standing and special council committees
 - b. Citizen task forces
5. Authorization for contacting village attorney

Council rules of procedure

A. Regular and special meetings

All meetings of the city/village council will be held in compliance with state statutes, including the Open Meetings Act, 1976 PA 267 as amended, and with these rules.

1. Regular meetings

Regular meetings of the city/village council will be held on _____ of each month beginning at ___ p.m. at the city/village office unless otherwise rescheduled by resolution of the council. Council meetings shall conclude no later than ___ p.m., subject to extension by the council.

2. Special meetings

A special meeting shall be called by the clerk upon the written request of the mayor/president or any three members of the council on at least 24 hours' written notice to each member of the council served personally or left at the councilmember's usual place of residence. Special meeting notices shall state the purpose of the meeting. No official action shall be transacted at any special meeting of the council unless the item has been stated in the notice of such meeting.

3. Posting requirements for regular and special meetings

- a. Within 10 days after the first meeting of the council following the election, a public notice stating the dates, times and places of the regular monthly council meetings will be posted at the city/village offices. [Villages without a principal office must post in the county clerk's office.]
- b. For a rescheduled regular or a special meeting of the council, a public notice stating the date, time and place of the meeting shall be posted at least 18 hours before the meeting at the city/village office. [Villages without a principal office must post in the county clerk's office.]
- c. The notice described above is not required for a meeting of the council in emergency session in the event of a severe and imminent threat to the health, safety or welfare of the public when two-thirds of the members of the council determine that delay would be detrimental to the city/village's efforts in responding to the threat.

4. Minutes of regular and special meetings

- a. The clerk shall attend the council meetings and record all the

proceedings and resolutions of the council in accordance with the Open Meetings Act. In the absence of the clerk, the council may appoint one of its own members or another person to temporarily perform the clerk's duties.

- b. Within 15 days of a council meeting, a synopsis showing the substance of each separate decision of the council or the entirety of the council proceedings shall be prepared by the clerk and shall indicate the vote of the councilmembers.
- c. A copy of the minutes of each regular or special council meeting shall be available for public inspection at the city/village offices during regular business hours.

5. Study sessions

Upon the call of the mayor/president or the council and with appropriate notice to the councilmembers and to the public, the council may convene a work session devoted exclusively to the exchange of information relating to municipal affairs. No votes shall be taken on any matters under discussion nor shall any councilmember enter into a formal commitment with another member regarding a vote to be taken subsequently.

B. Conduct of meetings

1. Meetings to be public

All regular and special meetings of the council shall be open to the public, and citizens shall have a reasonable opportunity to be heard in accordance with such rules and regulations as the council may determine, except that the meetings may be closed to the public and the media in accordance with the Open Meetings Act.

All official meetings of the council and its committees shall be open to the media, freely subject to recording by radio, television, and photographic services at any time, provided that such

arrangements do not interfere with the orderly conduct of the meetings.

2. Agenda preparation

An agenda for each regular council meeting shall be prepared by the mayor/president with the following order of business:

- a. Call to order and roll call of council
- b. Public hearings on ordinances under consideration
- c. Brief public comment on agenda items
- d. Approval of consent agenda
- e. Approval of regular agenda
- f. Approval of council minutes
- g. Submission of bills
- h. Communications to the council
- i. Reports from council committees
- j. Reports from officers as scheduled, e.g. manager, attorney, etc.
- k. Unfinished business
- l. New business
- m. Announcements
- n. Adjournment

Any councilmember shall have the right to add items to the regular agenda before it is approved.

3. Consent agenda

A consent agenda may be used to allow the council to act on numerous administrative or non-controversial items at one time. Included on this agenda can be non-controversial matters such as approval of minutes, payment of bills, approval of recognition resolutions, etc. Upon request by any member of the council, an item shall be removed from the consent agenda and placed on the regular agenda for discussion.

4. Agenda distribution

[This section should explain when and how councilmembers will receive their agendas.]

5. Quorum

[Add the language from your charter on what constitutes a quorum in your city or village].

6. Attendance at council meetings

Election to a city/village council is a privilege freely sought by the nominee. It carries with it the responsibility to participate in council activities and represent the residents of the city/village. Attendance at council meetings is critical to fulfilling this responsibility.

The council may excuse absences for cause. If a councilmember has more than three unexcused successive absences for regular or special council meetings, the council may enact a resolution of reprimand. In the event that the member's absences continue for more than three additional successive regular or special meetings of the council, the council may enact a resolution of censure or request the councilmember's resignation or both. [Add the provision from your charter on absences, if you have such a provision].

7. Presiding officer

The presiding officer or chair shall be responsible for enforcing these rules of procedure and for enforcing orderly conduct at meetings. The mayor/president is ordinarily the presiding officer. The council shall appoint one of its members mayor pro tempore or president pro tempore, who shall preside in the absence of the mayor/president. In the absence of both the mayor and the mayor pro tempore or the president and the president pro tempore, the member present who has the longest consecutive service on the council shall preside.

8. Disorderly conduct

The presiding officer may call to order any person who is being disruptive by speaking out of order, failing to speak

on matters germane to city/village business, speaking longer than the allotted time, or otherwise disrupting the proceedings. Such person shall be seated until the chair determines whether the person is in order.

If the person so engaged in presentation is called out of order, he or she shall not be permitted to continue to speak at the same meeting except by special leave of the council. If the person shall continue to be disorderly and disrupt the meeting, the chair may order the sergeant at arms to remove the person from the meeting. No person shall be removed from a public meeting except for an actual breach of the peace committed at the meeting.

[It is suggested that there be an ordinance governing disruption of public meetings, prepared with advice of the municipal attorney and the municipal liability insurance carrier on the risks, limits and force allowed to eject members. This ordinance should stipulate the procedure to be followed and the resource to be used for the sergeant-at-arms function, e.g. local police, county sheriff, etc. By planning in advance how to handle attempted disruptions, you can keep the meeting in order.]

C. Closed meetings

1. Purpose

Closed meetings may be held only for the reasons authorized in the Open Meetings Act, which include the following:

- a. To consider the dismissal, suspension, or discipline of, or to hear complaints or charges brought against a public officer, employee, staff member or individual agent when the named person requests a closed meeting. (majority vote)
- b. For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement when either

negotiating party requests a closed hearing. (majority vote)

- c. To consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained. (2/3 roll call vote)
- d. To consult with the municipal attorney or another attorney regarding trial or settlement strategy in connection with specific pending litigation, but only when an open meeting would have a detrimental financial effect on the litigating or settlement position of the council. (2/3 roll call vote)
- e. To review the specific contents of an application for employment or appointment to a public office when a candidate requests that the application remain confidential. (2/3 roll call vote). However, all interviews by a public body for employment or appointment to a public office shall be held in an open meeting.
- f. To consider material exempt from discussion or disclosure by state or federal statute. (2/3 roll call vote)

2. Calling closed meetings

At a regular or special meeting, the council may call a closed session under the conditions outlined in Section 1 above. The vote and purpose(s) for calling the closed meeting shall be entered into the minutes of the public part of the meeting at which the vote is taken.

3. Minutes of closed meetings

A separate set of minutes shall be taken by the clerk or the designated secretary of the council at the closed session. These minutes will be retained by the clerk, shall not be available to the public, and shall only be disclosed if required by a civil action, as authorized by the Open Meetings Act. These minutes may be destroyed one year and one day after approval of the minutes of

the regular meeting at which the closed session was approved.

D. Discussion and voting

1. Rules of parliamentary procedure.

The rules of parliamentary practice as contained in the latest edition of [*Robert's Rules of Order* or an alternative source of procedural rules] shall govern the council in all cases to which they are applicable, provided that they are not in conflict with these rules, city/village ordinances or applicable state statutes. The mayor/president may appoint a parliamentarian.

The presiding officer shall preserve order and decorum and may speak to points of order in preference to other councilmembers. The presiding officer shall decide all questions arising under this parliamentary authority, subject to appeal and reversal by a majority of the councilmembers present.

Any member may appeal a ruling of the presiding officer to the council. If the appeal is seconded, the member making the appeal may briefly state the reason for the appeal and the presiding officer may briefly state the ruling. There shall be no debate on the appeal and no other member shall participate in the discussion. The question shall be, "Shall the decision of the presiding officer be sustained?" If the majority of the members present vote "aye," the ruling of the presiding officer is sustained; otherwise it is overruled.

2. Conduct of discussion

During the council discussion and debate, no member shall speak until recognized for that purpose by the presiding officer. After such recognition, the member shall confine discussion to the question at hand and to its merits and shall not be interrupted except by a point of order or privilege raised by another member. Speakers should address their remarks to the

presiding officer, maintain a courteous tone and avoid interjecting a personal note into debate.

No member shall speak more than once on the same question unless every member desiring to speak to that question shall have had the opportunity to do so.

The presiding officer, at his or her discretion and subject to the appeal process mentioned in Section D.1., may permit any person to address the council during its deliberations.

3. Ordinances and resolutions

No ordinance, except an appropriation ordinance, an ordinance adopting or embodying an administrative or governmental code or an ordinance adopting a code of ordinances, shall relate to more than one subject, and that subject shall be clearly stated in its title.

A vote on all ordinances and resolutions shall be taken by a roll call vote and entered in the minutes unless it is a unanimous vote. If the vote is unanimous, it shall be necessary only to so state in the minutes, unless a roll call vote is required by law or by council rules.

4. Roll call

In all roll call votes, the names of the members of the council shall be called in alphabetical order. [Names may be called with all names in alphabetical order or alphabetical order with the mayor/president voting last or the council may select another system.]

5. Duty to vote

Election to a deliberative body carries with it the obligation to vote. Councilmembers present at a council meeting shall vote on every matter before the body, unless otherwise excused or prohibited from voting by law. A councilmember who is present and abstains or does not respond to a roll call vote shall be counted as voting

with the prevailing side and shall be so recorded, unless otherwise excused or prohibited by law from voting.

Conflict of interest, as defined by law, shall be the sole reason for a member to abstain from voting. The opinion of the city/village attorney shall be binding on the council with respect to the existence of a conflict of interest. A vote may be tabled, if necessary, to obtain the opinion of the city/village attorney.

The right to vote is limited to the members of council present at the time the vote is taken. Voting by proxy or by telephone is not permitted.

All votes must be held and determined in public; no secret ballots are permitted.

6. Results of voting

In all cases where a vote is taken, the presiding officer shall declare the result.

It shall be in order for any councilmember voting in the majority to move for a reconsideration of the vote on any question at that meeting or at the next succeeding meeting of the council. When a motion to reconsider fails, it cannot be renewed.

E. Citizen participation

1. General

Each regular council meeting agenda shall provide for reserved time for audience participation. If requested by a member of the council, the presiding officer shall have discretion to allow a member of the audience to speak at times other than reserved time for audience participation.

2. Length of presentation

Any person who addresses the council during a council meeting or public hearing shall be limited to ___ minutes in length per individual presentation. The clerk will maintain the official time and notify the speakers when their time is up.

3. Addressing the council

When a person addresses the council, he or she shall state his or her name and home address. Remarks should be addressed to the presiding officer. No person shall have the right to speak more than once on any particular subject until all other persons wishing to be heard on that subject have had the opportunity to speak.

F. Miscellaneous

1. Adoption and amendment of rules of procedure

These rules of procedure of the council will be placed on the agenda of the first meeting of the council following the seating of the newly elected councilmembers for review and adoption. A copy of the rules adopted shall be distributed to each councilmember.

The council may alter or amend its rules at any time by a vote of a majority of its members after notice has been given of the proposed alteration or amendment.

2. Suspension of rules

The rules of the council may be suspended for a specified portion of a meeting by an affirmative vote of two-thirds of the members present except that council actions shall conform to state statutes and to the Michigan and the United States Constitutions.

3. Bid awards

Bids will be awarded by the council during regular or special meetings. A bid award may be made at a special meeting of council if that action is announced in the notice of the special meeting.

4. Committees

a. The city/village shall have the following standing committees of council:

[Committees should be listed by name and with a definition of their purposes and scopes.]

- b. Special committees may be established for a specific period of time by the mayor/president or by a resolution of the council which specifies the task of the special committee and the date of its dissolution.
- c. Citizen task forces may be established by a resolution of the council which specifies the task to be accomplished and the date of its dissolution. Members of such committees will be appointed by the mayor/president, subject to approval by a majority vote of the council and must be residents of the city/village. Vacancies will be filled

by majority vote of the council in the same way appointments are made.

5. Authorization for contacting the city/village attorney

The following officials (by title) are authorized to contact the city/village attorney regarding municipal matters:

We highly recommend that you consult your municipal attorney for assistance in modifying these rules to suit your municipality's individual needs.

Sample Budget Ordinance

We strongly recommend that you consult with your municipal attorney to appropriately modify this sample ordinance to meet your municipality's needs.

AN ORDINANCE to establish a budget system for the City/Village of (Name of City/Village) to define the powers and duties of the city/village officers in relation to that system; to provide that the chief administrative officer shall be furnished with information by the departments, boards, commissions, and offices relating to their financial needs, receipts and expenditures, and general affairs; to provide for an annual budget resolution; to prescribe a disbursement procedure; and to provide penalties for refusal or neglect to comply with the requirements of this ordinance.

The Council of the City/Village of (Name of City/Village) ordains:

Section 1. Title

This ordinance shall be known as the City/Village of (Name of City/Village) Budget Ordinance.

Section 2. Fiscal year

The fiscal year of the City/Village of (Name of City/Village) shall begin on (date) in each year and close on the following (date).

Section 3. Chief administrative officer and fiscal officer

[If the city/village has a manager, the following language can be used.]

The manager shall be the chief administrative officer referred to in this ordinance and shall be responsible for the performance of the duties of that officer enumerated in this ordinance. The manager may appoint a fiscal officer and delegate to that officer any or all of the budgeting duties specified in Sections 5 through 8. The fiscal officer shall be responsible to the chief

administrative officer for the performance of budgetary duties.

[If the city/village does not have a manager, the following language can be used.]

The mayor/president shall be the chief administrative officer referred to in this ordinance and shall be responsible for the performance of the duties of that officer enumerated in this ordinance. The mayor/president may appoint a fiscal officer and delegate to that officer any or all of the budgeting duties specified in sections 5 through 8. The fiscal officer shall be responsible to the chief administrative officer for the performance of budgetary duties.

Section 4. Budget policy statement

No later than (date) of each year, the chief administrative officer shall send to each officer, department, commission and board of the city/village a budget policy statement for the use of those agencies in preparing their estimates of budgetary requirements for the ensuing fiscal year.

Section 5. Budget estimates required

Any officers, elected or appointed, departments, commissions, and boards of the city/village financed in whole or in part by the city/village shall, on or before (date) of each year, transmit to the chief administrative officer their estimates of the amounts of money required for each activity in their agencies for the ensuing fiscal year. They shall also submit any other information deemed relevant by the chief administrative officer.

Section 6. Budget forms

The chief administrative officer shall prescribe forms to be used in submitting budget estimates and shall prescribe the procedures deemed necessary for the guidance of officials in preparing such budget estimates. The chief administrative officer may also require a statement of the purposes of any proposed expenditure and a justification of the services financed by any expenditure.

Section 7. Department budget review

The chief administrative officer shall review the department estimates with a representative from each department. The purpose of the review shall be to clarify the estimates, ensure their accuracy, and determine their adherence to the policies enumerated by the chief administrative officer pursuant to Section 4.

Section 8. The budget document

The chief administrative officer shall prepare a budget, which shall present a complete financial plan for the ensuing year, utilizing those estimates received from the various agencies. The budget will be prepared in such a manner that shall assure that the total of estimated expenditures including an accrued deficit in any fund does not exceed the total of expected revenues including an unappropriated surplus.

The budget shall consist of the following parts:

- a. Detailed estimates of all proposed expenditures for the ensuing fiscal year for each department and office of the city/village showing the expenditures for corresponding items for the current and last preceding fiscal year.
- b. Statements of the bonded and other indebtedness of the city/village, showing the debt redemption and interest requirements, the debt authorized and unissued, and the condition of sinking funds, if any.
- c. An estimate of the amount of surplus expected in the current fiscal year.

- d. An estimate of all anticipated revenues of the city/village which will be necessary to meet the proposed expenditures and commitments during the ensuing fiscal year. This should include:

1. sources other than taxes,
2. income from borrowing,
3. current and delinquent taxes, and
4. bond issues.

Included in this estimate shall be corresponding figures for the current and preceding fiscal year.

- e. Such other supporting schedules as the council may deem necessary.
- f. An informative summary of projected revenues and expenditures of any special assessment funds, public improvement or building and site funds, intragovernmental service funds or enterprise funds, including the estimated total cost and proposed method of financing each capital construction project, and the projected additional annual operating cost and the method of financing the operating costs of each capital construction project for three years beyond the fiscal year covered by the budget.

Section 9. Transmittal of budget to city/village council

No later than (date) of each year, the chief administrative officer shall transmit the budget to the council. The budget shall be accompanied by:

- a. A draft resolution for adoption by the council, consistent with the budget, which shall set forth the anticipated revenue and requested expenditure authority for the ensuing fiscal year in such form and in such detail deemed appropriate by the chief administrative officer, provided that it is consistent with the uniform chart of accounts prescribed by the State of Michigan. No budget resolution shall be submitted to the council in which estimated total expenditures, including an accrued deficit, exceed estimated total revenues, including an available surplus.

- b. A budget message which shall explain the reason for increases or decreases in budgeted items compared with the current fiscal year, the policy of the chief administrative officer as it relates to important budgetary items, and any other information that the chief administrative officer determines to be useful to the council in its consideration of the proposed budget.

Section 10. Consideration of budget by council

The council shall fix the time and place of a public hearing to be held on the budget and proposed budget resolution. The clerk shall then have published in a newspaper of general circulation with the city/village, notice of the hearing and an indication of the place at which the budget and proposed budget resolution may be inspected by the public. This notice must be published at least seven days before the date of the hearing.

The council may direct the chief administrative officer to submit any additional information it deems relevant in its consideration of the budget and proposed budget resolution. The council may conduct budgetary reviews with the chief administrative officer for the purpose of clarification or justification of proposed budgetary items.

The council may revise, alter or substitute for the proposed general budget resolution in any way, except that it may not change it in a way that would cause total appropriations, including an accrued deficit, to exceed total estimated revenues, including an unappropriated surplus. An accrued deficit shall be the first item of expenditure in the general appropriations measure.

Section 11. Passage of the budget resolution

No later than (date) the council shall pass a resolution providing the authority to make expenditures and incur obligations on behalf of the city/village.

The council may authorize transfers between appropriation items by the chief

administrative officer within limits stated in the resolution. In no case, however, may such limits stated in the resolution or motion exceed those provided for in section 16 of this ordinance.

The city/village budget may include information concerning the amount of tax levy expected to be required to raise those sums of money included in the budget resolution. In conformance with state law, and at such times as the council shall determine to be appropriate, the council shall order to be raised by taxation those sums of money necessary to defray the expenditures and meet the liabilities of the city/village for the fiscal year. The council may take such action after the value of the property in the village as finally equalized has been determined.

Section 12. Procedure for disbursements

No money shall be drawn from the village treasury unless the council has approved the annual budget.

Each warrant, draft, or contract of the village shall specify the fund and appropriation, designated by number assigned in the accounting system classification established pursuant to law, from which it is payable and shall be paid from no other fund or appropriation.

Expenditures shall not be charged directly to any contingent or general account. Instead, the necessary amount of the appropriation from such account shall be transferred pursuant to the provisions of this ordinance to the appropriate general appropriation account and the expenditure then charged to the account.

Section 13. Limit on obligations and payments

No obligation shall be incurred against, and no payment shall be made from, any appropriation account adopted by the budget resolution unless there is a sufficient unencumbered balance in the account and sufficient funds are or will be available to meet the obligation.

Section 14. Periodic finance reports

The chief administrative officer may require the appropriate agencies to prepare and transmit to him or her monthly a report of city/village financial obligations, including, but not limited to:

- a. a summary statement of the actual financial condition of the general fund at the end of the previous month.
- b. a summary statement showing the receipts and expenditures and encumbrances for the previous month and for the then current fiscal year to the end of the previous month.
- c. a detailed listing of the expected revenues by major sources as estimated in the budget, actual receipts to date for the current fiscal year, the balance of estimated revenues to be collected in the current fiscal year and any revisions in revenue estimates occasioned by collection experience to date.
- d. a detailed listing for each organizational unit and activity of the amount appropriated, the amount charged to each appropriation in the previous month and for the current fiscal year to date, and the unencumbered balance of appropriations, and any revisions in the estimate of expenditures.

The chief administrative officer shall transmit the above information to the council on a monthly basis.

Section 15. Transfers

Transfers of any unencumbered balance, or any portion, in any appropriation amount to any other appropriation account may not be made without amendment of the budget resolution as provided in this ordinance, except that transfers within a fund and department may be made by the chief administrative officer within limits set by the budget resolution.

Section 16. Supplemental appropriations

The council may make supplemental appropriations by amending the original budget resolution as provided in this ordinance, provided that revenues in excess

of those anticipated in the original resolution become available due to:

- a. an unobligated surplus from prior years becoming available.
- b. current fiscal year revenue exceeding original estimates in amounts great enough to finance the increased appropriations.

The council may make a supplemental appropriation by increasing the dollar amount of an appropriation item in the original budget resolution or by adding additional items. At the same time, the estimated amount from the source of revenue to which the increase in revenue may be attributed shall be increased or a new source and amount added in a sum sufficient to equal the supplemented expenditure amount. In no case may such appropriations cause total estimated expenditures, including an accrued deficit, to exceed total estimated revenues, including an unappropriated surplus.

Section 17. Appropriation adjustment required

Whenever it appears to the chief administrative officer or the council that actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, the chief administrative officer shall present to the council recommendations which, if adopted, will prevent expenditures from exceeding available revenues for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

Within 15 days of receiving this information the council shall amend the budget resolution by reducing appropriations or approving such measures as are necessary to provide revenues sufficient to equal appropriations or both. The amendment shall recognize the requirements of state law and collective bargaining agreements. If the council does not make effective such measures within this time, the chief administrative officer shall, within the next five days, make adjustments in

appropriations in order to equalize
appropriations and estimated revenues and
report such action to the council.

Yeas:

Nays:

Ordinance Declared Adopted_____

City/Village Clerk

Effective Date_____

Questions and Answers

Budgets and Budgeting

Q1 What budget procedures should we have in place?

The budget process is a complicated and involved procedure. A chapter of this handbook is devoted exclusively to financial management and budgeting details. The Uniform Budgeting and Accounting Act (1968 PA 2) as amended, spells out the procedures and requirements of the budgeting process and the accounting function for municipalities.

