



City of Pleasant Ridge
23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

City Commission Meeting
June 9, 2020
Agenda

Honorable Mayor, City Commissioners and Residents: This shall serve as your official notification of the Public Hearing and Regular City Commission Meeting to be held Tuesday, June 9, 2020, via teleconference as described below. The following items are on the Agenda for your consideration:

PUBLIC HEARING AND REGULAR CITY COMMISSION MEETING – 7:30 P.M.

- 1. Meeting Called to Order.**
- 2. Pledge of Allegiance.**
- 3. Roll Call.**
- 4. Community Pool Discussion.**
- 5. PUBLIC DISCUSSION – items not on the Agenda.**
- 6. Governmental Reports.**
- 7. Consent Agenda.**
All items listed on the Consent Agenda are considered to be routine by the City Commission, will be enacted by one motion and approved by a roll call vote. There will be no separate discussion of these items unless a City Commissioner or visitor so requests, in which event, the item will be removed from the consent agenda and considered as the last item of business.
 - a. Minutes of the Regular City Commission Meeting held Tuesday, May 12, 2020.
 - b. Monthly Disbursement Report.
 - c. Resolution recognizing June as Gay Pride Month.
 - d. Proclamation recognizing June as Immigrant Heritage Month.
 - e. 2019-2020 Budget Amendments.
 - f. Iron Ridge Water Interlocal between the City of Pleasant Ridge and the City of Ferndale.
 - g. Street Sweeper Purchase.
- 8. Fiscal year 2020-2021 Combined City Budget and the 2020-2021 Millage Rates.**
 - a. **Public Hearing** – Solicitation of public comments on the proposed fiscal year 2020-2021 Combined City Budgets and the 2020-2021 Millage Rates.
 - b. Fiscal 2020-2021 Combined City Budgets and the 2020-2021 Millage Rates.

9. **Ordinance to amend the Pleasant Ridge City Code Section 62-29 – DAS/small cell/wireless facilities in the public rights-of-way.**
 - a. **Public Hearing** – Solicitation of public comments on Ordinance to amend the Pleasant Ridge City Code Section 62-29 – DAS/small cell/wireless facilities in the public rights-of-way.
 - b. Ordinance to amend the Pleasant Ridge City Code Section 62-29 – DAS/small cell/wireless facilities in the public rights-of-way.
10. **City Manager's Report.**
11. **Other Business.**
12. **Adjournment.**

Due to the COVID-19 State of Emergency declared by the Governor's Executive Order 2020-4, the limitation on public assemblies of Executive Order 2020-11, and the permitting of public meetings by remote participation allowed by Governor's Executive Order 2020-15, the June 9, 2020 Pleasant Ridge City Commission meeting will be conducted via remote participation.

All members of the public will be permitted to participate during the public comment and public hearing portions of the meeting. There are two ways that members of the public can participate in the meeting 1) by joining the Zoom meeting by computer videoconference, or 2) by watching the meeting livestream on the City's YouTube channel or public access channel and providing comments by email at appropriate times during the meeting. If you have any ADA questions, please call the Clerk's Office (248) 541-2901.



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
 To: City Commission
 Date: June 5, 2020
 Re: Pool Status for 2020 Season

Overview

The Governor and Oakland County have authorized public pools to open at 50% capacity starting June 8. Pleasant Ridge had previously announced our pool closed for the season along with Oak Park, Huntington Woods, and Oakland County pools. The City Commission can now revisit that decision.

Staff cautions that even if the City Commission directs us to work towards an opening, it is not certain that we will be able to open this summer. Staffing the pool is the biggest unknown, explained in greater detail below.

Finally, Oak Park, Huntington Woods, Troy, Southfield, Oakland County, and Washtenaw County had all closed their pools for the summer before June 1. They are all keeping their pools closed for the summer even after the Governor's announcement on June 1 citing reasons of safety, and also that it is too late to hire and train staff, the time to prepare facilities, and the potential for losing significant staff in August.

Background

There are several issues and challenges involved in opening the pool at this late date during a pandemic, and the pool will be a very different experience than what residents are used to if we can open it.

By law, we still have to meet all of the normal codes and requirements, and the pool must be staffed by lifeguards.

Safety

While we have successfully flattened the curve and are in the process of re-opening the economy, we are still in a pandemic. Safety concerns are primary. Opening the pool will require many new and restrictive policies. It also may prevent our lifeguards from observing social distancing, and in fact, require body-to-body contact if they must make a save.

The CDC has advised¹ that **swimmers should remain 6 feet apart even while in the pool**. It is unclear how we will enforce this requirement if we reopen the pool. The rest of the CDC guidance for public pools is

¹ <https://www.cdc.gov/coronavirus/2019-ncov/community/parks-rec/aquatic-venues.html>

manageable but creates additional work for our pool staff to clean and disinfect often, and changes in the physical layout and operation of the pool.

Some of the changes will require us to have increased staff numbers compared to normal. We will need extra staff to work the check in desk as there will be enhanced reservation and screening required, we will have to monitor the locker rooms and the pool deck to ensure that patrons are observing proper social distancing requirements.

We would probably have to remove all deck furniture, as we will not have the capability to effectively clean it after every visitor.

We are awaiting guidance from the Oakland County Health Department on whether we would be allowed to open the zero-depth/splash area or the diving boards.

Finally, all lifeguards would be required to have a parental waiver accepting the risks of guarding during the COVID-19 pandemic.

Staffing

Opening the pool requires a complement of about 25 lifeguards, and without a full complement of guards we cannot open the pool. While we will be operating at half capacity, we still need a full complement of lifeguards. We have surveyed lifeguards from last year if they would work this summer. As of the date of this memo we have heard from 22 guards, 14 of which indicate that they would work and 8 will not.

Of the 14 guards who would work:

- 8 indicate that their last day of availability is on or before August 10. Many schools and universities are planning on starting fall classes earlier this year, and if fall sports start earlier as well, we will lose many of our guards. It is very possible that we would have to close the pool as early as August 10 due to a lack of staff.
- Only 5 are available until August 29, and only one can work through the normal end of pool season on Labor Day (September 7). External factors such as schools and universities opening earlier than normal appear to preclude us opening the pool this summer.
- Only 5 have certifications that extend through this season. The remaining 9 need to be recertified.

Beyond locating staff willing to work, there are other challenges involved:

- The American Red Cross (ARC) is our training and certifying organization for new guards and for returning guards whose certifications have expired. It is unknown when classes will be available to train new or re-certify returning guards. Currently there is one class scheduled at an indoor pool that starts on July 11 and ends July 18, but it is uncertain if that will occur as it is dependent on the Governor opening indoor pools. There are no classes scheduled at an outdoor pool, so we are completely dependent on this outside factor that is not under our control.
- The ARC certification course requires about 20 hours of in-person classes for a new lifeguard and a week to complete. Based on the one existing ARC class, it would be July 18 at the earliest that we could get lifeguards certified and that is dependent on that class actually occurring.

- If our staff is exposed to COVID-19 and must go into quarantine, this will further impair our ability to keep the pool open, particularly if multiple staff members are exposed to a known case.

The remaining considerations that follow are important, unless we can find and train enough lifeguards we cannot open the pool.

Duration of Pool Season

It is likely that our pool season would not begin until mid-July or later, and end on August 10.

Opening a public pool is a complex and time-consuming activity. Normally we have an 8-week process to prepare the pool for opening, starting in March and ending on Memorial Day when the pool opens. We must:

- Hire staff
- Ensure all guards have current certifications
- Schedule the contractor to open the pool
- Make necessary repairs
- Get the water chemistry established
- Pass Oakland County Health Department inspections

Capacity

Our pool capacity would likely be 80 swimmers at one time. By the Governor's order we are limited to 50% capacity. Our normal capacity is 200 persons at the pool, including staff. That means our maximum capacity this year would be 80 swimmers.

Reservation System

If we open, we would have to use a reservation system where swimmers could register for blocks of swim time. At the end of that block, everyone would have to leave the pool so that staff can clean and disinfect the locker rooms, entrance area, and any other common touch surfaces.

Residents would be able to register for one block of time per day to ensure that the greatest number of people have the opportunity to use the pool.

Entry Process and Requirements

If we open, the entry process will be longer this summer. All pool users would have to be screened with a questionnaire and a temperature check. Only residents would be allowed, and all pool users will have to have their own ID tags, including children. In order to obtain a 2020 tag all users will have to present a valid ID, including birth certificates for children showing that they are related to an adult who has a valid ID with a Pleasant Ridge address.

All users would have to wear masks when inside the building, and may have to wear masks when on the pool deck.

Interior Spaces

Pool users are required to enter through a shower room, so we must still have people enter through the building. We cannot have an outside entrance to the pool because we do not have an approved outdoor shower facility. We have investigated constructing a code-compliant outdoor shower and it would cost

about \$20,000. However, we would not be able to have that completed in time for a 2020 summer season.

All users will still have to enter through the locker room. We would have to close off the lockers and no one would be allowed to change at the facility. This would require additional staff to police and clean the locker rooms.

Equipment

There will be additional equipment costs to outfit the building with plexiglass shields, to purchase PPE for pool employees, and to equip each lifeguard with their own lifeguard equipment. We do not have an exact number for what this might be, but it will be significant.

Conclusion

We know that the pool is an essential part of the sense of community that exists in Pleasant Ridge, and we know that it would be an outlet for the many residents and kids who have had their normal social routines upended by the COVID-19 pandemic, but we have to take all of the risks and challenges involved into account when making the decision to try to open.

After investigating this in detail in April, and again over this past week, there are health risks involved in opening the pool that we cannot eliminate. Those risks appear to be lower during the summer and are certainly lower now than they were in April or early May, but they exist and will continue to exist for the foreseeable future.

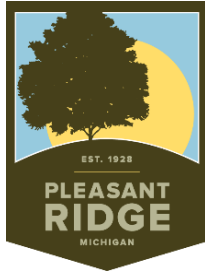
The biggest operational concern is securing enough lifeguards to be able to open the pool, and how long they will be available for. As of now we have a little more than half of the number of lifeguards that we need, most of them are only available until August 10, and most of them require re-certification.

Accounting for the challenges to open, the risks involved for our staff, the potential to spread COVID at the pool, and the uncertainty about being able to open the pool for more than a mid-July through August 10 time frame, City Staff believes that the prudent course would be to keep the pool closed.

That said, we have been working towards opening the pool over the past week. If it is the decision of the City Commission to try to open the pool, we will continue to work diligently to open the pool as soon as we can and keep it open for the longest possible time, with the possibility that we will not be able to secure adequate certified lifeguard staff to be able to open the pool this summer.

Requested Action

City Commission determination whether we should continue working towards a pool opening, or to confirm the closure of the pool for 2020.



City of Pleasant Ridge
 23925 Woodward Avenue
 Pleasant Ridge, Michigan 48069

**Regular City Commission Meeting
 May 12, 2020**

Having been duly publicized, Mayor Metzger called the meeting to order at 7:30pm.

Present: Mayor Metzger, Commissioners Budnik, Perry, Scott, Wahl,
 Also Present: City Manager Breuckman, City Attorney Need, City Clerk Allison
 Absent: None

Public Discussion

Jessica Herzig, 1 Sylvan, commented about the summer activities which have been cancelled due to the coronavirus. Feels that the summer activities can be planned and executed safely.

Governmental Reports

Chief Jack Pesha, Ferndale Fire Department, gave an update regarding recent fire/EMS response calls, reminded residents about the fire department smoke detector program. COVID-19 testing now being offered to any resident through the Oakland County Health Department. Social Distancing should still be practices as well as other hygiene activities such as washing hands.

Chief Kevin Nowak, Pleasant Ridge Police Department, complaints regarding excessive noise and speed on Woodward Avenue. Officers are out, including extra patrols, and writing tickets to offenders.

City Manager Breuckman commented regarding the cancellation of the summer activities. All pools and summer camps in Oakland County have been cancelled due to an Oakland County Executive order, as well as the Governors Executive Order. He gave further details regarding the logistics of opening the pool for this season.

Proclamation – National Gun Violence Awareness Day
20-3462

Motion by Commissioner Wahl second by Commissioner Scott, to adopt the proclamation declaring the first Friday in June as National Gun Violence Awareness Day.

Adopted: Yeas: Commissioners Wahl, Scott, Budnik, Perry, Mayor Metzger
 Nays: None

Consent Agenda

20-3463

Motion by Commissioner Scott second by Commissioner Perry, to approve the consent agenda as presented.

Adopted: Yeas: Commissioners Scott, Perry, Budnik, Wahl, Mayor Metzger
Nays: None

Establish Public Hearing – 2020-2021 Millage Rates and Budget

Breuckman presented information concerning the 2020-2021 budget and millage rates. He highlighted the accomplishments that had been achieved in the last year. The unfunded pension liability is being addressed due to the millage that was passed. The proposed budget for 2020-2021 is available on the website. If passed, it will take effect on July 1, 2020. The millage rate for 2018 will be slightly increased from 21.4120 mills in 2019 to 21.4531 mills in 2020. He presented a graph showing how the millage is distributed among various entities. Pleasant Ridge's millage rate is slightly above average for Oakland County communities, primarily due to reliance on residential taxes rather than commercial. Net revenue for 2020-2021 is projected to be lower due to the global pandemic and the projected dip in property assessments. The unrestricted fund balance will remain at 29.5%. Utility rates will be adopted by resolution. There is a three-year budget for capital improvement projects which include cleaning and televising sewers and water meter head replacement. There is an app that can be installed to monitor water usage for leak detection. The cost for meter head replacement has been included in the water bill. There is still a long-term issue regarding lead pipe replacement which could result in a \$10-12 million expense citywide. Replacement of all lead pipes including leads to the meters is being mandated by the state. Based on the project being conducted in Lansing, the cost was between \$10,000 and \$20,000 per house. PR is planning on presenting an asset management plan to the state to phase in the project in conjunction with regular street maintenance.

20-3464

Motion by Commissioner Perry, second by Commissioner Scott, that a public hearing be established for Tuesday, June 9, 2020 at 7:30pm, to solicit public comments to the proposed fiscal year 2020-2021 millage rates and the proposed fiscal year 2020-2021 combined city budgets.

Adopted: Yeas: Commissioners Perry, Scott, Budnik, Wahl, Mayor Metzger
Nays: None

2020-2021 Utility Rates

20-3465

Motion by Commissioner Perry, second by Commissioner Scott, that the resolution regarding the 2020-2021 Utility Rates be adopted.

Adopted: Yeas: Commissioners Perry, Scott, Budnik, Wahl, Mayor Metzger
Nays: None

Establish Public Hearing – Small Cell Ordinance

20-3464

Motion by Commissioner Scott, second by Commissioner Wahl, that a public hearing be established for Tuesday, June 9, 2020 at 7:30pm, to solicit public comments to the proposed ordinance amendment to Section 62-29 of the Pleasant Ridge City Code, regarding DAS/small cell/wireless facilities in the public right-of-way.

Adopted: Yeas: Commissioners Scott, Wahl, Budnik, Perry, Mayor Metzger
 Nays: None

City Manager's Report

Commissioner Budnik commented about the tree planting program. Will residents have a choice is the species planted. Brueckman responded there is a street tree maintenance and planting manual, each street has trees identified for planting. The trees chosen are meant to inhibit a monoculture of trees.

Other Business

Wahl indicated the Citywide garage sale is scheduled for August 8th. that the Foundation auction has been rescheduled to October 3rd. The Foundation has been purchasing gift certificates to auction off at this year's auction to help local businesses. A website has been established Neighborsthatcare.com to deliver meals to first responders. The website is a resource and is also accepting donations.

Commissioner Perry commented about the old pool furniture that was being sold. Mayor Metzger indicated that furniture has all been sold. Questioned if some of the recreation programs can be done remotely. Wahl indicated there is some online content for kids through the recreation department.

Commissioner Scott announced the 2020 Historical Commission Home and Garden Tour has been cancelled and the museum is also closed.

Mayor Metzger gave an update regarding census response and reporting.

Clerk Allison gave an update regarding the August 4th Primary election. Absentee ballot applications will be mailed to the voters on the permanent list in the next few weeks. Any voter wishing to vote by mail can contact the Clerks office to obtain and application or go online for the application.

With no further business or discussion, Mayor Metzger adjourned the meeting at 9:01pm.

Mayor Kurt Metzger

Amy M. Allison, City Clerk

May 2020

ACCOUNTS PAYABLE

PAYROLL LIABILITIES	\$	9,020.59
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ACCOUNTS PAYABLE	\$	172,491.51
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TAX LIABILITIES	\$	-
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TOTAL	\$	181,512.10
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PAYROLL

May 6, 2020	\$	35,907.51
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May 20, 2020	\$	35,914.08
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TOTAL	\$	71,821.59
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CHECK REGISTER FOR CITY OF PLEASANT RIDGE
PAYROLL LIABILITIES
MAY 2020

PG 1

Check Date	Check	Vendor Name	Description	Amount
5/6/2020	6410500066	MISDU	FOC DEDUCTIONS	\$ 224.60
5/6/2020	6410500067	ALERUS FINANCIAL	HCSP CONTRIBUTIONS	\$ 557.68
5/6/2020	6410500068	FOPLC	UNION DUES	\$ 188.00
5/6/2020	6410500069	ALERUS FINANCIAL	RETIREMENT CONTRIBUTIONS	\$ 1,881.39
5/6/2020	6410500070	ICMA - VANTANGEPOINT	RETIREMENT CONTRIBUTIONS	\$ 80.00
5/6/2020	6410500071	ALERUS FINANCIAL	RETIREMENT CONTRIBUTIONS	\$ 1,345.45
5/6/2020	6410500072	ALERUS FINANCIAL	HCSP CONTRIBUTIONS	\$ 332.09
5/20/2020	6410500073	ALERUS FINANCIAL	RETIREMENT CONTRIBUTIONS	\$ 1,450.62
5/20/2020	6410500074	ALERUS FINANCIAL	HCSP CONTRIBUTIONS	\$ 557.68
5/20/2020	6410500075	ICMA - VANTANGEPOINT	RETIREMENT CONTRIBUTIONS	\$ 80.00
5/20/2020	6410500076	ALERUS FINANCIAL	RETIREMENT CONTRIBUTIONS	\$ 332.09
5/20/2020	6410500077	MISDU	FOC DEDUCTIONS	\$ 224.60
5/20/2020	6410500078	ALERUS FINANCIAL	RETIREMENT CONTRIBUTIONS	\$ 1,766.39
TOTAL PAYROLL LIABILITIES				<u>\$ 9,020.59</u>