A public hearing is required prior to adopting the budget. (1963 PA 43). Remember that someone must be responsible for budget preparation and execution. The legislative body must annually adopt a budget (spending and revenue plan) for the city or village and must make amendments when necessary. Proper procedures must be followed in setting the millages. (See CH 19: Budgeting, for further information.)

Q2 Do we need to have a public hearing before adopting the budget?

Yes, according to the Budget Hearings of Local Governments Act (1963 PA 43), which requires all local units to hold a public hearing on a proposed budget. Notice must be published at least six days prior to the hearing in a “newspaper of general circulation” and must include a statement, printed in 11-point boldfaced type, stating **“The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.”** Budget hearings held in accordance with the provisions of the local charter and/or ordinance will meet this requirement. This hearing will also fulfill the requirement for a “truth in taxation” hearing.

Q3 Is a public hearing necessary to amend the budget?

No. However, the budget should be amended before you overspend, not after.

Q4 If our city has not adopted a budget and the new fiscal year has begun, is it legal to pass a monthly appropriation bill to pay the bills?

Your city charter may address this issue. Some charters provide for an “interim authority” stating that if the council fails to adopt a budget ordinance before each new fiscal year, the council, on written request of the mayor, may make an appropriation for a department’s current expenses in an amount sufficient to cover the minimum necessary expenses of the affected department(s) until the appropriation ordinance is in force.

Q5 Is there a “rule of thumb” for a fund balance amount?

Operating fund balances should be maintained at levels sufficient to absorb unpredictable revenue shortfalls and to insure desired cash flow levels. Local officials must balance financial stability against an excessive fund balance. You should adopt a policy regardless of the amount that you decide is necessary. A typical policy is one to three months operating expenditures or five to twenty percent of annual budgeted expenditures.

Q6 We would like to start a capital project in five years and add a little to our reserves every year until we have enough to fund the project. How do we budget for this?

For five years, you should have excess revenues over expenditures. The excess revenue should end up in your fund balance. You may want to place the excess revenue in a restricted “capital improvement fund” to avoid the temptation to use the funds to

cover budget shortfalls while you are saving for your capital project. The year that you incur expenses on the capital project, you will need to use your fund balance to offset your capital project expenditures in order to balance the budget.

Consultants

Q7 How do we find a consultant and/or other services and products for municipalities?

The Municipal Yellow Pages, in which consultants can advertise, are currently online at mml.org.

The *Directory of Michigan Municipal Officials*, published annually by the League also contains the Municipal Yellow Pages. In addition, consultants also advertise in the League’s magazine, *The Review*. Through its Municipal Consulting Services, the league offers a wide range of management consulting projects with a primary focus on human resources. Specifically, we offer classification and compensation systems, benefits analysis, personnel policies review and development, HR systems audits, performance evaluation systems, and executive search services.

You can also ask other municipalities of a similar size in your region if they are using a consultant in the field in which you are looking. Or, post a question to the village listserv. Find out what others’ experience has been with consultants.

In addition, there is an online directory of more than 120 companies enrolled in the League’s Business Alliance Program (BAP). Go to mml.org and on the home page, left bottom column—click Business Alliance. Companies are listed alphabetically or by service category (See also Chapter 17: *Selecting and Working with Consultants*).

Q8 What is the maximum amount for which we can write a contract without going out for public bids under state law?

There is no state law requiring public bids on municipal contracts. However, many cities and home rule villages have such a requirement written into their charter and

other cities and villages have ordinances or policies establishing a threshold amount over which contracts must be bid. Even if your municipality does not have such a requirement, it is often prudent to solicit bids on large projects.

Council/Staff Relationships

Q9 What constitutes appropriate contact between individual councilmembers and city staff? Some of our councilmembers ask staff (other than the city manager) directly for information they desire. This causes problems because information may be given to one council member and not to others, thus putting the manager in an awkward position.

Direction on appropriate council action with respect to city staff can be incorporated into council rules or ethics policies. Manistee covers the issue in their council rules and encourages council members to work through their city managers for information from city staff.

Downtown Development Authorities

Q10 Does the DDA budget have to go to the city council for approval?

Yes. MCL 125.1678 (1975 PA 197) states “Before the budget may be adopted by the board it shall be approved by the governing body of the municipality.”

Email

Q 11 Is email a public record?

Email messages are public records if they are created or received as part of performing a public employee’s official duties.

The Michigan Freedom of Information Act (FOIA) (1976 PA 442, as amended) defines a public record as “a writing prepared, owned, used in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Q 12 I sometimes use my home computer and personal email account to conduct government business. Am I creating public records?

Yes. Records created in the performance of an official function must be managed the same way as those created and received using government computer resources.

Q13 Does all email have the same retention period?

No. Just like paper records, email records are used to support a variety of business processes. Email messages must be evaluated for their content and purpose to determine the length of time the message must be retained in accordance with the appropriate Retention and Disposal Schedule.

Elections

Q14 How many home rule cities and home rule villages have non-partisan elections?

A check of the MML charter database shows an overwhelming majority (over 90 percent) of home rule cities conduct elections on a non-partisan basis. The Election Consolidation Act of 2005 required all village elections to be non-partisan.

Q12 Our clerk administers the oath of office to the mayor, commission members and appointed officials. Who swears in a new city or village clerk?

The county clerk or any notary public can administer the oath of office to a newly elected or appointed clerk.

Q15 Our council has voted to place a millage increase on the ballot at the next election. We understand there has been a change in the required ballot wording. What additional information do we need to include?

Previously, state law required only that the “ballot state the amount of the millage

increase proposed and...an estimate of the revenue increase the taxing unit will collect...during the first calendar year.” 1999 PA 248 amends section 24f of the General Property Tax Act (MCL 211.24f) to require that the following information be provided on the ballot:

1. the millage rate to be authorized,
2. the estimated amount of revenue that will be collected in the first year that the millage is authorized and levied,
3. the duration of the millage in years,
4. a clear statement of the purpose for the millage, and
5. a clear statement indicating whether the proposed millage is a renewal of a previously authorized millage or the authorization of a new additional millage.

Fortunately, this is not quite as complicated as it sounds and could be something as simple as:

Shall the [municipality] continue to levy a total of [one] mill (\$[1.00] per \$1,000.00) on taxable value of property located in the [municipality] for [five] years beginning with the [2000] tax levy year and running through [2004] tax levy year (inclusive), which will raise in the first year of such levy an estimated revenue of [twenty thousand two hundred fifty six dollars (\$20,256.00)] to be used for the specific purpose of [operation, maintenance and/or improvements of the Community Center building and grounds]? If approved this would be a renewal of a previously authorized millage.

Q16 Are there any new requirements for ballot language authorizing the issuance of bonds?

Yes. MCL 211.24f of the General Property Tax Act also requires a ballot to state:

1. the principal amount to be borrowed,
2. the maximum number of years the bonds may be outstanding, exclusive of any refunding, and
3. a clear statement of the purpose for which the bonds proceeds will be used.

If the bonds are to be paid from a separate revenue source or from taxes levied in less than the whole city or village, you must indicate the estimated millage to be levied for the bonds in the first year and an estimated annual millage required to retire the debt, as well as the source of revenue to be used to pay off the indebtedness.

Q17 Is a councilmember who was appointed to fill a vacancy subject to a recall?

Yes. This is still an elected position even though the trustee was appointed. According to the State Elections Bureau, MCL 168.951 of the state elections statute applies to all officials in elected positions. It states that a person cannot be recalled in the first six months of office (from the time he or she is sworn-in) nor in the last six months of office, but can be recalled at any time in between. In fact, except under truly extraordinary circumstances, this is the only way to remove an elected official from office.

Fees and Permits

Q18 One of the churches in our community is preparing to add a new wing to its building. This will require not only a building permit, but also a special use permit. I know churches are tax exempt, but are they exempt from fees also?

Churches are exempt only from ad valorem and sales tax. They are still required to pay for permits and fees.

Finance - Bonds

Q19 Can sewer revenues be used to retire sewer bonds?

Yes, however, the municipality should call its bond counsel to find out if there are any penalties or other requirements.

Finance- Expenditures

Q20 Can the village/city make donations to local service organizations?

Under Michigan law, municipalities have the power to expend public funds only for public purposes. Authorized by the Michigan constitutions or by statute, Michigan courts have ruled that gifts or donation of money or property is a violation of state law. (Chapter 26 of this book covers the topic of municipal expenditures).

Q21 Can a city or village use public funds for employee picnics, retirement dinners, flowers for sick employees, etc.?

It is quite difficult to meet the standard of “public purpose” for these expenditures. The Michigan Supreme Court has held that an improper “lending of credit” occurs when a municipality gives something of value without getting something of specific value in return. For more information, see CH 23: Limits on Municipal Expenditures.

Q22 Our library asked for a donation in order to match outside funding but we told them that we couldn’t contribute to a private nonprofit organization.

A public library is not a private nonprofit organization. Chapter 397 of the Michigan compiled laws, sets out the forms of libraries, including city and village libraries. If a library is established, the budget should not show a disbursement as a donation but as a line item like any other department. A municipality can hire a private nonprofit agency to perform a service that it might otherwise have performed.

Finance - Payment in lieu of taxes

Q23 Can a municipality require payments in lieu of taxes from state and county government agencies?

No. You cannot require payment in lieu of taxes, but you can try to negotiate an agreement with them.

Finance - Purchasing

Q24 Can municipalities use credit cards?

There are two public acts that allow municipalities to use credit cards for procurement (1995 PA 266, MCL 129.241 et seq.) and for accepting payments (1995 PA 280, MCL 129.221 et seq.). Both require some type of action by the local legislative body. To use credit cards for procurement, a written policy is required. The Act lists what must be included in the policy. An authorizing resolution is required to accept payments by credit cards. There are other requirements and restrictions as well. Sample policies are available on our website, mml.org.

Finance - Revenues

Q25 Can a municipality use Act 51 local street dollars for sidewalk construction?

According to the Michigan Department of Transportation (MDOT), municipalities cannot use local street dollars for sidewalk construction but can use them for sidewalk repair and replacement if necessitated by street work.

Q26 Are we supposed to match Act 51 local street dollars for local street construction?

Yes. Local road construction must have matching dollars from the general fund in order to use Act 51 dollars. However, matching funds are not required for the use of Act 51 funds for routine maintenance.

Finance - Special Assessments

Q27 In a special assessment district, are tax-exempt properties subject to special assessment?

Federal and state governmental entities are exempt from special assessment districts. School districts can agree to pay assessments (MCL 380.1141). According to the Citizens Research Council, the courts have consistently ruled that property normally exempt from property taxes (such as that owned by religious and charitable

organizations) is not exempt from special assessments.

Q28 Can we levy a special assessment based on the value of a property?

Special assessments are levied only on real property, based on some measure of how that real property benefits from the special assessment, such as front footage for sidewalks. There are a few special assessments that statutorily authorize ad valorem special assessments such as the Police and Fire Protection Act, 1951 PA 33 (MCL 41.801 and 41.851).

Q29 Are special assessments subject to the Headlee amendment?

Special assessments are not subject to constitutional and statutory general ad valorem property tax restrictions such as the Headlee Amendment and Proposal A of 1994.

Q30 Must we hold a hearing on a special assessment?

You will need to check your charter. Many charter provisions require public hearings for special assessments. The procedure can also be set by ordinance.

Legislation

Q31 I am interested in receiving copies of new bills introduced in the legislature. Is there any way to get on the legislature's mailing list?

The Michigan legislature maintains an interactive, user friendly website: michiganlegislature.org. You can search for a bill by number, by sponsor or by text. The website is updated frequently and gives the current language of the bill, as well as its current status. If you don't have Internet access at home, your local library may have computers available.

Meetings, Minutes, etc.

Q32 Can a councilmember abstain from voting without disclosing the reason? Is the abstention counted as a yea or nay?

It depends. State law does not require village or city councilmembers to declare the reason for an abstention. However, many charters require the councilmember to do so. An abstention is neither a yea or nay vote, and therefore, not counted. It upholds the will of the majority. If the member does not leave the council chamber, they are included in the quorum count.

Q33 How does one go about making changes to minutes?

The Michigan Open Meetings Act (1976 PA 267, MCL 15.261 et seq.) requires that corrections in the minutes must be made no later than the next meeting to which the minutes refer. Corrected minutes must be available no later than the next meeting after the correction and must show both the original entry and the correction.

Q34 What is the difference between a public hearing and a special meeting?

A *public hearing* is that portion of a meeting designed specifically to receive input from the public on a single issue. It may be required by ordinance or statute. The time, place, and subject of the hearing must be posted as required by the ordinance or statute and only the posted subject can be discussed. The hearing may be before, during or after a regular meeting or may be at a special meeting called specifically for that purpose.

A *special meeting* is any meeting of the governing body other than those called for by the charter. It may be a meeting of the full body or just a subcommittee. Your charter will outline the process for calling a special meeting and the Open Meetings Act requires the date, time, and place of the meeting be posted at least 18 hours before the meeting.

Q35 Can the council discuss an item not on the agenda?

There is no law prohibiting discussion of an item not on the agenda. The Open Meetings Act outlines the time required for proper notice of regular and special meetings. Although it specifies that the name, address and telephone number of the public body be included in the notice, it does not require a listing of specific items to be discussed. However, a number of cities and villages, either through their charter or their council rules, have agreed that items not on the agenda may not be considered by the council. Some permit the agenda to be amended during the meeting. Your city clerk and/or your city attorney will be able to guide you as to your requirements.

Q36 How long can the public speak during the public comment portion of a council meeting?

It is up to the council to determine the policy. Some communities limit each person to two minutes; in other communities the limit is five minutes. Some municipalities set aside a total of 15 minutes for proponents, and 15 minutes for opponents on a specific issue. One community even sets a timer, and when it goes off, the citizen must quit speaking. The length of time for public commentary should be established in your council rules.

Q37 Do council meeting minutes have to be published?

Check your charter for your municipality's requirements. Some examples of the differing charter requirements are: within 15 days of the meetings, within 20 days of the meeting, and another requires within 45 days after the meeting.

Q38 Is there a requirement regarding the length of time a public hearing has to be kept open? We often hold a public hearing during the regular council meeting. If no one appears to speak at the scheduled time, how long must we wait before proceeding with the remainder of our agenda?

Unless you have something established in your council rules or charter, we know of nothing in state law that sets a specific amount of time. Normally the mayor gavels the public hearing open and asks if there is anyone who wishes to speak. If no one does, the hearing is declared closed. Public hearings are often held during council meetings. You do need to make sure the hearing is open at the time advertised. Again, you need to check your charter and any rules the council may have adopted.

Q39 What can be done about a councilmember not attending meetings?

If you want to deal with council absences, you can enact a provision in your council rules to address it or amend your city (or home rule village) charter to address it. The policy can say something like this:

A. Council Rules

No city councilmember shall miss three (3) consecutive, unexcused regular meetings in a twelve (12) month period. Any violation of this provision shall result in the matter being reviewed by the Board of Ethics for appropriate action, including but not limited to removal from the city council. This provision recognizes the duty of city councilmembers to be in attendance to represent the citizens in matters concerning the city. An absence shall be excused only upon a quorum vote by the present city council.

B. Charters

Most city charters contain a provision dealing with council absences. The most common is: four unexcused absences or missing 25 percent of meetings in a year results in a councilmember getting removed

from office. Variations include three consecutive absences or 25 percent; 30 percent in a year; or seven consecutive meetings in a year. The League's charter database has a listing of all the city charters and what method they use. It is available at mml.org.

Q 40 Is it possible for a councilmember to participate in a council meeting by phone or Skype?

The Open Meetings Act (OMA) regulates meetings of public bodies in Michigan. Most Michigan cities and villages do not allow councilmembers to vote unless they are physically present at council meetings. The Legislature proposed adding an amendment to the OMA to specifically prohibit participation in a council meeting by Skype or teleconferencing. However, this legislation while passing the House, is still in committee as of this writing. Please seek the advice of your municipal attorney on using Skype or teleconferencing to participate in meetings. [In *Goode v. Michigan Department of Social Services*, 143 Mich App 756 (1985), teleconferencing of social services hearings were found to comply with the OMA; and Michigan Attorney General Opinion #6835 of 1995 concluded that an intermediate school district representative could participate in a meeting through interactive television and comply with the Open Meetings Act.]

Q41 I think the council as a body is operating under questionable legal and ethical practices. Is there an organization or agency that has oversight over the council?

No, there is no oversight agency. The municipal attorney should be alerted to questionable legal or ethical practices. As a councilmember, you might suggest the council attend training seminars on the Open Meetings Act, the Freedom of Information Act or other seminars that the League offers.

Open Meetings Act**Q42 Is it a requirement to post a schedule of the regular meetings of the council?**

Yes, according to Michigan’s Open Meetings Act, (1976 PA 267, MCL 15.261 et seq.). MCL 15.265 (2) provides, “For regular meetings of a public body, there shall be posted within 10 days after the first meeting of the public body in each calendar or fiscal year a public notice stating the dates, time, and places of its regular meetings.” If there is a change in the schedule, the changes must be posted within three days after the meeting at which the change is made.

Q43 Can we go into a closed meeting in order to discuss selling a piece of property?

No. This is not permitted under the Michigan Open Meetings Act. However, you can go into closed session to consider purchase or lease of real property up to the time an option to purchase or lease that property is obtained.

Q44 What can we discuss in a closed meeting?

Every councilmember should be familiar with the Michigan Open Meetings Act. The intent of the Act is for a public body to conduct its business in the open. There are only a few circumstances where a closed meeting is allowed. These include discussion of employee or officer discipline, etc. when the employee or officer requests a closed meeting; consideration of purchase of property; consultation with the municipal attorney on pending litigation and review of an employment application upon request of the applicant. The statute states how to go into closed session and how to record the proceedings. You cannot conduct interviews in closed session. You cannot go into closed session to avoid discussing issues in front of citizens.

Q45 Our village would like to have a joint meeting with the adjacent township. Is there anything to prevent us from holding this meeting outside the village limits?

There is nothing in the Open Meetings Act that prevents your council from meeting outside the corporate limits. However, don’t forget the posting requirements. This type of meeting, close to the village boundaries, should pose no political problems because the citizens can easily attend if they so desire. But, if your council ever considers a meeting at a remote location from the village, you’ll need to factor in the reactions of the village constituents. There are benefits and drawbacks to meetings like this and all aspects need to be considered, not just the legal aspects.

Training and conferences**Q46 Can appointed clerks and treasurers participate in the Elected Officials Academy?**

They are welcome to attend the classes, but they are not eligible to graduate from the different levels. However, *elected* clerks and treasurers may earn credits and graduate from the Academy levels. If a person is appointed to fill an elected position, then he/she is eligible to participate in the Elected Officials Academy. See the Education Calendar section of our website for a list of upcoming classes and check the program descriptions for details of Elected Officials Academy credits.

Uniform Traffic Code**Q47 We note a new Uniform Traffic Code has been promulgated. Do we need to adopt a new traffic ordinance?**

Probably. As a matter of fact, unless you have adopted the Michigan Vehicle Code (MVC) as your primary code, you will need to adopt that first. The League has a One Pager *Plus* Fact Sheet with a sample ordinance adopting the MVC by reference and a sample ordinance adopting the Uniform Traffic Code (UTC) by reference. You can obtain copies from either the MML

website at mml.org or by emailing info@mml.org.

Utilities

Q48 Our city is in the process of setting water and sewer rates. Can we use rates from neighboring communities as the basis for our rates?

The setting of utility rates is a complicated matter that needs to include substantial input from your city attorney, engineer and your water and sewer department. In the past, many municipalities set their water and sewer rates based on the rates charged by their neighbors and/or other comparable communities. However, in *Bolt v. City of Lansing* 459 Mich. 152 (1998), the Michigan Supreme Court ruled that there are legal differences between a tax and a fee. The Court said that a fee must serve a regulatory purpose, be proportionate to the necessary cost of the service and be voluntary.

As a result, the methods used by many municipalities prior to the *Bolt* decision (i.e. determining rates based on comparable rates in other cities and villages) may no longer be valid. Because of the potential impact on any municipality's utility revenues, most rate ordinances should be reviewed by your municipal attorney for legal compliance with *Bolt*. (See Chapter 22: Special Assessment and User Charges for further discussion on *Bolt*).

Q49 Do any municipalities have an ordinance providing for multiple water meters – for instance, to measure water used for lawn sprinkling separately from water used indoors?

Hancock provides separate water meters for a supply of water that will not be discharged into the sanitary sewer system. This includes lawn and garden sprinkling, commercial bottling of beverages and flooding of ice rinks. Tecumseh permits separate water metering systems for residential lawn sprinkling only under certain conditions, including the residential property owner being responsible for installation costs.

Q50 Can unpaid utility bills be added to tax bills as a lien against the property?

1939 PA 178 (MCL 123.161 et seq.) as security for collection of water or sewage system rates, assessments, charges, or rentals and states, provides for a lien for water or sewage system charges which accrues to the property at the time the service is furnished by municipalities.

Weddings

Q51 Our mayor has been asked to perform several wedding ceremonies this summer. Who decides how much the mayor should charge?

The law giving a mayor the authority to perform marriage ceremonies (MCL 551.7(3)) states the mayor shall charge and collect a fee. The amount is to be determined by the city council and paid to the city treasurer to be deposited in the general fund of the city at the end of the month. In general, a fee of \$25-50 has been approved in many cities.

For More Information

General (available at mml.org)

Inquiry Service. As one of the oldest League benefits, the Inquiry Service provides member officials with answers to questions on a vast array of municipal topics. Member officials may request information and/or material on any municipal issue. The League has many sample documents available:

- Ordinances
- Policies
- Programs
- Articles
- Charters
- Referrals
- Regulations
- Feasibility Studies

Send your municipal inquiries to info@mml.org.

Structure of Local Government in Michigan (available at mml.org)

Nature and Purpose of a Home Rule Charter. Published jointly by Citizens Research Council of Michigan, Michigan Municipal League, Michigan Association of Municipal Attorneys, 1993.

Organization of City and Village Government in Michigan. (Municipal Report). Michigan Municipal League; 1994, 2005, 2011.

One Pager Plus Fact Sheets:

- *Elected/Appointed Official—in Default*
- *Email and Retention of Records*
- *Ethics—*
 - *Contracts of Public Servants with Public Entities*
 - *Incompatible Public Offices*
 - *Misconduct in Office*
 - *Standards of Conduct for Public Officers/Employees*
- *Freedom of Information Act—*
 - *General Questions*

- *Policy and Definitions*
- *Responding to Requests*
- *Statutory Exemption*
- *Open Meetings Act—*
 - *Calling Closed Meetings*
 - *Closed Meeting Minutes*
 - *Definitions and Requirements*
 - *Posting Requirements*
- *Public Hearings*
- *Work Sessions: Use By Legislative Bodies*

Meetings: Agendas and Minutes. A guide to recording minutes and organizing meetings. Michigan Municipal League electronic book (e-book), 2005.

MML Legal Defense Fund. The League's Legal Defense Fund and its resources are available incases which would have a considerable impact on Michigan municipal law or positively affect the organization, operation, powers, duties, or financing of Michigan's cities and villages. Legal Defense Fund resources and services are available to League members which are also members of the Fund. Dues are based on member population and range from \$100 to \$1,000.

The typical form of assistance is the filing of an *amicus* brief to support the legal position of the city or village involved in the case. Most often this is in the Michigan Court of Appeals or Michigan Supreme Court. The Legal Defense Fund is financed by voluntary dues of member cities and villages. Forms to make a request for assistance are available at mml.org.

Legislative Issues (available at mml.org)

The League's advocacy team researches legislative issues of importance to municipalities; through their research, they develop issue papers and legislative briefs that provide the framework for the League's

efforts to represent municipalities' best interests at the state and federal level.

- **Issue Papers**
 - *Revenue Sharing Fact Sheet*
 - *Home Rule in Michigan—Then and Now*
- *Legislative Briefs*
- *Prosperity Agenda*
- *Inside 208 blog*
- *League Position on Current Legislative Bills*

Placemaking (available at placemaking.mml.org)

The League identified eight essential assets that make communities vibrant places in the 21st century: physical design & walkability; green initiatives; cultural economic development; entrepreneurship; welcoming; messaging & technology; transit; and education. Helping Michigan's leaders grow these assets in their own communities serves as the focus of the League. Research continues to show that “placemaking” matters more than ever, as an increasingly mobile workforce seeks out neighborhoods before finding jobs and opening up businesses.

League Case Studies:

Physical Design & Walkability

- **Boyne City Main Street**—A group of volunteers organized to improve, promote, and create greater vitality around the Boyne City downtown.
- **Downtown: The Heart & Soul of a Community**—Business owners in West Branch brought together local officials and residents to start “Fabulous Fridays” to create a more fun, viable downtown in the summer.
- **Heart of Downtown: Sundquist Pavilion in Riley Park**—Farmington transformed a parking lot into an attractive landscaped park with a pavilion that now serves as the focal point for numerous community events.
- **Live Midtown**—To boost the number of homeowners and renters in Detroit's

Midtown, a nonprofit organized a live-where-you-work incentive program.

- **Main Street Community Partnership**—A group of Adrian residents and leaders, inspired to invest in their own community, chipped in to buy and rehab a historic structure on Main Street.

Green Initiatives

- **Dequindre Cut**—A 1.35-mile recreational path that offers a pedestrian link between the Detroit Riverfront, Eastern Market, and many residential neighborhoods.
- **Recycle Here**—A creative approach turned a traditional drop-off center into a community gathering place and a showcase for artists and musicians.

Cultural Economic Development

- **The Alley Project**—Professional artists, teens, and neighbors built infrastructure for creative expression and community responsibility.
- **Artist Village Detroit**—A once-abandoned commercial strip serves as a creative hub for artists, students, business owners, and neighbors in the heart of Old Redford.
- **Growing the Economy through Arts and Culture**—Ludington was poised to celebrate its past and future, bringing art, nature and history together, and provide an impetus for future development.
- **St. Joseph Public Art**—Fills downtown with unique sculptures from the area's artists and has helped turn the community into a tourist destination.

Entrepreneurship

- **Hatch Detroit**—Promotes a vibrant urban community by awarding money and empowering local entrepreneurs with capital and support to succeed and grow.
- **Mark's Carts - Ann Arbor**—Capitalizing on a national food cart trend, Mark's Carts offers local food and communal seating, in a once empty downtown lot.

- Ponyride - Detroit—Subsidizing shared workspace, Ponyride provides cheap space for artists and entrepreneurs to work and share know-ledge, resources, and networks.
- Rust Belt Market—Features artists, collectors, local food products, musicians, and community events in a re-purposed big box commercial building in Ferndale.

Welcoming to All

- Detroit City Futbol League—A recreational, adult, co-ed neighborhood soccer league that brings people together while marketing different areas of the city.
- Detroit Soup—A grassroots initiative to bring neighbors together to build relationships, share ideas, and raise money for community projects.

Messaging & Technology

- Hubbard Farms Emergency Alert System - Detroit—Frustrated by slow police response times, residents used a free cell phone texting system to alert neighbors of crimes.
- Love Muskegon—A group of young professionals in Muskegon started an online branding and marketing campaign to promote their city.

Education

- Clark Park Coalition - Detroit—This grassroots, nonprofit coalition has grown to offer positive activities for nearly a thousand neighborhood youth each year.
- Frankfort Historic Landmarks Arts Center—A re-purposed Coast Guard Station that serves as a popular community hub for residents and visitors.

Transit

- Tour de Troit—A small group of people exploring Detroit by bike has grown into Michigan’s largest bike ride, promoting safer streets for non-motorized users.

Operation of Village Government

Finance

One Pager *Plus* Fact Sheets:

- *Adopting the Budget*
- *Economic Development—*
 - *Corridor Improvement Authority*
 - *Downtown Development Authority*
 - *Financing Tools*
 - *Local Development Financing Authority*
 - *Neighborhood Improvement Authority*
 - *Waterfront Tax Increment Financing*
- *Investment Policies for Surplus Funds*
- *Municipal Expenditures*

Reference Packets. Compiled by the Michigan Municipal League.

- DDAs (Downtown Development Authorities)

Michigan Department of Treasury

Manuals: (available at michigan.gov/treasury)

- *Bulletin for Audits of Local Units of Government.* 2012.
- *Uniform Accounting Procedures Manual.* Michigan Department of Treasury, Local Audit & Finance Division, Bureau of Local Government Services, 2007.
- *Uniform Budget Manual for Local Units of Government in Michigan.* Michigan Department of Treasury, Local Audit & Finance Division, Bureau of Local Government Services, 2001.
- *Uniform Chart of Accounts for Counties and Local Units of Government,* Michigan Department of Treasury, Local Audit & Finance Division, Bureau of Local Government Services, 2002.

Outline of the Michigan Tax System. The Citizens Research Council of Michigan, Detroit, MI. 2014. Updated biennially. (available at: cremich.org.)

Risk Management

The League’s Risk Management Services Division administers two statewide municipal insurance programs: the Michigan Municipal League Workers’ Compensation Fund and the Michigan Municipal League Liability and Property Pool.

The mission of Risk Management Services is to provide a long-term, stable, cost-effective insurance alternative for members and associate members of the Michigan Municipal League.

Member Services

- Expert Governmental Claims Handling
- Personalized Loss Control Services & Resources
- Law Enforcement Specialists
- Reduced Rates at Related League Training Events, Conventions & Conferences

Websites:

michigan.gov/wca

Workers’ Compensation Agency.

michigan.gov/difs/

Department of Insurance and Financial Services.

primacentral.org

Public Risk Management Association (PRIMA).

Additional information

Websites

mml.org.

Michigan Municipal League.

nlc.org

National League of Cities.

michigan.gov

State of Michigan.

legislature.mi.gov

Michigan Legislature.

census.gov

U.S. Census Bureau.

Michigan Municipal League publications:

The Review. The official magazine of the Michigan Municipal League. Published six

times a year. It serves as a medium of exchange of ideas and information for the official of Michigan cities and villages.

The Directory of Michigan Municipal Officials. Published yearly and distributed to your village office.

One-Pagers Plus Fact Sheets. One-page summaries on a variety of municipal topics, many with a “plus” attached—a sample ordinance, resolution, policy, form, etc. These may be downloaded from mml.org. Here is a complete list of our current titles:

Act 312 Compulsory Arbitration of Labor Disputes in Police & Fire Departments
Act 425 Conditional Land Transfers
Adopting the Budget
Charter Amendment: HRC Initiatory Petition
Charter Amendment: HRC Legislative Body Resolution
Charter Amendment: HRV Initiatory Petition
Charter Amendment: HRV Legislative Body Resolution
Commercial Redevelopment Act
Commercial Rehabilitation Act
Complete Streets
Default: Elected/Appointed Officials
Economic Development: Corridor Improvement Authority
Economic Development: Downtown Development Authority
Economic Development: Financing Tools
Economic Development: Local Development Financing Authority
Economic Development: Neighborhood Improvement Authority
Economic Development: Waterfront Tax Increment Financing
Election Law Amendments - City
Election Law Amendments - Village
Ethics: Contracts of Public Servants with Public Entities
Ethics: Incompatible Public Offices
Ethics: Misconduct in Office by Public Officers
Ethics: Standards of Conduct for Public Officers/Employees

E-mail and Retention of Records
Freedom of Information Act:
 General Questions
Freedom of Information Act:
 Policy and Definitions
Freedom of Information Act:
 Responding to Requests
Freedom of Information Act:
 Statutory Exemptions
Fuel Excise Tax Refunds
Headlee Rollback and Headlee Override
Investment Policies for Surplus Funds
Land Division Act
Liquor Licenses for Redevelopment:
 Background and How to Apply
Master Plan: 5 Year Review
Master Plan: Mastering the Updating
 Process
MISS DIG Underground Facility Damage &
 Prevention Safety Act
Mobile Home Rental Housing Inspections
Municipal Civil Infractions
Municipal Expenditures
Municipal Liens
Open Meetings Act: Calling Closed
 Meetings
Open Meetings Act: Closed Meeting
 Minutes
Open Meetings Act: Definitions and
 Requirements
Open Meetings Act: Posting Requirements
Public Hearings
Rental Housing Inspection Law
Residency Act
Residency Requirements and the Planning
 Commission
Revenue Sharing Fact Sheet
Right to Work
Social Security Number Privacy Act
State Single Construction Code Act
Supportive Housing Properties
Urban Cooperation Act/Service Sharing and
 Labor Agreements
Vehicle Code and Uniform Traffic Code
 (Michigan)
Water and Sewer Liens
Work Sessions – Use by Legislative Bodies
Zoning: Basic Questions
Zoning: Nonconforming Buildings and Uses

Index

<i>Act 312</i>	
defined	110
<i>Act 425</i>	
defined	19, 109
<i>Act 425 Conditional Land Transfer</i>	
One-Pager Plus.....	146
<i>Act 51</i>	138
as revenue source for operating budget.	83
<i>ADA</i> <i>See Americans with Disabilities Act</i>	
<i>Administrative officials</i>	
appointment of	10
<i>Adopting the Budget</i>	
One-Pager Plus.....	146
<i>Agenda</i>	
at council meeting	139
sample outline	27
<i>Agendas</i>	
as a guide for conducting meetings.....	27
<i>Allowances for Moving Personal Property from Acquired Real Property Act</i>	
defined	108, 110
<i>Americans with Disabilities Act</i>	57
<i>Annexation</i>	17
defined	102
home rule cities	18
home rule villages	18
procedures	18
public hearing.....	18
<i>Appropriation, adjustment,</i>	
as addressed in sample budget ordinance	132
<i>Appropriations, supplemental,</i>	
as addressed in sample budget ordinance	132
<i>Armistice, Independence and Memorial Day Expenditures Act</i>	
defined	111
<i>Attorney</i>	
duties of.....	25
<i>Audit report</i>	80
<i>Background checks</i>	
as it relates to the hiring process	56
<i>ballot wording</i>	
as it relates to millage increases.....	136
<i>Bands Act</i>	
defined	111
<i>BANs</i> <i>See Bond anticipation notes</i>	
<i>Bidders on Public Works Act</i>	
defined.....	111
<i>Bidding process</i>	87
<i>Blighted Area Rehabilitation Act</i>	
defined.....	108
<i>Bolt v City of Lansing</i>	79
<i>Bolt v City of Lansing</i>	95, 142
related to standards in ratemaking.....	97
<i>Bond</i>	
defined.....	102
<i>Bond anticipation notes</i>	90
<i>Bond issuance and notes</i>	
incurring debt	90
<i>Bonds</i> <i>See also Revenue Bond Act</i>	
ballot language authorizing issuance .	136
types of.....	90
<i>Boundaries</i>	17
<i>Brownfield redevelopment authority</i>	
as special financing option for economic development	92
<i>Budget</i>	
as a financial plan.....	82
defined.....	102
public hearing.....	134
sample ordinance.....	129
<i>Budget document contents</i>	
as addressed in sample budget	130
<i>Budget estimates</i>	
as addressed in sample budget ordinance	129
<i>Budget forms</i>	
as addressed in sample budget ordinance	130
<i>Budget Hearings Of Local Governments Act</i>	
defined.....	107
<i>Budget policy statement</i>	
as addressed in sample budget ordinance	129
<i>Budget procedures</i>	134
<i>Budget resolution, passage,</i>	
as addressed in sample budget	131
<i>Budget review</i>	
as addressed in sample budget	130
<i>Budget, consideration by councilas</i>	
addressed in sample budget ordinance	131

<i>Budget, transmittal to council</i>	
as addressed in sample budget	130
<i>Budgets..... See also Truth in Budgeting Acts</i>	
<i>Building authorities</i>	
as special financing tools for economic development.....	92
<i>Building Authorities</i>	
defined	110
<i>Bullard-Plawecki Employee Right to Know Act</i>	
defined	113, 114
<i>Bulletin for Audits of Local Units of Government in Michigan</i>	145
<i>Bureau of Workers' Disability Compensation</i>	146
<i>Business improvement districts</i>	
as special financing option for economic development.....	92
<i>Business partnership program</i>	
Michigan Municipal League	135
<i>Calling Closed Meetings</i>	
One-Pager Plus	147
<i>Capital budget</i>	
defined	84
revenue sources.....	84
<i>Capital improvement bonds</i>	91
<i>Capital improvement program.....</i>	84
<i>Capital improvements</i>	90
<i>Case law</i>	
related to limitation on local financial authority	78
<i>Charter</i>	
adoption	14
amendment.....	13, 14, 15
attorney general.....	14, 15
Attorney General.....	16
ballot	15
changing.....	26
commission	15
Commission	13
consultant	14
defined	102
election.....	16
Provisions.....	12
publication of	14
revision.....	16
Revision	<i>See</i>
Village.....	14
<i>Charter provisions</i>	
related to officials' duties	21
<i>Charter Township</i>	
annexation	18
<i>Charter Township Act</i>	
annexation	19
<i>Churches</i>	
tax exemptions	137
<i>Cities</i>	
as form of government	8
defined.....	6
incorporated from townships.....	10
<i>Citizen groups</i>	
tips for meetings.....	23
working with	23
<i>Citizens</i>	
as participants in council meetings.....	23
<i>Clerk</i>	
duties of.....	25
<i>Closed meetings</i>	
defined.....	28
minutes	29
<i>Compensation</i>	
employees.....	56
<i>Compensation time</i>	
as it relates the Fair Labor Standards Act	58
<i>Compulsory Arbitration of Police and Fire Labor Disputes (Act 312)</i>	
defined.....	110
<i>Conditional Land Transfer Act See also: Act 425</i>	
<i>Conditional transfers of land</i>	
defined.....	102
<i>Condominium Act</i>	
defined.....	113
<i>Conflict of interest</i>	
laws relating to	36, 106
related to elected officials	36
<i>Conflict of Interest of Legislators and State Officers Act</i>	
defined.....	106
<i>Consolidation</i>	
defined.....	102
functional	52
geographic.....	52
political.....	52
procedures	17
<i>Consolidation of services</i>	52
<i>Constitution</i>	
of Michigan	6
<i>Consultants</i>	
finding	135
how to retain.....	73

selection process	74	<i>Disincorporation</i>	
types	73	procedures	17
when to use	73	<i>Dissolution</i>	
why to use	73	laws related to	112
<i>Contract of Public Servants with Public</i>		<i>Donations</i>	137
<i>Entities Act</i>		<i>Downtown development authorities</i>	135
defined	106	as special financing option for economic	
<i>Contractors</i>		development	92
independent	56, 58	<i>Drug testing</i>	
<i>Contracts for Assessing Services Act</i>		as it relates to the hiring process	56
defined	109	<i>Economic Development</i> <i>See also Technology</i>	
<i>Corporation</i>		<i>Park Development Act, See also Tax</i>	
defined	103	<i>Increment Finance Authority Act, See also</i>	
<i>Cost allocation</i>		<i>Plant Rehabilitation and Industrial</i>	
factors to consider	53	<i>Development Districts Act, See also Local</i>	
for service delivery	53	<i>Development Financing Act</i>	
<i>Council</i>		laws related to	106
defined	102	Options for special financing	92
<i>Council duties</i>	21	Reference Packets	145
<i>Council manager form of government</i>	8	<i>Economic development corporations</i>	<i>See</i>
<i>Council meetings</i>		<i>EDCs</i>	
official's role as participant	3	as special financing option for economic	
<i>Council staff relationships</i>	135	development	92
<i>Councilmembers</i>		<i>Economic Development Projects Act</i>	
not attending meetings	140	defined	109
<i>County Departments and Board of Public</i>		<i>Economic Development Tools</i>	
<i>Works Act</i>		One-Pager Plus	145
defined	110	<i>EDCs</i>	<i>See Economic development</i>
<i>County drain bonds</i>	91	<i>corporations</i>	
<i>Credit cards</i>	138	<i>Elections</i>	
<i>Default</i>	143	ward	10
<i>Detachment</i>	19	<i>Elected official</i>	
home rule cities	19	responsibilities	2
villages	19	<i>Elected Officials Academy</i>	
<i>Development or redevelopment</i>		Michigan Municipal League program	141
financing tools	91	<i>Elections</i>	
<i>Development or Redevelopment of Principal</i>		at-large	10
<i>Shopping Districts Act</i>		non-partisan	136
defined	106	<i>Elliott-Larsen Civil Rights Act</i>	
<i>Directory of Michigan Municipal Officials</i>		defined	113
.....	146	<i>E-mail and Retention of Records</i>	
<i>Disability</i>		One-Pager Plus	147
employee	56	<i>Emergency Services Authority Act</i>	53
<i>Disbursements`</i>		<i>Employee</i>	
as addressed in sample budget ordinance		disability	56
.....	131	<i>Employment issues</i>	56
<i>Disconnection of Land from Cities and</i>		<i>Energy conservation notes</i>	90
<i>Villages</i>		<i>Enterprise fund</i>	
defined	112	defined	102
<i>Discrimination</i>		<i>Ethics</i>	36, <i>See also Standards of Conduct</i>
as it relates to disability	57	and <i>Ethics Act</i>	

of council	140	One-Pager Plus.....	147
state laws relating to.....	36	<i>Fuel Excise Tax</i>	
<i>Expenditures</i>		One-Pager Plus.....	147
for public purpose defined	98	<i>Fund balance</i>	
of capital budget.....	83, 84	amount.....	134
statutory expenditures	100	<i>Garbage Disposal Plants</i>	
<i>Fair Labor Standards Act</i>		defined.....	111
defined	57	<i>General fund</i>	
<i>Family and Medical Leave Act</i>		defined.....	103
types of leaves.....	59, 113	<i>General fund revenues</i>	
<i>Fax Alerts/Advisories</i>	43	related to financing joint ventures.....	54
<i>Finance</i>		<i>General law village</i>	
adopting the budget.....	145	defined.....	103
for more information.....	145	<i>General Law Village Act</i>	
laws related to	107	defined.....	110, 112
<i>Financial controls</i>		<i>General obligation bonds</i>	90
internal management	79	<i>General Property Tax Act</i>	136
<i>Financing joint ventures</i>	54	defined.....	107, 108, 110
<i>Fire Department Hours of Labor</i>		<i>Gifts from Municipal Utilities Act</i>	
defined	113	defined.....	111
<i>Fiscal year</i>		<i>Gifts of Property to Local Government Act</i>	
as defined in sample budget ordinance	129	defined.....	112
<i>FLSA</i>	<i>See Fair Labor Standards Act</i>	<i>Governmental immunity</i>	
<i>FMLA</i>	<i>See Family Medical Leave Act</i>	defined.....	103
<i>Form of government</i>		<i>GRANs</i>	<i>See Grant anticipation notes</i>
villages	10	<i>Grant anticipation notes</i>	90
<i>Form of Government</i>		<i>Headlee amendment</i>	
cities	8	limitation on financial authority	77
<i>Forms of government</i>		<i>Headlee Rollback and Headlee Override</i>	
laws related to	112	One-Pager Plus.....	147
number in Michigan.....	11	<i>Historic Districts, Sites and Structures Act</i>	
<i>Fourth Class City Act</i>	6	defined.....	108
<i>Franchise agreement</i>		<i>Historic preservation</i>	
defined	102	laws related to	108
<i>Franchise ordinance</i>		<i>Home rule</i>	8
defined	103	defined.....	103
<i>Freedom of Information</i>		<i>Home Rule</i>	
availability of records	120	defined.....	7
records exempt.....	119	<i>Home Rule Cities</i>	
<i>Freedom of Information Act</i>		annexation	18
defined	22, 23, 110, 114, 118	<i>Home Rule City Act</i>	7, 51
denial of a record	121	as authorized for public funds	100
fees for records.....	121	as it relates to adopting ordinances	32
<i>Freedom of Information Act - General</i>		charter revision.....	12, 13, 15
<i>Questions</i>		defined.....	110, 112
One-Pager Plus	147	<i>Home Rule Village Act</i>	6
<i>Freedom of Information Act - Responding to</i>		as it relates to adopting ordinances	32
<i>Requests</i>		charter revision.....	12, 15
One-Pager Plus	147	defined.....	110, 113
<i>Freedom of Information—Statutory</i>		<i>Home Rule Villages</i>	
<i>Exemptions</i>		annexation	18

detachment	19	<i>Labor relations</i>	<i>See also Compulsory Arbitration of Police and Fire Labor Disputes (Act 312)</i>
<i>Housing</i>		<i>Labor Relations</i>	
Laws related to	108	collective bargaining	63
<i>Housing authorities</i>		negotiations	61
as special financing option for economic development	91	The role of elected official	61
<i>Housing Cooperation Law</i>		the role of elected officials	62
defined	108	unions	63
<i>Housing Facilities Act</i>		Unions	61
defined	108	<i>Land Division Act</i>	
<i>Housing Law of Michigan</i>		One-Pager Plus	147
defined	108	<i>Legal Defense Fund</i>	
<i>Incompatible offices</i>		Michigan Municipal League	143
law relating to	39	<i>Legislation</i>	
laws related to	106	influencing.....	42
<i>Incompatible Public Offices</i>		<i>Legislative committees</i>	
One-Pager Plus.....	146	MML	41
<i>Incompatible Public Offices Act</i>		<i>Legislative Link</i>	43
defined	106, 110	<i>Legislative policies</i>	41
<i>Incorporation</i>		<i>Liability</i>	64
charter commission	17	related to training	45
Public Hearing	17	<i>Limited tax general obligation bonds</i>	91
standards of	7	<i>Line item budget</i>	82
<i>Installment sales contracts</i>	90	<i>Lobbying</i>	
<i>Insurance</i>		official's role.....	41
need for program.....	64	<i>Local Development Financing Act</i>	
<i>Intergovernmental Transfers of Functions and Responsibilities Act</i>		defined.....	106, 107
defined	109	<i>Local development financing authority</i>	
<i>Intergovernmental contracting</i>	52	as special financing option for economic development	92
<i>Intergovernmental contracts and authority bonds</i>	91	<i>Local government</i>	
<i>Intergovernmental Contracts Between Municipal Corporations Act</i>		structure of	6
defined	109	<i>Local government powers, duties and responsibilities</i>	
<i>Intergovernmental relations</i>		laws related to	110
laws related to	109	<i>Local Improvement Revolving Fund</i>	
<i>Intergovernmental Transfers of Functions and Responsibilities Act</i>	53	defined.....	107
<i>Interlocal Tax Agreements</i>		<i>Management by objectives budget</i>	82
defined	109	<i>Manager's role vs council's role</i>	24
<i>Internal financial controls</i>	77	<i>Marriage ceremonies</i>	
<i>Investment Policies for Surplus Funds</i>		performed by mayor	142
One-Pager Plus.....	147	<i>Master plan</i>	
<i>Joint Public Building Act</i>		definition and process	67
defined	109	<i>Mayor</i>	
<i>Joint services</i>		as defined by charter	24
authorities.....	52	defined.....	103
<i>Labor agreements</i>	61	election or selection of	9
		strong form of government.....	9
		weak form of government	9
		<i>Mayor council plan</i>	9