CHECK REGISTER FOR CITY OF PLEASANT RIDGE
ACCOUNTS PAYABLE
MAY 12, 2020

PG 2

Check Date	Check	Vendor Name	Description	Amount
05/12/2020	23771	ADKISON, NEED & ALLEN P.L.L.C.	ATTORNEY SERVICES	\$ 1,845.75
05/12/2020	23772	ALTON RAY KEE	INSPECTION SERVICES APRIL-JUNE 2020	\$ 4,050.00
05/12/2020	23773	AMY ALLISON	COVID-19 EXPENSE	\$ 500.00
05/12/2020	23774	BADGER METER, INC.	WATER METER SUPPORT	\$ 96.65
05/12/2020	23775	BLUE CROSS BLUE SHIELD OF MICHIGAN	HEALTHCARE BENEFITS	\$ 5,021.04
05/12/2020	23776	CITY OF FERNDALE	FIRE SERVICES AGREEMENT-JUNE 2020	\$ 21,381.72
05/12/2020	23777	CITY OF FERNDALE	INSPECTION SERVICES	\$ 412.50
05/12/2020	23778	CITY OF FERNDALE	DISPATCH SERVICES-JUNE	\$ 3,250.00
05/12/2020	23779	COMMUNITY MEDIA NETWORK	MEETING RECORDING AND BROADCASTING	\$ 350.00
05/12/2020	23780	DANIEL SIMON	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23781	DETROIT EDISON COMPANY	STREETLIGHTING-APRIL 2020	\$ 3,448.46
05/12/2020	23782	EUGENE LUMBERG	PROSECUTOR SERVICES-APRIL 2020	\$ 405.00
05/12/2020	23783	GREAT AMERICA FINANCIAL SRV	TELECOMMUNICATION SERVICES	\$ 433.00
05/12/2020	23784	GREAT LAKES WATER AUTHORITY	IWC CHARGES - MARCH 2020	\$ 260.26
05/12/2020	23785	GREG CALBECK	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23786	GREGORY HADFIELD	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23787	HUNTINGTON NATIONAL BANK	ANNUAL ADMIN FEE #3584192507	\$ 500.00
05/12/2020	23788	HYDROCORP	CROSS CONNECTION PROGRAM	\$ 125.00
05/12/2020	23789	ICMA RETIREMENT CORPORATION	QUARTERLY ADMINISTRATION FEE	\$ 250.00
05/12/2020	23790	J & J AUTO TRUCK CENTER	POLICE VEHICLE REPAIRS	\$ 53.76
05/12/2020	23791	JAMES BREUCKMAN	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23792	JANI-KING OF MICHIGAN, INC	JANITORIAL SERVICES-MAY	\$ 2,161.00
05/12/2020	23793	JASON NAGY	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23794	JEREMY WATERS	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23795	KENNETH BORYCZ	INSPECTION SERVICES APRIL - JUNE 2020	\$ 3,525.00
05/12/2020	23796	KERSTEN EMSLEY	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23797	KEVIN NOWAK	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23798	MICHAEL KOLEZAR	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23799	MICHIGAN POLICE EQUIPMENT	POLICE DEPT EQUIPMENT	\$ 195.00
05/12/2020	23800	MUNICIPAL CODE CORPORATION	ANNUAL ONLINE CODE HOSTING	\$ 350.00
05/12/2020	23801	O'REILLY AUTO PARTS	DPW MAINTENANCE SUPPLIES	\$ 28.76
05/12/2020	23802	OAKLAND COUNTY TREASURER	SEWERAGE TREATMENT- APRIL 2020	\$ 49,825.91
05/12/2020	23803	OAKLAND COUNTY TREASURER	QUARTERLY CLEMIS FEES	\$ 2,347.50
05/12/2020	23804	OAKLAND SCHOOLS	UTILITY BILL PRINTING AND MAILING	\$ 1,217.63
05/12/2020	23805	PLANTE & MORAN PLLC	ACCOUNTING SERVICES	\$ 5,650.00
05/12/2020	23806	ROBERT RIED	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23807	SCHEER'S ACE HARDWARE	BUILDING MAINTENANCE SUPPLIES	\$ 30.99
05/12/2020	23808	SHAWNIE STAMPER	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23809	SIR SPEEDY	PRINTING SERVICES-ENVELOPES	\$ 501.84
05/12/2020	23810	SOCRRA	REFUSE COLLECTION AGREEMENT	\$ 9,424.00
05/12/2020	23811	SOCWA	WATER PURCHASES-APRIL 2020	\$ 11,286.16
05/12/2020	23812	SPRAY - PATCH	PAVEMENT PATCH PROGRAM	\$ 3,150.00
05/12/2020	23813	TEPEL BROTHER PRINTING	NEWSLETTER PRINTING	\$ 1,169.00
05/12/2020	23814	TIMOTHY SCHULTZ	COVID-19 EXPENSES	\$ 500.00
05/12/2020	23815	TOSHIBA FINANCIAL SERVICES	COPIER LEASE AGREEMENT	\$ 925.98
05/12/2020	23816	WEX BANK	FUEL PURCHASES	\$ 728.10
05/12/2020	23817	XFER COMMUNICATIONS	COMMUNITY CENTER REPAIRS	\$ 315.00
05/12/2020	23818	VOID CHECK	VOID CHECK	\$ -
05/12/2020	23819	VOID CHECK	VOID CHECK	\$ -

Total for 5-12-2020

\$ 141,215.01

CITY OF PLEASANT RIDGE CHECK REGISTER
ELECTRONIC PAYMENTS
MAY 2020

PG 3

Check Date	Check	Vendor Name	Description	Amount
05/06/2020	1940	MUNICIPAL EMP.RETIREMENT SYST.	RETIREMENT CONTRIBUTIONS-APRIL 2020	\$ 31,276.50
TOTAL ELECTRONIC PAYMENTS				<u>\$ 31,276.50</u>



City of Pleasant Ridge

23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

PROCLAMATION Declaring June 2020 as Gay Pride Month in the City of Pleasant Ridge

- Whereas,** the City of Pleasant Ridge is a city rich in diversity and this diversity is demonstrated in the people who live, work and socialize in our city; and
- Whereas,** the Pleasant Ridge City Commission values this diversity and appreciates and celebrates the rich variation of persons in our city; and
- Whereas,** this city is proud of its heritage that accepts and welcomes diverse people, and we believe in a society that treats people on the basis of their intrinsic value as human beings without prejudice and unfair discrimination based on age, gender, race, color, religion, marital status, national origin, sexual orientation or physical challenges; and
- Whereas,** the City of Pleasant Ridge understands and appreciates the cultural, civic, and economic contributions of the Gay, Lesbian, Bisexual and Transgender communities to the greater community of Pleasant Ridge; and
- Whereas,** the City of Pleasant Ridge recognizes June as the month celebrated worldwide yearly with pride by GLBT communities and that June 2020 is the 51st anniversary of the beginning of the modern Lesbian Gay rights movement which began in June 1969 in the great City of New York.

NOW, THEREFORE, I, Kurt Metzger, on behalf of the entire City Commission, recognize and declare June 2020 as Gay Pride Month in the City of Pleasant Ridge and we pledge to continue our efforts at creating and maintaining a city which is free and open that provides equal opportunity, fair treatment and human dignity for all people.

Kurt Metzger, Mayor

SIGNED AND SEALED THIS 9th DAY OF JUNE 2020



City of Pleasant Ridge

23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

PROCLAMATION

June as Immigrant Heritage Month

Whereas generations of immigrants from every corner of the globe have built our country's economy and created the unique character of our nation;

Whereas immigrants continue to grow businesses, innovate, strengthen our economy, and create American jobs in Pleasant Ridge, Michigan;

Whereas immigrants have provided the United States with unique social and cultural influence, fundamentally enriching the extraordinary character of our nation;

Whereas immigrants have been tireless leaders not only in securing their own rights and access to equal opportunity, but have also campaigned to create a fairer and more just society for all Americans; and

Whereas despite these countless contributions, the role of immigrants in building and enriching our nation has frequently been overlooked and undervalued throughout our history and continuing to the present day:

NOW, THEREFORE, I, Kurt Metzger, do hereby proclaim June 2020 as "Immigrant Heritage Month."

*Signed this 9th day of June 2020, in the City of Pleasant Ridge
State of Michigan in witness whereof the official seal
and signature of the city.*

Kurt Metzger, Mayor



City of Pleasant Ridge

From: Kelly Schimmoeller, Plante Moran
 To: Pleasant Ridge City Commission
 Date: June 9, 2020
 Re: 2019-20 Budget Amendment #3

Overview

The following budget amendments increase revenue estimates for licenses and permits, charges for services, interest income, fines, inter-fund transfers and contributions from external sources to reflect the actual year-to-date activity.

Expenditures have been amended to reflect actual year-to-date activity.

Background

Budget Amendment Group 1 – General Fund

We have adjusted our revenue estimates for property taxes, building and plumbing permits, state grants, local community stabilization, landlord licenses, registration fees, and other revenue accounts listed below. These adjustments are being made to more accurately reflect actual year-to-date activity.

		<u>Increase (Decrease)</u>
Revenues		
101-000-401.400	Property Taxes – Police Pension Millage	\$2,316
101-000-445.000	Interest on Taxes	\$15,720
101-000-447.000	Property Tax Admin Fee	\$6,450
101-000-478.000	Building Permits	\$23,400
101-000-479.000	Plumbing and Mechanical Permits	\$4,000
101-000-540.000	State Grant	\$4,255
101-000-573.000	Local Community Stabilization	\$25,960
101-000-576.750	Sales Taxes – Constitutional	\$5,000
101-000-651.208	Admission – Dog Park	\$1,240
101-000-653.000	Registration Program Fee	\$4,705
101-000-656.000	Municipal Fines	\$11,015
101-000-665.000	Interest & Dividend Income	\$14,000
101-000-667.000	4 Ridge Rental	\$5,400
101-000-671.000	Miscellaneous Other Revenues	\$7,700
101-000-675.000	Contributions & Donations	(\$4,590)
101-000-679.300	Refunds & Rebates – Public Safety	(\$4,000)

Expenditures

Mayor & Commission

Mayor and Commission expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
101-101-955.000 Miscellaneous Expenses	\$5,000

City Manager

City Manager expenditures are being amended to account for vacation payout due to COVID.

	<u>Increase (Decrease)</u>
101-172-702.000 Administrative Wages	\$4,400

Elections

Election expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
101-191-704.000 Part-Time Wages	\$800
101-191-731.000 Operating Supplies	\$1,500
101-101-809.000 Contractual Services	\$1,150
101-191-900.000 Printing & Publishing	\$2,500

City Clerk

City Clerk expenditures are being amended to account for vacation payout due to COVID.

	<u>Increase (Decrease)</u>
101-215-702.000 Administrative Wages	\$4,800

City Treasurer

City Treasurer expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
101-253-801.000 Audit Contract	\$2,100

Police Services

Police Services expenditures are being amended to account for vacation payout due to COVID.

	<u>Increase (Decrease)</u>
101-301-702.000 Administrative Wages	\$3,700
101-301-704.000 Full Time Wages	\$4,500

Public Works

Public Works expenditures are being amended to account for vacation payout due to COVID.

	<u>Increase (Decrease)</u>
101-440-702.000 Administrative Wages	\$1,800

Streetlighting

Streetlighting expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
101-448-921.000 Street Lighting	\$4,000

Recreation

Recreation expenditures are being amended to account for vacation payout due to COVID.

	<u>Increase (Decrease)</u>
101-750-702.000 Administrative Wages	\$750

Budget Amendment Group 2 – Major Street Fund

Major Street Fund expenditures are being amended to more accurately reflect actual year-to-date activity:

	<u>Increase (Decrease)</u>
Expenditures	
202-463-810.000 Contractual Services	\$4,000

Budget Amendment Group 3 – Local Street Fund

Local Street Fund expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Expenditures	
203-463-810.000 Public Works Contract	\$3,000
203-910-970.446 Capital Outlay – Streets & Alleys	(\$10,000)

Budget Amendment Group 4 – Infrastructure Improvements

Infrastructure Improvement revenues and expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Revenues	
218-000-665.000 Interest & Dividend Income	\$16,455
Expenditures	
218-910-970.446 Capital Outlay – Streets & Alleys	(\$75,000)
218-920-890.000 Service Charge	\$340

Budget Amendment Group 5 – Solid Waste Fund

Solid Waste revenues and expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Revenues	
226-000-630.000 Service Charges	\$3,604
226-000-665.000 Interest & Dividend Income	\$200
Expenditures	
226-528-810.001 Leaf Collection	\$5,000

Budget Amendment Group 6 – Scaf Parks Special Revenue Fund

Scaf Parks Special Revenue transfers are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Expenditures	
258-966-999.401 Transfers Out – Capital Improvement	\$80,000

Budget Amendment Group 7 – Segregated Capital Assets Fund (SCAF)

Segregated Capital Assets Fund revenues and expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Revenues	
259-000-573.000 Local Community Stabilization	\$840
259-000-665.000 Interest & Dividend Income	\$10,700
Expenditures	
259-248-890.000 Service Charges	\$400

Budget Amendment Group 8 – Downtown Development Authority (DDA)

Downtown Development Authority revenues are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Revenues	
260-000-405.000 T.I.F.A. Taxes	(\$8,380)
260-000-573.000 Local Community Stabilization	\$1,015
260-000-675.000 Contributions & Donations	\$5,500

Budget Amendment Group 9 – Capital Improvement Fund

Capital Improvement revenues are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Revenues	
401-000-655.000 Interest & Dividend Income	\$2,330
401-000-699.258 Transfers In – SCAF-PSRF	\$20,000

Budget Amendment Group 10 – Water & Sewer Systems

Water & Sewer Systems expenditures are being amended to more accurately reflect actual year-to-date activity.

	<u>Increase (Decrease)</u>
Expenditures	
592-536-702.000 Administrative Wages	\$1,000
592-536-939.000 Sewer Maintenance	(\$17,500)
592-536-970.000 Capital Outlay	\$7,500
592-536-970.594 Capital Outlay – Sewer Projects	(\$15,000)



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
To: City Commission
Date: June 4, 2020
Re: Iron Ridge Water Service Interlocal Agreement with the City of Ferndale

Overview

The attached interlocal agreement would provide for a modified fire suppression system supplied from the City of Ferndale water system for the Iron Ridge mixed use development currently under construction.

Background

The Iron Ridge mixed use development continues to work through the construction process. The 660 building, which is the former Walker Wire building, is required to have a modified fire suppression system. The Pleasant Ridge water system cannot provide adequate flow rates to supply the required fire suppression system. An engineering solution to this issue is to create a fire suppression loop for the building connected to the Ferndale water system. Domestic water will still be supplied by Pleasant Ridge.

The attached intergovernmental agreement would provide the legal mechanism for the City of Ferndale to create a fire suppression loop through Pleasant Ridge. Water used for fire suppression will be metered and billed by the City of Ferndale.

The attached interlocal agreement was approved by the City of Ferndale at its May 26 meeting.

Requested Action

City Commission approval of the attached interlocal agreement.

INTERGOVERNMENTAL AGREEMENT FOR WATER SERVICE

This interlocal agreement ("Agreement") is made and entered into on May 26, 2020 between the City of Pleasant Ridge ("Pleasant Ridge") and the City of Ferndale ("Ferndale").

Recitals

- A. A mixed-use development known as "Iron Ridge", located in both Pleasant Ridge and Ferndale, is currently being proposed by Iron Ridge Holdings, LLC, whose address is 6960 Orchard Lake Road, Suite 300, West Bloomfield, MI 48322 ("Developer"), and is currently undergoing review by Pleasant Ridge and Ferndale.
- B. A legal description of the Iron Ridge development located in Pleasant Ridge ("Iron Ridge Property") is attached as Exhibit "A".
- C. Ferndale owns and operates a water supply and distribution system ("Ferndale Water System") providing water service to its customers.
- D. Iron Ridge intends to construct and install water service infrastructure consisting of, but not limited to, pipes, valves, hydrants, and other equipment necessary to convey water from Ferndale water mains to the structures and improvements on the Iron Ridge Property ("Improvements") for fire suppression and fire protection purposes only. The specifications for the Improvements are attached as Exhibit "B".
- E. The parties desire to have the Iron Ridge Property connect to the Ferndale Water System, subject to the terms and conditions of this Agreement.
- F. The Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act 7 of 1967, being MCL 124.501 et seq. ("Act 7"), permit a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common and which each might exercise separately

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, Pleasant Ridge and Ferndale agree as follows:

1. The Iron Ridge Property shall be entitled to connect to the Ferndale Water System, subject to the terms and conditions of this Agreement, City of Ferndale Code of Ordinances and permit requirements for fire suppression and fire protection purposes only.

2. Ferndale shall not be required to provide water service for fire suppression and fire protection purposes to the Iron Ridge Property until Developer has applied for and received from Ferndale all permits and approvals necessary under this Agreement and all applicable ordinances to construct the Improvements and connect to the Ferndale Water System, including plumbing permits and zoning and land improvement permits and approvals, MDEQ Act 399 permit, and payment of all applicable application and inspection fees. Prior to providing water

*Intergovernmental Agreement for Water Service
City of Pleasant Ridge / City of Ferndale
Page 2 of 4*

service for fire suppression and fire protection purposes to the Iron Ridge Property, Ferndale shall inspect and approve all Improvements in Ferndale and Pleasant Ridge. At its option, Pleasant Ridge may also inspect the Improvements in Pleasant Ridge. The parties intend that Developer shall grant Ferndale any necessary easements for the Improvements and shall be responsible for and bear all costs and expenses incurred by Ferndale or Pleasant Ridge in the administration of this permit and approval procedure, and any other costs or expenses incurred by the parties in connecting Developer to the Ferndale Water System.

3. The parties understand that the owner(s) of the Iron Ridge Property shall pay for construction of the Improvements, and provide a bill of sale and ownership of such Improvements to Ferndale and shall pay directly to Ferndale all capital charges, future maintenance and repair charges and connection fees, pursuant to Ferndale ordinances.

4. For water usage on the Iron Ridge Property, owner(s) of the Iron Ridge Property shall pay Ferndale the rate established by Ferndale as part of its uniform schedule of rates as provided by Ferndale's Charter and ordinances.

5. Ferndale shall bill Iron Ridge Property owner(s) directly for water usage pursuant to its uniform schedule of rates as provided by Ferndale's Charter and ordinances

6. The parties acknowledge that maintenance of any private service leads within the Iron Ridge Property are the responsibility of the owners of the Iron Ridge Property.

7. The Improvements shall, after installation, be maintained by Ferndale in compliance with the ordinances, regulations, and policies of Ferndale.

8. The commencement date of this Agreement shall be the date on which Ferndale and Pleasant Ridge have both inspected and approved all "Improvements" within their jurisdiction. Thereafter, this Agreement shall be in effect so long as the Iron Ridge Property is served by the Ferndale Water System, subject to the terms and conditions of this Agreement, until such time as the Iron Ridge Property is not served by Ferndale water system or termination in accordance with this section. Either party may terminate this Agreement by one-year advance written notice to the other party. However, in the event of non-payment of water usage fees, water service to the Iron Ridge Property may be shut off and discontinued or disconnected by Ferndale, in accordance with applicable provisions of Ferndale ordinances and state law. Water services so discontinued shall not be restored until all sums then due and owing are paid as set forth in Ferndale ordinances.

9. Notwithstanding anything set forth in this Agreement, each party shall be responsible for the claims made against that party and for the acts of its employees or agents. Neither Ferndale or Pleasant Ridge shall have any rights under any legal principle to be indemnified by each other for any act of each one's employees or agents in connection with any claim. Further, this Agreement does not and is not intended to impair, divest, delegate or contravene any constitutional, statutory, or other legal right, privilege, power, obligation, duty, or

*Intergovernmental Agreement for Water Service
City of Pleasant Ridge / City of Ferndale
Page 3 of 4*

immunity of the parties. Nothing in this Agreement shall be construed as a waiver of governmental immunity for either Ferndale or Pleasant Ridge.

10. Notices under this Agreement shall be sent by personal service, certified mail, return receipt requested, or overnight mail through a recognized delivery service, and addressed to:

City of Pleasant Ridge
Attn: City Manager
23925 Woodward Avenue
Pleasant Ridge, MI 48069

City of Ferndale
Attn: City Manager
300 East Nine Mile Road
Ferndale, MI 48220

The date of giving notice shall be the date of personal service, or one business day after service by certified mail or overnight mail.

11. Entire Agreement. This Agreement sets forth the entire agreement between the parties and supersedes any prior understandings.

12. Severability. If a Court of competent jurisdiction finds any provisions of this Agreement invalid or unenforceable, then that provision shall be deemed severed from this Agreement. The remainder of this Agreement shall remain in full force.

13. Governing Law. This Agreement shall be governed by Michigan law. Except as otherwise required by law or court rule, any action brought to enforce, interpret or decide any claim arising under this Agreement shall be brought in the Oakland County Circuit Court.

14. Amendment. The Agreement may be amended only upon written agreement and approval of the governing bodies of Pleasant Ridge and Ferndale.

15. No Implied Waiver. Absent a written waiver, no failure or delay by a party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either party shall subsequently affect its rights to require strict performance of this Agreement.

16. Assignment and Delegation. This Agreement may not be assigned nor may duties or obligations hereunder be delegated without the prior, mutual written consent of both parties.

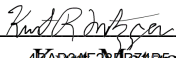
*Intergovernmental Agreement for Water Service
City of Pleasant Ridge / City of Ferndale
Page 4 of 4*

17. Interpretation of Agreement. This is a negotiated Agreement. Should any part of this Agreement be in dispute, this Agreement shall not be construed more favorably for one party over the other, and the doctrine of construction against the drafter shall not apply.

18. No Third-Party Beneficiaries. The parties do not intend to confer third party beneficiary status on any non-party to this Agreement.

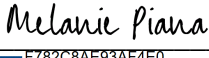
19. Filing. Prior to its effectiveness, the interlocal agreement shall be filed with the clerk of Oakland County and with the Secretary of State, as required under Section 10(4) of Act 7.