-
- Media*
tips for working with..... 4
- Meeting*
posting of*See*
- Meetings*..... *See also Council meetings*
abstain from voting 139
Agendas and Minutes..... 143
closed 141
location..... 140
- Metropolitan Council Act*
defined 109
- Michigan Campaign Act*
defined 111
- Michigan Constitution* 12
related to ordinances 32
- Michigan Employment Relations Commission (MERC)*..... 63
- Michigan Legislature*..... 138
- Michigan Liability and Property Pool*..... 65
- Michigan Liquor Control Act*
defined 111
- Michigan Municipal League*
related to liability 65
- Michigan Municipal Review* 146
- Michigan Open Meetings Act*..... 139
- Michigan Persons With Disabilities Civil Rights Act*..... 57
- Michigan Planning Enabling Act*..... 66
- Michigan transportation fund bonds* 91
- Michigan Vehicle Code*..... 141
- Michigan Zoning Enabling Act*... 66, 68, 113
- Millage increases*
as it relates to ballot language 136
- Millage limits* 77
- Minutes*
publication 139
recording of..... 28
- MIOSHA**See Michigan Occupational Health and Safety Act, See Michigan Occupational Safety and Health Act*
- Misconduct in Office by Public Officers*
One-Pager Plus 147
- Mobile Home Commission Act*
defined 113
- Motion*
incidental..... 31
main 31
privileged 31
subsidiary 31
- Motions*
defined 22, 30
- Municipal bond*
defined..... 103
- Municipal corporation*
defined..... 103
- Municipal Emergency Services*
defined..... 109
- Municipal Expenditures*
One-Pager Plus..... 145, 147
- Municipal Finance Act*..... 90
- Municipal Historical Commissions Act*
defined..... 108
- Municipal Liens*
One-Pager Plus..... 147
- Municipal Water and Sewage System Liens Act*
defined..... 112
- Mutual Police Assistance Agreements*
defined..... 109
- Natural Beauty Roads*
defined..... 114
- Nature and Purpose of a Home Rule Charter*..... 143
- Neighborhood Area Improvements Act*
defined..... 108, 114
- Non voted GO bonds*..... 91
- Nonconforming Buildings and Uses*
One-Pager Plus..... 147
- Oath of office*
without a clerk..... 136
- Obligations and payments, limit on,*
as addressed in sample budget ordinance
..... 131
- Occupational Safety and Health Act*..... 57
- OMA*.....*See Michigan Open Meetings Act*
- One-Pagers Plus* 146
- Open Meetings Act*
closed meetings 116
defined..... 23, 28, 111, 114, 115, 141
emergency meetings..... 116
enforcement..... 117
Minutes..... 116
minutes of closed meetings 117
notification of meetings..... 115
notifying individuals by mail 116
penalties for violation..... 117
special and irregular meetings..... 115
- Open Meetings Act–Definitions and Requirements for Meetings*
One-Pager Plus..... 147
- Operating budget*
types of..... 82
-

<i>Ordinances</i>	
adoption of technical codes by reference	
.....	34
adoption procedures and requirements .	33
amendments	35
defined	22, 103
drafting of.....	35
effective date	34
local government authority	32
notice of	33
printing and adopting of.....	34
publication of	34
reading requirements.....	34
related to purchasing	86
related to Special Assessments	95
related to user charges.....	96
voting requirements	34
writing of.....	33
<i>Organization of City and Village</i>	
<i>Government in Michigan</i>	143
<i>Overtime pay</i>	
as it relates to the Fair Labor Standards	
Act.....	58
<i>Parliamentary procedures</i>	29
<i>Payment in lieu of taxes</i>	137
<i>Performance budget</i>	82
<i>Personnel</i>	
harassment policies	56
medical records	56
personnel files	56
personnel records	56
pre-employment inquiries	56
<i>Personnel issues</i>	56
<i>Planning</i>	
Law related to	113
<i>Planning and zoning</i>	
procedures and process	69
<i>Planning commission</i>	
role of	66
<i>Plant Rehabilitation and Industrial</i>	
<i>Development Districts Act</i>	
defined	106
<i>Police and Fire Protection Act</i>	138
defined	109
<i>Policies and Procedures</i>	
need for written	47
<i>Policy manual</i>	
purposes	47
<i>Policy Manual</i>	
purposes	49
<i>Political Activities by Public Employees Act</i>	
defined.....	106, 111
<i>Population</i>	
Michigan	11
smalles and biggest in Michigan	11
<i>Posters</i>	
as it relates to federal and state labor	
regulations.....	56
<i>Pre-employment inquiries</i>	
as it relates to the application form	56
<i>Preference in Employment (Veterans) Act</i>	
defined.....	113
<i>President</i>	
as defined by charter	24
defined.....	103
<i>President pro tempore</i>	
as defined by charter	24
<i>Principal shopping districts</i>	
as special financing option for economic	
development	92
<i>Privatization of services</i>	52
<i>Program budget</i>	82
<i>Prohibited Taxes by Cities and Villages</i>	
defined.....	112
<i>Project Management</i>	
related to consulting and professional	
services.....	75
<i>Property taxes</i> <i>See also General Property</i>	
<i>Tax Act</i>	
as source of operating budget funds	83
<i>Proposal A</i>	
limitation on financial authority	78
<i>Public act</i>	
defined.....	104
<i>Public address to the council</i>	
length of time	139
<i>Public contracts</i>	
Act 317	37
<i>Public Employment Relations Act</i>	
defined.....	111
<i>Public hearing</i>	
defined.....	139
<i>Public hearings</i>	
length of time	140
procedures	29
<i>Public Hearings</i>	
One-Pager Plus.....	147
<i>Public Risk Managment Association</i>	146
<i>Purchase of Lands and Property for Public</i>	
<i>Purpose</i>	
defined.....	111
<i>Purchasing</i>	

- function of..... 86
future trends 88
state statutes 86
use of credit cards 138
- Purchasing departments*
role of..... 88
- Purchasing process*..... 87
- Questions*
frequently asked..... 134
- RANs* *See Revenue anticipation notes*
- Recall* 137
- Recreation and Playgrounds Act*
defined 110
- Referendum*
related to incorporation 17
- Request for proposals*
defined 104
- Request for Proposals*
related to consulting and professional
services..... 74
- Request for Qualifications*
related to consulting and professional
services..... 74, 75
- Residency Act*
One-Pager Plus 147
- Residency Requirements and the Planning
Commission*
One-Pager Plus 147
- Resignations, Vacancies and Removals*
defined 112
- Resolution*
defined 104
- Resolutions*
defined 22, 33
- Freedom of Information Act - General
Questions; Policy and Definitions* 143
- Revenue*
defined 104
- Revenue anticipation notes* 90
- Revenue bond*
defined 104
- Revenue Bond Act*
defined 107
- Revenue Bond Act of 1933* 96
- Revenue bonds* 91
- Revenue sharing*
defined 104
- Robert's Rules of Order Newly Revised* 30
- Roles and responsibilities of general law
village officials*
for more information..... 143
- Rules of procedure*
adopting..... 27
citizen participation..... 127
closed meetings 125
conduct of meetings 123
discussion 126
meetings 122
sample for council..... 122
voting 126
- SAD ... See Special assessment district bonds*
- SAD Bonds* 91
- Service options* 51
- Sewer bonds*
sewer revenue..... 137
- sewer rates* *See Utility rates*
- Sexual harassment*..... 57
- Site plan*
defined..... 104
- Social Security Number Privacy Act*
One-Pager Plus..... 147
- Special Assessment bonds* 91
- Special assessment hearing*..... 138
- Special assessments*..... 138
as revenue source for capital budget 84
authority 95
based on property value 138
defined..... 104
Headlee amendment..... 138
related to financing joint ventures..... 54
- Special Assessments* 95
procedures 96
- Special meeting*
defined..... 139
- Special permit or use*
defined..... 104
- Special Tax for Advertising*
defined..... 112
- Standards of Conduct and Ethics Act*
defined..... 106
- State and Federal Affairs Division of
Michigan Municipal League* 41
- State Boundary Commission* 17, 18
defined..... 7
- State Boundary Commission Act*
defined..... 111
- State Construction Code*
One-Pager Plus..... 147
- State equalized value*..... 78
- State Ethics Act* 36
- State Housing Development Authority*
defined..... 108

<i>State statutes</i>	
related to limitation on local financial authority	78
relating to purchasing	86
<i>Structure of local in Michigan</i>	
for more information	143
<i>Sunshine laws</i>	
defined	22
<i>Surplus Funds Investment Pool Act</i>	
defined	107
<i>TANs..... See Tax anticipation notes</i>	
<i>Tax abatement programs</i>	92
<i>Tax anticipation notes.....</i>	90
<i>Tax increment bonds</i>	91
<i>Tax Increment Finance Authority Act</i>	
defined	106, 107
<i>Tax rate</i>	
defined	105
<i>Tax roll</i>	
defined	105
<i>Tax Tribunal Act</i>	
defined	107
<i>Taxable value</i>	78
<i>Taxing powers</i>	
defined	105
<i>Technology Park Development Act</i>	
defined	107
<i>The Use of Work Sessions by Legislative Bodies</i>	
One-Pager Plus.....	147
<i>Training</i>	
municipal officials	45
<i>Treasurer</i>	
duties of.....	25
<i>Truth in Budgeting Acts</i>	
defined	107
<i>Truth in Taxation Act</i>	
defined	107
<i>Uniform Accounting Procedures Manual</i>	145
<i>Uniform Budgeting and Accounting Act..</i>	82, 134
defined	108
<i>Uniform Budgeting Manual for Local Units of Government in Michigan</i>	145
<i>Uniform Chart of Accounts.....</i>	145
<i>Uniform City Income Tax Act</i>	83
<i>Uniform Condemnation Procedures Act</i>	
defined	109, 111
<i>Uniform Traffic Code.....</i>	141
<i>United States Constitution</i>	12
<i>Unlimited tax general obligation bonds.....</i>	91
<i>Updating the Master Plan–5 Year Review One-Pager Plus.....</i>	147
<i>Updating the Master Plan–Mastering the Process</i>	
One-Pager Plus.....	147
<i>Urban Cooperation Act.....</i>	53
defined.....	19
<i>Urban Cooperation Act of 1967</i>	
defined.....	110
<i>User charges</i>	
statutory authority	96
<i>User Charges</i>	95
enforcement and collection	97
<i>User fees</i>	
related to financing joint ventures.....	54
<i>Utility bills</i>	
as a lien against property	142
<i>Utility rates</i>	
setting of.....	142
<i>Utilization of Public Facilities by Physically Limited Persons</i>	
defined.....	109, 112
<i>Variance</i>	
defined.....	105
types of.....	69
<i>Villages</i>	
as form of government	10
defined.....	6
<i>Voted GO bonds</i>	91
<i>Water Furnished Outside Territorial Limits</i>	
defined.....	112
<i>Water meters</i>	142
<i>Water rates..... See Utility rates</i>	
<i>Wedding ceremonies</i>	
performed by mayor.....	142
<i>Whistle Blowers Protection Act</i>	
defined.....	113
<i>Workplace violence</i>	
how to minimize the risk of	57
<i>Zero based budget.....</i>	83
<i>Zoning</i>	
defined.....	105
Laws related to	113
<i>Zoning board of appeals</i>	
role of	66, 68
<i>Zoning ordinance</i>	
purpose of.....	68
<i>Zoning–Basic Questions</i>	
One-Pager Plus.....	147

Open Meetings Act—Definitions and Requirements

Definitions

Public Body	Any local legislative or governing body, including a board, commission, committee, subcommittee, authority or council, empowered to exercise governmental or proprietary authority or function.
Meeting	The convening of a public body at which a quorum is present for the purpose of deliberating toward or rendering a decision on a public policy.
Closed Session	A meeting or part of a meeting of a public body which is closed to the public.
Decision	A determination, action or vote on a motion, proposal, recommendation, resolution or ordinance, on which a vote by members of a public body is required and by which a public body effectuates or formulates public policy.
Person	An individual, corporation, partnership, organization, or association. This does not include an individual serving a sentence of imprisonment in a state or county correctional facility in this state or any other state, or in a federal correctional facility.

Requirements for Meetings

- All meetings of a public body shall be open to the public and shall be held in a place available to the general public. A person may tape record, video tape, broadcast live, and telecast live the proceedings. A public body may establish reasonable rules and regulations in order to minimize the possibility of disrupting the meeting.
- All decisions of a public body shall be made at a meeting open to the public.
- All deliberations of a public body constituting a quorum of its members shall take place at a meeting open to the public, except for closed sessions.
- A person shall be permitted to address a meeting of the public body under rules established by a public body; a person shall not be excluded from a public meeting except for breach of the peace at the meeting.
- The Act does not apply to a meeting which is a social or chance gathering or conference not designed to avoid the Act.
- Notice of regular meetings shall be posted within ten days after the first meeting in each calendar or fiscal year.
- For a rescheduled regular or a special meeting, a public notice stating the date, time, and place of the meeting shall be posted at least 18 hours before the meeting in a prominent and conspicuous place at both the public body's principal office and, if the public body directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of public meeting agendas or minutes, on a portion of the website that is fully accessible to the public. See Fact Sheet: OMA—Posting Requirements for more details.
- Minutes must be taken.

Excerpt: City of Milan Council Rules of Procedure

E. Video Equipment Set-Up Restricts.

Unless otherwise allowed by the presiding officer, video cameras shall be permitted in a designated area subject to the following conditions:

- The camera must be on a tripod, be set in one location and remain there. (No portable equipment moving around the room.)
- The camera must operate without additional artificial light.
- The camera must operate without additional audio. That is, no additional microphones to be set-up in the room.

F. Dismantling of Equipment During Meeting.

If an individual desires to tape only one agenda item, the presiding officer may permit the individual to tape the agenda item if the camera and/or recording equipment can be set-up and dismantled without disruption of the meeting, such as during a recess. If the equipment cannot be dismantled without disruption of the meeting, then the individual will have to wait until the conclusion of the meeting to dismantle the equipment.

Section 9. Citizens' Comments.

(a .) Chapter 6, Section 6.7 of the Westland City Charter states, "Citizens shall have a reasonable opportunity to be heard." Section 15.263(5) of the Michigan Open Meetings Act provides that persons shall be permitted to address the meeting of a public body under the rules established by the public body, and also provides that the public body may limit the right to address the public body to prescribed times.

(b .) Council hereby establishes a three (3) minute time limit for speakers under these two (2) categories:

(1) "Citizen's Questions or Input on the Agenda". This section will allow citizens to be recognized only at the beginning of the meeting to address the Council pertaining to items that are specifically on the business agenda at that meeting.

(2) "Citizen's Comments or Requests". This section will allow a citizen to be recognized at the conclusion of the Council's regular business to make general comments that mayor may not pertain to the business that was before the Council at that meeting.

(c.) Any citizen may additionally speak once at a public hearing for three (3) minutes.

(d .) The Council President shall have the authority to maintain order during the meeting.

(e .) Persons wishing to make an "announcement or special presentation" during that section of the agenda shall notify the Clerk's office by Friday at 12:00 noon before the Council meeting in which they wish to speak.

(f.) When a citizen is done addressing the Council, or when their time has been exhausted, they must immediately be seated. They may not return to the podium for any reason - unless requested to do so by the Council President or meeting chairperson.

Section 10. Suspension of Three Minute Rule.

(a .) Persons with a voted or appointed position, who are representing a subdivision, condominium, business, community or civic association during one of the above-mentioned sections and wishing to make a special presentation regarding a specific item that may take longer than the allotted three (3) minutes shall notify the City Clerk or Council President prior to the meeting. The Council President shall decide if and when the presentation will be made.

(b .) Any other citizen wishing to make a special presentation regarding a specific item that may take longer than three (3) minutes shall notify the City Clerk no later than 12:00 noon the Friday before the meeting. The Council President will

decide if the presentation will be made and at what point during the meeting it will be allowed.

Section 11. Yielding of Time Prohibited. Robert's Rules of Order does not allow a person to yield time to another person. The Westland City Council shall not allow a person to yield time to another person.

Section 12. Time Keeping.

(a .) The City Clerk and/or Secretary shall be responsible for keeping track of the Citizen's allotted time of three (3) minutes and notifying the President/Pro Tem when time has elapsed. A time clock will be kept within view of the timekeeper. The clock will start upon the first words of the speaker and will not stop while the speaker is recognized from the floor. It is the speaker's option to use up their time if they wish to have questions answered at this time. The clock will not be stopped by request once it is started. The clock will continue to run until the speaker is completed or their speaking time is exhausted.

(b .) If the President/Pro Tem announces the intention to close "Citizen's Comments and Request" and there are no requests to be recognized by the citizens, then the Chairperson shall close the Citizen's Request section of the agenda for the remainder of the meeting.

Section 13. Citizens' Comments Policies.

(a .) A public notice of sufficient size and easily readable print shall be posted on the premises during the City Council meetings and/or printed at the top of the Agenda with a brief and understandable explanation of the Council's procedures for a citizen speaking at Council meetings.

(b .) Any citizen wishing to address the Council shall provide their name and City of residence, and shall address their comments through the Chair when speaking from the podium. Only the citizen recognized by the Chair shall be allowed to speak during the "Citizen's Comments and Requests" portion of the agenda without Council and/or others commenting, unless a question is directed through the Chair, by that citizen, toward a specific Council Member, the Mayor or other City official. All City officials may elect to respond to questions directed to them through the Chair. Additionally, the Mayor (or designee in the Mayors' absence), or any Council Member may elect to respond to any comment directed toward them or another City official at any time during a meeting in order to correct an error or misstatement of fact.

(c.) If the Mayor, City Council Member or other City Official interrupts the speaker and it is not in response to a direct question, then the clock will be stopped and then re-started when the citizen is again allowed to speak.

(d .) The Chair shall call to order any person who is being disorderly by speaking when not having been recognized by the chair, or is being disruptive to the proceedings. If any person, after being called to order, continues to be disorderly and disruptive to the meeting, the Chair may order that person removed from the meeting.

OPEN MEETINGS ACT HANDBOOK



Attorney General Bill Schuette

The Handbook is intended to be a quick reference guide. It is not intended to be encyclopedic on every subject or resolve every situation that may be encountered.

TABLE OF CONTENTS

THE BASICS

The Act.....	4
What bodies are covered?	4
Public notice requirements	4
Agendas and the OMA	6
Penalties for OMA violations	6
Lawsuits to compel compliance	6
Correcting non-conforming decisions	6

DECISIONS MUST BE MADE IN PUBLIC MEETINGS

All decisions must be made at a meeting open to the public	7
Meeting "informally" to discuss matters	7
Canvassing board members on how they might vote	7
May a quorum of a board gather outside an open meeting without violating the OMA?	8
Advisory committees and the OMA	8
Use of e-mail or other electronic communications during an open meeting	9

CLOSED SESSIONS

Meeting in closed session	10
A closed session must be conducted during the course of an open meeting	10
Going into closed session	11
Leaving a closed session	11
Decisions must be made at an open meeting, not the closed session	12
Avoid using the terms "closed session" and "executive session" interchangeably	12
Staff and others may join the board in a closed session	12
Forcibly removing a person from a closed session	12

PUBLIC ATTENDING OPEN MEETINGS

Excluding individuals	13
Identifying public attendees	13
Limiting public comment	13
Meeting location	14
Timing of public comment	14

Taping and broadcasting14

MINUTES

What must be in the minutes15
When must the minutes be available15
When must the minutes be approved15
Closed session minutes15
Inadvertent omissions from the minutes16

PARLIAMENTARY PROCEDURES

Core principle17

QUORUM

Quorum17
What is the quorum?17
Disqualified members17
Losing a quorum18
Resigned members18

VOTING

Abstain19
Adjourning the meeting19
Chairperson voting19
Expired-term members19
Imposing a greater voting requirement19
Majority19
Proxy voting20
Roll call vote20
Round-robin voting20
Rule of necessity20
Secret ballot21
Tie vote21

OPEN MEETINGS ACT

THE BASICS

The Act – the [Open Meetings Act \(OMA\) is 1976 PA 267, MCL 15.261 through 15.275](#). The OMA took effect January 1, 1977. In enacting the OMA, the Legislature promoted a new era in governmental accountability and fostered openness in government to enhance responsible decision making.¹

Nothing in the OMA prohibits a public body from adopting an ordinance, resolution, rule, or charter provision that requires a greater degree of openness relative to public body meetings than the standards provided for in the [OMA](#).²

What bodies are covered? – the OMA applies to all meetings of a [public body](#).³ A "public body" is broadly defined as:

[A]ny state or local legislative or governing body, including a board, commission, committee, subcommittee, authority, or council, that is empowered by state constitution, statute, charter, ordinance, resolution, or rule to *exercise governmental or proprietary authority or perform a governmental or proprietary function*; a lessee of such a body performing an essential public purpose and function pursuant to the [lease agreement](#).⁴ [Emphasis added.]

As used in the OMA, the term "[public body](#)" connotes a collective entity and does not include an individual government official.⁵ The OMA does not apply to [private, nonprofit corporations](#).⁶

Public notice requirements – a meeting of a public body cannot be held unless public notice is given consistent with the [OMA](#).⁷ A [public notice](#) must contain the public body's name, telephone number, and address, and must be posted at its principal office and any other locations

¹ *Booth Newspapers, Inc v Univ of Michigan Bd of Regents*, 444 Mich 211, 222-223; 507 NW2d 422 (1993).