City of Pleasant Ridge

DocuSigned by:
By: 
Karl Metzger
Mayor

Date: 5/28/2020

City of Ferndale

DocuSigned by:
By: 
F782C8AE93AF4E0...
Melanie Piana
Mayor

Date: 5/28/2020

404 E 10 MILE RD PLEASANT RIDGE MI 48069-1201

25-27-127-009

T1N, R11E, SEC 27 STEPHENSON-BARBER R O SUB NO 3 LOTS 266, 267, 268 & PART OF LOT 269, ALSO PART OF NW 1/4 ALL BEING DESC AS BEG AT NE COR OF SD LOT 266, TH N 89-11-00 W 277.56 FT ALG S LINE OF TEN MILE RD, TH S 03-59-40 W 47.81 FT, TH S 27-39-20 E 400.39 FT, TH S 89-11-00 E 95.49 FT TO SE COR OF LOT 269, TH N 400 FT TO BEG

660 E 10 MILE RD FERNDAL MI 48220-1036

25-27-127-010

T1N, R11E, SEC 27 STEPHENSON BARBER ROYAL OAK SUB NO 3 LOTS 261 TO 265 INCL, ALSO E 1/2 OF S 50 FT OF VAC BARBER AVE ADJ TO SD LOT 261, ALSO PART OF NW 1/4 OF SEC 27 BEG AT SE COR OF LOT 261 OF SD 'STEPHENSON BARBER ROYAL OAK SUB NO 3', TH S 575.86 FT ALG W LINE OF 'WOODWARD HEIGHTS ROYAL OAK ADD', TH N 28-28-15 W 606 FT, TH N 67-55-00 E 123 FT, TH S 89-11-00 E 175 FT TO BEG 12-3-15 CORR

400 E 10 MILE RD PLEASANT RIDGE MI 48069-1201

25-27-127-012

T1N, R11E, SEC 27 PART OF NE 1/4 OF NW 1/4 BEG AT PT DIST N 89-11-00 W 277.52 FT FROM INTER OF S LINE OF TEN MILE RD & W LINE OF BARBER AVE, TH S 03-59-40 W 48.59 FT, TH S 27-38-00 E 334.18 FT, TH SLY ALG W LINE OF 'STEPHENSON-BARBER ROYAL OAK SUB NO 3' TO SW COR OF LOT 270 OF SD SUB, TH ELY TO SE COR OF SD LOT, TH S 67-55-00 W 123 FT TO ELY R/W LINE GTRR, TH NW ALG SD R/W 631 FT, TH ELY 135.50 FT TO BEG 1.68 A

No property address available

25-27-127-013

T1N, R11E, SEC 27 STEPHENSON BARBER ROYAL OAK SUB NO 3 TRIANGULAR PART OF LOT 269 MEAS 29.51 FT ON S LOT LI & MEAS 59.43 FT ON W LOT LI, ALSO ALL OF LOT 270, ALSO W 1/2 OF VAC S 50 FT OF BARBER AVE ADJ TO SD LOT 270 10-18-89 CORR



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
To: City Commission
Date: June 4, 2020
Re: Street Sweeper Purchase

Overview

We can purchase a street sweeper from Hazel Park DPW. The sweeper is an Elgin Pelican and is about 20 years old. It was purchased new and has been operated and maintained by Hazel Park. The cost of the sweeper would not exceed \$10,000.

Background

We have contracted street sweeping out through Brilar for at least the past decade. This arrangement has generally been acceptable, but we have not been able to set and stick to a regular sweeping schedule and it is an all-or-nothing approach where we have the entire City swept or nothing.

We generally have spent about \$10,000 per year on street sweeping services.

New sweepers can cost anywhere from \$60,000 to \$300,000. Used sweepers can be found for less than \$10,000, but are usually of questionable quality.

The sweeper that Hazel Park is selling has been owned and maintained by the City since they bought it in November of 1998. In this case, we know how the sweeper has been used and maintained.

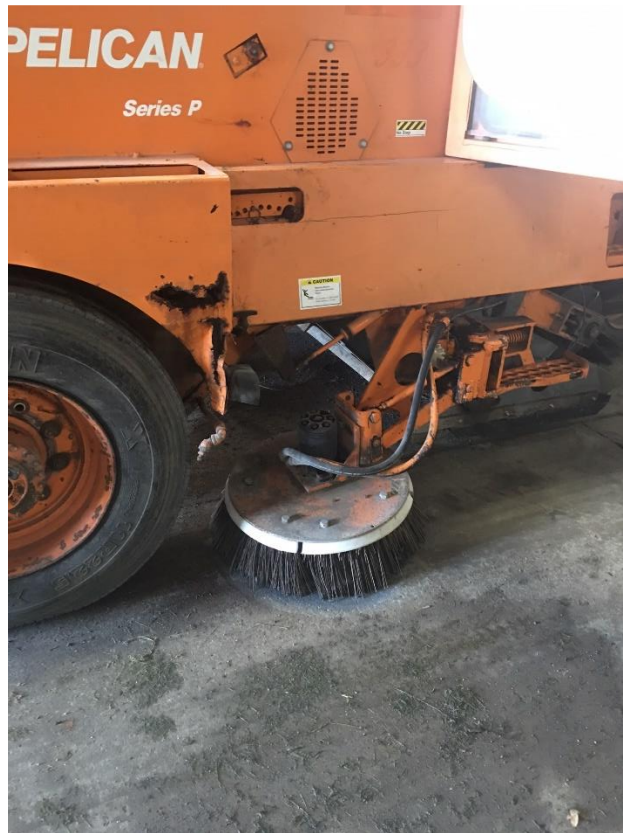
\$15,000 was budgeted for capital outlay in the DPW department for FY20 ending June 30 of this year. Staff is proposing to purchase the street sweeper from Hazel Park for a cost not to exceed \$10,000. While the sweeper is older, Pleasant Ridge is small and we believe that there is enough life left in the sweeper to provide good service to us. Given the age of the sweeper we are unsure of how many years we can expect out of it, but it will only take one year of service for us to recoup our cost.

Additionally, owning and operating our own sweeper will allow us to set a more regular sweeping schedule and to build predictability for residents about when sweeping will occur. We will likely post permanent signs on a few signposts on each street notifying residents about street sweeping days to try to keep the streets clear when we sweep.

Requested Action

City Commission approval of the Elgin Pelican street sweeper from Hazel Park for not more than \$10,000.

The brushes have been newly replaced:



View of the rear of the unit:



Front view with the storage area. The hydraulics are in good working order:





City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
 To: City Commission
 Date: June 5, 2020
 Re: Proposed Fiscal Year 2020-2021 Budget Call for Public Hearing

Overview

Attached is the proposed Fiscal Year 2020-2021 budget which will take effect July 1 of this year, if approved.

Background

The budget has been developed during a time of disruption. We collectively have altered our personal, family, and work lives to address the COVID-19 crisis. Sheltering in place to flatten the curve has been a public health imperative, but with great impact on our lives and the economy. As of the date of this letter our efforts have succeeded in slowing the spread of the disease, which must be considered a victory. However, we are only at a plateau in our region currently, and the lessons of past pandemics teach us that we are in the first wave but that one or more additional waves are likely to hit over the next 18-24 months. Social distancing in some form will likely be necessary until a vaccine for COVID-19 is developed and deployed. Our current uncertainty may persist for another year or more.

What this means for City operations, and specific to the subject of this letter, the City budget is still unknowable. Our revenue projections are based on a reality that currently does not exist. We are operating in part based on our decades long experience delivering services to the residents of Pleasant Ridge, but we must also try to plan for the as-yet unknown revenue reductions due to the economic damage from COVID-19. The Great Recession of 2008 caused a 12% drop in taxable property values, but the bottom in tax collections did not occur until 2012 – 4 years after the recession began.

We currently don't know what the lasting economic impact of COVID-19 will be. Given the lagging nature of property tax assessments, we likely won't feel the full impacts of any economic contraction until a few years down the road. However, out of an abundance of caution, we have budgeted conservatively and anticipate reductions in revenues from property taxes, state revenue sharing, and road funding for FY21 and beyond.

Revenue

Financial projections for Fiscal Year 2020-2021 are relatively stable, for now. Uncertainty persists as we work our way through the COVID-19 event. The long-term impacts of the pandemic are not yet known, but for now, revenues appear to be mostly stable for FY21, with greater uncertainty for future years.

Assessed property values continue to rise at a modest pace – 3.8% this year. Our total taxable value grew 4.2% due to home sales causing the taxable value on many properties to be uncapped. When a home sale occurs, the taxable value is uncapped and is reset to equal the assessed value of the property.

The State inflation rate multiplier for FY21 is 1.9%, so our local tax rate has been again adjusted downward to ensure that total property tax revenues only increase 1.9% compared to last year. With the police pension millage continuing to phase in this year and adding an additional 0.35 mills to our local tax rate, the total City property tax rate will slightly increase from 21.4120 mills in 2019 to 21.4531 mills in 2020.

As noted above, revenue projections for FY22 presented in this budget assume that we will see a decline in overall revenue.

Accomplishments

We have continued to invest in capital improvements. This year we completed the following major projects:

- A major sidewalk maintenance program that replaced 2,000 sidewalk flags throughout the City.
- Installed lighting along the pathways in Gainsboro Park.
- Completed the renovation and technology upgrade in the City Commission chambers.
- Purchased a new police patrol vehicle.
- Continued street tree plantings – we have now planted over 400 new street trees over the past four years.
- We continue to address our unfunded pension liability. Starting in FY18-19 and continuing for the next 13 years we will be making additional contributions to eliminate that unfunded liability. We can do this because of the police pension millage that was approved by the voters in November 2017.

Our efforts in recent years have substantially overhauled our recreation facilities, improved City Hall, addressed infrastructure needs, and provided our police with the up to date equipment they need to do their jobs.

Challenges

We have made great progress in addressing challenges to the City in recent years, and the City is on the most stable footing in nearly two decades. This is largely due to the voters supporting operating and police pension millages over the past five years that provide funding to replace that which was lost after the recession that began in 2008 and the nearly \$300,000 annual reduction in revenue sharing support we receive from the State. We have also implemented measures to reduce operating and employee benefit costs which put us on a sustainable path into the future.

However, there will always be challenges facing the City:

- The largest challenge facing the City is our underfunded pension system. The City's pension system is currently 53% funded, with the police group, which accounts for about two-thirds of the overall pension system, being 48% funded. The pension system became underfunded over the course of multiple decades, and it will take us a decade or more to restore the pension system to a fully-funded state.

The overall funding level has been stable at 53% for the past four years, so we have managed to

arrest the decline in funding levels. The good news is that the passage of the police pension millage by the voters in November of 2017 will provide new funding over the next 15 years that will be dedicated solely to increasing the funding level of the police pension group. This additional funding, along with the changes we have made in benefits provided to recent and future hires, has placed us on a sustainable path towards eliminating our unfunded liability in the pension system over time.

- The water distribution system is functioning well with very few breaks or service issues. Our water testing continues to show that the quality of water in our system meets all State requirements for purity, including lead and copper levels.

However, the water distribution system is nearing 100 years old and will require inspection and possibly some replacements in the coming years. Most of our water mains are over 80 years old, and while we have no evidence of issues with them, they are reaching the limits of their design life. It would cost many millions of dollars to replace all our aging water mains, so we will have to prioritize our preventative maintenance/replacement work based on our available resources. This will be an ongoing process over the coming years.

- Perhaps the greatest infrastructure challenge facing the City is the new State-imposed requirement that we replace all lead lines in the water system over the next 30 years. The State is mandating that the City replace private water service leads as part of this work, so not only do we have to replace the public portion, we have to also replace the service line from the water stop box all the way to the meter inside of each house.

The majority of Pleasant Ridge was developed before 1940, so nearly all of our private service lines are lead. Replacing these will be a significant cost, likely between \$10 and \$16 million. Given that our water fund has a total annual budget of about \$1.3 million, with annual capital expenditures of about \$150,000, we do not have the capacity to cover the cost to replace lead service lines under business as usual. Ultimately, the City Water fund must pay for the replacement of lead service lines, but property owners and water customers will have to bear the cost of these replacements.

We will be working to identify ways of funding these improvements in a fair and equitable manner. This will be a project that we work on for decades into the future, so the City Commission and residents will be hearing more about this issue over the next few years as we work out how we will meet this new unfunded State mandate.

Projections

We continue to present a three-year budget. The budget now shows FY19-20 budget numbers to be adopted, alongside projections for FY20-21 and 21-22 (only the 19-20 budget is adopted, the two following years are for planning purposes only). The presentation of three budget years helps the City to plan for future expenses, and to ensure that budgetary decisions for the coming year consider future events and expenditures to ensure that we are making sound budget decisions. Examples include setting aside money each year in the capital improvement fund to support the purchase of a police car every other year. In this way, we can plan to fund large, non-annual capital expenditures over multiple budget years rather than bearing the full cost in one budget year. The three-year projection is also used to set utility rates for the coming year, smoothing out large capital expenditures over three years to avoid large increases in utility rates in any given year.

Conclusion

I thank the Commission and our residents for the trust and support that you provide to City Staff, and I thank all our talented City employees for their dedicated efforts. We have a small group of City employees who wear many hats, and I am proud that they always go above and beyond to provide excellent service to our residents. Most of all, we acknowledge that the community-mindedness and support of our residents is the primary reason that Pleasant Ridge is such a great City.

Requested Action

Approval of the FY21 City Budget.



City of Pleasant Ridge 2020-2021 Annual Budget

DRAFT: June 5, 2020

Mayor

Kurt Metzger

City Commissioners

Chris Budnik

Ann Perry

Bret Scott

Amanda Wahl

City Manager

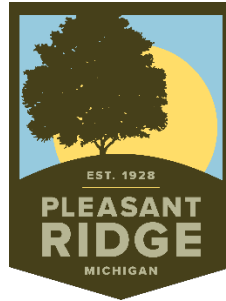
James Breuckman

Table of Contents

Table of Contents	i
A. Introduction	1
1. City Manager's Letter.....	1
2. Public Hearing Notice – Proposed 2020-21 Annual Budget	5
3. Budget Resolution.....	6
B. Budget Summary.....	9
1. Key Budget Information.....	9
2. Summary Graphs and Tables.....	11
3. City Commission Goals and Objectives.....	18
4. Budget Policies and Procedures	20
5. Fund Structure	22
6. Millage Rate Information.....	23
7. Pension Unfunded Liability.....	25
8. Personnel.....	28
C. General Fund	30
101. Summary.....	30
101. General Fund Revenues.....	31
101. General Fund Expenditures.....	33
D. Special Revenue Funds	38
202. Major Street Fund.....	38
203. Local Street Fund.....	40
218. Infrastructure Improvements	41
226. Solid Waste Fund	42
251. Pool/Fitness Facility.....	43
258. Segregated Capital Assets Fund – Parks Special Revenue Fund (SCAF-PSRF).....	45
259. Segregated Capital Assets Fund Remainder Fund (SCAF-RF)	47
260. Downtown Development Authority.....	48
271. Library Fund.....	49
297. Historical Fund	50
301. Debt Service (Voted Bonds).....	51
401. Capital Improvement Fund.....	53
E. Enterprise Funds	56
592. Water and Sewer Fund	56

A. Introduction

1. City Manager's Letter



May 7, 2020

RE: Proposed Fiscal Year 2019-2020 Operating Budget

Honorable Mayor Metzger and members of the Pleasant Ridge City Commission:

Please accept this letter as my transmittal of the City budget for the fiscal year 2020-2021 for your review and consideration. A public hearing to solicit public comment on this document is scheduled for June 9, 2020 at 7:30pm.

Overview

This budget has been developed during a time of disruption. We collectively have altered our personal, family, and work lives to address the COVID-19 crisis. Sheltering in place to flatten the curve has been a public health imperative, but with great impact on our lives and the economy. As of the date of this letter our efforts have succeeded in slowing the spread of the disease, which must be considered a victory. However, we are only at a plateau in our region currently, and the lessons of past pandemics teach us that we are in the first wave but that one or more additional waves are likely to hit over the next 18-24 months. Social distancing in some form will likely be necessary until a vaccine for COVID-19 is developed and deployed. Our current uncertainty may persist for another year or more.

What this means for City operations, and specific to the subject of this letter, the City budget is still unknowable. Our revenue projections are based on a reality that currently does not exist. We are operating in part based on our decades long experience delivering services to the residents of Pleasant Ridge, but we must also try to plan for the as-yet unknown revenue reductions due to the economic damage from COVID-19. The Great Recession of 2008 caused a 12% drop in taxable property values, but the bottom in tax collections did not occur until 2012 – 4 years after the recession began.

We currently don't know what the lasting economic impact of COVID-19 will be. Given the lagging nature of property tax assessments, we likely won't feel the full impacts of any economic contraction until a few years

down the road. However, out of an abundance of caution, we have budgeted conservatively and anticipate reductions in revenues from property taxes, state revenue sharing, and road funding for FY21 and beyond.

Revenue

Financial projections for Fiscal Year 2020-2021 are relatively stable, for now. Uncertainty persists as we work our way through the COVID-19 event. The long-term impacts of the pandemic are not yet known, but for now, revenues appear to be mostly stable for FY21, with greater uncertainty for future years.

Assessed property values continue to rise at a modest pace – 3.8% this year. Our total taxable value grew 4.2% due to home sales causing the taxable value on many properties to be uncapped. When a home sale occurs, the taxable value is uncapped and is reset to equal the assessed value of the property.

The State inflation rate multiplier for FY21 is 1.9%, so our local tax rate has been again adjusted downward to ensure that total property tax revenues only increase 1.9% compared to last year. With the police pension millage continuing to phase in this year and adding an additional 0.35 mills to our local tax rate, the total City property tax rate will slightly increase from 21.4120 mills in 2019 to 21.4531 mills in 2020.

As noted above, revenue projections for FY22 presented in this budget assume that we will see a decline in overall revenue.

Accomplishments

We have continued to invest in capital improvements. This year we completed the following major projects:

- A major sidewalk maintenance program that replaced 2,000 sidewalk flags throughout the City.
- Installed lighting along the pathways in Gainsboro Park.
- Completed the renovation and technology upgrade in the City Commission chambers.
- Purchased a new police patrol vehicle.
- Continued street tree plantings – we have now planted over 400 new street trees over the past four years.
- We continue to address our unfunded pension liability. Starting in FY18-19 and continuing for the next 13 years we will be making additional contributions to eliminate that unfunded liability. We can do this because of the police pension millage that was approved by the voters in November 2017.

Our efforts in recent years have substantially overhauled our recreation facilities, improved City Hall, addressed infrastructure needs, and provided our police with the up to date equipment they need to do their jobs.

Challenges

We have made great progress in addressing challenges to the City in recent years, and the City is on the most stable footing in nearly two decades. This is largely due to the voters supporting operating and police pension millages over the past five years that provide funding to replace that which was lost after the recession that began in 2008 and the nearly \$300,000 annual reduction in revenue sharing support we receive from the State. We have also implemented measures to reduce operating and employee benefit costs which put us on a sustainable path into the future.

However, there will always be challenges facing the City:

- The largest challenge facing the City is our underfunded pension system. The City's pension system is currently 53% funded, with the police group, which accounts for about two-thirds of the overall pension system, being 48% funded. The pension system became underfunded over the course of multiple decades, and it will take us a decade or more to restore the pension system to a fully-funded state.

The overall funding level has been stable at 53% for the past four years, so we have managed to arrest the decline in funding levels. The good news is that the passage of the police pension millage by the voters in November of 2017 will provide new funding over the next 15 years that will be dedicated solely to increasing the funding level of the police pension group. This additional funding, along with the changes we have made in benefits provided to recent and future hires, has placed us on a sustainable path towards eliminating our unfunded liability in the pension system over time.

- The water distribution system is functioning well with very few breaks or service issues. Our water testing continues to show that the quality of water in our system meets all State requirements for purity, including lead and copper levels.

However, the water distribution system is nearing 100 years old and will require inspection and possibly some replacements in the coming years. Most of our water mains are over 80 years old, and while we have no evidence of issues with them, they are reaching the limits of their design life. It would cost many millions of dollars to replace all our aging water mains, so we will have to prioritize our preventative maintenance/replacement work based on our available resources. This will be an ongoing process over the coming years.

- Perhaps the greatest infrastructure challenge facing the City is the new State-imposed requirement that we replace all lead lines in the water system over the next 30 years. The State is mandating that the City replace private water service leads as part of this work, so not only do we have to replace the public portion, we have to also replace the service line from the water stop box all the way to the meter inside of each house.

The majority of Pleasant Ridge was developed before 1940, so nearly all of our private service lines are lead. Replacing these will be a significant cost, likely between \$10 and \$16 million. Given that our water fund has a total annual budget of about \$1.3 million, with annual capital expenditures of about \$150,000, we do not have the capacity to cover the cost to replace lead service lines under business as usual. Ultimately, the City Water fund must pay for the replacement of lead service lines, but property owners and water customers will have to bear the cost of these replacements.

We will be working to identify ways of funding these improvements in a fair and equitable manner. This will be a project that we work on for decades into the future, so the City Commission and residents will be hearing more about this issue over the next few years as we work out how we will meet this new unfunded State mandate.

Projections

We continue to present a three-year budget. The budget now shows FY21 budget numbers to be adopted, alongside projections for FY22 and FY23 (only the FY21 budget is adopted, the two following years are for planning purposes only). The presentation of three budget years helps the City to plan for future expenses, and to ensure that budgetary decisions for the coming year consider future events and expenditures to ensure that we are making sound budget decisions. Examples include setting aside money each year in the capital improvement fund to support the purchase of a police car every other year. In this way, we can plan to

A. Introduction

1. City Manager's Letter

fund large, non-annual capital expenditures over multiple budget years rather than bearing the full cost in one budget year. The three-year projection is also used to set utility rates for the coming year, smoothing out large capital expenditures over three years to avoid large increases in utility rates in any given year.

Conclusion

I thank the Commission and our residents for the trust and support that you provide to City Staff, and I thank all our talented City employees for their dedicated efforts. We have a small group of City employees who wear many hats, and I am proud that they always go above and beyond to provide excellent service to our residents. Most of all, we acknowledge that the community-mindedness and support of our residents is the primary reason that Pleasant Ridge continues to be such a special place.

Respectfully,

A handwritten signature in black ink, appearing to read "James Breuckman". The signature is stylized with a large, sweeping initial "J" and a long, horizontal flourish extending to the right.

James Breuckman
City Manager

2. Public Hearing Notice – Proposed 2020-21 Annual Budget

City of Pleasant Ridge
23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

NOTICE OF A PUBLIC HEARING ON THE PROPOSED FY2020-2021 CITY BUDGET AND 2020 MILLAGE RATES

NOTICE IS HEREBY GIVEN in accordance with Section 4.03 of the Pleasant Ridge City Charter that a public hearing will be held on Tuesday, June 9, 2020, at 7:30 p.m. in the City Commission Chambers, 23925 Woodward Avenue, Pleasant Ridge, Michigan, to solicit public comments on the following:

THE PROPOSED 2020-2021 COMBINED CITY BUDGET AND MILLAGE RATES.

The current FY20 (July 1, 2019 through June 30, 2020) and the proposed FY21 (July 1, 2020 through June 30, 2021) millage rates are as follows:

	19-20	20-21
General Operating - Charter	10.2085	10.0604
General Operating (2015)	2.6175	2.5795
General Operating – Police Pension	0.7000	1.0500
Infrastructure Improvement (2015)	2.6804	2.6415
Community Promotion	0.3100	0.3000
Parks Improvement (2015)	0.6769	0.6670
Rubbish	1.5306	1.5084
Pool Operations	1.1364	1.1199
Library	0.3617	0.3564
Debt	1.1900	1.1700
Total Millage:	21.4120	21.4531

The City may not adopt its proposed FY 2020-2021 budget until after the public hearing. A copy of the proposed FY 2020-2021 budget and the proposed 2020 property tax millage rates are available for public inspection during normal business hours in the office of the City Clerk, at 23925 Woodward Avenue, Pleasant Ridge, Michigan. Public comments, oral or written, are welcome at the hearing on the proposed budget for Fiscal Year 2020-2021 and the proposed property tax millage rate. All interested citizens are encouraged to attend and to submit comments.

Amy M. Allison
City Clerk

Published: The Daily Tribune
May 31, 2020
AFFIDAVIT REQUESTED

3. Budget Resolution

**City of Pleasant Ridge
Budget Resolution
General Appropriations Act
Fiscal Year 2020-2021**

WHEREAS, the City Manager has prepared and submitted to the City Commission the proposed budget for fiscal year 2020-2021; and

WHEREAS, the City Commission has advertised the tentative millage rates in the Daily Tribune on May __, 2020, and held the public hearing on the budget and the tentative millage rates pursuant to Section 16 of the Uniform Budgeting and Accounting Act (Truth in Budgeting) on Tuesday, June 9, 2020; and

WHEREAS, the City Commission has reviewed the proposed property tax rates and budget.

NOW, THEREFORE LET IT BE RESOLVED, that the budget for the fiscal year commencing July 1, 2020 and ending June 30, 2021 be adopted; and

BE IT FURTHER RESOLVED, that the revenue and transfers-in, and expenditures and transfers-out for the fiscal year 2020-2021 are estimated as follows and hereby appropriated by the City Commission to meet the liabilities of the City of Pleasant Ridge in the ensuing fiscal year as follows:

REVENUES

101	GENERAL FUND	
	Taxes and special assessments	\$2,371,666
	Licenses and Permits	\$53,780
	Federal and State Grants	\$22,500
	State Shared Revenue	\$236,000
	Charges for Services	\$206,088
	Fines and Forfeits	\$50,000
	Interest and Rents	\$9,000
	Other revenue	\$98,800
	Transfers-In	\$0
	Total General Fund Revenue:	\$3,047,835
202	MAJOR STREETS	\$185,050
203	LOCAL STREETS	\$115,540
218	INFRASTRUCTURE IMPROVEMENTS	\$439,208
226	SOLID WASTE	\$408,567
251	POOL/FITNESS FACILITY	\$226,236
258	SCAF PARKS SPECIAL REVENUE FUND	\$50,000
259	SCAF REMAINDER FUND	\$106,973
260	DOWNTOWN DEVELOPMENT AUTHORITY	\$94,748
266	DRUG FORFEITURE FUND	\$0
271	LIBRARY SERVICES	\$58,200
297	HISTORICAL FUND	\$610
301	DEBT SERVICE - VOTED	\$195,347
401	CAPITAL IMPROVEMENTS	\$80,000
592	WATER and SEWER	\$1,488,858

EXPENDITURES

101	GENERAL FUND	
	Mayor and Commission	\$27,550
	City Manager	\$182,276
	Elections	\$9,510
	City Attorney	\$26,500
	City Clerk	\$115,073
	Information Technology	\$58,500
	General Government	\$145,400
	Cable TV	\$3,410
	City Treasurer	\$117,050
	Assessment	\$22,155
	Police Services	\$1,219,015
	Fire/Rescue	\$256,581
	Building Department	\$66,767
	Planning Commission	\$0
	Public Works	\$261,086
	Street Lighting	\$38,000
	Recreation	\$387,773
	Retirement Services	\$5,000
	Transfers Out	\$50,000
	Total General Fund Expenditures:	\$2,991,645
	Increase in General Fund Fund Balance:	\$56,190
202	MAJOR STREETS	\$195,500
203	LOCAL STREETS	\$119,200
218	INFRASTRUCTURE IMPROVEMENTS	\$813,450
226	SOLID WASTE	\$407,928
251	POOL/FITNESS FACILITY	\$204,289
258	SCAF PARKS SPECIAL REVENUE FUND	\$0
259	SCAF REMAINDER FUND	\$100
260	DOWNTOWN DEVELOPMENT AUTHORITY	\$241,230
266	DRUG FORFEITURE FUND	\$0
271	LIBRARY SERVICES	\$57,536
297	HISTORICAL FUND	\$1,780
301	DEBT SERVICE - VOTED	\$184,149
401	CAPITAL IMPROVEMENTS	\$75,100
592	WATER and SEWER	\$1,752,611

BE IT FURTHER RESOLVED, the following property tax rates be authorized and that the City Treasurer is ordered to levy such funds and rates and collect and deposit the various specific uses and funds as required by ordinance and resolution:

General Operating - Charter	10.0604
General Operating (2015)	2.5795
General Operating – Police Pension	1.0500
Infrastructure Improvement (2015)	2.6415
Community Promotion	0.3000
Parks Improvement (2015)	0.6670
Rubbish	1.5084
Pool Operations	1.1199
Library	0.3564
Debt	1.1700
<hr/>	
Total Millage:	21.4531

BE IT FURTHER RESOLVED, that the City Commission recognizes that the City of Pleasant Ridge Downtown Development Authority will capture taxes levied from all millages,

BE IT FURTHER RESOLVED, that the City Treasurer shall levy a 1% Tax Administration Fee on all property taxes collected by the City of Pleasant Ridge from all taxing jurisdictions, as permitted by State Law.

AND, BE IT FINALLY RESOLVED, that the legal budgetary level be at the departmental level in the General Fund and at the fund level for all other funds as indicated above.

I, Amy M. Allison, duly certified clerk of the City of Pleasant Ridge, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the City Commission of the City of Pleasant Ridge, County of Oakland, Michigan at the Regular City Commission Meeting held Tuesday, June 9, 2020.



Amy M. Allison, City Clerk

B. Budget Summary

1. Key Budget Information

All Funds Budget Summary

The following table presents key information and a summary of revenues and expenditures for all funds for the preceding five years, the proposed 2020-2021 budget year, and the projected budget for the next two years. Note that the budget projections for 2021-22 and 2022-2023 are for planning purposes only and are not adopted budgets.

	Actual 2016-17	Actual 2017-18	Actual 2018-19	Budget 2019-20	Budget 2020-21	Projected Budget 2021-22	Projected Budget 2022-23
Assessed Valuation							
Real	189,097,190	199,597,430	203,876,640	210,406,390	217,633,410	204,575,405	210,712,668
Personal	2,867,430	1,976,670	2,052,320	2,157,500	3,004,390	2,824,127	2,908,850
Total	191,964,620	201,572,100	205,928,960	212,563,890	220,637,800	207,399,532	213,621,518
	9.8%	5.0%	7.3%	3.2%	3.8%		
Taxable Valuation							
Real	138,859,980	143,747,780	150,913,980	158,053,770	163,959,250	154,121,695	156,433,520
Personal	2,867,430	1,974,670	2,052,320	2,157,500	3,004,390	2,824,127	2,866,488
Total	141,727,410	145,722,450	152,966,300	160,211,270	166,963,640	156,945,822	159,300,009
	3.3%	2.8%	7.9%	4.7%	4.2%		
Millage Rate							
General Operating - Charter	10.8434	10.6232	10.3714	10.2085	10.0604	9.8994	9.7410
General Operating - 2015	2.7804	2.7239	2.6593	2.6175	2.5795	2.5382	2.4976
General Operating - Police Pension			0.3500	0.7000	1.0500	1.0332	1.0167
Community Promotion	0.3481	0.3375	0.3200	0.3100	0.3000	0.2952	0.2905
Infrastructure - 2015	2.8472	2.7894	2.7232	2.6804	2.6415	2.5992	2.5576
Parks Improvement - 2015	0.7190	0.7044	0.6877	0.6769	0.6670	0.6563	0.6458
Rubbish	1.6260	1.5929	1.5551	1.5306	1.5084	1.4843	1.4605
Pool Operations	1.2073	1.1827	1.1546	1.1364	1.1199	1.1020	1.0843
Library - 2015	0.3763	0.3687	0.3675	0.3617	0.3564	0.3507	0.3451
Pool Debt	1.2123	1.2450	1.2500	1.1900	1.1700	1.1513	1.1329
Total	21.9600	21.5677	21.4388	21.4120	21.4531	21.1099	20.7721
Total Revenues							
101 General Fund	2,830,862	2,935,429	3,166,466	3,120,449	3,047,835	2,988,751	3,046,393
202 Major Streets	141,834	169,066	179,847	192,433	185,050	204,050	211,050
203 Local Streets	132,030	127,857	143,700	118,171	115,540	122,040	124,540
218 Infrastructure Improvements	3,611,867	496,853	442,791	444,780	439,208	483,335	490,631
226 Solid Waste	358,077	390,173	397,018	400,061	408,567	403,792	417,959
251 Pool/Fitness Facility	281,366	232,940	219,268	224,559	226,236	215,267	218,361
258 SCAF Parks Special Revenue Fund	210,262	156,270	134,022	70,000	50,000	52,500	55,000
259 SCAF Remainder Fund	99,594	126,196	106,349	118,604	106,973	100,615	102,408
260 Downtown Development Authority	93,525	95,449	96,578	103,390	94,748	89,235	90,837
266 Drug Forfeiture Fund	0	0	0	0	0	0	0
271 Library Services	51,517	54,455	55,481	56,695	58,200	59,247	60,313
297 Historical Fund	10,772	9,155	3,172	13,135	610	6,110	6,110
301 Debt Service - Voted	165,835	182,614	192,813	192,326	195,347	198,864	202,443
401 Capital Improvements	107,098	336,005	222,940	197,330	80,000	40,000	50,000
592 Water and Sewer	1,275,721	1,353,044	1,313,312	1,414,340	1,488,858	1,518,152	1,548,075
Total	9,370,360	6,665,506	6,673,757	6,666,273	6,497,171	6,481,959	6,624,120

B. Budget Summary
1. Key Budget Information

	Actual 2016-17	Actual 2017-18	Actual 2018-19	Budget 2019-20	Budget 2020-21	Projected Budget 2021-22	Projected Budget 2022-23
Total Expenditures							
101 General Fund	2,762,429	2,821,199	2,954,829	3,029,601	2,991,645	2,987,800	3,042,719
202 Major Streets	182,488	139,886	140,639	192,000	195,500	195,500	195,500
203 Local Streets	148,212	91,437	104,758	149,700	119,200	119,200	124,200
218 Infrastructure Improvements	1,096,687	751,830	1,044,890	904,015	813,450	393,500	393,325
226 Solid Waste	370,681	393,045	375,893	402,189	407,928	412,721	418,057
251 Pool/Fitness Facility	277,492	216,438	237,151	215,173	204,289	204,582	203,881
258 SCAF Parks Special Revenue Fund	0	100,000	0	100,000	0	0	0
259 SCAF Remainder Fund	725,793	75,707	23,700	500	100	100	100
260 Downtown Development Authority	60,119	86,022	28,860	82,730	241,230	91,230	91,230
266 Drug Forfeiture Fund	0	0	0	0	0	0	0
271 Library Services	53,864	54,557	55,582	57,290	57,536	58,568	59,618
297 Historical Fund	5,222	18,759	3,445	6,780	1,780	6,780	6,780
301 Debt Service - Voted	176,525	173,275	194,275	189,462	184,149	203,837	197,462
401 Capital Improvements	65,389	164,361	223,820	340,100	75,100	70,100	20,100
592 Water and Sewer	1,147,719	1,243,355	1,158,377	1,300,466	1,752,611	1,499,078	1,571,674
Total	7,072,620	6,329,871	6,546,219	6,970,006	7,044,518	6,242,996	6,324,646
End of Year Fund Balance							
101 General Fund	654,601	768,833	980,474	1,071,296	1,127,486	1,128,437	1,132,111
202 Major Street Fund	44,667	73,847	113,054	113,487	103,037	111,587	127,137
203 Local Street Fund	29,246	65,666	104,607	73,078	69,418	72,258	72,598
218 Infrastructure Improvements	2,031,748	1,776,771	1,174,671	715,436	341,194	431,029	528,335
226 Solid Waste Fund	19,558	16,686	37,813	35,685	36,324	27,395	27,296
251 Pool/Fitness Facility Fund	4,839	21,340	3,458	12,844	34,791	45,477	59,957
258 SCAF Parks Special Revenue Fund	2,192,745	2,249,015	2,383,037	2,353,037	2,403,037	2,455,537	2,510,537
259 SCAF Remainder Fund	475,643	526,132	558,292	726,886	833,759	934,274	1,036,582
260 Downtown Development Authority	65,146	74,572	142,290	162,950	16,468	14,473	14,080
266 Drug Forfeiture Fund	429	429	429	429	429	429	429
271 Library Fund	10,779	10,677	10,576	9,981	10,645	11,325	12,020
297 Historical Fund	16,949	7,345	7,072	13,427	12,257	11,587	10,917
301 Debt Service Fund	5,538	14,877	13,416	16,280	27,478	22,505	27,486
401 Capital Improvements	111,167	282,812	281,932	139,162	144,062	113,962	143,862
592 Water and Sewer	737,393	847,082	1,002,017	1,115,891	852,137	871,211	847,613
Total	6,400,448	6,736,084	6,813,138	6,559,869	6,012,523	6,251,485	6,550,960

Grant Summary

Following is a summary of grants awarded to the City of Pleasant Ridge from 2015 to-date.

Year	Grant	Amount
2015	Tree Planting (DTE Energy Foundation/MDNR)	\$4,000
2015	Woodward Corridor Neighborhood Bicycle Network (MDOT Transportation Alternatives Program)	\$2,200
2015	Woodward Streetscape Tree Plantings (MDOT)	\$2,580
2016	Community Energy Management (Michigan Energy Office)	\$5,825
2016	Gainsboro Park Project (CN EcoConnexions From the Ground Up/America In Bloom)	\$25,000
2017	Oakland County Local Road Improvement Program	\$5,627
2017	Filmer Trust Community Center Park Grant	\$10,000
2018	Tree Planting (DTE Energy Foundation/MDNR)	\$3,000
2018	Oakland County Local Road Improvement Program	\$8,865
2018	Filmer Trust Community Center Big Room Grant	\$10,000
2019	SEMCOG Multi-Community Planning Grant – Woodward Bike & Pedestrian Audit (joint grant with Ferndale)	\$50,000

Year	Grant	Amount
2019	EGLE (Michigan Department of Environment, Great Lakes, and Energy) 319 Nonpoint Source Pollution Control Grant – Woodward Avenue Streetscape	\$608,498
2020	MDOT (Michigan Department of Transportation) Transportation Alternatives Program – Woodward Cycle Track	\$402,332

2. Summary Graphs and Tables

General Fund Revenue Trends. The following Figure 1 shows general fund revenue trends for the 1985-2020 period. All dollar values are adjusted into 2020 equivalent dollars to provide a consistent point of comparison. The figure shows that revenues generated by property taxes remained consistent at about \$1,600,000 per year until 2010, when they dropped to about \$1,500,000 per year. The voter-approved millages enacted since 2014 have increased total City property tax revenue to about \$2.1 million per year.

The figure also shows that state revenue sharing as a source of general fund revenue has dropped precipitously over the years. In 1985 it provided the equivalent of nearly \$600,000 in today's dollars, while it is projected to provide less than half of that - \$252,000 - in budget year 2020-21. Thus, other sources of revenue have had to be found over the years and service cutbacks have been made to compensate for revenue sharing reductions.

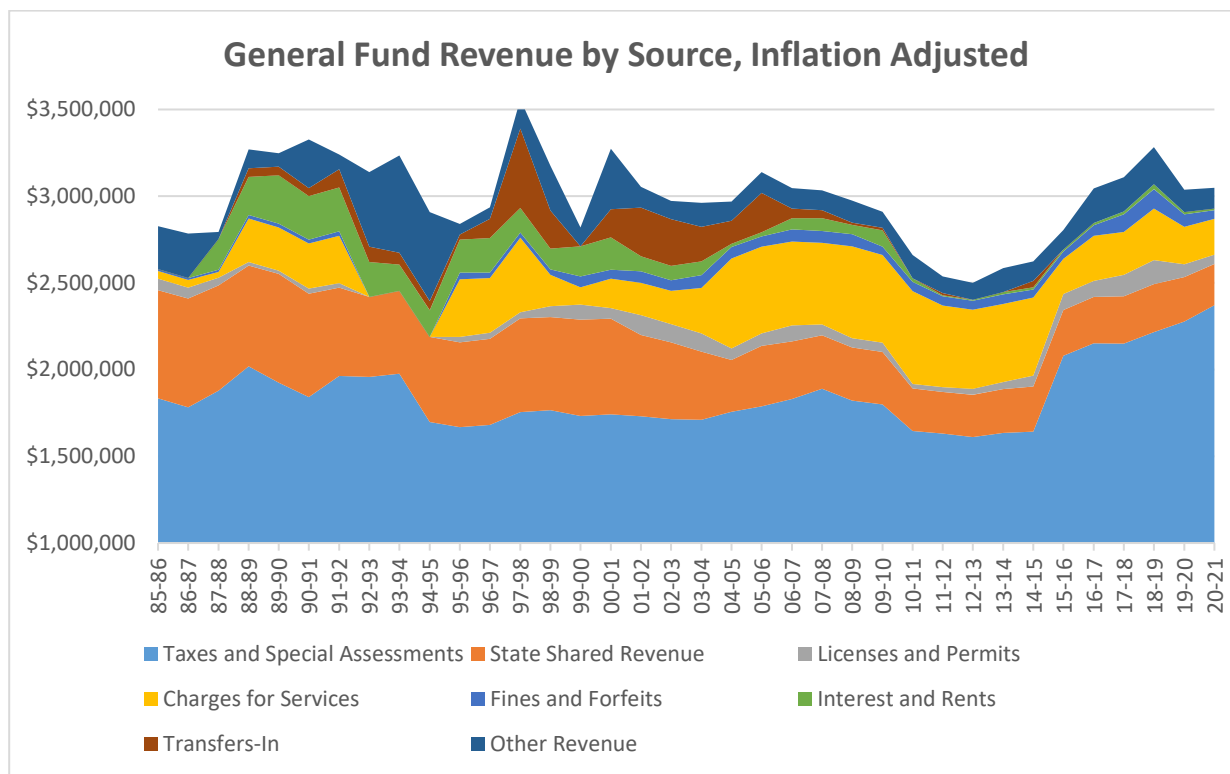
Total inflation-adjusted general fund revenue held in a steady range between \$2.7 and \$2.9 million per year between 1988 and 2010. From budget year 2010-11 until 2014-15, general fund revenue dropped to about \$2.4 million per year. With the voter-approved passage of the general operating millage in November 2014, general fund revenue was restored to close to its long-term average at about \$2,900,000 starting in budget year 2015-16.

While the City will be able to again operate and provide the level of service that has come to be expected by our residents, the reality is that we have had to tax ourselves at a higher rate to do so. Whatever tax reductions have been implemented at the State level have been offset by our need to increase local property tax rates.

Figure 2 presents the same data as Figure 1, except that each revenue source is presented as a percentage of the whole. This figure demonstrates that as other funding sources have decreased the general fund has become more reliant on locally generated property tax revenue. Today, property taxes provide nearly 75% of general fund revenue, compared to an average of 59% of revenue over the 1985-2014 period.