² MCL 15.261.

³ MCL 15.263. When the Handbook refers to a "board," the term encompasses all boards, commissions, councils, authorities, committees, subcommittees, panels, and any other public body.

⁴ MCL 15.262(a). The provision in the OMA that includes a lessee of a public body performing an essential public purpose is unconstitutional because the title of the act does not refer to organizations other than "public bodies." OAG, 1977-1978, No 5207, p 157 (June 24, 1977). Certain boards are excluded "when deliberating the merits of a case." MCL 15.263(7). See also MCL 15.263(8) and (10).

⁵ *Herald Co v Bay City*, 463 Mich 111, 129-133; 614 NW2d 873 (2000) – a city manager is not subject to the OMA. *Craig v Detroit Public Schools Chief Executive Officer*, 265 Mich App 572, 579; 697 NW2d 529 (2005). OAG, 1977-1978, No 5183A, p 97 (April 18, 1977).

⁶ OAG, 1985-1986, No 6352, p 252 (April 8, 1986) – the Michigan High School Athletic Association is not subject to the OMA. See also *Perlono v Iron River Cooperative TV Antenna Corp*, 122 Mich App 433; 332 NW2d 502 (1983).

⁷ MCL 15.265(1). *Nicholas v Meridian Charter Twp*, 239 Mich App 525, 531; 609 NW2d 574 (2000).

the public body considers appropriate.⁸ If a public body is a part of a state department, a [public notice](#) must also be posted in the principal office of the state department.⁹

Public notice requirements are specific to the type of meeting:

- (1) For regular meetings of a public body, there shall be posted within 10 days after the first meeting of the public body in each calendar or fiscal year a public notice stating the dates, times, and places of its regular meetings.
- (2) For a change in schedule of regular meetings of a public body, there shall be posted within three days after the meeting at which the change is made, a public notice stating the new dates, times, and places of its regular meetings.
- (3) For a rescheduled regular or a special meeting of a public body, a public notice stating the date, time, and place of the meeting shall be posted at least 18 hours before the meeting.
- (4) A meeting of a public body which is recessed for more than 36 hours shall be reconvened only after [public notice](#) has been posted at least 18 hours before the reconvened meeting.¹⁰

At their first meeting of the calendar or fiscal year, each board must set the dates, times, and places of the board's regular meetings for the coming year. The OMA does not require any particular number of meetings. The board's schedule of regular meetings is not, of course, set in stone. The board is free to cancel or reschedule its meetings.

The minimum 18-hour notice requirement is not fulfilled if the public is denied access to the notice of the meeting for any part of the [18 hours](#).¹¹ The requirement may be met by posting at least 18 hours in advance of the meeting using a method designed to assure access to the notice. For example, the public body can post the [notice](#) at the main entrance visible on the outside of the building that houses the principal office of the public body.¹²

A public body must send copies of the public notices by first class mail to a requesting party, upon the party's payment of a yearly fee of not more than the reasonable estimated cost of printing and postage. Upon written request, a public body, at the same time a public notice of a meeting is posted, must provide a copy of the public notice to any newspaper published in the state or any radio or television station located in the state, [free of charge](#).¹³

⁸ MCL 15.264(a)-(c).

⁹ MCL 15.264(c).

¹⁰ MCL 15.265(2)-(5).

¹¹ OAG, 1979-1980, No 5724, p 840 (June 20, 1980).

¹² OAG No 5724.

¹³ MCL 15.266.

Agendas and the OMA – while the OMA requires a public body to give public notice when it meets, it has no requirement that the [public notice](#) include an agenda or a specific statement as to the purpose of a meeting.¹⁴ No agenda format is required by the OMA.¹⁵

Penalties for OMA violations – a public official who "intentionally violates" the OMA may be found guilty of a [misdemeanor](#)¹⁶ and may be [personally liable](#) for actual and exemplary damages of not more than \$500 for a single meeting.¹⁷ The exemptions in the OMA must be strictly construed. The "rule of lenity" (i.e., courts should mitigate punishment when the punishment in the criminal statute is unclear) does not apply to construction of the OMA's exemptions.¹⁸

A decision made by a public body may be invalidated by a court, if the public body has not complied with the requirements of [MCL 15.263\(1\), \(2\), and \(3\)](#) [i.e., making decisions at a public meeting] or if failure to give notice in accordance with section 5 has interfered with substantial compliance with [MCL 15.263\(1\), \(2\), and \(3\)](#) and the court finds that the noncompliance has impaired the rights of the public under the OMA.

Lawsuits to compel compliance – actions must be brought within [60 days](#) after the public body's approved minutes involving the challenged decision are made publicly available.¹⁹ If the decision involves the approval of contracts, the receipt or acceptance of bids, or the procedures pertaining to the issuance of bonds or other evidences of indebtedness, the action must be brought within [30 days](#) after the approved minutes are made publicly available.²⁰ If the decision of a state public body is challenged, venue is in [Ingham County](#).²¹

Correcting non-conforming decisions – in any case where a lawsuit has been initiated to invalidate a public body's decision on the ground that it was not made in conformity with the OMA, the public body may, without being deemed to make any admission contrary to its interest, reenact the disputed decision in conformity with the OMA. A decision reenacted in this manner shall be effective from the [date of reenactment](#) and is not rendered invalid by any deficiency in its initial enactment.²² If the board acts quickly, the reenactment may defeat a claim for attorney's fees, since plaintiffs would not be successful in "obtaining relief in the action" within the meaning of the OMA.²³

¹⁴ OAG, 1993-1994, No 6821, p 199 (October 18, 1994). But, as discussed in OAG No 6821, other statutes may require a public body to state in its notice the business to be transacted at the meeting.

¹⁵ *Lysogorski v Bridgeport Charter Twp*, 256 Mich App 297, 299; 662 NW2d 108 (2003).

¹⁶ MCL 15.272.

¹⁷ MCL 15.273.

¹⁸ *People v Whitney*, 228 Mich App 230, 244; 578 NW2d 329 (1998).

¹⁹ MCL 15.270(3)(a).

²⁰ MCL 15.270(3)(b).

²¹ MCL 15.270(4).

²² MCL 15.270(5).

²³ *Leemreis v Sherman Twp*, 273 Mich App 691, 700; 731 NW2d 787 (2007). *Felice v Cheboygan County Zoning Comm*, 103 Mich App 742, 746; 304 NW2d 1 (1981).

DECISIONS MUST BE MADE IN PUBLIC MEETINGS

All decisions must be made at a meeting open to the public – the OMA defines "decision" to mean "a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, order, ordinance, bill, or measure on which a vote by members of a public body is required and by which a [public body](#) effectuates or formulates public policy."²⁴ The OMA provides that "[a]ll decisions of a public body shall be made at a meeting open to the public," and that, with limited exceptions, "[a]ll deliberations of a public body constituting a quorum of its members shall take place at a meeting [open to the public](#)."²⁵

The OMA does not contain a "voting requirement" or any form of "formal voting requirement." A "consensus building process" that equates to decision-making would fall under the act.²⁶ For example, where board members use telephone calls or sub-quorum meetings to achieve the same intercommunication that could have been achieved in a full board or commission meeting, the members' conduct is susceptible to "round-the-horn" decision-making, which achieves the same effect as if the entire board had met publicly and formally cast its votes. A "round-the-horn" process violates the OMA.²⁷

Meeting "informally" to discuss matters – while the OMA "does not apply to a meeting which is a [social or chance gathering or conference](#) not designed to avoid this act,"²⁸ a meeting of a public body must be open to the public. The OMA does not define the terms "social or chance gathering" or "conference," and provides little direct guidance as to the precise scope of this [exemption](#).²⁹ To promote openness in government, however, the OMA is entitled to a broad interpretation and exceptions to conduct closed sessions must be construed strictly.³⁰ Thus, the [closed session exception](#) does not apply to a quorum of a public body that meets to discuss matters of public policy, even if there is no intention that the deliberations will lead to a decision on that occasion.³¹

Canvassing board members on how they might vote – an informal canvas by one member of a public body to find out where the votes would be on a particular issue does not violate the OMA,

²⁴ MCL 15.262(d).

²⁵ MCL 15.263(2) and (3).

²⁶ *Booth Newspapers, Inc v Univ of Michigan Bd of Regents*, 444 Mich at 229.

²⁷ *Booth Newspapers, Inc*, 444 Mich at 229 – "any alleged distinction between the [public body's] consensus building and a determination or action, as advanced in the OMA's definition of 'decision,' is a distinction without a difference."

²⁸ MCL 15.263(10).

²⁹ OAG, 1981-1982, No 6074, p 662, 663 (June 11, 1982).

³⁰ *Wexford County Prosecutor v Pranger*, 83 Mich App 197, 201, 204; 268 NW2d 344 (1978).

³¹ OAG, 1977-1978, No 5298, p 434, 435 (May 2, 1978). See also OAG, 1979-1980, No 5444, p 55, 56 (February 21, 1979) – anytime a quorum of a public body meets and considers a matter of public policy, the meeting must comply with the OMA's requirements. Compare OAG, 1979-1980, No 5437, p 36, 37 (February 2, 1979), where members of a public body constituting a quorum come together by chance, the gathering is exempt from the OMA; however, even at a chance meeting, matters of public policy may not be discussed by the members with each other.

so long as no decisions are made during the discussions and the discussions are not a deliberate attempt to the avoid the OMA.³²

May a quorum of a board gather outside an open meeting without violating the OMA? – yes, in some instances. In addition to a purely [social gathering or chance gathering](#)³³ that does not involve discussions of public policy among the members of the board, a quorum may accept an invitation to address a [civic organization](#),³⁴ listen to the concerns of a neighborhood organization, or observe demonstrations, if the board doesn't deliberate toward, or make, a [decision](#).³⁵

A board quorum also may meet for a workshop, seminar, informational gathering, or professional conference designed to convey, to the conference participants, information about areas of [professional interest](#) common to all conference participants.³⁶ These kinds of meetings involve a conference designed primarily to provide training or background information and involve a relatively broad focus upon issues of general concern, rather than a more limited focus on matters or issues of [particular interest](#) to a single public body.³⁷ However, when gatherings are designed to receive input from officers or employees of the public body, the OMA requires that the gathering be held at a [public meeting](#).³⁸

The OMA was not violated when several members of the board of county commissioners attended a public meeting of the county planning committee (which had more than fifty members, two who were county commissioners), which resulted in a quorum of the board being present at the meeting (without the meeting also being noticed as a county commission meeting), so long as the nonmember commissioners did not engage in deliberations or render [decisions](#).³⁹

Advisory committees and the OMA – the OMA does not apply to committees and subcommittees composed of less than a quorum of the full public body if they "are merely [advisory](#) or only capable of making 'recommendations concerning the exercise of governmental authority.'"⁴⁰

Where, on the other hand, a committee or subcommittee is empowered to act on matters in such a fashion as to deprive the full public body of the opportunity to consider a matter, a decision of the committee or subcommittee "is an exercise of governmental authority which effectuates

³² *St Aubin v Ishpeming City Council*, 197 Mich App 100, 103; 494 NW2d 803 (1992).

³³ OAG, 1979-1980, No 5437, p 36 (February 2, 1979).

³⁴ OAG, 1977-1978, No 5183, p 21, 35 (March 8, 1977).

³⁵ OAG, 1977-1978, No 5364, p 606, 607 (September 7, 1978).

³⁶ OAG, 1979-1980, No 5433, p 29, 31 (January 31, 1979).

³⁷ OAG, 1981-1982, No 6074, at p 664.

³⁸ OAG No 5433 at p 31.

³⁹ OAG, 1989-1990, No 6636, p 253 (October 23, 1989), cited with approval in *Ryant v Cleveland Twp*, 239 Mich App 430, 434-435; 608 NW2d 101 (2000) and *Nicholas v Meridian Charter Twp*, 239 Mich App at 531-532. If, however, the noncommittee board members participate in committee deliberations, the OMA would be violated. *Nicholas*, 239 Mich App at 532.

⁴⁰ OAG, 1997-1998, No 6935, p 18 (April 2, 1997); OAG No 5183 at p 40.

public policy" and the committee or subcommittee proceedings are, therefore, subject to the [OMA](#).⁴¹

If a joint meeting of two committees of a board (each with less than a quorum of the board) results in the presence of a quorum of the board, the board must comply in all respects with the OMA and notice of the joint meeting must include the fact that a [quorum](#) of the board will be present.⁴²

Use of e-mail or other electronic communications among board members during an open meeting – e-mail, texting, or other forms of electronic communications among members of a board or commission during the course of an open meeting that constitutes deliberations toward decision-making or actual decisions violates the OMA, since it is in effect a "closed" session. While the OMA does not require that all votes by a public body must be by roll call, voting requirements under the act are met when a vote is taken by roll call, show of hands, or other method that informs the public of the public official's decision rendered by his or her vote. Thus, the OMA bars the use of e-mail or other electronic communications to conduct a secret ballot at a public meeting, since it would prevent citizens from knowing how members of the public body have [voted](#).⁴³

Moreover, the use of electronic communications for discussions or deliberations, which are not, at a minimum, able to be heard by the public in attendance at an open meeting are contrary to the OMA's core purpose – the promotion of openness in government.⁴⁴

Using e-mail to distribute handouts, agenda items, statistical information, or other such material during an open meeting should be permissible under the OMA, particularly when copies of that information are also made available to the public before or during the meeting.

⁴¹ *Schmiedicke v Clare School Bd*, 228 Mich App 259, 261, 263-264; 577 NW2d 706 (1998); *Morrison v East Lansing*, 255 Mich App 505; 660 NW2d 395 (2003); and OAG, 1997-1998, No 7000, p 197 (December 1, 1998) – a committee composed of less than a quorum of a full board is subject to the OMA, if the committee is effectively authorized to determine whether items will or will not be referred for action by the full board, citing OAG, 1977-1978, No 5222, p 216 (September 1, 1977).

⁴² OAG, 1989-1990, No 6636, at p 254.

⁴³ See *Esperance v Chesterfield Twp*, 89 Mich App 456, 464; 280 NW2d 559 (1979) and OAG, 1977-1978, No 5262, p 338 (January 31, 1978).

⁴⁴ See *Booth Newspapers, Inc*, 444 Mich at 229; *Schmiedicke*, 228 Mich App at 263, 264; and *Wexford County Prosecutor*, 83 Mich App at 204.

CLOSED SESSIONS

Meeting in closed session – a public body may meet in a [closed session](#) *only* for one or more of the permitted purposes specified in section 8 of the OMA.⁴⁵ The [limited purposes](#) for which closed sessions are permitted include, among others⁴⁶:

- (1) To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation of, a public officer, employee, staff member, or individual agent, *if the named person requests a [closed hearing](#)*.⁴⁷
- (2) For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement *if either negotiating party requests a [closed hearing](#)*.⁴⁸
- (3) To consider the purchase or lease of real property up to the time an option to purchase or lease that [real property](#) is obtained.⁴⁹
- (4) To consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, *but only if an [open meeting](#) would have a detrimental financial effect on the litigating or settlement position of the public body*.⁵⁰
- (5) To review and consider the contents of an application for employment or appointment to a public office *if the candidate requests that the application remain confidential*. However, all [interviews](#) by a public body for employment or appointment to a public office shall be held in an open meeting pursuant to this act.⁵¹
- (6) To consider material [exempt](#) from discussion or disclosure by state or federal statute.⁵² But note – a board is not permitted to go into closed session to discuss an attorney's oral opinion, as opposed to a written legal memorandum.⁵³

A closed session must be conducted during the course of an open meeting – section 2(c) of the OMA defines "[closed session](#)" as "a meeting or part of a meeting of a public body that is

⁴⁵ MCL 15.268. OAG, 1977-1978, No 5183, at p 37.

⁴⁶ The other permissible purposes deal with public primary, secondary, and post-secondary student disciplinary hearings – section 8(b); state legislature party caucuses – section 8(g); compliance conferences conducted by the Michigan Department of Community Health – section 8(i); and public university presidential search committee discussions – section 8(j).

⁴⁷ MCL 15.268(a) (Emphasis added.)

⁴⁸ MCL 15.268(c) (Emphasis added.)

⁴⁹ MCL 15.268(d).

⁵⁰ MCL 15.268(e) (Emphasis added.)

⁵¹ MCL 15.268(f) (Emphasis added.)

⁵² MCL 15.268(h).

⁵³ *Booth Newspapers, Inc v Wyoming City Council*, 168 Mich App 459, 467, 469-470; 425 NW2d 695 (1988).

closed to the public."⁵⁴ Section 9(1) of the OMA provides that the [minutes](#) of an open meeting must include "the purpose or purposes for which a closed session is held."⁵⁵

Going into closed session – section 7(1) of the [OMA](#)⁵⁶ sets out the procedure for calling a closed session:

A 2/3 roll call vote of members elected or appointed and serving is required to call a closed session, except for the closed sessions permitted under section 8(a), (b), (c), (g), (i), and (j). The roll call vote and the purpose or purposes for calling the closed session shall be entered into the minutes of the meeting at which the vote is taken.

Thus, a public body may go into closed session only upon a motion duly made, seconded, and adopted by a [2/3 roll call vote](#) of the members appointed and serving⁵⁷ during an open meeting for the purpose of (1) considering the purchase or lease of real property, (2) consulting with their attorney, (3) considering an employment application, or (4) considering material exempt from disclosure under state or federal law. A majority vote is sufficient for going into closed session for the other OMA permitted purposes.

We suggest that every motion to go into closed session should cite one or more of the permissible purposes listed in section 8 of the [OMA](#).⁵⁸ An example of a motion to go into closed session is:

I move that the Board meet in closed session under section 8(e) of the Open Meetings Act, to consult with our attorney regarding trial or settlement strategy in connection with [the name of the specific lawsuit].

Another example is the need to privately discuss with the public body's attorney a memorandum of advice as permitted under section 8(h) of the OMA – "to consider material [exempt](#) from discussion or disclosure by state or federal statute."⁵⁹ The motion should cite section 8(h) of the OMA and the statutory basis for the closed session, such as section 13(1)(g) of the [Freedom of Information Act](#), which exempts from public disclosure "[i]nformation or records subject to the attorney-client privilege."⁶⁰

Leaving a closed session – the OMA is silent as to how to leave a closed session. We suggest that you recommend a motion be made to end the closed session with a majority vote needed for

⁵⁴ MCL 15.262(c).

⁵⁵ MCL 15.269(1).

⁵⁶ MCL 15.267(1).

⁵⁷ And not just those attending the meeting. OAG No 5183 at p 37.

⁵⁸ MCL 15.268.

⁵⁹ MCL 15.268(h). Proper discussion of a written legal opinion at a closed meeting is, with regard to the attorney-client privilege exemption to the OMA, limited to the meaning of any strictly legal advice presented in the written opinion. *People v Whitney*, 228 Mich App at 245-248.

⁶⁰ MCL 15.243(1)(g).

approval. Admittedly, this is a decision made in a closed session, but it certainly isn't a decision that "effectuates or formulates public policy."

When the public body has concluded its closed session, the open meeting minutes should state the time the public body reconvened in open session and, of course, any votes on matters discussed in the closed session must occur in an open meeting.

Decisions must be made during an open meeting, not the closed session – section 3(2) of the OMA requires that "[a]ll decisions of a public body shall be made at a meeting [open to the public](#)."⁶¹ Section 2(d) of the OMA defines "[decision](#)" to mean "a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, order, ordinance, bill, or measure on which a vote by members of a public body is required and by which a public body effectuates or formulates public policy."⁶²

Avoid using the terms "closed session" and "executive session" interchangeably – we suggest that a public body not use the term "executive session" to refer to a "closed session." The term "executive session" does not appear in the OMA, but "closed session" does. "Executive session" is more of a private sector term and is often used to describe a private session of a board of directors, which is not limited as to purpose, where actions can be taken, and no minutes are recorded.

Staff and others may join the board in a closed session – a public body may rely upon its officers and employees for [assistance](#) when considering matters in a closed session. A public body may also request private citizens to assist, as appropriate, in its considerations.⁶³

Forcibly excluding persons from a closed session – a public body may, if necessary, exclude an [unauthorized individual](#) who intrudes upon a closed session by either (1) having the individual forcibly removed by a law enforcement officer, or (2) by recessing and removing the closed session to a new location.⁶⁴

⁶¹ MCL 15.263(2). *St Aubin v Ishpeming City Council*, 197 Mich App at 103. See also, OAG, 1977-1978, No 5262, at p 338-339 – the OMA prohibits a voting procedure at a public meeting which prevents citizens from knowing how members of the public body have voted and OAG, 1979-1980, No 5445, p 57 (February 22, 1979) – a public body may not take final action on any matter during a closed meeting.

⁶² MCL 15.262(d).

⁶³ OAG, 1979-1980, No 5532, p 324 (August 7, 1979).

⁶⁴ OAG, 1985-1986, No 6358, p 268 (April 29, 1986), citing *Regents of the Univ of Michigan v Washtenaw County Coalition Against Apartheid*, 97 Mich App 532; 296 NW2d 94 (1980).

PUBLIC ATTENDING OPEN MEETINGS

Excluding individuals – no one may be excluded from a meeting otherwise open to the public except for a [breach of the peace](#) actually committed at the meeting.⁶⁵

Identifying public attendees – no one may be required to register or otherwise provide his or her name or other information or otherwise to fulfill a [condition](#) precedent to attend a public meeting.⁶⁶

Building security at the meeting site may cause issues. Members of the public might object, based on the [OMA](#), to signing in to gain access to the building where a public meeting is being held.⁶⁷ We, therefore, recommend that public bodies meet in facilities or areas not subject to public access restrictions.

If the public body wishes the members of the public to identify themselves at the meeting, we suggest the board chair announce something like this:

The Board would appreciate having the members of the public attending the meeting today identify themselves and mention if they would like the opportunity to speak during the public comment period. However, you do not need to give your name to attend this meeting. When the time comes to introduce yourself and you do not want to do so, just say pass.

Since speaking at the meeting is a step beyond "attending" the public meeting and the OMA provides that a person may address the public body "under rules established and recorded by the public body," the board may establish a [rule](#) requiring individuals to identify themselves if they wish to speak at a meeting.⁶⁸

Limiting public comment – a public body may adopt a [rule](#) imposing individual time limits for members of the public addressing the public body.⁶⁹ In order to carry out its responsibilities, the board can also consider establishing rules allowing the chairperson to encourage groups to designate one or more individuals to speak on their behalf to avoid cumulative comments. But a [rule](#) limiting the period of public comment may not be applied in a manner that denies a person the right to address the public body, such as by limiting all public comment to a half-hour period.⁷⁰

⁶⁵ MCL 15.263(6).

⁶⁶ MCL 15.263(4).