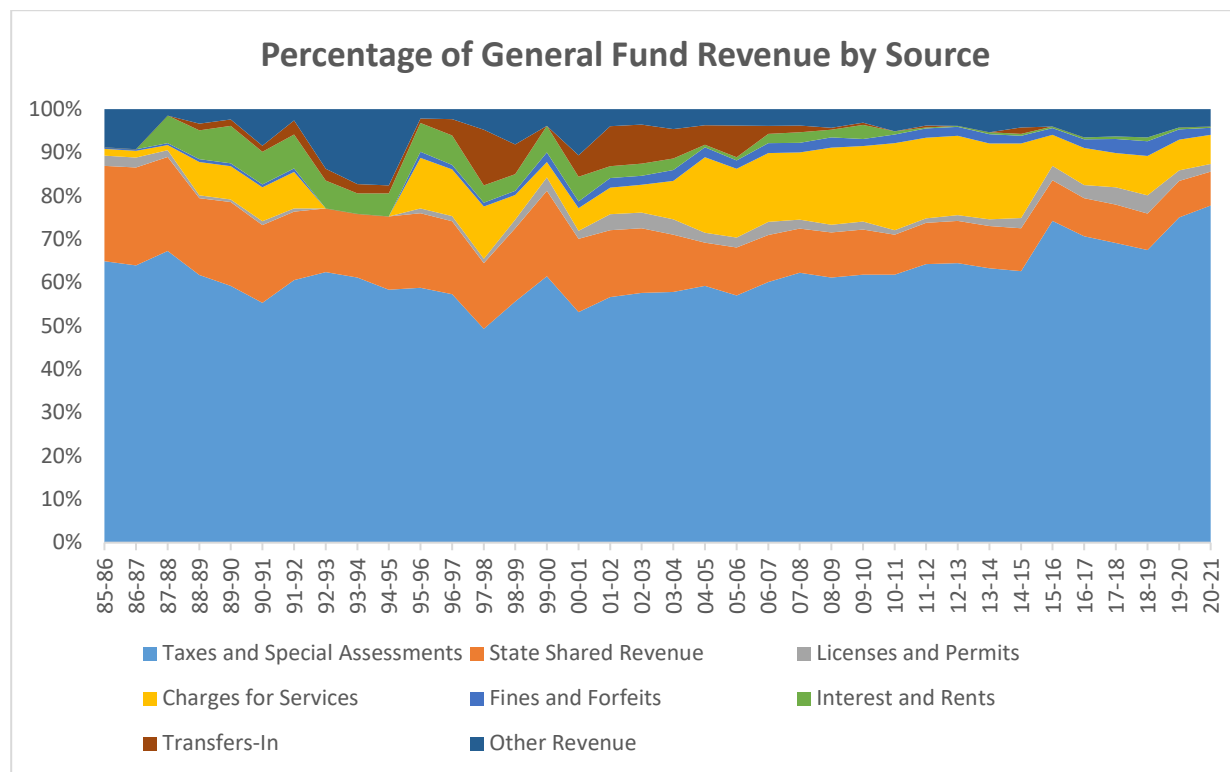
The primary and most significant cause of property taxes representing a higher share of all City revenue is state shared revenue to the City has been decreasing as a percentage of overall City funding since the beginning of the 00s, highlighting the long-standing disinvestment in local government by Michigan's State government.

Figure 1. General Fund Revenues by Source, Adjusted for inflation in 2019 equivalent dollars, 1985-Present



Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

Figure 2. Percentage of General Fund Revenue by Source, 1985-Present



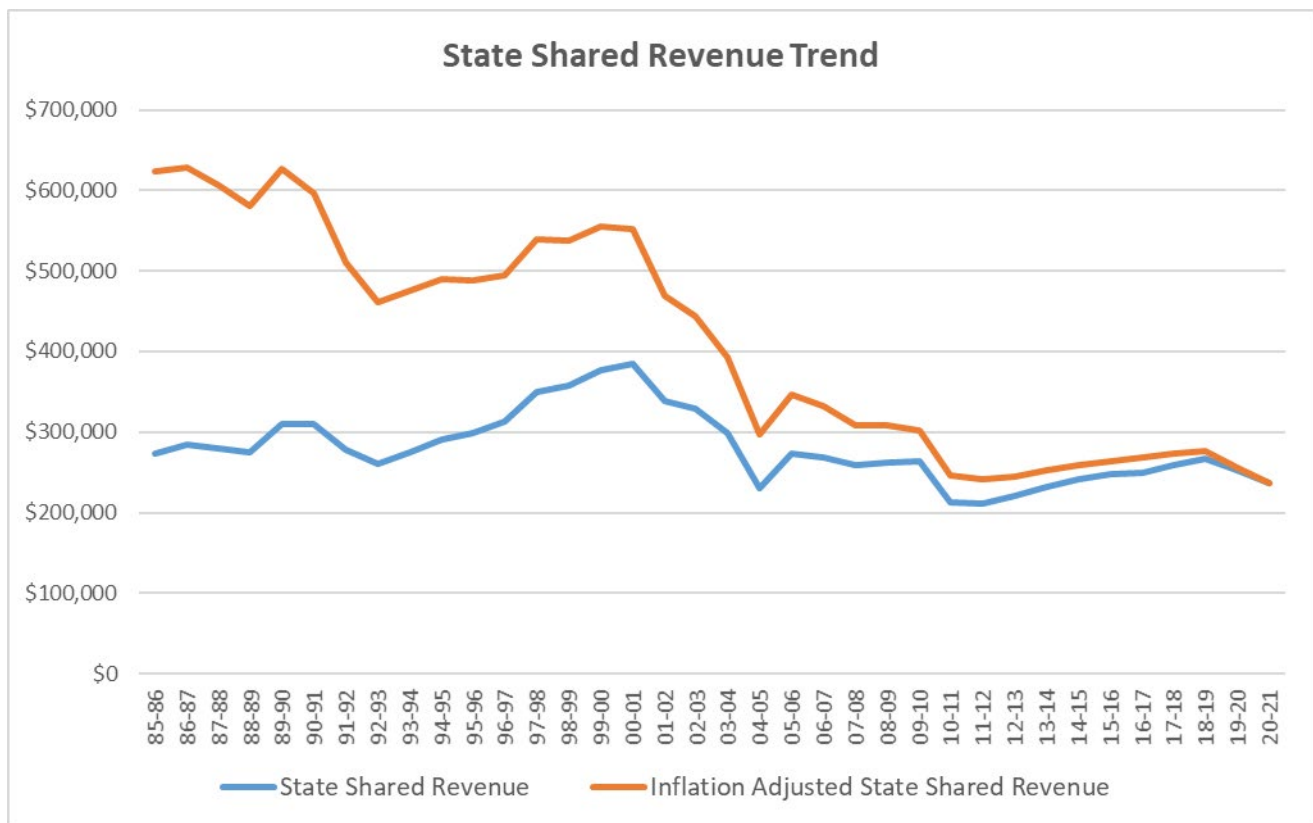
Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

State Shared Revenue Trend. One of the main drivers impacting Pleasant Ridge's general fund budget over the past 15 years has been the decline in state shared revenues. Figure 3 shows that, on an inflation adjusted basis, State revenue sharing has declined from the equivalent of nearly \$600,000 per year in the late 1980s to about \$250,000 today. Shared revenues represented 23% of the City's general fund revenues in 1985, while today they represent just 8.4%.

Even on a non-inflation adjusted basis, the City received over \$300,000 from the state in the early 1990s, while this budget year we expect to receive about \$252,000.

Much of the financial stress under which local units of government operate today is explainable by this figure. It is an unfortunate fact that local municipalities have had to tax themselves at higher rates to make up for losses in shared revenues coming from the State. Had the State fulfilled its constitutional and statutory obligation to continue to fund local governments, Pleasant Ridge would be able to reduce local property taxes by 2.5 mills a year; to invest in pressing issues such as our underfunded pension, public infrastructure; or some combination thereof.

Figure 3. Pleasant Ridge Total Taxable Property Value, 1985-Present



Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

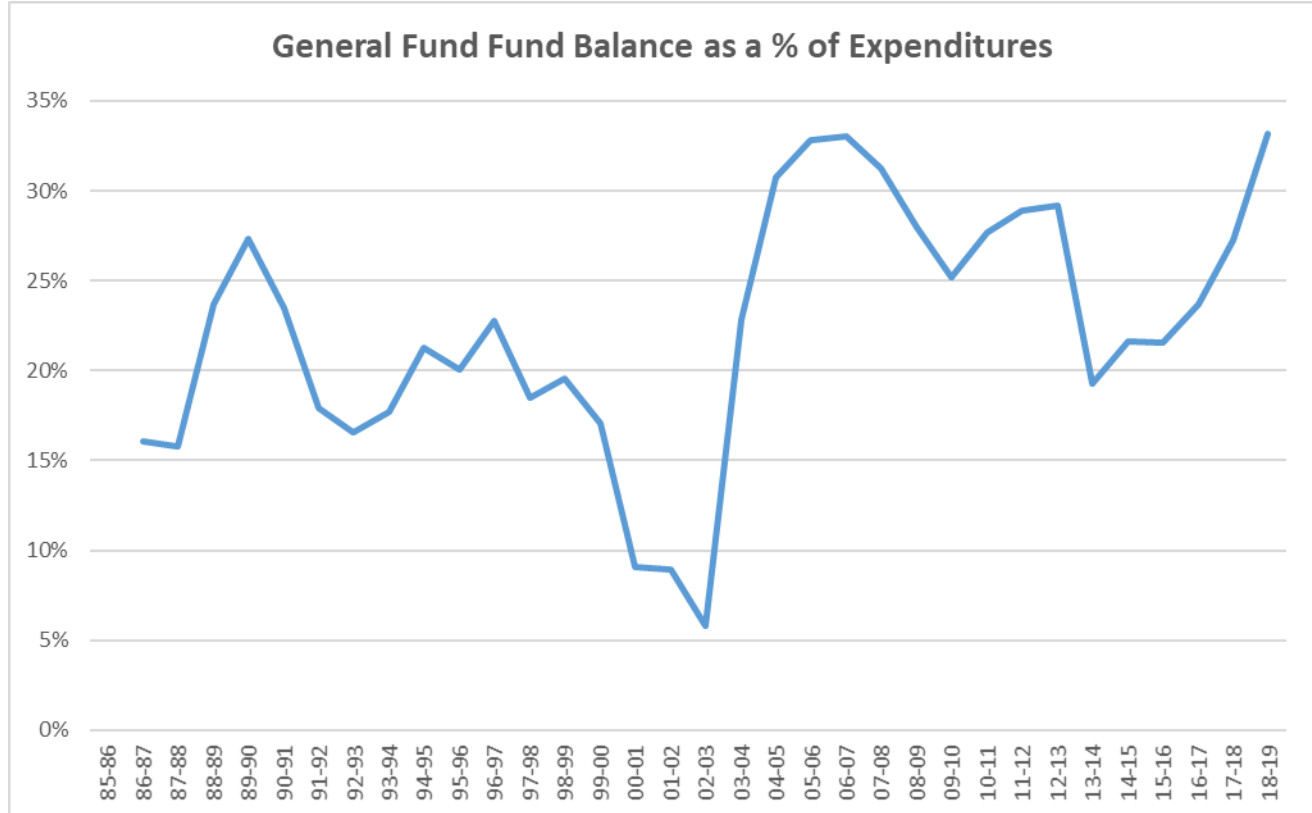
General Fund Fund Balance Trends. The Government Finance Officers Association (GFOA) recommends that local governments maintain a minimum of two-months' worth of expenses, or 16.66%, in unrestricted fund balance. It is further recommended that a small unit of government like Pleasant Ridge maintain a higher fund balance due to the small size of our budget and the ability for relatively small unexpected expenses to dramatically impact our fund balance. Accordingly, it is the stated policy goal of the City to maintain a general fund balance equal to 25-30% of general fund expenditures.

Figure 4 shows the long-term trend for Pleasant Ridge's fund balance as a percentage of general fund expenditures. The figure shows that the City has generally maintained a fund balance percentage of about 20%, until the mid-00s when the sale of the 24000 Woodward property increased fund balance to about 30%. The recession and drop in revenues required fund balance draws to maintain services, which drew fund balance down to about 20%. Since FY13-14, due to focused efforts to grow fund balance it has been steadily increasing and is projected to be nearly 30% at the end of FY19-20.

The proposed 2019-20 budget proposes a modest increase in fund balance. As in previous years, there is little margin as the City continues to reinvest in maintenance items that were deferred during the recession when revenues declined. Outside pressures such as increasing annual required pension contributions continue to pressure our bottom line, although the police pension millage approved by the voters in November 2017 will provide significant relief from increasing costs related to our underfunded pension plan.

We have maintained a 25% fund balance over the past few years and will work to keep ourselves in the 25-30% range in future years.

Figure 4. General Fund Fund Balance as a Percentage of Expenditures, 1985-Present

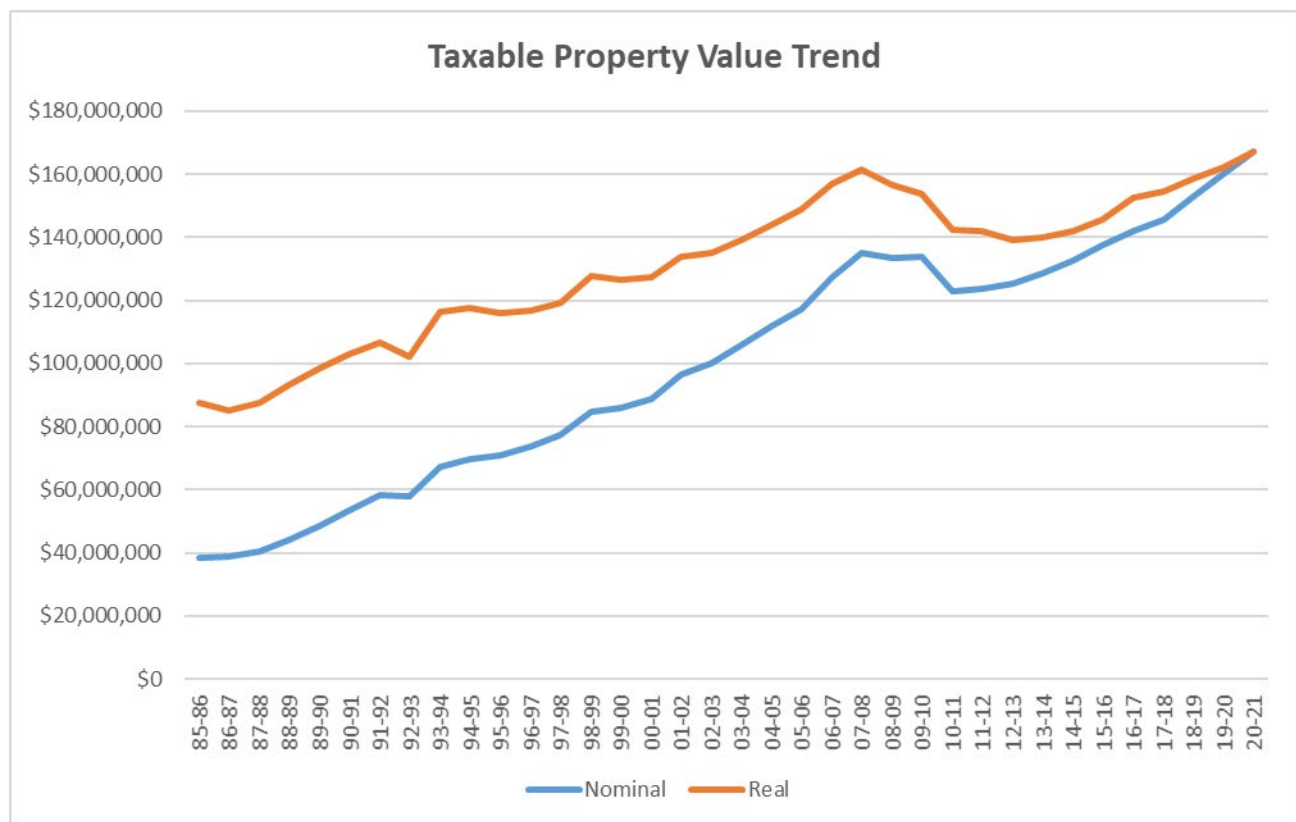


Property Value Trends. The following Figure 5 shows total (real + personal) taxable property value trends in the City of Pleasant Ridge. The inflation adjusted taxable property value has increased at a rate of about 1.8% per year. This small increase over the inflation rate is the result of certain development activities that are exempt from Headlee rollback, most notably new construction.

The figure also shows the impact of the recent recession on taxable property values. In nominal terms, it took until 2015 for the City's tax base to again equal the peak pre-recession value from 2007 in nominal terms.

However, on an inflation-adjusted basis it took the City until 2019 to return to 2007 taxable value levels. This chart highlights the issues with Headlee and Prop A, which allow for unlimited declines in taxable property values during recessions and downturns, but limit the restoration of taxable property values to the rate of inflation.

Figure 5. Pleasant Ridge Total Taxable Property Value, 1985-Present

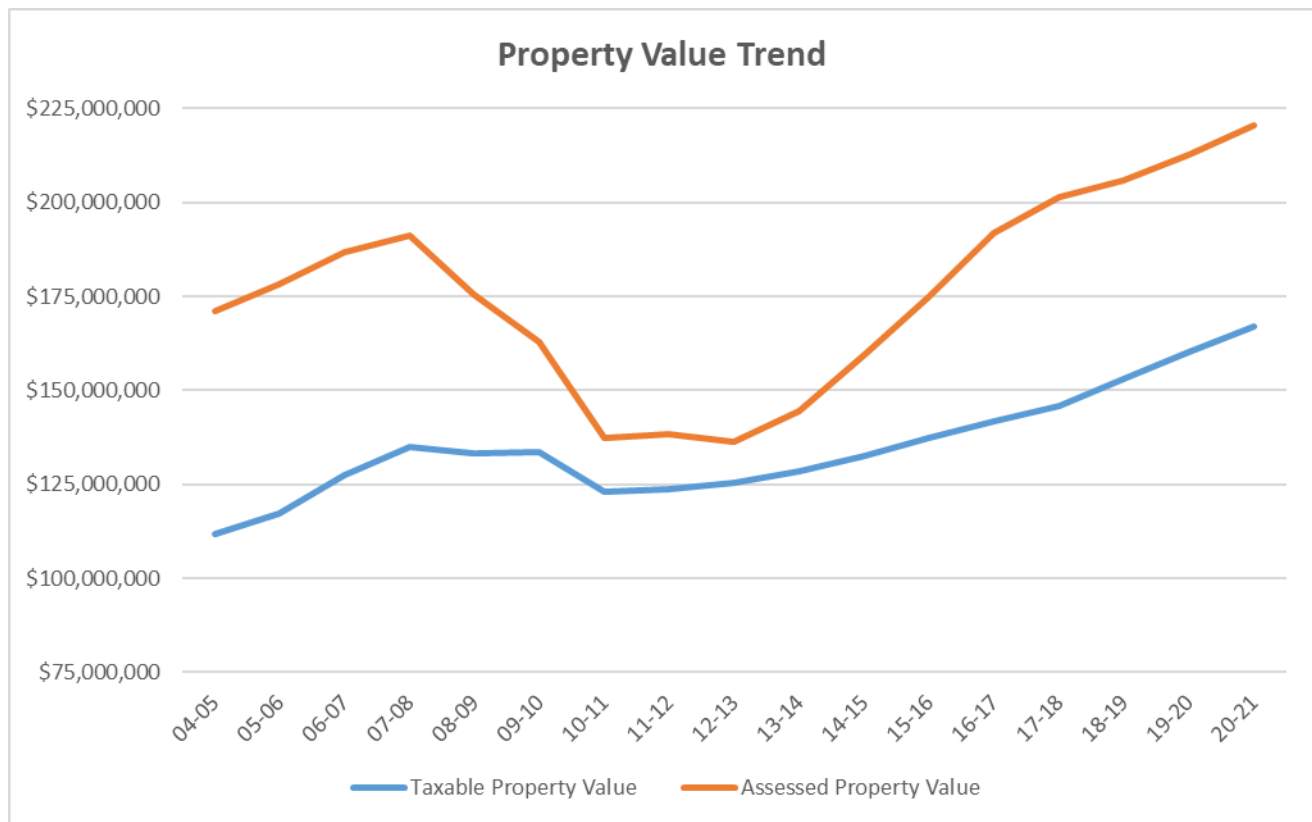


The following Figure 6 shows how Pleasant Ridge’s total assessed and taxable property values have changed over time since 2004. Assessed value is the true market value of all property in the City as determined by Oakland County Equalization (the City’s assessor). Taxable value is the value of property against which property taxes are levied.

The taxable value of a property may not increase more than 5% or the rate of inflation in any given year, whichever is lower. Over time, assessed property values tend to rise faster than taxable property values. The cap on taxable property value is removed when a property is sold, and the taxable value for that property becomes equal to the assessed value in the year following the sale.

When properties become uncapped, they usually cause the City’s total taxable property value to increase at a rate higher than inflation. To compensate for this, the Headlee Amendment then adjusts the City’s millage rate down to ensure that the total tax revenue collected by the City does not increase at a rate higher than inflation.