⁶⁷ In addition, "[a]ll meetings of a public body . . . shall be held in a place available to the general public." MCL 15.263(1).

⁶⁸ MCL 15.263(5). OAG, 1977-1978, No 5183, at p 34.

⁶⁹ OAG, 1977-1978, No 5332, p 536 (July 13, 1978). The rule must be duly adopted and recorded. OAG, 1977-1978, No 5183, at p 34.

⁷⁰ OAG No 5332 at p 538.

Meeting location – the [OMA](#) only requires that a meeting be held "in a place available to the general public;" it does not dictate that the meeting be held within the geographical limits of the public body's jurisdiction.⁷¹ However, if a meeting is held so far from the public which it serves that it would be difficult or inconvenient for its citizens to attend, the meeting may not be considered as being held at a place available to the general public. Whenever possible, the meeting should be held within the public body's geographical boundaries.

Timing of public comment – a public body has discretion under the OMA when to schedule [public comment](#) during the meeting.⁷² Thus, scheduling public comment at the beginning⁷³ or the [end](#)⁷⁴ of the meeting agenda does not violate the OMA. The public has no right to address the [commission](#) during its deliberations on a particular matter.⁷⁵

Taping and broadcasting – the [right](#) to attend a public meeting includes the right to tape-record, videotape, broadcast live on radio, and telecast live on television the proceedings of a public body at the public meeting.⁷⁶ A board may establish reasonable [regulations](#) governing the televising or filming by the electronic media of a hearing open to the public in order to minimize any disruption to the hearing, but it may not prohibit such coverage.⁷⁷ And the exercise of the [right](#) to tape-record, videotape, and broadcast public meetings may not be dependent upon the prior approval of the public body.⁷⁸

⁷¹ OAG, 1979-1980, No 5560, p 386 (September 13, 1979). Of course, local charter provisions or ordinances may impose geographical limits on public body meetings.

⁷² MCL 15.263(5).

⁷³ *Lysogorski v. Bridgeport Charter Twp*, 256 Mich App at 302.

⁷⁴ OAG, 1979-1980, No 5716, p 812 (June 4, 1980).

⁷⁵ OAG, 1977-1978, No 5310, p 465, 468 (June 7, 1978).

⁷⁶ MCL 15.263(1).

⁷⁷ OAG, 1987-1988, No 6499, p 280 (February 24, 1988).

⁷⁸ MCL 15.263(1).

MINUTES

What must be in the minutes – at a minimum, the minutes must show the date, time, place, members present, members absent, any decisions made at a meeting open to the public, and the purpose or purposes for which a closed session is held. The [minutes](#) must include all roll call votes taken at the meeting.⁷⁹ The OMA does not prohibit a public body from preparing a more detailed set of minutes of its public meetings if it chooses to do so.⁸⁰

When must the minutes be available – proposed minutes must be made available for public inspection within eight days after the applicable meeting. Approved [minutes](#) must be made available for public inspection within five days after the public body's approval.⁸¹

When must the minutes be approved – at the board's [next meeting](#).⁸² Corrected minutes must show both the original entry and the correction (for example, using a "strikethrough" word processing feature).

Closed session minutes – a separate set of minutes must be taken for closed sessions. While closed session minutes must be approved in an open meeting (with contents of the minutes kept confidential), the board may meet in [closed session](#) to consider approving the minutes.⁸³

Closed session minutes shall only be disclosed if required by a civil action filed under sections 10, 11, or 13 of the [OMA](#).⁸⁴ The board secretary may furnish the minutes of a closed session of the body to a board member. A member's [dissemination](#) of closed session minutes to the public, however, is a violation of the OMA, and the member risks criminal prosecution and civil penalties.⁸⁵ An audiotape of a closed session meeting of a public body is part of the minutes of the session meeting and, thus, must be filed with the clerk of the public body for retention under the OMA.⁸⁶

Closed session minutes may be [destroyed](#) one year and one day *after approval of the minutes of the regular meeting at which the closed session occurred*.⁸⁷

⁷⁹ MCL 15.269(1).

⁸⁰ Informational letter to Representative Jack Brandenburg from Chief Deputy Attorney General Carol Isaacs dated May 8, 2003.

⁸¹ MCL 15.269(3).

⁸² MCL 15.269(1)

⁸³ OAG, 1985-1986, No 6365, p 288 (June 2, 1986). This, of course, triggers the need for more closed session minutes.

⁸⁴ MCL 15.270, 15.271, and 15.273; *Local Area Watch v Grand Rapids*, 262 Mich App 136, 143; 683 NW2d 745 (2004); OAG, 1985-1986 No 6353, p 255 (April 11, 1986).

⁸⁵ OAG, 1999-2000, No 7061, p 144 (August 31, 2000).

⁸⁶ *Kitchen v Ferndale City Council*, 253 Mich App 115; 654 NW2d 918 (2002).

⁸⁷ MCL 15.267(2).

Inadvertent omissions from the minutes – the OMA does not invalidate a decision due to a simple error in the minutes, such as inadvertently omitting the vote to go into closed session from a meeting's minutes.⁸⁸

⁸⁸ *Willis v Deerfield Twp*, 257 Mich App 541, 554; 669 NW2d 279 (2003).

PARLIAMENTARY PROCEDURES

Core principle – for the actions of a public body to be valid, they must be approved by a [majority vote](#) of a quorum, absent a controlling provision to the contrary, at a lawfully convened meeting.⁸⁹

QUORUM

Quorum – is the minimum number of members who must be present for a board to act. Any substantive action taken in the absence of a quorum is invalid. If a public body properly notices the meeting under OMA, but lacks a quorum when it actually convenes, the board members in attendance may receive reports and comments from the public or staff, ask questions, and comment on matters of interest.⁹⁰

What is the quorum? – look to the statute, charter provision, or ordinance creating the board. On the state level, the Legislature in recent years has taken care to set the board quorum in the statute itself. The statute will often provide that "a majority of the board appointed and serving shall constitute a quorum." For a 15-member board, that means eight would be the quorum, assuming you have 15 members appointed and serving. Without more in the statute, as few as five board members could then decide an issue, since they would be a majority of a [quorum](#).⁹¹ But, be careful, recent statutes often provide that "voting upon action taken by the board shall be conducted by [majority vote](#) of the members appointed and serving." In that instance, the board needs at least eight favorable votes to act.⁹² The Legislature has a backstop statute, which provides that any provision that gives "joint authority to 3 or more public officers or other persons shall be construed as giving such authority to a majority of such officers or other persons, unless it shall be otherwise expressly declared in the law giving the authority."⁹³

Disqualified members – a member of a public body who is disqualified due to a [conflict of interest](#) may not be counted to establish a quorum to consider that matter.⁹⁴

⁸⁹ OAG, 1979-1980, No 5808, p 1060 (October 30, 1980). Robert's Rules of Order Newly Revised (RRONR) (10th ed.), p 4. We cite to Robert's Rules in this Handbook as a leading guide on parliamentary procedures. This is not to imply that public bodies are, as a general rule, bound by Robert's Rules.

⁹⁰ OAG, 2009-2010, No 7235, p __ (October 9, 2009).

⁹¹ See OAG, 1977-1978, No 5238, p 261 (November 2, 1977).

⁹² See OAG, 1979-1980, No 5808, at p 1061.

⁹³ MCL 8.3c. *Wood v Bd of Trustees of the Policemen and Firemen Retirement System of Detroit*, 108 Mich App 38, 43; 310 NW2d 39 (1981).

⁹⁴ OAG, 1981-1982, No 5916, p 218 (June 8, 1981). But see MCL 15.342a, which provides a procedure for disqualified public officials to vote in some limited circumstances where a quorum is otherwise lacking for a public body to conduct business.

Losing a quorum – even if a meeting begins with a quorum present, the board loses its right to conduct substantive action whenever the attendance of its members falls below the necessary quorum.⁹⁵

Resigned members – the common law rule in Michigan is that a public officer's resignation is not effective until it has been accepted by the appointing authority (who, at the state level, is usually the governor). Acceptance of the [resignation](#) may be manifested by formal acceptance or by the appointment of a successor.⁹⁶ Thus, until a resignation is formally accepted or a successor appointed, the resigning member must be considered "appointed and serving," be counted for quorum purposes, and be permitted to vote.

⁹⁵ RRONR (10th ed.), p 337-338.

⁹⁶ OAG, 1985-1986, No 6405, p 429, 430 (December 9, 1986), citing *Clark v Detroit Bd of Education*, 112 Mich 656; 71 NW 177 (1897).

VOTING

Abstain – means to refuse to vote. Thus, a board member does not "vote" to abstain. If a vote requires a majority or a certain percentage of the members present for approval, an abstention has the same effect as a "no" vote.⁹⁷

Adjourning the meeting - a presiding officer cannot arbitrarily adjourn a meeting without first calling for a vote of the members present.⁹⁸

Chairperson voting – perhaps as a spillover from the well-known constitutional rule that the vice president can only vote to break a tie in the United States Senate⁹⁹ or that a legislative presiding officer usually refrains from voting unless his or her vote affects the result,¹⁰⁰ some believe that a board's presiding officer (usually, the chairperson) can only vote to break a tie. However, absent a contrary controlling provision, all board members may [vote](#) on any matter coming before a board.¹⁰¹ A board's presiding officer can't vote on a motion and then, if the vote is tied, vote to break the tie unless explicitly authorized by law.¹⁰²

Expired-term members – look first to the statute, charter provision, or ordinance creating the public body. Many statutes provide that "a member shall serve until a successor is appointed." Absent a contrary controlling provision, the general rule is that a public officer holding over after his or her term expires may [continue](#) to act until a successor is appointed and qualified.¹⁰³

Imposing a greater voting requirement – where the Legislature has required only a majority vote to act, public bodies can't impose a greater voting requirement, such as requiring a two-thirds vote of its members to [alter](#) certain policies or bylaws.¹⁰⁴

Majority – means simply "more than half."¹⁰⁵ Thus, on a 15-member board, eight members constitute a majority.

⁹⁷ RRONR (10th ed.), p 390-395.

⁹⁸ *Dingwall v Detroit Common Council*, 82 Mich 568, 571; 46 NW 938 (1890),

⁹⁹ US Const, art I, §3.

¹⁰⁰ RRONR (10th ed.), p 392-393 – an assembly's presiding officer can break or create a tie vote.

¹⁰¹ See OAG, 1981-1982, No 6054, p 617 (April 14, 1982).

¹⁰² *Price v Oakfield Twp Bd*, 182 Mich 216; 148 NW 438 (1914).

¹⁰³ OAG, 1979-1980, No 5606, p 493 (December 13, 1979), citing *Greyhound Corp v Public Service Comm*, 360 Mich 578, 589-590; 104 NW2d 395 (1960). See also, *Cantwell v City of Southfield*, 95 Mich App 375; 290 NW2d 151 (1980).

¹⁰⁴ OAG, 1979-1980, No 5738, p 870 (July 14, 1980). OAG, 2001-2002, No 7081, p 27 (April 17, 2001), citing *Wagner v Ypsilanti Village Clerk*, 302 Mich 636; 5 NW2d 513 (1942).

¹⁰⁵ RRONR (10th ed.), p 387.

Proxy voting – the OMA requires that the deliberation and formulation of decisions effectuating public policy be conducted at open meetings.¹⁰⁶ Voting by proxy effectively forecloses any involvement by the absent board member in the board's public discussion and deliberations before the board votes on a matter effectuating public policy.¹⁰⁷ Without explicit statutory authority, this [practice](#) is not allowed.¹⁰⁸

Roll call vote – there is no bright line rule for conducting a [roll call vote](#).¹⁰⁹ We suggest some rules of thumb. One, when a voice vote reveals a divided vote on the board (i.e., more than one no vote), a roll call vote should be conducted to remove doubt about the vote's count. Two, if you have board members participating by teleconference, a roll call will permit the secretary to accurately record the entire vote. Three, when the board is acting on matters of significance, such as, contracts of substantial size or decisions that will have multi-year impacts, a roll call vote is the best choice.

Round-robin voting – means approval for an action outside of a public meeting by passing around a sign-off sheet. This practice has its roots in the legislative committee practice of passing around a tally sheet to gain approval for discharging a bill without a committee meeting. "[Round-robinning](#)" defeats the public's right to be present and observe the manner in which the body's decisions are made and violates the letter and the spirit of the OMA.¹¹⁰

Rule of necessity – if a state agency's involvement in prior administrative or judicial proceedings involving a party could require recusal of all of its board members or enough of them to prevent a quorum from assembling, the common law rule of necessity precludes recusing all members, if the disqualification would leave the agency unable to adjudicate a question.¹¹¹ But the rule of necessity may not be applied to allow members of a public body to vote on matters that could benefit their [private employer](#).¹¹²

¹⁰⁶ *Esperance v Chesterfield Twp*, 89 Mich App at 464, quoting *Wexford County Prosecutor v Pranger*, 83 Mich App 197; 268 NW2d 344 (1978).

¹⁰⁷ Robert's Rules concur: "Ordinarily it [proxy voting] should neither be allowed nor required, because proxy voting is incompatible with the essential characteristics of a deliberative assembly in which membership is individual, personal, and nontransferable." RRONR (10th ed.), p 414. The Michigan House and Senate do not allow proxy voting for their members.

¹⁰⁸ OAG, 2009-2010, No 7227, p __ (March 19, 2009). OAG, 1993-1994, No 6828, p 212 (December 22, 1994), citing *Dingwall*, 82 Mich at 571, where the city council counted and recorded the vote of absent members in appointing election inspectors. The Michigan Supreme Court rejected these appointments, ruling that "the counting of absent members and recording them as voting in the affirmative on all questions, was also an inexcusable outrage."

¹⁰⁹ "The fact that the Open Meetings Act prohibits secret balloting does not mean that all votes must be roll call votes." *Esperance v Chesterfield Twp*, 89 Mich App at 464 n 9. The OMA does provide that votes to go into closed session must be by roll call. MCL 15.267.

¹¹⁰ OAG, 1977-1978, No 5222, at p 218. See also, *Booth Newspapers*, 444 Mich at 229, which concluded that "round-the-horn" deliberations can constitute decisions under the OMA.

¹¹¹ *Champion's Auto Ferry, Inc v Michigan Public Service Comm*, 231 Mich App 699; 588 NW2d 153 (1998). The Court noted that the PSC members did not have any personal financial interest in the matter. *Id.* at 708-709.

¹¹² OAG, 1981-1982, No 6005, p 439, 446 (November 2, 1981). After OAG No 6005 was issued, the Legislature amended section 2a of 1973 PA 196, MCL 15.342a, to provide a procedure for voting by public officials in some limited circumstances where a quorum is otherwise lacking for a public entity to conduct business.

Secret ballot – the OMA requires that all decisions and deliberations of a public body must be made at an open meeting and the term "[decision](#)" is defined to include voting.¹¹³ The OMA prohibits a "[voting procedure](#)" at a public meeting that prevents citizens from knowing how members of a public body have voted."¹¹⁴ Obviously, the use of a secret ballot process would prevent this transparency. All board decisions subject to the OMA must be made by a public vote at an open meeting.¹¹⁵

Tie vote – a tie vote on a motion means that the motion did not gain a majority. Thus, the motion fails.¹¹⁶

¹¹³ See MCL 15.262(d) and 15.263(2) and (3).

¹¹⁴ OAG, 1977-1978, No 5262, at p 338-339.

¹¹⁵ *Esperance*, 89 Mich App at 464.

¹¹⁶ *Rouse v Rogers*, 267 Mich 338; 255 NW 203 (1934). RRONR (10th ed.), p 392.

Introduction

The Michigan Open Meetings Act (OMA) provides that all meetings of a public body shall be open to the public and be held in a place available to the general public. (MCL 15.261 et seq.) The OMA also provides, however, for those situations in which a public body may meet in closed or executive session. (MCL 15.268) The circumstances under which a public body may go into a closed session are specifically spelled out in the act, as is the procedure for going into a closed session.

When may closed sessions be held?

- To consider dismissal, suspension or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation of, a public officer or employee if requested by the named person.
- For strategy and negotiation sessions connected with negotiation of collective bargaining agreement if requested by either negotiating party.
- To consider purchase or lease of real property up to the time an option to purchase or lease of that property is obtained.
- To consult with an attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have detrimental financial effect on municipality's litigating or settlement position.
- To review and consider contents of application for employment or appointment to public office if candidate requests that application remain confidential. Interviews by public body for employment or appointment to public office must be held in an open meeting. (Act does contain exception to this requirement for selection of college/university presidents under certain conditions.)
- To consider material exempt from discussion or disclosure by state or federal statute.

NOTE: Each of the purposes which allow a closed session, begins with the words "to consider" or "to consult" or "to review." Any actions must be taken in open session.

How do we call a closed session?

From an open meeting, a two-thirds roll call vote is required, except for closed sessions permitted under MCL 15.268(a) (discipline, personnel evaluation, etc. of official/employee) or MCL 15.268(c) (collective bargaining) which require a majority vote. A roll call vote and the purpose for calling a closed session shall be entered into minutes of the open meeting.

How do we end a closed session?

Normally one of the members of the public body moves to return to open session. The body performs any action required as a result of the closed session in open session. The meeting then proceeds with other matters or adjourns in the normal fashion.

Financial Policies:

The budgeting and accounting policies of the City of Leslie conform to all Generally Accepted Accounting Principles (GAAP) as applicable to units of government. The following are other significant budget laws and guidelines that the City follows:

Charter Provisions

The City Charter has several articles that govern the financial activities of the City:

- Article 10 – Administrative Officers
- Article 11 – Contracts and Purchasing
- Article 12 – General Finance
- Article 13 – Taxation
- Article 14 – Special Assessments
- Article 15 – Borrowing Power
- Article 16 – Public Utilities and Franchises

Uniform Budgeting Act

The City is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 known as the Uniform Budgeting Act. The following statements represent a brief synopsis of the major provisions of the Uniform Budgeting Act:

- Budgets must be adopted for the General Fund and all Special Revenue Funds.
- The budget must be balanced.
- The budgets must be amended when necessary.
- Debt cannot be entered into unless permitted by law.
- Expenditures cannot exceed budget appropriations.
- Expenditures cannot be made unless authorized in the budget.
- A public hearing must be held before the budget is adopted.

While the Uniform Budgeting Act only requires that budgets are adopted for the General Fund and Special Revenue Funds, budgets are prepared and adopted for capital improvement, and enterprise funds as well.

Uniform Chart of Accounts

The Michigan Department of Treasury publishes a Uniform Chart of Accounts of Counties and Local Units of Government. The City uses these standards to maintain and update its own chart of accounts.

Other City Policies

The City has a set general financial administration policies and procedures. These policies provide guidelines for the financial decision making process and represent long-standing principles and practices that have helped to maintain the City's current financial stability. The City has also adopted a number of purchase control and reserve policies such as the Purchasing Policy, Credit Card Policy, and the Investment Policy.

City Fund Structure

Fund Accounting

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Each fund is designated by the revenue and purpose of the specific activities or objectives of the City in accordance with special regulations or restrictions. Funds are grouped into generic fund types in three (3) categories:

Governmental Funds

- **General Fund:** The General Fund activities are financed by revenue from general government collections. The majority of these revenues are derived from property tax collections. Other sources of revenue include permit fees, state revenue sharing, and contributions from other funds. The General Fund contains accounting for activities such as police protection, government administration, fire suppression, and parks and recreation.
- **Special Revenue Funds:** Special Revenue Funds are used to account for proceeds of revenue from financing activities requiring a separate accounting because of legal or regulatory requirements. The City has several Special Revenue Funds including Major Streets Fund, Local Streets Fund, Public Improvement Fund, Building Inspection Fund, Downtown Development Authority (DDA) Fund, and Local Development Finance Authority (LDFA) Fund.
- **Debt Service Funds:** Debt Service Funds are used to account for the annual payment of debt; both principal as well as interest. Enterprise Fund debt is accounted for in the Enterprise Funds.

Proprietary Funds

- **Enterprise Funds:** The Sewer Fund and Water Fund both account for the results of operations that provide water and wastewater treatment services to the residents of the City and nearby customers connected to those systems. The rates charged for these services are set each year by the City Council.

Fiduciary Funds:

Fiduciary Funds are those funds that are held in escrow for individuals, organizations, other governments, or other funds. The City does not include these funds in the annual budget.

Process for Preparing the Annual Budget

The budget process for the City of Leslie is cyclical. The City staff regularly monitors the City finances throughout the year and recommendations for amendments are made as needed. The Finance Director/Treasurer provides the City Council a quarterly update of the City finances and provides insight on the budget throughout the year. Halfway through the fiscal year, the City Manager uses the six month figures to estimate the City's position at the end of the current fiscal year.

In February, City Council convenes for an annual goals and objectives meeting. The City Manager uses those goals and objectives for the basis of financial planning for the next fiscal year. The City Manager also meets with each individual Department Head to review the six month figures and discuss the Department Head's recommendations for the next fiscal year budget.

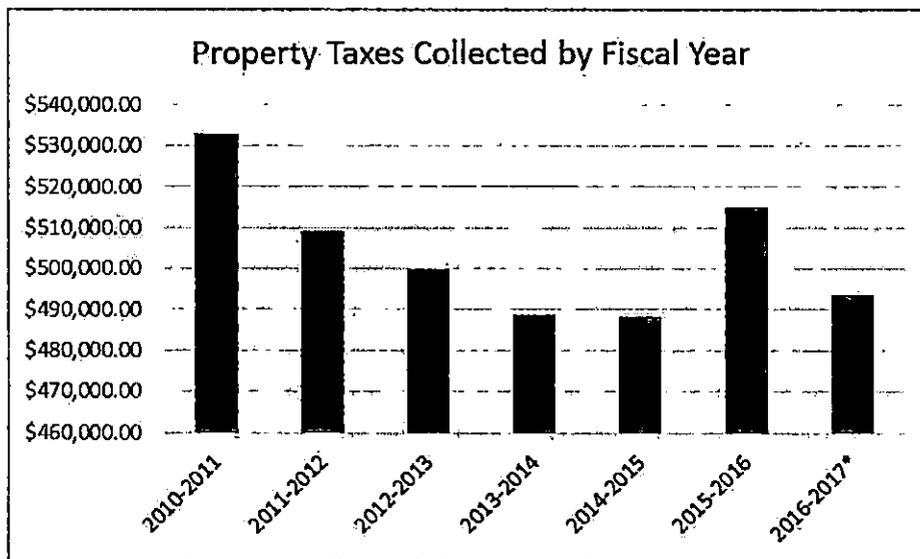
The City Manager works with the Finance Director/Treasurer on a first draft of the budget. That draft is presented to Council in April at a budget workshop. The City Council offers their insight on the budget and changes are made as needed. The budget is then presented to the public at a hearing in May. The final version of the budget is presented to the City Council in June.

Fiscal Year 2017-2018 Budget Schedule:

Distribute and approve budget schedule	January 3, 2017
Goals and Objectives Setting	February 7, 2017
Department head submit budget requests	By March 1, 2017
Proposed Budget to Council, 1 st Draft	April 4, 2017
Council budget workshop	April 11, 2017
Public Hearing on budget	May 2, 2017
City Council adopts budget	June 6, 2017
End of Fiscal Year Special Meeting*	June 29, 2017

Overview of Significant Budgeting Items

Property Tax Information: After several years of decline due to economic factors, the City is seeing some signs of recovery. In Fiscal Years 2015-2016 and 2016-2017, the City property tax revenues increased slightly each year. There are also a number of new construction projects in the works that will have a positive effect on overall property tax revenues. We anticipate further growth in the next fiscal year, with several multi-family dwellings being built.



Water/Sewer Revenue: In Fiscal Year 2015-2016, the City moved from a flat billing rate for water and sewer services to a metered use charge. The result of this move has spread the cost of this service more to the high users. The average homeowner saw a decrease in their quarterly utility bill. The overall revenues collected by the City have decreased. A small increase in rates and usage in FY 2016-2017 have closed the gap between revenues and expenses slightly. The City is currently considering options to raise additional revenue for FY 2017-2018.

Infrastructure: The City is working on plans to coordinate a number of infrastructure projects that will include roads, water, and sewer maintenance. The City anticipates that these projects will require multiple funding sources. The City is still identifying all of the required repair and replacement costs for these projects. One of such projects has been budgeted for in FY 2017-2018; a large scale water main replacement project totaling over \$1.1 million. \$1 million of these funds has been provided by a State of Michigan grant.

Road Funding: In May 2015, the voters of the State of Michigan overwhelmingly (80% No vs. 20% Yes) voted down a complicated proposal to raise taxes that would be dedicated to the repair and maintenance of roads across the state. In November 2015, the State passed a plan that will increase the

amount of road funding that all municipalities will receive state wide. However, this plan will not go into full effect until Fiscal Year 2018-2019.

The City received an increase in roads funding for Fiscal Year 2016-2017. The City anticipates that we will receive slightly more revenue for roads in FY 2017-2018. These increases have allowed the City to keep up with the cost of annual operations and maintenance without using fund balance dollars. The City will need to look at alternate funding sources or a change in service delivery in order to provide for major roads projects such as roads reconstruction.

Fund Balance Information

Government units organize their accounting systems into separate funds. A fund is a set of accounting records that is segregated for the purpose of carrying out a particular activity. The fund is established for accounting purposes to demonstrate that financial resources are being used for the permitted purposes of that resource. A fund balance is created when fund revenues exceed fund expenditures for a fiscal period or a series of fiscal periods. The difference between the fund's assets and liabilities equals the fund balance. The fund balance can increase or decrease from year to year depending on the difference between revenues and expenditures in that year.

Note that a fund balance is not the same as a cash account and does not correspond to the City's bank balance. A fund balance is an internal accounting system for cash and receivables as well as liabilities such as payables. In addition, a portion of the fund balance may be committed by Council or the City Administration for a specific project.

Some State and Federal mandates require the City to establish separate funds for particular funds. Special Revenue Funds such as the Major Street Fund and Local Street Fund are established based on these requirements. Any leftover balance must be used for projects related to the requirements of those revenues as set by the State and Federal government. The City's General Fund encompasses the City's activities not required to be separated into different funds. The balance of these funds can be used by the City for any general purpose.

How Much is a Sufficient Fund Balance?

An appropriate fund balance is important for financial planning and for long term financial success. It is important to determine the amount of fund balance to meet the needs of the City and to not accumulate too large a balance without a specific purpose for doing so.

The Use of Fund Balance

The fund balance of a particular fund must be used on projects and objectives that the particular revenue is designated to fund. Furthermore, fund balance can be earmarked for particular purposes. The Governmental Accounting Standards Board (GASB) developed classifications for fund balances:

- **Non-spendable**: These classifications are generally from external sources such as legal or contract requirements. Non-spendable funds can also be non-cash items such as inventory or prepaid amounts.
- **Restricted**: Typically used for external restrictions by creditors, laws, or regulations. For example, bond reserve accounts are restricted funds.
- **Committed**: Amounts can be used for specific purposes imposed by formal action of the City Council such as a resolution or through and ordinance adopted by City Council.
- **Assigned**: This classification shows the governing body's intent to use funds for a particular purpose. This classification generally requires some action by the Council to indicate who is authorized to assign these funds on behalf of the City.

- Unassigned: This is the balance of the fund after all other allocations are made to the above classifications.

The City currently uses a designation of Restricted for some funds such as bond reserve funds. All other funds in the remaining fund balance are unassigned at this time. The City does not currently have a policy that requires a set fund balance. However, the City has been very responsible in keeping a fund balance above what many industry experts recommend as a minimum percentage of annual expenditures.

Estimated Fund Balance for End of Fiscal Year 2016-2017

Fund	7/01/2016 Balance	FY2016-2017 Estimated Outcome	Estimated Balance 7/1/2017
101 - General Fund	\$703,241.43	(24,983.26)	\$678,258.17
202 - Major Street Fund	\$152,914.25	10,845.48	\$163,759.73
203 - Local Street Fund	\$24,485.75	3,538.85	\$28,024.60
245 - Public Improvements	\$339,666.43	(190,858.00)	\$148,808.43
248 - DDA Fund	\$63,838.47	14,431.70	\$78,270.17
249 - Building Dept.	\$1,503.78	(494.24)	\$1,009.54
250 - LDFA Fund	\$825,307.06	106,658.17	\$931,965.23
590 - Sewer Fund	\$706,198.15	(29,303.50)	\$676,894.65
591 - Water Fund	\$602,035.96	(394,722.85)	\$207,313.11
661 - MVP Fund	\$499,173.11	(63,136.34)	\$436,036.77
		(568,024)	

We estimate that several of our funds will see a drawdown of fund balance by the end of the current fiscal year. This has been a planned draw down, and the money has been or is being used to fund various important projects. Projects such as the purchase of new air packs for the Fire Department are being financed with General Fund dollars.

The Public Improvements Fund and the Water Fund are using significant amounts of fund balance in order to finance two (2) very important water projects. The Water Fund has used a large amount of fund balance to finance a design and build project for a new aeration and detention unit at the water treatment plant. The Public Improvements Fund has money set aside for water projects that is being used to partially fund the aeration and detention unit as well as seed money for a water main replacement project; the majority of the financing for this project will be coming from a grant.

The Sewer Fund has been operating with expenditures exceeding revenues for the past year. The City is currently looking at pricing models for sewer services to address this issue. Finally, the Motor Vehicle Pool Fund financed the purchase of two (2) new pieces of equipment totaling almost \$110,000 for both items.

Estimated Fund Balance for End of Fiscal Year 2017-2018

Fund	Estimated Balance 7/1/2017	FY 2017-2018 Budgeted Outcome	Estimated Fund Balance 6/30/2018
101 - General Fund	\$678,258.17	(173,412.11)	\$504,846.06
202 - Major Street Fund	\$163,759.73	(18,823.91)	\$144,935.82
203 - Local Street Fund	\$28,024.60	(8,246.30)	\$19,778.30
245 - Public Improvements	\$148,808.43	6,800.00	\$155,608.43
248 - DDA Fund	\$78,270.17	250.00	\$78,520.17
249 - Building Dept.	\$1,009.54	1,000.00	\$2,009.54
250 - LDFA Fund	\$931,965.23	0.00	\$931,965.23
590 - Sewer Fund	\$676,894.65	(64,550.00)	\$612,344.65
591 - Water Fund	\$207,313.11	(52,672.00)	\$154,641.11
661 - MVP Fund	\$436,036.77	104,330.00	\$540,366.77
		(205,324)	

The City has traditionally taken a conservative approach to budgeting. Revenues are often estimated with a conservative approach. Expenditures are estimated with a healthy amount (roughly 10% or more) overage contingency per line item. The proposed budget will see a planned draw down of General Fund revenue. The City Administration estimates that Fiscal Year 2017-2018 will end in a fund balance of almost 50% of average annual expenditures.

The Major Street and Local Street Funds typically perform at or near even; meaning that revenues typically come near expenditures. The current revenue received from the State of Michigan in the form of Act 51 money allows the City to keep up with annual operations and maintenance costs.

The DDA and LDFA Funds are both budgeted to allow the respective controlling boards to finance annual operations. Revenues typically exceed expenditures by the end of the fiscal year.

Both the Water and Sewer Fund are budgeted to draw money from their respective fund balance. This is because the switch to a metered service has caused a shortfall in revenues compared to revenues received during the flat rate billing model previously used by the City. The City is currently looking into models that will ensure that annual sales will finance annual operations and maintenance.

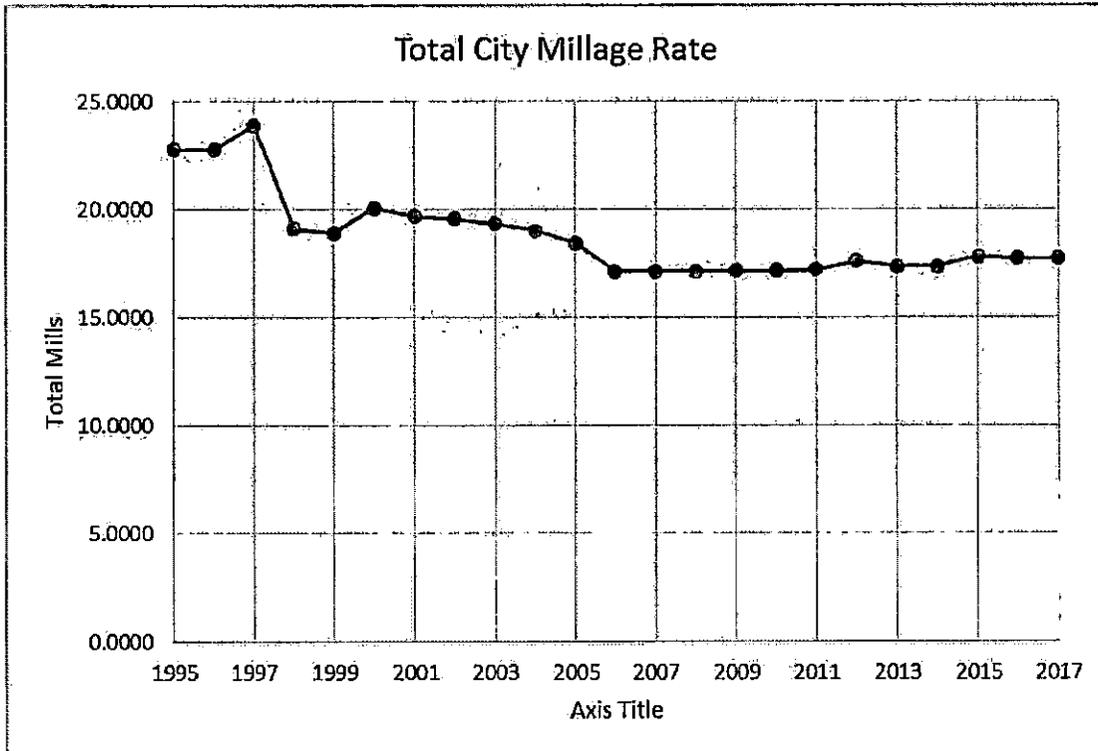
Revenue

Property Taxes

Property taxes are the largest source of revenue for the City General Fund. This revenue is mostly dependent on two (2) variables – the taxable value of all property in the City and the millage rate. The City Assessor determines the taxable value based on established assessing criteria. Millage rates in the City of Leslie are set by the City Council. The formula to determine property tax value is: Property Taxes = (Taxable Value x Millage Rate)/1000.

However, this does not account for all of the variables when analyzing actual anticipated revenues. Certain factors affect how much the City of Leslie will collect including delinquent payments, new construction, and Board of Review challenges.

The City uses the above formula as a base and compares it to actual historic collections over a period of five (5) years when estimating the amount of property tax it will collect. The City will maintain the same millage rate of 16.6 for FY 2017-2018 as it did in the previous fiscal year.



Utility Rates

The City of Leslie implemented the switch from a flat rate utility billing system to a usage based system in Fiscal Year 2015-2016. A rate study was conducted by Umbaugh and the rates proposed from that study were adopted in August of 2015.

Since then, most homeowners have seen a decrease in their quarterly amount due because of these rates. As is mandated by the City of Leslie ordinances, an automatic rate increase of three and one-half percent (3.5%) occurs at the start of the next fiscal year. The City is looking at other options to increase revenues in the water and sewer funds in order to ensure that we meet our annual operation and maintenance obligations as well as save money for future capital needs.

State Revenue Sharing

Revenues received from the State of Michigan are very important to the City of Leslie. The annual estimates for revenue sharing from the State of Michigan are published by the Michigan Department of

Treasury and can be found on their website. In past years, the State of Michigan decreased the amount that it gave to all municipalities. In very recent years, that amount has gradually increased.

Revenue Sharing Data

Year	Total Received	Year	Total Received
1998	\$ 279,124	2008	\$ 253,746
1999	\$ 293,411	2009	\$ 261,945
2000	\$ 315,436	2010	\$ 220,177
2001	\$ 332,770	2011	\$ 214,402
2002	\$ 325,264	2012	\$ 217,275
2003	\$ 291,050	2013	\$ 201,079
2004	\$ 282,562	2014	\$ 208,852
2005	\$ 270,468	2015	\$ 215,861
2006	\$ 266,504	2016	\$ 221,530
2007	\$ 264,106	2017*	\$ 218,600

*estimated amount

Street Funds

Street funds come to the City of Leslie from the Michigan Department of Transportation. These funds are allocated through a formula as prescribed by Public Act 51. This formula is dependent on the community's population and the length of road that the community maintains. The Michigan Department of Transportation (MDOT) releases an annual worksheet that allows a municipality to estimate the amount of funds it will receive through this program.

Debt Data

The City of Leslie does not have any debt tied to any general obligation (GO) bonds nor to any of our tax increment financing (TIF) districts. Any and all debt is currently held by the City's Enterprise Funds in the form of Revenue Bonds. The Sewage Disposal System Revenue Bonds, Series 2012 held a principal amount of \$1,470,000. The Water Supply System Revenue Bonds held a principal of \$1,657,723. Both bonds were used to finance upgrades to the wastewater treatment plant and to the drinking water iron removal plan respectively.

Below is a chart indicating the amount and years left to pay off both bonds as well as the principal payments:

City of Leslie
 Sewage Disposal System Revenue Bonds, Series 2012
 Construction Loan - May 14, 2012
 \$1,470,000

Debt service paid by sewer revenues

****ESTIMATED DEBT SERVICE****

Years Ending	Principal	Interest	Total
2017	\$ 23,000	\$ 38,060	\$ 61,060
2018	\$ 24,000	\$ 37,428	\$ 61,428
2019	\$ 24,000	\$ 36,768	\$ 60,768
2020	\$ 25,000	\$ 36,108	\$ 61,108
2021	\$ 26,000	\$ 35,420	\$ 61,420
2022	\$ 26,000	\$ 34,706	\$ 60,706
2023	\$ 27,000	\$ 33,990	\$ 60,990
2024	\$ 28,000	\$ 33,248	\$ 61,248
2025	\$ 29,000	\$ 32,478	\$ 61,478
2026	\$ 29,000	\$ 31,680	\$ 60,680
2027	\$ 30,000	\$ 30,882	\$ 60,882
2028	\$ 31,000	\$ 30,058	\$ 61,058
2029	\$ 32,000	\$ 29,206	\$ 61,206
2030	\$ 33,000	\$ 28,326	\$ 61,326
2031	\$ 34,000	\$ 27,418	\$ 61,418
2032	\$ 35,000	\$ 26,482	\$ 61,482
2033	\$ 36,000	\$ 25,520	\$ 61,520
2034	\$ 37,000	\$ 24,530	\$ 61,530
2035	\$ 38,000	\$ 23,512	\$ 61,512
2036	\$ 39,000	\$ 22,468	\$ 61,468
2037	\$ 40,000	\$ 21,396	\$ 61,396
2038	\$ 41,000	\$ 20,296	\$ 61,296
2039	\$ 42,000	\$ 19,168	\$ 61,168
2040	\$ 43,000	\$ 18,012	\$ 61,012
2041	\$ 44,000	\$ 16,830	\$ 60,830
2042	\$ 45,000	\$ 15,620	\$ 60,620
2043	\$ 47,000	\$ 14,382	\$ 61,382
2044	\$ 48,000	\$ 13,090	\$ 61,090
2045	\$ 49,000	\$ 11,770	\$ 60,770
2046	\$ 51,000	\$ 10,422	\$ 61,422
2047	\$ 52,000	\$ 9,020	\$ 61,020
2048	\$ 53,000	\$ 7,590	\$ 60,590
2049	\$ 55,000	\$ 6,132	\$ 61,132
2050	\$ 56,000	\$ 4,620	\$ 60,620
2051	\$ 58,000	\$ 3,080	\$ 61,080
2052	\$ 54,000	\$ 1,486	\$ 55,486
	\$ 1,384,000	\$ 811,202	\$ 2,195,202

City of Leslie
Act 94 - Water Supply System Revenue Bonds
Construction Loan - June 26, 2012
\$1,657,723

****ESTIMATED DEBT SERVICE****

Years Ending	Principal	Interest	Total
2017	\$ 70,000	\$ 27,931	\$ 97,931
2018	\$ 70,000	\$ 26,181	\$ 96,181
2019	\$ 75,000	\$ 24,431	\$ 99,431
2020	\$ 75,000	\$ 22,556	\$ 97,556
2021	\$ 75,000	\$ 20,681	\$ 95,681
2022	\$ 80,000	\$ 18,806	\$ 98,806
2023	\$ 80,000	\$ 16,806	\$ 96,806
2024	\$ 85,000	\$ 14,806	\$ 99,806
2025	\$ 85,000	\$ 12,681	\$ 97,681
2026	\$ 90,000	\$ 10,556	\$ 100,556
2027	\$ 90,000	\$ 8,306	\$ 98,306
2028	\$ 90,000	\$ 6,056	\$ 96,056
2029	\$ 95,000	\$ 3,806	\$ 98,806
2030	\$ 95,000	\$ 1,431	\$ 96,431
2031	\$ 100,000	\$ (944)	\$ 99,056
2032	\$ 100,000	\$ (3,444)	\$ 96,556
2033	\$ 105,000	\$ (5,944)	\$ 99,056
	\$ 1,460,000	\$ 204,702	\$ 1,664,702

Personnel Summary

The City of Leslie currently employs eleven (11) full time employees. The City also employs a number of part time employees for the fire department as well as crossing guards. On payroll, there are seven (7) part time elected officials as well as members of the Board of Review. All other board and commission serve on a voluntary basis. The City does not expect to make any changes in the next fiscal year.

Position Summary			
Function	Employees FY 2014-2015	Employees FY 2015-2016	Employees FY 2016-2017
Administration	5	5	5
Police Department	2	2	2
Public Works	3	3	3
Public Utilities	1	1	1

CITY OF LESLIE

RESOLUTION NO. 2005-06

Resolution to Adopt Rules of Procedure for All Leslie City Council Meetings

WHEREAS, Section 7.3 of the Leslie City Charter approved by the voters of the City, as adopted on Monday, April 24, 1995 requires the Council to determine its own rules and order of business, and

WHEREAS, the Leslie City Council has requested updated “RULES OF PROCEDURE FOR ALL MEETINGS” as adopted previously in Resolutions 95-13 and 98-28,

NOW, THEREFORE, the following “RULES OF PROCEDURE FOR ALL MEETINGS” is hereby adopted by the Leslie City Council:

RULE 1. PRESIDING OFFICER. The Mayor shall preside at the meeting of the Council, and in the absence of the Mayor, the Mayor Pro Tem shall preside; if both the Mayor and Mayor Pro Tem shall be absent, the Council shall appoint from its own members an acting Mayor Pro Tem.

RULE 2. ORDER OF BUSINESS FOR AGENDA. Business or regular meetings of the Leslie City Council shall be taken up for consideration in the following order. Exceptions may be made for reasons of set times for public hearings, or by Council consensus to move agenda items forward in consideration of guests’ convenience or time limitations:

Meeting called to order.

Roll Call.

Pledge of Allegiance to the Flag.

Approval of the Agenda.

Consent Agenda –

Approve minutes of prior meeting(s).

Approve payment of bills.

Accept for file non-action Council correspondence.

7:15 Public Hearings/Scheduled Speakers when applicable.

Public Comment – Non-agenda items that cannot be handled during regular business hours.

Unfinished Business: this shall include any items tabled from prior meetings.

New Business.

Council Agenda Items –

Committee Reports (including appropriate remarks regarding non-agenda items).

Manager’s Report.

Motion to Adjourn the Meeting.

NOTES: ANYONE WISHING TO REQUEST AN ITEM BE PLACED ON COUNCIL AGENDA SHALL HAVE INFORMATION TO THE CLERK'S OFFICE BY NOON THE WEDNESDAY PRECEDING THAT MEETING. THE CITY MANAGER, CLERK AND IF APPROPRIATE THE MAYOR SHALL DETERMIN IF AN ITEM IS APPROPRIAT FOR THE NEXT REGULAR MEETING, AND ALSO SHALL DETERMIN WHETHER SUFFICIENT INFORMATION IS PROVIDED TO INCLUDE THAT ITEM ON THE AGENDA.

IT SHALL REQUIRE A UNANIMOUS VOTE OF COUNCIL PRESENT TO ACT UPON ANY NON-AGENDA ITEM.

COUNCIL MEETING DISCUSSION AT ALL TIMES SHALL BE LIMITED TO APPROPRIATE SUBJECTS FOR PUBLIC MEETING DISCUSSION.

RULE 3. MOTIONS OF COUNCIL. The following shall apply:

- A. Only one motion shall be allowed on the floor at any time.
- B. Motion and second shall be required to have a motion placed on the floor.
- C. Discussion shall be restricted to the motion on the floor.
- D. Action:
 - 1. The Chair may call for a voice vote.
 - 2. Members making the motion may request motion be tabled, amended, or withdrawn.
 - 3. On any Resolution, Ordinance, Proclamation, or at the request of the Chair or any Councilmember, a roll call vote will be taken.

RULE 4. CONDUCT AT A PUBLIC MEETING. With note that the presiding officer shall be responsible for maintaining the order and decorum of the meeting:

- A. All persons present shall act with courtesy, common sense, and in an orderly manner at all times.
- B. No abusive language will be allowed.
No interruptions (other than to maintain order) will be allowed.
No shouting, etc., will be allowed.
- C. All present will remain in the Council chamber only. Those attending meetings will not retire to the office area during the time a meeting is officially in session.
- D. All present will refrain from discussing among themselves anything which might disrupt the meeting, and refrain from participating in any activity not related to the meeting.
- E. No cell phone usage is allowed in the Council chamber during a meeting.