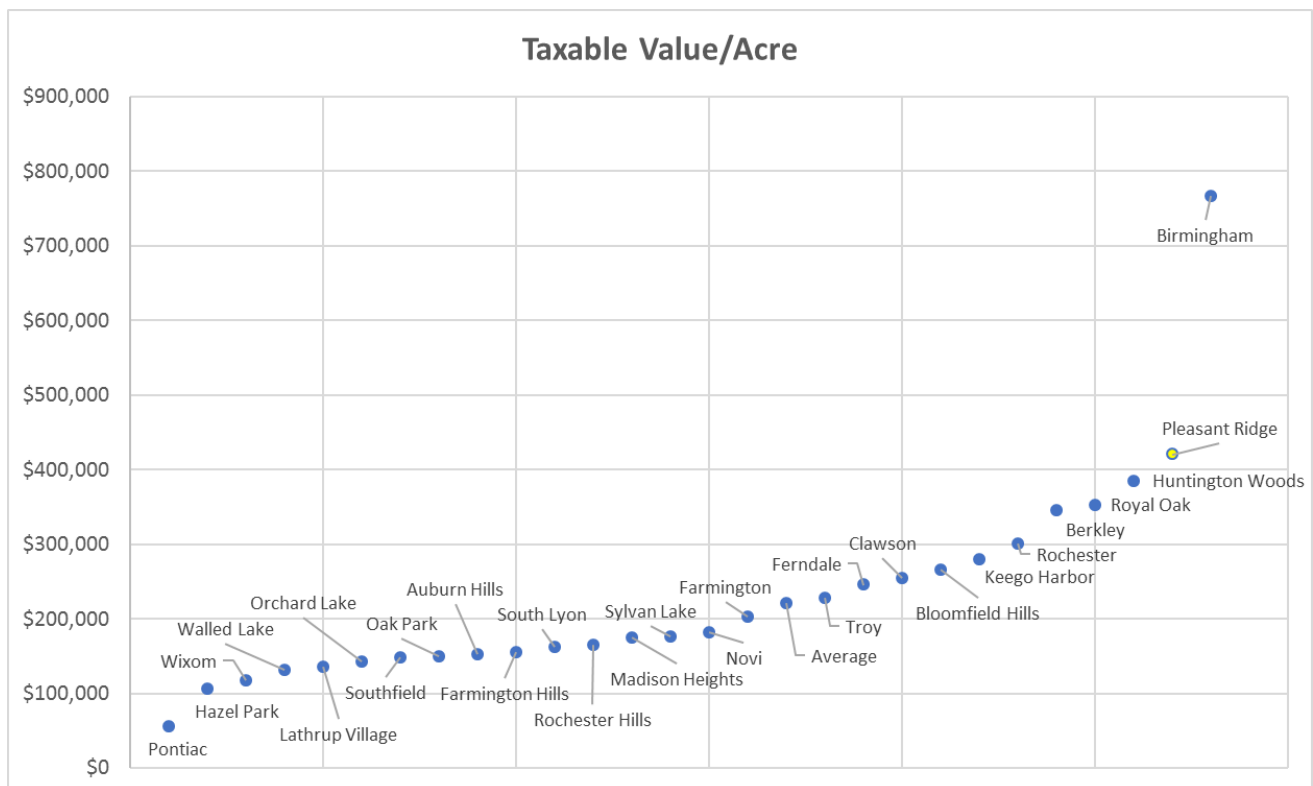
Figure 6. Taxable and Assessed Property Value, 2004-Present



Taxable Value per Acre. Property tax revenue is generated by multiplying the value of land by a property tax millage rate. While we tend to think about taxable value in terms of an entire City, or for individual parcels, a way of comparing how productively land is used in different communities is by looking at taxable value per acre of land. A community with a higher taxable value per acre has a stronger base from which to sustain itself. A standard residential street costs about the same to maintain regardless of where it is, but a community that has a higher value per acre has greater intrinsic resources to be able to pay for maintenance of that infrastructure.

The following Figure 7 shows that Pleasant Ridge has the second highest taxable value per acre in the County. This attests that 1) Pleasant Ridge is a desirable place to live, and 2) that our development pattern is inherently more sustainable than many newer communities. Older communities, particularly ones that have downtowns, have higher value per acre across the county than newer automobile-oriented communities. In the long run, more compact, walkable places generate more value per acre of land and have a stronger base from which to sustain themselves and their infrastructure into the future.

Figure 7. Taxable Value per Acre, Oakland County Cities, 2019



3. City Commission Goals and Objectives

Following are the City Commission's 2020-2021 goals and objectives. These goals and objectives form the basis for evaluating and prioritizing budgeting decisions.

Note that the order in which these goals are presented is not intended to convey importance.

a. **Goal: Maintain a Safe and Secure Community**

Objectives:

- (1) Preserve effective levels of police staffing and equipment to ensure high quality public safety service delivery.
- (2) Maintain or improve existing fire/EMS service delivery.
- (3) Review any strategies possible to improve police, fire/EMS, and dispatch service.
- (4) Implement traffic calming measures where necessary to ensure appropriate vehicle travel speeds.
- (5) Preserve and enhance Neighborhood Watch program.
- (6) Seek methods to promote school safety.

b. **Goal: Ensure Good Stewardship of Municipal Infrastructure**

Objectives:

- (1) Plan for lead service line and, if necessary, water main replacement.
- (2) Implement a continuing maintenance program for previously reconstructed streets and alleys to extend their useful life.
- (3) Implement continuing maintenance and monitoring program for previously rehabilitated combined sewers to extend their useful life.
- (4) Improve bike and pedestrian infrastructure (sidewalks) throughout the City.
- (5) Complete capital projects identified in the Capital Improvements Plan.
- (6) Work with local transit authorities to improve public transportation options for residents and visitors.

c. **Goal: Maintain Financial Sustainability**

Objectives:

- (1) Maintain a competitive property tax rate position relative to other cities in the region.
- (2) Achieve and maintain an unrestricted fund balance of 20-25% and a total fund balance of 25-30% of annual general fund expenses.
- (3) Maintain a capital outlay reserve of 75% to 100% of expenditures in the Water and Sewer Enterprise Fund.
- (4) Continue to explore other revenue sources. Aggressively identify and pursue grant opportunities.
- (5) Increase funding for the defined benefit pension to reduce the City's unfunded liability.

d. **Goal: Maintain Excellent Parks and Recreation Program**

Objectives:

- (1) Improve utilization of the Community Center.
- (2) Complete necessary maintenance tasks at the community center, pool, and parks.
- (3) Achieve excellence in the offering and delivery of recreation services to residents of all ages.
- (4) Encourage active, healthy lifestyles for City residents.
- (5) Continue incremental facility upgrades at the community center and wellness center.

e. **Goal: Preserve and Enhance Community & Neighborhood Character**

Objectives:

- (1) Improve City code enforcement efforts to effectively preserve the character of the City's neighborhoods.
- (2) Protect the City's established historic character from destruction or erosion by inappropriate additions or modifications to existing buildings, or inappropriate construction of new buildings.
- (3) Work to influence future changes and enhancements to Woodward Avenue to reflect Pleasant Ridge's preferred plan.
- (4) Ensure that planning, development, and infrastructure projects enhance Pleasant Ridge as a walkable, bikeable community.
- (5) Continue to foster a welcoming community to all people.
- (6) Ensure the transition of Roosevelt school building from Lower Elementary to C.A.S.A. does not negatively impact the neighborhood.

f. **Goal: Foster Community Trust & Participation**

Objectives:

- (1) Use a variety of outlets, including the City's website, traditional media, social media, town hall meetings, and the Ridger to inform and engage residents.
- (2) When more than one feasible choice exists for issues of major consequence, consult or collaborate with residents prior to making decisions.
- (3) Encourage, support, and recognize volunteers and community members who do good work in the community.
- (4) Conduct a statistically valid community survey at least bi-annually to measure City performance in delivering services and public sentiment on important issues facing the community.
- (5) Support resident-driven and managed initiatives.

g. **Goal: Strive for Excellence in Governance**

Objectives:

- (1) Develop and maintain a first-rate workforce by supporting the continued training and professional development for City employees.
- (2) Continue to pursue excellence in customer service by exploring alternative methods for improving delivery of services.
- (3) Facilitate increased use of technology during City meetings.
- (4) Continue to look for new ways to partner with nearby communities or private partners to improve the delivery of City services.
- (5) Continually evaluate and adjust the City's goals and objectives, Master Plan, Recreation Master Plan, and Capital Improvements Plan to ensure that policy decisions are being made that further the long-term interest of the City.

h. **Goal: Protect the Environment**

Objectives:

- (1) Reduce the City's carbon footprint through energy conservation, efficiency, and renewable generation measures.
- (2) Invest in maintaining the City's tree canopy by maintaining existing trees and planting new trees to fill gaps.
- (3) Explore ways to incorporate green infrastructure to infiltrate stormwater in place and reduce the amount of runoff that enters the City's sewer system.

4. Budget Policies and Procedures

a. Role of the Budget

The budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support Pleasant Ridge's comprehensive decision making/policy development process. This Budget is based on the City Commission's Goals and Objectives, the Capital Improvements Plan, the City's financial policies, and City Manager and departmental review of operations.

b. Budget Strategy

The current financial plan is based upon Commission direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

- (1) Basic services will be maintained at least at current levels and will be funded adequately
- (2) Program costs will reflect the true picture of the cost of operations. Depreciation will not be included in program costs (except in the enterprise fund), and some City-wide expenses will be separated from program expenditures for ease of administration.
- (3) Program services will be provided in the most efficient method while meeting the needs of the public.
- (4) Necessary infrastructure improvements will be completed to meet needs.
- (5) Revenue will be estimated at realistic levels.
- (6) Reserves will be programmed at appropriate levels to protect the City from future uncertainties. It is the City's goal to maintain unappropriated general fund reserves of at least 25% of general fund expenditures.
- (7) The budget will comply with provisions of the State Constitution, City Charter, Municipal Code, and sound fiscal policy.

c. Balanced Operating Budget

A balanced budget is a basic budgetary constraint intended to ensure that the City does not spend beyond its means. The City must function within the limits of the financial resources available and under normal circumstances requires commitment to a balanced budget. The appropriated budget cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Any deviation from a balanced operating budget requires disclosure when it occurs.

d. Impact of Capital Budget on the Operating Budget

As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs.

Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.

e. Budgeting Controls

- (1) Internal Controls. The annual adopted budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund and Special Revenue

Funds are included in the annual approved budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by function and category (Personnel Services, Supplies, Other Services and Charges, Capital Outlay and Debt Service) within each individual fund.

- (2) Independent Audit. State statutes and the City Charter require an annual audit of all accounts of the City by certified public accountants selected by the City Commission. Stevens, Kirinovic & Tucker P.C. have fulfilled this requirement. The auditor's report is included in the City's Comprehensive Annual Financial Report (CAFR) and is available to the public on the City's website and through the State of Michigan Department of Treasury local audit and finance division website.¹

¹ See: <https://treas-secure.state.mi.us/LAFDocSearch/> for CAFR files for units of local government from 2003 to present

5. Fund Structure

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions, or limitations. The various funds are grouped into generic fund types in two broad categories as follows:

a. *Governmental Funds*

- (1) General Fund: The general fund contains the records of the ordinary activities of the City that are not accounted for in another fund. General fund activities are financed by revenue from general property taxes, state shared revenue and other sources.
- (2) Special Revenue Funds: Special revenue funds are used to account for the proceeds of earmarked special revenue from financing activities requiring separate accounting because of legal or regulatory provisions. Special revenue funds include Major Streets, Local Streets, Infrastructure, Solid Waste, Pool/Community Center Operations, Segregated Capital Asset Fund (SCAF), Library Services, and Parks Capital Improvement Fund.
- (3) Debt Service Funds: Debt service funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than debt payable from the operations of an enterprise fund. The Pool/Community Center debt service fund is the City's only debt service fund.
- (4) Capital Projects Funds: Capital projects funds are used to account for the development of capital facilities other than those financed by the operations of the enterprise fund.

b. *Proprietary Funds*

- (1) Enterprise Fund: The water and sewer fund is used to account for the results of operations that provide a service to citizens financed by a user charge for the provision of that service.

6. Millage Rate Information

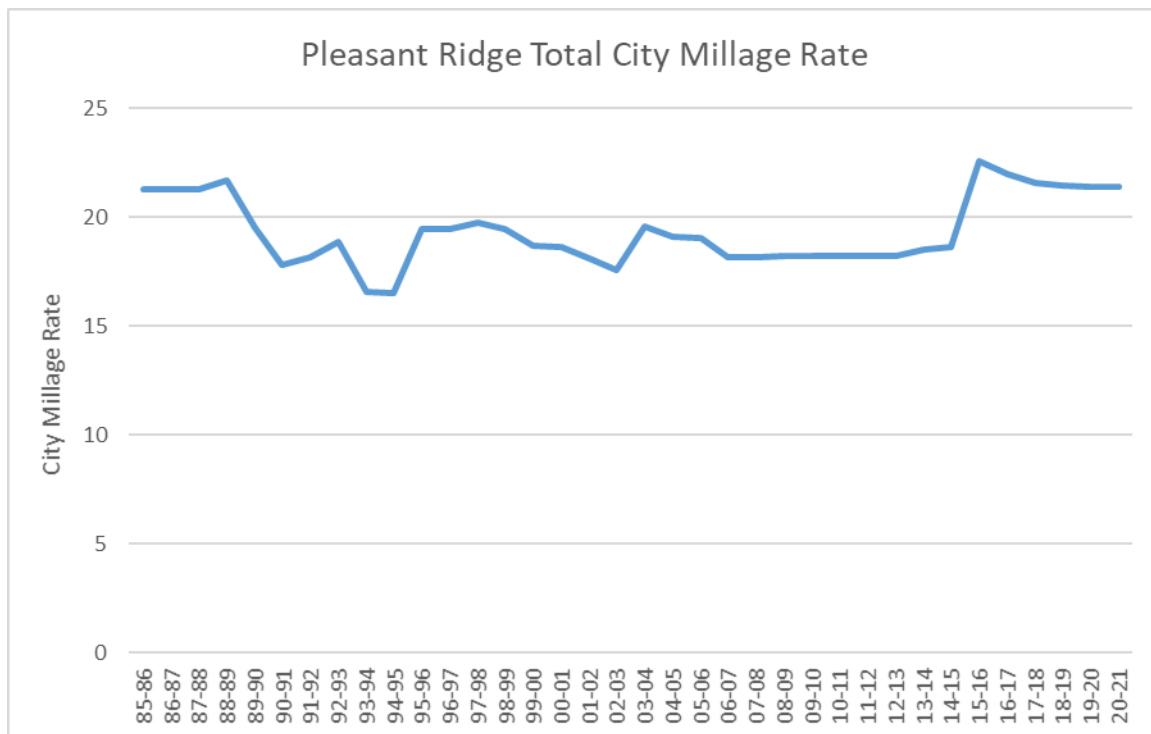
Millage Rate Information. The following Table 1 shows the breakdown of Pleasant Ridge millage rates from 2010 to present.

Table 1. Pleasant Ridge Property Tax Millage Components, 2009 to Present

	Original Amount	Expiration	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21
General Operating - Charter	20.0000	--	11.4248	11.3094	11.1363	10.8434	10.6232	10.3714	10.2085	10.0604
General Operating (2015)	2.9000	--			2.8556	2.7804	2.7239	2.6593	2.6175	2.5795
Police Pension (2018)	1.400	2032						0.3500	0.7000	1.0500
Infrastructure (2015)	3.0000	2034	2.4124	2.3880	2.9242	2.8472	2.7894	2.7232	2.6804	2.6415
Community Promotion	0.3431	--			0.2704	0.3481	0.3375	0.3200	0.3100	0.300
Parks Improvement (2015)	0.7500	2024			0.7385	0.7190	0.7044	0.6877	0.6769	0.6670
Rubbish	3.0000	--	1.7134	1.6960	1.6700	1.6260	1.5929	1.5551	1.5306	1.5084
Pool Operations (2003)	1.4000	2028	1.2722	1.2593	1.2400	1.2073	1.1827	1.1546	1.1364	1.1199
Library (2019)	0.5000	2025	0.3700	0.4949	0.3865	0.3763	0.3687	0.3675	0.3617	0.3564
Pool Debt (2003)	unlimited	2028	1.3000	1.5000	1.3380	1.2123	1.2450	1.2500	1.1900	1.1700
Total Millage			18.4928	18.6476	22.5595	21.9600	21.5677	21.4388	21.4120	21.4531

The following Figure 8 shows the long term total Pleasant Ridge city millage rate trend from 1985 to present.

Figure 8. Total City Millage Rate (Homestead), 1985-Present

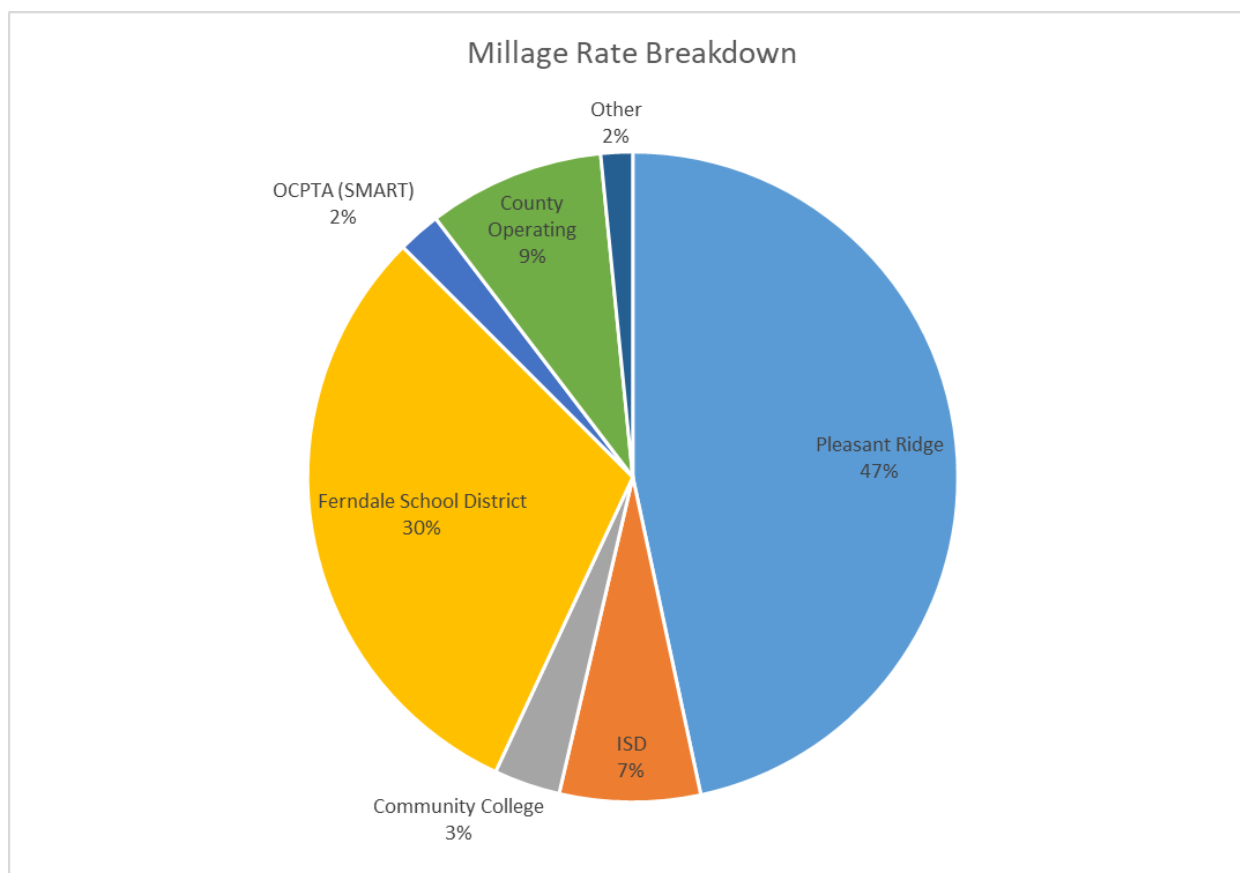


The 2019-2020 total City millage rates are reduced by 0.0268 mills compared to last year due to Headlee rollback. While the City experienced robust home sales and strong growth in sales prices, Headlee limits the City to a total tax revenue growth rate of 2.4%, requiring a rollback in local tax rates.

The community promotion millage authorized by PA 359 of 1925 (MCL 123.881) may generate up to \$50,000 annually. The 0.3000 mill levy will generate about \$48,000 for the City. The revenues are used to pay for community publications such as the Ridger, website maintenance, and maintenance of the City website.

Total Homestead Millage Rate Breakdown. The total homestead property tax rate for a property owner in Pleasant Ridge in 2020 is expected to be about 45.9961 mills.² Of every tax dollar paid by residents, 46% goes to the City, 31% goes to the Ferndale school district, and the remaining 23% goes to the County and other regional entities including SMART, the intermediate school district, community college, and “other” entities that include Oakland County Parks (0.2306 mills), the Detroit Zoo (0.0963 mills), the Art Institute Authority (0.1910 mills), and the Huron Clinton Metro Parks (0.2096 mills).

Figure 9. Total Pleasant Ridge Homestead Millage Rate Breakdown, 2020

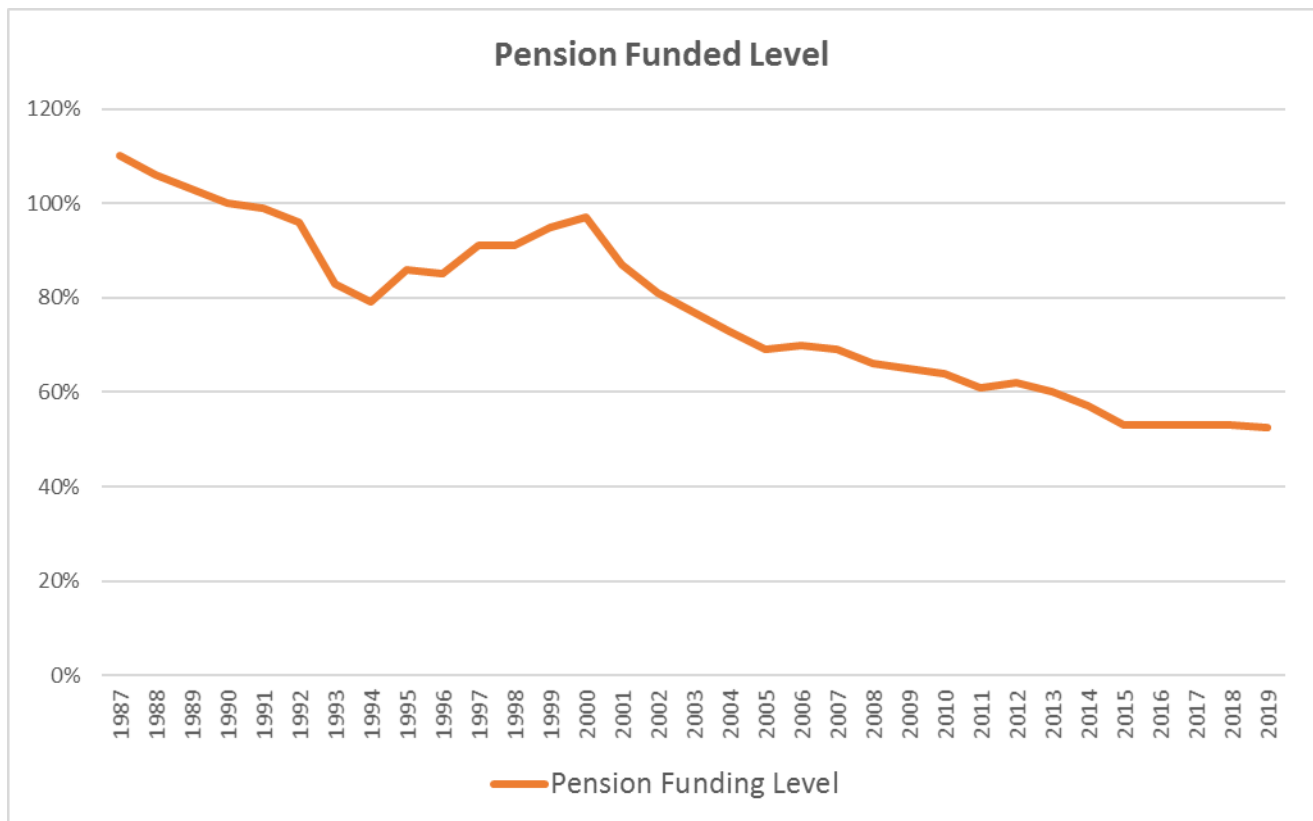


² As of the date of adoption of this budget, final tax rates for outside, non-Pleasant Ridge jurisdictions is not known. Those outside jurisdictions are also subject to Headlee Rollbacks, and their adopted tax rates have not yet been published. For the purposes of this document, the total millage rate uses estimated millage rates for non-Pleasant Ridge property taxes.

7. Pension Unfunded Liability

The City has had an underfunded pension fund since the early 2000s. The problem has grown steadily year over year since the early 2000s and has become an acute financial problem in recent years. The following Figure 10 summarizes the funding level of the City's pension funds (left scale).

Figure 10. City Pension Funding Level



The above Figure 10 shows that the City has experienced a decline from being close to 100% funded in the year 2000, to being just over 50% funded in 2019. Over the same 2000 – 2019 time period, pension costs have gone from 1.8% of general fund expenditures to 12.2% of general fund expenditures.

Passage of the police pension millage in November 2017 has allowed the City to increase our annual contribution to the pension fund and has helped stem the decline in funding level. However, MERS changed their actuarial assumptions again in 2019, reducing the expected rate of return on assets, which again has lowered the actuarial funded level of the pension fund.

Actions Taken to Address Unfunded Liability

The 01, 02, 10, and 11 divisions are now closed to new hires. These represent the large majority of the fund's assets and liabilities. These groups include retired police officers and administrators, and employees hired before 2011.

Employees hired after 2011 are in different pension divisions with lower benefit levels and higher employee contribution amounts. The pension divisions for employees hired after 2011 – groups 12, 20, and HA are fully funded or nearly so. Divisions 12 and 20 are overfunded due to departure of employees before they vested, leaving excess funds in those groups. However, the total amount of valuation assets in divisions 12, 20 and HA are small, representing only 1.5% of the City's overall pension fund actuarial liability.

In short, the unfunded liability issue is one that we are on a path to resolving, but it will take time to unwind the underfunding status of older pension divisions.

The following table is reproduced from the City's most recent Annual Actuarial Valuation Report published by MERS shows accrued liabilities, assets, and funding levels for all the City's employee groups.³

**Table 6: Actuarial Accrued Liabilities and Valuation Assets
as of December 31, 2018**

Division	Actuarial Accrued Liability					Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total			
01 - Gnr/Oth	\$ 0	\$ 272,296	\$ 222,572	\$ 0	\$ 494,868	\$ 310,967	62.8%	\$ 183,901
02 - Police	783,567	4,279	2,621,315	0	3,409,161	1,530,863	44.9%	1,878,298
10 - NonUnion	875,847	60,856	727,080	0	1,663,783	941,992	56.6%	721,791
11 - City Mgr	0	0	691,210	0	691,210	430,448	62.3%	260,762
12 - Non-Union after 7/1/2011	14,980	0	0	9,685	24,665	43,228	175.3%	(18,563)
20 - Police as of 7/1/2011	59,445	0	0	5,103	64,548	77,521	120.1%	(12,973)
HA - Police hired after 7/1/17	2,972	0	0	0	2,972	2,666	89.7%	306
Total	\$ 1,736,811	\$ 337,431	\$ 4,262,177	\$ 14,788	\$ 6,351,207	\$ 3,337,685	52.6%	\$ 3,013,522

The above table shows that the City's total unfunded liability is \$3,013,522, with nearly two-thirds of that unfunded liability being in the 02 – Police division. Given that the police group is the largest single source of the unfunded liability, the City has closed division 20 (which was created in 2011) and creating a new hybrid plan division HA for new police officers hired after July 1, 2017. The hybrid plan combines a defined benefit with a 401k-style defined contribution component as a way of further controlling the City's future pension liabilities.

Summary of Actions Taken

Following is a summary of actions taken by the City to address the unfunded liability issue:

- Police and Administrative divisions 02 and 10 were closed to new hires in 2011, replaced by divisions 12, 20, and HA with lower benefit levels. The new divisions are fully or nearly fully funded.
- City Manager division 11 closed in 2014. Current City Manager does not receive a defined benefit pension.
- Police employee contribution increased from 0% to 2.5% in 2011.
- New police hires will receive a hybrid plan that has a small pension that is combined with a defined contribution, 401k-style plan.

³ AAV reports are available on the City's website at: https://cityofpleasantridge.org/lsvr_document/pension-fund-annual-actuarial-valuation-reports/

- No retirement health care benefit for any administrative employees hired after 2011 and police hired after 2017. Instead, employees have access to a Health Care Savings Plan that allows them to save for retirement health care costs with a small City match.

Police Pension Millage

The voters approved a 1.4 mill police pension millage in November of 2017, with the first levy of 0.35 mills beginning July 1, 2018 and phasing in at an additional 0.35 mills per year until the maximum levy is reached. The millage will continue through FY2032-33.

In FY2020-21, the 1.0500 mill levy is expected to generate \$175,312. The amount budgeted for police pension expenses for active and retired officers is \$300,000.

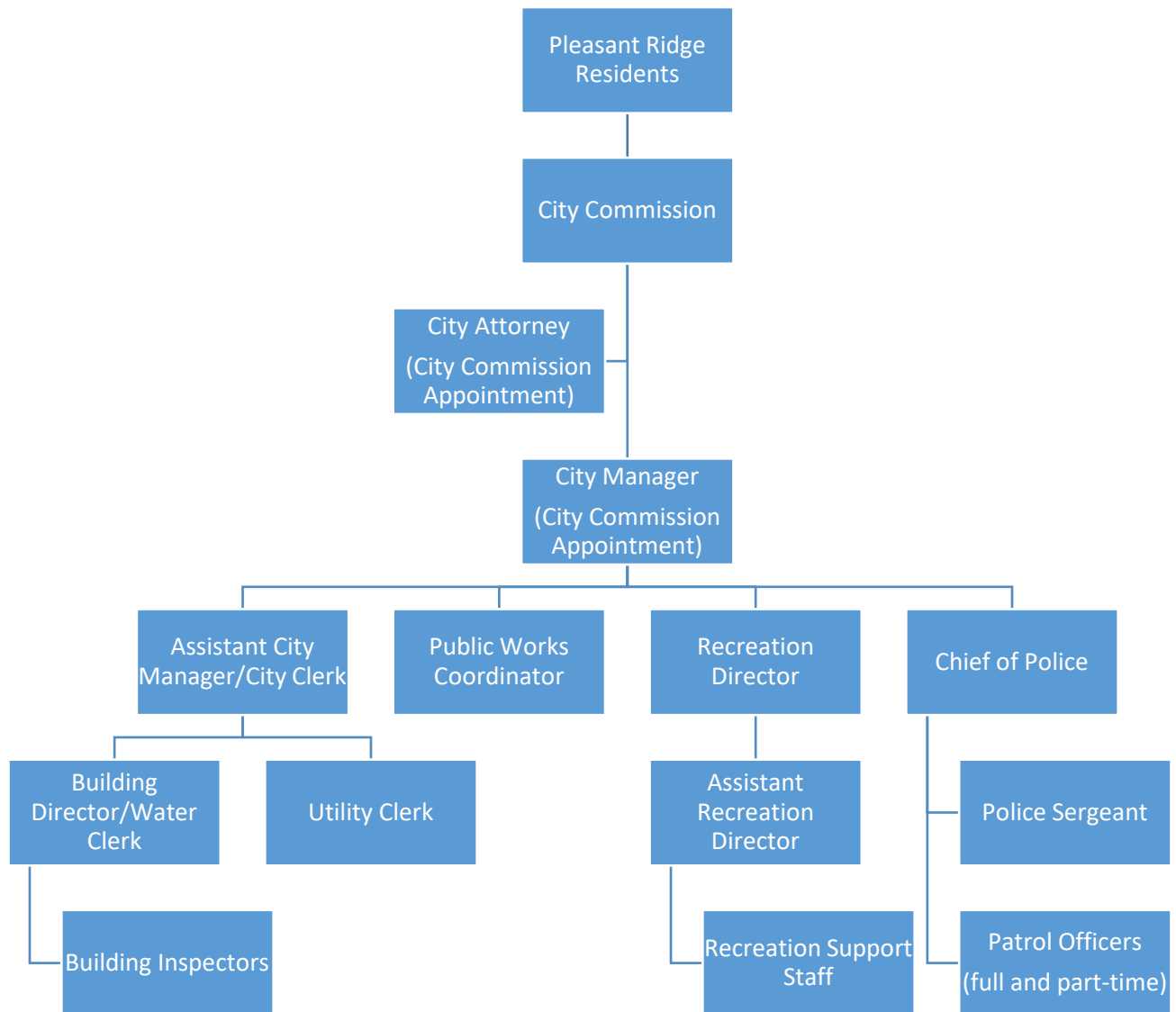
8. Personnel

The City of Pleasant Ridge is a service-oriented organization with a large percentage of expenditures associated with staff salaries and related costs. In addition to part-time and full-time non-union employees, there is one bargaining unit - the Pleasant Ridge Police Officers Association, represented by the Fraternal Order of Police Labor Council.

The City outsources its Fire/EMS, Public Works, Treasury, Assessing, Police and Fire Dispatch, and City Attorney positions.

Position	Status	FY21
City Hall		
City Manager	Full-Time	1.00
City Clerk	Full-Time	1.00
City Treasurer	Part-Time	0.00
Public Works Manager	Full-Time	1.00
Utility/Building Clerk	Full-Time	1.00
Solid Waste Clerk	Part-Time	0.33
City Hall Total		4.33
Police Department		
Chief	Full-Time	1.00
Sergeant	Full-Time	1.00
Patrol Officer	Full-Time	4.00
Patrol Officer (2)	Part-Time	0.48
Office Clerk	Part-Time	0.25
Crossing Guard	Part-Time	0.33
Police Total		7.06
Recreation Department		
Director	Full-Time	1.00
Recreation Assistant	Full-Time	1.00
Building Supervisor	Part-Time	1.00
Playground Supervisor	Seasonal	0.44
Life Guard (senior)	Seasonal	0.44
Life Guard	Seasonal	1.75
Pool Instructors	Seasonal	0.10
Recreation Total		5.73
Full Time Positions		12.00
Part Time Positions (FTE)		5.12
All Departments		17.12

Organization Chart



Not shown in the organization chart are the Charter-established positions of City Treasurer and City Assessor. These positions are outsourced by the City to Plante Moran (City Treasurer) and Oakland County Equalization (Assessor).

C. General Fund

101. Summary

The General Fund functions as the City's operating fund and accounts for taxes and other general revenues and expenditures that are not restricted for other specific purposes. It is the City's policy goal to maintain a minimum 25-30% undesignated General Fund fund balance to maintain cash flow, solvency, and to set aside for unforeseen emergencies or cash shortfalls caused by revenue declines or delays. The FY2019-20 budget includes revenues of \$2,987,878 and expenditures of \$2,966,691 with a projected end of year fund balance percentage of 28.3%.

REVENUES

SOURCE	Actual 2016-17	Actual 2017-18	Actual 2018-19	Budget 2019-20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Taxes and special assessments	2,000,312	2,030,066	2,137,853	2,272,963	2,371,666	2,275,552	2,314,118
Licenses and Permits	84,902	117,153	133,085	99,680	53,780	59,780	71,280
Federal and State Grants	23,111	56,818	47,419	52,715	22,500	22,500	22,500
State Shared Revenue	249,415	258,266	266,525	257,650	236,000	241,000	246,000
Charges for Services	242,542	232,688	286,841	220,016	206,088	218,619	221,195
Fines and Forfeits	56,409	95,648	107,920	81,015	50,000	60,000	60,000
Interest and Rents	12,235	16,720	27,166	32,700	9,000	12,500	12,500
Other revenue	161,927	128,070	159,657	103,710	98,800	98,800	98,800
Transfers-In	9	0	0	0	0	0	0
REVENUE TOTAL	2,830,862	2,935,429	3,166,466	3,120,449	3,047,835	2,988,751	3,046,393

EXPENDITURES

DEPARTMENT							
Mayor and Commission	14,234	29,313	15,490	27,550	27,550	27,550	27,550
City Manager	153,544	157,713	167,267	189,788	182,276	185,441	190,857
Elections	7,100	5,446	7,442	14,960	9,510	9,510	9,510
City Attorney	31,137	33,794	17,083	38,000	26,500	26,500	26,500
City Clerk	103,474	100,231	103,617	113,400	115,073	111,688	113,954
Information Technology	58,094	68,654	92,627	74,000	58,500	56,500	56,500
General Government	152,687	144,312	152,121	157,100	145,400	145,400	145,400
Cable TV	3,069	3,799	2,400	5,110	3,410	3,410	3,410
City Treasurer	108,756	117,249	113,776	117,919	117,050	120,733	124,347
Assessment	21,064	21,495	21,347	22,155	22,155	22,355	22,555
Police Services	1,027,663	978,006	1,061,769	1,165,571	1,219,015	1,256,585	1,282,884
Fire/Rescue	256,581	256,581	256,581	277,981	256,581	256,581	256,581
Building Department	70,059	55,721	75,951	69,068	66,767	64,469	64,675
Planning Commission	0	0	0	0	0	0	0
Public Works	206,075	245,125	262,262	240,475	261,086	249,285	251,669
Street Lighting	30,015	34,605	37,227	40,500	38,000	38,000	38,000
Recreation	406,877	402,155	382,869	411,024	387,773	368,794	373,327
Retirement Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfers Out	107,000	162,000	180,000	60,000	50,000	40,000	50,000
EXPENDITURES TOTAL	2,762,429	2,821,199	2,954,829	3,029,601	2,991,645	2,987,800	3,042,719
Revenue over (under) expenditures	68,433	114,230	211,637	90,848	56,190	951	3,674
Fund Balance, beginning of the year	586,168	654,603	768,837	980,448	1,071,296	1,127,486	1,128,437
Fund Balance adjustments							
Fund Balance, end of the year	654,601	768,833	980,474	1,071,296	1,127,486	1,128,437	1,132,111
General Fund Balance %	23.70%	27.25%	33.18%	35.36%	37.69%	37.77%	37.21%

101. General Fund Revenues

The General Fund revenues provide funding for City services that have a city-wide benefit. General Fund revenues are categorized as taxes and special assessments, community development permit fees and charges, intergovernmental transfers (state revenue sharing), and other revenues.

Total property tax revenue is projected to grow modestly vs. fiscal year 2018-19. This modest increase is due to growth in tax revenue of 1.9% as allowed by the Headlee amendment, and as calculated by the state. Projected property tax revenue is projected to decline by 6% in FY22 due to economic impacts of COVID-19. The actual economic impact and duration of recovery on the City budget is unknown, so the projected 6% decline is a best guess estimation for now.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
GENERAL FUND REVENUE DETAIL							
Taxes and Special Assessments							
101-000-401.000	Property Taxes - Operating	1,948,178	2,009,719	2,004,884	2,063,382	1,939,579	1,974,491
101-000-401.001	Chargebacks from County	(1,154)	0	0	0	0	0
	Property Taxes - Police Pension						
101-000-401.400	Millage	53,533	112,000	111,988	175,312	203,000	206,654
101-000-401.500	Property Taxes - Community Promo	47,836	48,574	48,623	48,973	48,973	48,973
101-000-410.500	Delinquent Tax Collection	24	0	145	0	0	0
101-000-445.000	Interest on Taxes	15,895	25,720	25,718	10,000	10,000	10,000
101-000-447.000	Property Tax Admin Fee	73,541	76,950	76,944	74,000	74,000	74,000
	<i>Total taxes and special assessments</i>	<i>2,137,853</i>	<i>2,272,963</i>	<i>2,268,302</i>	<i>2,371,666</i>	<i>2,275,552</i>	<i>2,314,118</i>
Licenses and Permits							
101-000-476.000	Landlord Licenses	2,140	500	740	500	500	500
101-000-477.000	Electrical Permits	11,305	8,500	6,660	7,500	7,500	7,500
101-000-478.000	Building Permits	97,359	73,400	81,625	35,000	40,000	50,000
101-000-479.000	Plumbing and Mechanical Permits	20,628	16,000	16,000	9,500	10,500	12,000
101-000-480.000	Liquor License Fee Revenue	839	780	866	780	780	780
101-000-485.000	Dog Licenses	814	500	691	500	500	500
	<i>Total licenses and permits</i>	<i>133,085</i>	<i>99,680</i>	<i>106,582</i>	<i>53,780</i>	<i>59,780</i>	<i>71,280</i>
Federal and State Grants							
101-000-522.000	CDBG	5,538	5,000	1,996	5,000	5,000	5,000
101-000-540.000	State Grant	0	4,255	4,255	0	0	0
101-000-544.000	302 Training Funds	1,033	1,000	1,040	1,000	1,000	1,000
101-000-573.000	Local Community Stabilization	40,848	42,460	42,461	16,500	16,500	16,500
	<i>Total federal and state grants</i>	<i>47,419</i>	<i>52,715</i>	<i>49,752</i>	<i>22,500</i>	<i>22,500</i>	<i>22,500</i>
State Shared Revenue							
101-000-576.500	Sales Taxes - Statutory	46,232	46,250	32,920	46,000	46,000	46,000
101-000-576.750	Sales Taxes - Constitutional	218,252	210,000	154,391	190,000	195,000	200,000
101-000-576.751	Sales Taxes - Supplemental	2,041	1,400	0	0	0	0
	<i>Total state shared revenue</i>	<i>266,525</i>	<i>257,650</i>	<i>187,311</i>	<i>236,000</i>	<i>241,000</i>	<i>246,000</i>
Charges for Services							
101-000-607.000	NSF Fees	416	400	360	400	400	400
101-000-608.000	Registration Fees	5,295	3,000	2,340	3,000	3,000	3,000