RULE 5. DISCIPLINE. This section may be applied to those in violation of Rule 4.

- A. A warning of misconduct of any type may be issued by the presiding officer or if necessary by members of the Council.

- B. Eviction from the meeting. The presiding officer, or if necessary any majority vote of the Council, may ask someone to leave the proceedings if they are causing disruption or behaving in a disorderly or objectionable manner. Any law enforcement officer present at such a meeting may act on request to remove someone in violation of these rules.
- C. Anyone refusing to leave a meeting may be charged with a violation of the City Ordinance regarding disorderly conduct.
- D. Should the procedures above fail to bring order, the presiding officer or the majority of the Councilmembers present may vote to adjourn the meeting.

RULE 6. NOT TO BE CONDUCTED AT A COUNCIL MEETING. Any business which could be conducted during regular City office business hours shall not be brought up during a Council meeting. Personnel issues or complaints and indeed ALL COUNCIL BUSINESS shall be handled per the Open Meetings Act and Freedom of Information Act guidelines.

RULE 7. INCIDENTAL. All meetings shall be conducted per any applicable rulings, such as the U.S. Constitution, Federal Court Rulings, the Constitution of the State of Michigan, etc. Further general rules of procedure:

- A. The Chair must recognize anyone in the audience wishing to address the meeting.
- B. Members of the audience will be asked, but not required, to identify themselves by name and address for the record.
- C. All discussion on any topic is restricted to two times per speaker, at five minutes each; this shall include an audience speaker, the Mayor, or a Councilmember. Waiver of this rule shall be at the direction of the presiding officer.
- D. Once a motion is on the floor, discussion shall be restricted to the Mayor and Councilmembers, although specific questions may be directed to others.

RESOLVED, FURTHER, that Resolutions 95-13 and 98-28 are hereby rescinded and replaced with this Resolution No. 2005-06.

The above and forgoing document is hereby certified to be a true and complete copy of a Resolution duly adopted by the Leslie City Council at its regular meeting conducted on Tuesday, March 15, 2005.

CITY OF LESLIE

RESOLUTION NO. 2023-08

Resolution to Adopt Rules of Procedure for All Leslie City Council Meetings

WHEREAS, Section 7.3 of the Leslie City Charter approved by the voters of the City, as adopted on Monday, April 24, 1995 requires the Council to determine its own rules and order of business, and

WHEREAS, the Leslie City Council has requested updated "RULES OF PROCEDURE FOR ALL MEETINGS", as adopted previously in Resolutions 95-13, 98-28, and 2005-06.

NOW, THEREFORE, the following "RULES OF PROCEDURE FOR ALL MEETINGS" is hereby adopted by the Leslie City Council:

- RULE 1.** **PRESIDING OFFICER.** The Mayor shall preside at the meeting of the Council, and in the absence of the Mayor, the Mayor Pro Tern shall preside; if both the Mayor and Mayor Pro Tern shall be absent, the Council shall appoint from its own members an acting Mayor Pro Tern.
- RULE 2.** **ORDER OF BUSINESS FOR AGENDA.** Business of regular meetings of the Leslie City Council shall be taken up for consideration in the following order. Exceptions may be made for reasons of set times for public hearings, or by Council consensus to move agenda items forward in consideration of guests' convenience or time limitations:

Meeting called to order.

Roll Call.

Pledge of Allegiance.

Approval of the Agenda.

Consent Agenda.

Public Comment - Non-Agenda Items that Cannot be Handled During Regular Business Hours.

New Business.

Council Agenda Items-

Committee Reports

Manager's Report.

Motion to Adjourn the Meeting.

NOTES: ANYONE WISHING TO REQUEST AN ITEM BE PLACED ON COUNCIL AGENDA SHALL HAVE INFORMATION TO THE CLERK'S OFFICE BY NOON THE WEDNESDAY PRECEDING THAT MEETING, UNLESS OTHERWISE GRANTED APPROVAL. THE CITY MANAGER, CLERK AND IF APPROPRIATE THE MAYOR SHALL DETERMINE IF AN ITEM IS APPROPRIATE FOR THE NEXT REGULAR MEETING, AND ALSO SHALL DETERMINE WHETHER SUFFICIENT INFORMATION IS PROVIDED TO INCLUDE THAT ITEM ON THE AGENDA.

COUNCIL MEETING DISCUSSION AT ALL TIMES SHALL BE LIMITED TO APPROPRIATE SUBJECTS FOR PUBLIC MEETING DISCUSSION.

RULE 3.

MOTIONS OF COUNCIL. The following shall apply:

- A. Only one motion shall be allowed on the floor at any time.
- B. Motion and second shall be required to have a motion placed on the floor.
- C. Discussion shall be restricted to the motion on the floor.
- D. Action:
 - 1. The Chair may call for a voice vote.
 - 2. Members making the motion may request motion be tabled, amended, or withdrawn.
 - 3. On any Ordinance, or at the request of the Chair or any Councilmember, a roll call vote will be taken.

RULE 4.

CONDUCT AT A PUBLIC MEETING. With note that the presiding officer shall be responsible for maintaining the order and decorum of the meeting:

- A. All persons present shall act with courtesy, common sense, and in an orderly manner always.
- B. No abusive language will be allowed.
No interruptions (other than to maintain order) will be allowed.
No shouting, etc. will be allowed.
No personal attacks, harassing comments or libel towards any public, council members, or staff will be allowed.
- C. All present will remain in the Council chamber only.
- D. All present will refrain from discussing among themselves anything which might disrupt the meeting, and refrain from participating in any activity not related to the meeting.

- RULE 5.** **DISCIPLINE.** This section may be applied to those in violation of Rule 4.
- A. A warning of misconduct of any type may be issued by the presiding officer or if necessary, by members of the Council.
 - B. Eviction from the meeting. The presiding officer, or if necessary, any majority vote of the Council, may ask someone to leave the proceedings if they are causing disruption or behaving in a disorderly or objectionable manner. Any law enforcement officer present at such a meeting may act on request to remove someone in violation of these rules.
 - C. Anyone refusing to leave a meeting may be charged with a violation of the City Ordinance regarding disorderly conduct.
 - D. Should the procedures above fail to bring order, the presiding officer or the majority of the Councilmembers present may vote to adjourn the meeting.

RULE 6. **NOT TO BE CONDUCTED AT A COUNCIL MEETING.** Any business which could be conducted during regular City office business hours shall not be brought up during a Council meeting.

RULE 7. **INCIDENTAL.** All meetings shall be conducted per any applicable rulings, such as the U.S. Constitution, Federal Court Rulings, the Constitution of the State of Michigan, etc. Further general rules of procedure:

- A. The Chair must recognize anyone in the physical audience wishing to address the meeting; public comment is allowed to only those who are in physical attendance, unless presiding officer requests virtual feedback from participant for a specific agenda item.
- B. Members of the audience will be asked, but not required, to identify themselves by name and address for the record.
- C. All discussion on any topic is restricted to one time per speaker, at three minutes each; Waiver of this rule shall be at the discretion of the presiding officer.
- D. Once a motion is on the floor, discussion shall be restricted to the Mayor and Councilmembers, although specific questions may be directed to others.

RESOLVED, FURTHER, that Resolutions 95-13, 98-28, and 2005-06 are hereby rescinded and replaced with this Resolution No. 2023-08.

The above and foregoing document is hereby certified to be a true and complete copy of a Resolution duly adopted by the Leslie City Council at its regular meeting conducted on Tuesday, May 16, 2023.

Chelsea Cox, Leslie City Clerk

ROBERTS RULES CHEAT SHEET

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Adjourn	"I move that we adjourn"	No	Yes	No	No	Majority
Recess	"I move that we recess until..."	No	Yes	No	Yes	Majority
Complain about noise, room temp., etc.	"Point of privilege"	Yes	No	No	No	Chair Decides
Suspend further consideration of something	"I move that we table it"	No	Yes	No	No	Majority
End debate	"I move the previous question"	No	Yes	No	No	2/3
Postpone consideration of something	"I move we postpone this matter until..."	No	Yes	Yes	Yes	Majority
Amend a motion	"I move that this motion be amended by..."	No	Yes	Yes	Yes	Majority
Introduce business (a primary motion)	"I move that..."	No	Yes	Yes	Yes	Majority

The above listed motions and points are listed in established order of precedence. When any one of them is pending, you may not introduce another that is listed below, but you may introduce another that is listed above it.

To:	You say:	Interrupt Speaker	Second Needed	Debatable	Amendable	Vote Needed
Object to procedure or personal affront	"Point of order"	Yes	No	No	No	Chair decides
Request information	"Point of information"	Yes	No	No	No	None
Ask for vote by actual count to verify voice vote	"I call for a division of the house"	Must be done before new motion	No	No	No	None unless someone objects
Object to considering some undiplomatic or improper matter	"I object to consideration of this question"	Yes	No	No	No	2/3
Take up matter previously tabled	"I move we take from the table..."	Yes	Yes	No	No	Majority
Reconsider something already disposed of	"I move we now (or later) reconsider our action relative to..."	Yes	Yes	Only if original motion was debatable	No	Majority
Consider something out of its scheduled order	"I move we suspend the rules and consider..."	No	Yes	No	No	2/3
Vote on a ruling by the Chair	"I appeal the Chair's decision"	Yes	Yes	Yes	No	Majority

The motions, points and proposals listed above have no established order of preference; any of them may be introduced at any time except when meeting is considering one of the top three matters listed from the first chart (Motion to Adjourn, Recess or Point of Privilege).

PROCEDURE FOR HANDLING A MAIN MOTION

NOTE: Nothing goes to discussion without a motion being on the floor.

Obtaining and assigning the floor

A member raises hand when no one else has the floor

- The chair recognizes the member by name

How the Motion is Brought Before the Assembly

- The member makes the motion: *I move that (or "to") ...* and resumes his seat.
- Another member seconds the motion: *I second the motion* or *I second it* or *second*.
- The chair states the motion: *It is moved and seconded that ... Are you ready for the question?*

Consideration of the Motion

1. Members can debate the motion.
2. Before speaking in debate, members obtain the floor.
3. The maker of the motion has first right to the floor if he claims it properly
4. Debate must be confined to the merits of the motion.
5. Debate can be closed only by order of the assembly (2/3 vote) or by the chair if no one seeks the floor for further debate.

The chair puts the motion to a vote

1. The chair asks: *Are you ready for the question?* If no one rises to claim the floor, the chair proceeds to take the vote.
2. The chair says: *The question is on the adoption of the motion that ... As many as are in favor, say 'Aye'. (Pause for response.) Those opposed, say 'Nay'. (Pause for response.) Those abstained please say 'Aye'.*

The chair announces the result of the vote.

1. *The ayes have it, the motion carries, and ...* (indicating the effect of the vote) or
2. *The nays have it and the motion fails*

WHEN DEBATING YOUR MOTIONS

1. Listen to the other side
2. Focus on issues, not personalities
3. Avoid questioning motives
4. Be polite

HOW TO ACCOMPLISH WHAT YOU WANT TO DO IN MEETINGS

MAIN MOTION

You want to propose a new idea or action for the group.

- After recognition, make a main motion.
- Member: "Madame Chairman, I move that _____."

AMENDING A MOTION

You want to change some of the wording that is being discussed.

- After recognition, "Madame Chairman, I move that the motion be amended by adding the following words _____."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words _____."
- After recognition, "Madame Chairman, I move that the motion be amended by striking out the following words, _____, and adding in their place the following words _____."

REFER TO A COMMITTEE

You feel that an idea or proposal being discussed needs more study and investigation.

- After recognition, "Madame Chairman, I move that the question be referred to a committee made up of members Smith, Jones and Brown."

POSTPONE DEFINITELY

You want the membership to have more time to consider the question under discussion and you want to postpone it to a definite time or day, and have it come up for further consideration.

- After recognition, "Madame Chairman, I move to postpone the question until _____."

PREVIOUS QUESTION

You think discussion has gone on for too long and you want to stop discussion and vote.

- After recognition, "Madam President, I move the previous question."

LIMIT DEBATE

You think discussion is getting long, but you want to give a reasonable length of time for consideration of the question.

- After recognition, "Madam President, I move to limit discussion to two minutes per speaker."

POSTPONE INDEFINITELY

You want to kill a motion that is being discussed.

- After recognition, "Madam Moderator, I move to postpone the question indefinitely."

POSTPONE INDEFINITELY

You are against a motion just proposed and want to learn who is for and who is against the motion.

- After recognition, "Madame President, I move to postpone the motion indefinitely."

RECESS

You want to take a break for a while.

- After recognition, "Madame Moderator, I move to recess for ten minutes."

ADJOURNMENT

You want the meeting to end.

- After recognition, "Madame Chairman, I move to adjourn."

PERMISSION TO WITHDRAW A MOTION

You have made a motion and after discussion, are sorry you made it.

- After recognition, "Madam President, I ask permission to withdraw my motion."

CALL FOR ORDERS OF THE DAY

At the beginning of the meeting, the agenda was adopted. The chairman is not following the order of the approved agenda.

- Without recognition, "Call for orders of the day."

SUSPENDING THE RULES

The agenda has been approved and as the meeting progressed, it became obvious that an item you are interested in will not come up before adjournment.

- After recognition, "Madam Chairman, I move to suspend the rules and move item 5 to position 2."

POINT OF PERSONAL PRIVILEGE

The noise outside the meeting has become so great that you are having trouble hearing.

- Without recognition, "Point of personal privilege."
- Chairman: "State your point."
- Member: "There is too much noise, I can't hear."

COMMITTEE OF THE WHOLE

You are going to propose a question that is likely to be controversial and you feel that some of the members will try to kill it by various maneuvers. Also you want to keep out visitors and the press.

- After recognition, "Madame Chairman, I move that we go into a committee of the whole."

POINT OF ORDER

It is obvious that the meeting is not following proper rules.

- Without recognition, "I rise to a point of order," or "Point of order."

POINT OF INFORMATION

You are wondering about some of the facts under discussion, such as the balance in the treasury when expenditures are being discussed.

- Without recognition, "Point of information."

POINT OF PARLIAMENTARY INQUIRY

You are confused about some of the parliamentary rules.

- Without recognition, "Point of parliamentary inquiry."

APPEAL FROM THE DECISION OF THE CHAIR

Without recognition, "I appeal from the decision of the chair."

Rule Classification and Requirements

Class of Rule	Requirements to Adopt	Requirements to Suspend
Charter	Adopted by majority vote or as proved by law or governing authority	Cannot be suspended
Bylaws	Adopted by membership	Cannot be suspended
Special Rules of Order	Previous notice & 2/3 vote, or a majority of entire membership	2/3 Vote
Standing Rules	Majority vote	Can be suspended for session by majority vote during a meeting
Modified Roberts Rules of Order	Adopted in bylaws	2/3 vote

Sensitivity of Information

The City Council and Staff are privy to a plethora of information. Much of the information is public information. Regardless of whether the information is public, the Council members and Staff take great care to treat information with sensitivity. We regard this with the utmost importance in establishing trust with our residents.

At the same time, working in municipal government is designed to be transparent. As part of the Democratic process, there is a great deal of information that we have the duty to share with the general public. It is important for City Council and Staff to be able to differentiate sensitive information from public information.

Some information to be concerned about and to handle as sensitive might be:

- Information about new business ventures, expansion, etc.
- Arrests
- Bankruptcies
- Real estate transactions
- Labor negotiations, disputes, issues, etc.

If you have any questions on whether information should be shared, please contact the City Manager.

Understanding the Roles and Responsibilities of the Elected Official

By Peter Letzmann

Well, you got elected to office—now what? As a public official in Michigan accepts the office, the following oath is taken: “I do solemnly swear (or affirm) that I will support the Constitution of the United States and the constitution of this state, and that I will faithfully discharge the duties of the office of...according to the best of my ability.” Most of us understand the requirements of the U.S. and Michigan Constitutions, but we may not be familiar with the duties that we swore to faithfully discharge.

It’s been over 28 years since the first edition of this article, when I first provided a checklist to be utilized by public officials before beginning the voyage. I have made hundreds of presentations discussing the roles and responsibilities of elected officials using this article. From the feedback provided by the audiences and an additional 28 years of local government law practice, I offer this revision.

This, by no means is a complete or comprehensive list, but an assembly of frequently occurring challenges, to which you should add and assign priorities as you see fit. Remember, being a public official is hard work and requires discipline. Showing up is half the job, but in this case that is not enough. Now the check list.

First, do no harm. Inattentiveness, neglect, retribution, incompetence, malice, slothfulness, distractions, dishonesty, are all to be avoided.

Know the Requirements of the Law and Best Practices

- Understand and follow, especially: your charter, ordinances, local rules, applicable state and federal laws, and the Constitutions of the U.S. and Michigan. The municipality’s attorney can be a resource.
- Keep up to date. Educate yourself. Go to conferences, read, and just learn. (Check the Michigan Municipal League website and *The Review* for training opportunities.)
- Respect the “separation of power.” There is an identifiable difference between the legislative and the executive functions. Know them, respect them, and operate in your capacity only.



- Do your homework. Read and familiarize yourself with the meeting materials, the issues to be decided, and the background of the issues.
- Be confident in the use of electronic devices.
- Understand how to “surf the net.” Make the Internet, with its far reaching search and speed capabilities, part of your research—but view the information with the appropriate skepticism.

Public Meetings and Public Hearings

- Familiarize yourself with the meeting rules of procedure, including parliamentary procedure.
- Engage in clear communications. Especially important is communications at meetings and with appointees and staff. Communicate in a manner that is simple and straightforward; that there are no misunderstandings. Sometimes the purpose of the communication is not only to debate but to educate.
- Ask questions. Don’t make decisions without having the facts and understanding. Test the opinions of others.
- Allow for appropriate “input” from all. Public comment is required at all public meetings.

Understand the Finances

- Approve the budget. Based on the financial history, projections for the future and the revenues, adopt a budget that best addresses the requirements of law and the needs of the community.
- Have a “rainy-day” fund. Unexpected expenses should be expected.
- Provide for major expenditures by utilizing a “sinking fund.”
- Have a clear understanding of borrowing. Bonds are one method; have a full understanding of the procedures and implications, especially for future budgets.

Working as a Body

- Be a leader among equals. Set the example. Speak up and take a stance for good government, while being part of the team.
- Avoid sandbagging. Don't set up your colleagues or staff to make yourself look good.
- Don't make promises that you cannot keep. Respond with "we'll look into that" rather than "we will fix it."
- Remember you only speak for yourself and not the whole council.
- Learn to build consensus. It's a group effort, even if the law does not always require it. Listen. Avoid alienating your colleagues; build congeniality.
- Work as a body. Policymaking bodies function as a body; that is, they take action by the rule of the majority. The individual is generally powerless.

Making a Decision

- Be familiar with the history, demographics, and the hope and dreams of your community.
- Calculate your proposed actions. In light of past experiences, current circumstances, and future hopes, dreams, and goals, what is the wise thing to do?
- Develop a long-term strategic plan. Include vision (long term), mission (short term), values, and goals of the municipality, the council, and the manager. Avoid just focusing on the short-term fixes.
- Utilize critical thinking—the objective analysis and evaluation of an issue in order to form a judgment.
- Be cautious of special interests. Remember the Constitutional "equal protection;" that is, everyone, not only the "squeaky wheel," gets attention.
- Make objective decisions. The decisions, based on all of the facts, are to be made in the best interest of the community, not an individual or an individual group. That is a fiduciary duty; a legal duty to act solely in the community's interests.

Purchasing and Spending

- Establish and follow a purchasing procedure, including bidding and avoiding conflicts of interest. Delegate the small purchases and approve the major purchases.
- Be aware of what a legitimate expense is and what is an illegal expenditure.

Appointees, Employees, and Officials

- Hire, retain, and compensate appointees. With the assistance of professionals, the selection, the periodic evaluation, and the appropriate compensation is one of the most important duties. And, if it becomes necessary, the dismissal of the appointee should be done properly and without delay.
- Be a morale booster. Encourage the employees, members of the boards and committees, and the volunteers. Acknowledge and thank them for their work. Discipline and criticism is the role of the executive.

Participation, Recruitment, and Succession

- Encourage public attendance and participation at council meetings to create an interest in government, especially among the young. Coordinate with high school civics and university public administration classes.
- Promote applications for positions on the municipality's boards, committees, and commissions.
- Select the best appointees for the boards, committees, and commissions. Not only do they make important decisions and recommendations, but the boards, committees, and commissions are frequently the training ground for new elected officials.

Ethics and Integrity

- Act ethically. Establish a code of ethics and insure that it is enforced equally and against all. Set the example for the rest of your local government and the community. Be like Caesar's wife: not only do no wrong, but don't give the appearance of wrongdoing.
- Respect the democratic process. Follow not only the letter of the law, but the spirit and the intent of the law.
- Do not misuse the public's property, employees, and resources.
- Do not bypass the system, nor permit others to do so.

Accountability

- Take inventory. From time to time, meet with your colleagues to make sure you are still on track to meet council's goals and acting within your values.
- Take responsibility for your actions; don't blame others for your mistakes.

Transparency and Privacy

- Decisions are to be made in public. The Open Meetings

Act and most charters require that most decisions be made in the open. The public has a right to know and there are penalties for violations.

- Keep the confidential information confidential. Improper disclosure may have severe consequences and needless embarrassment.

Evaluation of Services and Appointees

- Be the conduit of complaints, even the anonymous ones. Take complaints willingly, and forward them to the executive department, or proper agency, for resolution. Response to the citizen is essential.
- Periodically evaluate the appointees. Base the evaluation on previously established goals, using objective standards and provide constructive feedback.

Intergovernmental Relations and Cooperation

- Network and work with other governmental and non-governmental agencies. You can learn from others and seek out ways to collaborate.
- Federal, state, and county officials can be helpful and the source of revenues, if they know the needs of your community.

Image of the Community:

- Project enthusiasm and optimism. It's not always easy, especially during difficult times. Smile. Remember that no one wants to work with a whiner and complainer.
- Establish a good relationship with the media. They will find the bad and embarrassing news; don't try and hide it. Tell them the good news, quickly and give them a photo if you have one. You are a public relations agent for the municipality, at all times.
- Work at earning the respect and trust of the public. At all times, officially or unofficially, act, speak, and appear in a manner that does not besmirch the office or your character.

This is my random list of duties and responsibilities (to which you may add your own), and is to be shared with others. I would appreciate feedback so that I may enhance futures lists. Finally, ask yourself, "if good government does not begin with me, with whom will it begin; and, if good government does not begin today, when will it begin?"

Peter Letzmann is the former city attorney of Troy, Michigan. He is now in private practice specializing in local government legal and leadership issues. You may reach him at peter@letzmann.com.