C. General Fund
101. General Fund Revenues

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
101-000-609.000	Administrative Fees	11,080	7,500	7,625	7,500	7,500	7,500
101-000-627.000	Administrative Charges	103,792	103,619	103,619	104,701	106,052	107,429
101-000-627.100	Charges for Services - Personnel	11,860	12,555	12,555	12,555	12,781	13,011
101-000-627.200	Charges for Services - IT	50,777	51,997	51,997	52,933	53,886	54,856
101-000-635.000	Copying Charges	377	50	957	50	50	50
101-000-641.100	Election Reimbursement	0	0	70	0	0	0
101-000-641.200	Spraying Reimbursement	331	0	0	0	0	0
101-000-641.300	Tree Planting Reimbursement	2,030	750	1,600	750	750	750
101-000-642.000	Sales	0	0	50	0	0	0
101-000-651.000	Use & Admission Fees	2,238	1,000	1,906	1,000	1,000	1,000
101-000-651.208	Admission - Dog Park	4,940	4,440	4,560	3,200	3,200	3,200
101-000-653.000	Registration Program Fees	93,705	34,705	34,703	20,000	30,000	30,000
<i>Total charges for services:</i>		<i>286,841</i>	<i>220,016</i>	<i>222,342</i>	<i>206,088</i>	<i>218,619</i>	<i>221,195</i>
Fines and Forfeits							
101-000-656.000	Municipal Fines	66,320	46,015	46,358	20,000	30,000	30,000
101-000-657.000	District Court Fines	41,600	35,000	29,116	30,000	30,000	30,000
<i>Total fines and forfeits:</i>		<i>107,920</i>	<i>81,015</i>	<i>75,474</i>	<i>50,000</i>	<i>60,000</i>	<i>60,000</i>
Interest and Rents							
101-000-665.000	Interest & Dividend Income	18,963	19,000	18,465	5,000	5,000	5,000
101-000-667.000	4 Ridge Rental	5,410	10,900	10,897	4,000	7,500	7,500
101-000-669.000	Property Rental	2,793	2,800	400	0	0	0
<i>Total interest and rents:</i>		<i>27,166</i>	<i>32,700</i>	<i>29,762</i>	<i>9,000</i>	<i>12,500</i>	<i>12,500</i>
Other Revenue							
101-000-670.000	Cable Franchise and PEG Fees	62,375	60,000	44,488	60,000	60,000	60,000
101-000-671.000	Miscellaneous Other Revenues	21,300	18,500	18,493	5,000	5,000	5,000
101-000-675.000	Contributions & Donations	40,000	410	410	5,000	5,000	5,000
101-000-679.000	Refunds & Rebates	23,636	24,500	2,789	24,500	24,500	24,500
101-000-679.300	Refunds & Rebates - Public Safety	2,702	0	0	4,000	4,000	4,000
101-000-695.000	Other Financing Sources	(26)	0	0	0	0	0
101-000-696.000	Bond & Insurance Recoveries	9,644	300	0	300	300	300
<i>Total other revenue:</i>		<i>159,631</i>	<i>103,710</i>	<i>66,180</i>	<i>98,800</i>	<i>98,800</i>	<i>98,800</i>
TOTAL REVENUES		3,166,440	3,120,449	3,005,705	3,047,835	2,988,751	3,046,393

101. General Fund Expenditures

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
GENERAL FUND APPROPRIATIONS							
Department 101 - Mayor and Commission							
101-101-715.000	Worker's Compensation	46	50	48	50	50	50
101-101-955.000	Miscellaneous Expenses	12,570	20,000	19,197	20,000	20,000	20,000
101-101-956.000	Conferences and Workshops	0	1,000	100	1,000	1,000	1,000
101-101-958.000	Memberships and Dues	2,874	6,500	5,256	6,500	6,500	6,500
<i>Totals for Department 101 - Mayor and Commission</i>		<i>15,490</i>	<i>27,550</i>	<i>24,601</i>	<i>27,550</i>	<i>27,550</i>	<i>27,550</i>
Department 172 - City Manager							
101-172-702.000	Administration Wages	102,655	109,420	82,914	107,125	107,125	109,053
101-172-711.000	Social Security & Medicare	8,690	7,500	6,847	7,500	7,635	7,772
101-172-712.000	Medical Insurance	5,138	6,150	3,946	6,150	6,150	6,150
101-172-712.003	Medical Insurance - Retirees	5,995	14,000	5,744	9,000	10,000	11,000
101-172-712.004	Medical Insurance - Retiree Cont.	(566)	(600)	(1,108)	(600)	(600)	(600)
101-172-712.006	Medical Insurance - HSA (Retirees)	0	950	0	950	950	950
101-172-713.000	Life Insurance	672	750	621	750	750	750
101-172-714.003	Retirement - DB (Retirees)	16,596	20,124	16,770	20,000	22,030	23,985
101-172-714.500	Retirement - DC (Active Employees)	21,144	22,054	17,358	21,961	21,961	22,356
101-172-715.000	Worker's Compensation	57	50	59	50	50	50
101-172-716.000	Unemployment Compensation	22	40	19	40	40	40
101-172-720.000	Tuition, Training and Education	0	100	0	100	100	100
101-172-731.000	Operating Supplies	79	100	53	100	100	100
101-172-790.000	Books & Periodicals	198	400	228	400	400	400
101-172-862.000	Automobile Allowance	6,000	6,000	5,000	6,000	6,000	6,000
101-172-956.000	Conferences and Workshops	0	2,000	250	2,000	2,000	2,000
101-172-958.000	Memberships and Dues	587	750	1,148	750	750	750
<i>Totals for Department 172 - City Manager</i>		<i>167,267</i>	<i>189,788</i>	<i>139,849</i>	<i>182,276</i>	<i>185,441</i>	<i>190,857</i>
Department 191 - Elections							
101-191-704.000	Part-Time Wages	4,075	5,300	5,288	4,500	4,500	4,500
101-191-711.000	Social Security & Medicare	0	0	8	0	0	0
101-191-715.000	Worker's Compensation	12	10	12	10	10	10
101-191-728.000	Postage	0	250	284	250	250	250
101-191-731.000	Operating Supplies	2,298	4,500	4,120	3,000	3,000	3,000
101-191-809.000	Contractual Services	1,057	2,400	2,379	1,250	1,250	1,250
101-191-900.000	Printing & Publishing	0	2,500	2,496	500	500	500
<i>Totals for Department 191 - Elections</i>		<i>7,442</i>	<i>14,960</i>	<i>14,587</i>	<i>9,510</i>	<i>9,510</i>	<i>9,510</i>
Department 210 - City Attorney							
101-210-815.000	City Attorney Services	9,556	30,000	10,910	20,000	20,000	20,000
101-210-815.250	Court Prosecutions	5,771	7,500	3,746	6,000	6,000	6,000
101-210-815.500	Labor Relations Attorney	1,756	500	0	500	500	500
<i>Totals for Department 210 - City Attorney</i>		<i>17,083</i>	<i>38,000</i>	<i>14,656</i>	<i>26,500</i>	<i>26,500</i>	<i>26,500</i>
Department 215 - City Clerk							
101-215-702.000	Administration Wages	74,843	83,625	61,072	85,298	80,402	81,849
101-215-711.000	Social Security & Medicare	5,684	5,650	4,741	5,650	5,752	5,855

C. General Fund

101. General Fund Expenditures

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
101-215-712.000	Medical Insurance	6,443	7,750	6,017	7,750	7,983	8,222
101-215-712.001	Medical Insurance - Employee Cont.	(482)	(775)	(485)	(775)	(798)	(822)
101-215-712.005	Medical Insurance - HSA	975	950	1,225	950	1,900	1,900
101-215-713.000	Life Insurance	566	195	538	195	195	195
101-215-714.000	Retirement - DB (Active Employees)	12,754	13,250	9,121	13,250	13,500	14,000
101-215-715.000	Worker's Compensation	133	125	138	125	125	125
101-215-716.000	Unemployment Compensation	15	30	13	30	30	30
101-215-731.000	Operating Supplies	936	1,250	547	1,250	1,250	1,250
101-215-861.000	Mileage Allowance	591	200	295	200	200	200
101-215-955.000	Miscellaneous Expenses	0	100	0	100	100	100
101-215-956.000	Conferences and Workshops	929	750	461	750	750	750
101-215-958.000	Memberships and Dues	230	300	230	300	300	300
<i>Totals for Department 215 - City Clerk</i>		<i>103,617</i>	<i>113,400</i>	<i>83,913</i>	<i>115,073</i>	<i>111,688</i>	<i>113,954</i>
Department 228 - Information Technology							
101-228-809.000	Contractual Services	23,143	20,000	26,494	20,000	20,000	20,000
101-228-851.000	Communications	52,016	35,000	18,103	16,000	16,000	16,000
101-228-928.000	Software Maintenance	8,784	8,000	13,420	9,000	9,000	9,000
101-228-970.000	Capital Outlay	3,065	5,500	6,827	7,000	5,000	5,000
101-228-983.000	Leased Assets	5,619	5,500	7,103	6,500	6,500	6,500
<i>Totals for Department 228 - Information Technology</i>		<i>92,627</i>	<i>74,000</i>	<i>71,947</i>	<i>58,500</i>	<i>56,500</i>	<i>56,500</i>
Department 248 - General Government							
101-248-727.000	Office Supplies	2,385	6,000	1,140	3,000	3,000	3,000
101-248-728.000	Postage	4,208	3,500	3,092	3,000	3,000	3,000
101-248-731.000	Operating Supplies	13,595	7,500	6,281	4,500	4,500	4,500
101-248-733.000	Janitorial Supplies	0	0	460	500	500	500
101-248-734.000	Building Maintenance Supplies	0	200	0	200	200	200
101-248-803.000	Janitorial Contract	2,338	2,500	2,143	2,500	2,500	2,500
101-248-809.000	Contractual Services	7,313	6,500	3,998	6,500	6,500	6,500
101-248-809.002	Payroll Administration	9,610	9,700	7,693	10,000	10,000	10,000
101-248-880.000	Community Promotion	21,694	17,700	11,300	17,700	17,700	17,700
101-248-900.000	Printing & Publishing	12,004	12,000	10,208	12,000	12,000	12,000
101-248-910.000	Insurance & Bonds	58,324	60,000	48,806	60,000	60,000	60,000
101-248-920.000	Public Utilities	9,363	16,000	9,472	10,000	10,000	10,000
101-248-929.000	Equipment Maintenance	72	500	63	500	500	500
101-248-931.000	Building Maintenance	7,190	12,500	5,658	12,500	12,500	12,500
101-248-955.000	Miscellaneous Expenses	4,025	2,500	2,052	2,500	2,500	2,500
<i>Totals for Department 248 - General Government</i>		<i>152,121</i>	<i>157,100</i>	<i>112,366</i>	<i>145,400</i>	<i>145,400</i>	<i>145,400</i>
Department 249 - Cable TV							
101-249-715.000	Worker's Compensation	0	10	0	10	10	10
101-249-731.000	Operating Supplies	0	1,500	0	500	500	500
101-249-809.000	Contractual Services	2,400	2,400	2,625	2,400	2,400	2,400
101-249-958.000	Memberships and Dues	0	1,200	0	500	500	500
<i>Totals for Department 249 - Cable TV</i>		<i>2,400</i>	<i>5,110</i>	<i>2,625</i>	<i>3,410</i>	<i>3,410</i>	<i>3,410</i>
Department 253 - City Treasurer							
101-253-714.003	Retirement - DB (Retirees)	25,507	24,000	18,241	24,000	26,436	28,782
101-253-801.000	Audit Contract	19,900	21,100	21,100	19,000	19,000	19,000
101-253-809.001	Accounting Services	66,204	68,019	62,150	69,250	70,497	71,765

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
101-253-890.000	Service Charges	1,987	4,500	2,263	4,500	4,500	4,500
101-253-954.000	Overage/shortage	0	50	0	50	50	50
101-253-955.000	Miscellaneous Expenses	78	200	607	200	200	200
101-253-960.100	Credit Card Service Charge	100	50	100	50	50	50
<i>Totals for Department 253 - City Treasurer</i>		<i>113,776</i>	<i>117,919</i>	<i>104,461</i>	<i>117,050</i>	<i>120,733</i>	<i>124,347</i>
Department 254 - Assessing							
101-254-702.000	Administration Wages	810	810	1,020	810	810	810
101-254-711.000	Social Security & Medicare	62	25	78	25	25	25
101-254-804.000	County Assessor Fees	19,555	19,700	0	19,700	19,900	20,100
101-254-901.000	Printing Tax Bills	900	1,600	1,397	1,600	1,600	1,600
101-254-956.000	Conferences and Workshops	20	20	60	20	20	20
<i>Totals for Department 254 - Assessment</i>		<i>21,347</i>	<i>22,155</i>	<i>2,555</i>	<i>22,155</i>	<i>22,355</i>	<i>22,555</i>
Department 301 - Police Services							
101-301-702.000	Administration Wages	79,994	87,205	68,115	87,950	87,950	89,533
101-301-703.000	Overtime	16,869	17,500	17,448	17,500	17,500	17,500
101-301-704.000	Part-Time Wages	67,281	55,000	47,587	50,000	50,000	50,000
101-301-705.000	Full Time Wages	328,979	344,500	247,580	352,500	352,500	359,550
101-301-708.000	Crossing Guard Wages	4,430	3,800	3,525	3,800	3,868	3,938
101-301-711.000	Social Security & Medicare	28,626	26,000	22,962	28,000	28,000	28,000
101-301-712.000	Medical Insurance	61,623	85,000	61,067	77,000	78,386	79,797
101-301-712.001	Medical Insurance - Employee Cont.	(4,854)	(8,500)	(4,570)	(7,700)	(7,839)	(7,980)
101-301-712.002	Retirement - HCSP	5,497	4,500	5,202	4,500	4,581	4,663
101-301-712.003	Medical Insurance - Retirees	115,860	130,000	108,047	130,000	132,340	134,722
101-301-712.004	Medical Insurance - Retiree Cont.	(11,097)	(10,400)	(14,007)	(10,400)	(10,587)	(10,778)
101-301-712.005	Medical Insurance - HSA	8,038	10,450	9,800	9,000	9,000	9,000
101-301-712.006	Medical Insurance - HSA (Retirees)	3,925	6,000	5,763	6,000	6,000	6,000
101-301-713.000	Life Insurance	3,277	5,000	3,122	5,000	5,000	5,000
101-301-714.000	Retirement - DB (Active Employees)	61,024	80,000	59,124	70,000	72,500	75,000
101-301-714.003	Retirement - DB (Retirees)	154,940	175,000	167,689	230,000	260,000	270,000
101-301-714.500	Retirement - DC (Active Employees)	0	0	7,981	10,000	10,000	10,000
101-301-715.000	Worker's Compensation	6,326	6,000	6,540	6,500	6,500	6,500
101-301-716.000	Unemployment Compensation	82	200	69	200	200	200
101-301-718.000	Uniform Allowance	6,442	4,750	4,489	6,500	6,500	6,500
101-301-718.100	Uniform Cleaning Allowance	3,750	4,000	4,200	4,000	4,000	4,000
101-301-720.000	Tuition, Training and Education	2,364	5,000	1,883	5,000	5,000	5,000
101-301-720.500	302 Training Funds	787	650	0	650	650	650
101-301-727.000	Office Supplies	2,521	1,500	1,469	1,500	1,500	1,500
101-301-731.000	Operating Supplies	24,011	16,000	11,903	16,000	16,000	16,000
101-301-751.000	Gas & Oil	19,133	17,500	11,995	17,500	17,815	18,136
101-301-803.000	Janitorial Contract	3,506	3,500	3,214	3,500	3,500	3,500
101-301-809.000	Contractual Services	0	12,000	2,770	12,000	12,000	12,000
101-301-809.200	Clemis/LEIN Services	11,053	12,000	5,938	12,000	12,360	12,731
101-301-809.911	Dispatch Contract	39,000	41,350	39,000	41,350	42,094	42,852
101-301-827.200	Charges for Services - IT	5,387	5,516	5,516	5,615	5,716	5,819
101-301-929.000	Equipment Maintenance	739	1,500	1,761	1,500	1,500	1,500
101-301-930.000	Vehicle Maintenance	9,519	10,000	8,272	10,000	10,000	10,000
101-301-955.000	Miscellaneous Expenses	240	500	110	500	500	500
101-301-956.000	Conferences and Workshops	927	1,250	875	1,250	1,250	1,250
101-301-958.000	Memberships and Dues	365	300	115	300	300	300

C. General Fund

101. General Fund Expenditures

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
101-301-970.000	Capital Outlay	1,205	11,000	4,246	10,000	10,000	10,000
<i>Totals for Department 301 - Police Services</i>		<i>1,061,769</i>	<i>1,165,571</i>	<i>930,800</i>	<i>1,219,015</i>	<i>1,256,585</i>	<i>1,282,884</i>
Department 339 - Fire/Rescue							
101-339-802.000	Fire Services Contract	256,581	277,981	256,581	256,581	256,581	256,581
<i>Totals for Department 339 - Fire/Rescue</i>		<i>256,581</i>	<i>277,981</i>	<i>256,581</i>	<i>256,581</i>	<i>256,581</i>	<i>256,581</i>
Department 371 - Community Development							
101-371-715.000	Worker's Compensation	17	25	18	25	25	25
101-371-809.000	Contractual Services	24,864	22,500	8,926	17,500	15,000	15,000
101-371-811.000	Electrical Inspector Fees	1,800	2,000	1,800	2,000	2,000	2,000
101-371-812.000	Mechanical Inspector Fees	9,641	7,250	10,541	9,000	9,000	9,000
101-371-813.000	Building Inspector Fees	14,400	14,400	14,400	14,400	14,400	14,400
101-371-827.100	Charges for Services - Personnel	11,860	11,860	12,555	11,860	11,860	11,860
101-371-827.200	Charges for Services - IT	10,774	11,033	11,033	11,232	11,434	11,640
101-371-955.000	Miscellaneous Expenses	2,487	0	0	750	750	750
<i>Totals for Department 371 - Community Development</i>		<i>75,951</i>	<i>69,068</i>	<i>59,273</i>	<i>66,767</i>	<i>64,469</i>	<i>64,675</i>
Department 440 - Public Works							
101-440-702.000	Administration Wages	22,963	29,000	20,477	29,580	27,744	28,243
101-440-711.000	Social Security & Medicare	1,676	1,775	1,450	1,775	1,807	1,839
101-440-712.000	Medical Insurance	11,871	12,100	10,789	12,100	12,584	13,087
101-440-712.001	Medical Insurance - Employee Cont.	(1,057)	(1,210)	(890)	(1,210)	(1,258)	(1,309)
101-440-712.002	Retirement - HCSP	0	3,500	0	0	0	0
101-440-712.003	Medical Insurance - Retirees	3,001	3,000	2,872	3,500	3,605	3,713
101-440-712.004	Medical Insurance - Retiree Cont.	(283)	0	(277)	0	0	0
101-440-712.005	Medical Insurance - HSA	975	950	1,225	950	1,900	1,900
101-440-713.000	Life Insurance	243	60	225	200	200	200
101-440-714.000	Retirement - DB (Active Employees)	0	0	(140)	0	0	0
101-440-714.003	Retirement - DB (Retirees)	12,372	17,500	10,730	12,500	13,769	14,991
101-440-714.500	Retirement - DC (Active Employees)	3,418	3,250	3,064	4,141	3,884	3,954
101-440-715.000	Worker's Compensation	9	0	9	0	0	0
101-440-731.000	Operating Supplies	6,975	5,000	5,864	5,000	5,000	5,000
101-440-810.000	Public Works Contract	180,670	145,000	120,918	175,000	165,000	165,000
101-440-920.000	Public Utilities	4,587	3,500	4,188	3,000	3,000	3,000
101-440-955.000	Miscellaneous Expenses	429	2,000	1,069	2,000	2,000	2,000
101-440-958.000	Memberships and Dues	695	50	20	50	50	50
101-440-970.000	Capital Outlay	13,695	15,000	519	12,500	10,000	10,000
<i>Totals for Department 440 - Public Works</i>		<i>262,262</i>	<i>240,475</i>	<i>182,112</i>	<i>261,086</i>	<i>249,285</i>	<i>251,669</i>
Department 448 - Street Lighting							
101-448-921.000	Streetlighting	37,227	40,500	36,666	38,000	38,000	38,000
<i>Totals for Department 448 - Street Lighting</i>		<i>37,227</i>	<i>40,500</i>	<i>36,666</i>	<i>38,000</i>	<i>38,000</i>	<i>38,000</i>
Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Department 750 - Recreation							
101-750-702.000	Administration Wages	107,329	125,750	81,187	112,300	112,300	114,321
101-750-704.000	Part-Time Wages	32,782	30,000	21,903	30,000	30,000	30,000
101-750-711.000	Social Security & Medicare	13,016	11,000	7,613	11,000	11,000	11,000
101-750-712.000	Medical Insurance	19,517	23,500	13,921	16,500	17,160	17,846

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
101-750-712.001	Medical Insurance - Employee Cont.	(1,555)	(2,350)	(1,131)	(1,250)	(1,250)	(1,250)
101-750-712.002	Retirement - HCSP	1,417	1,000	2,473	2,250	2,250	2,250
101-750-712.005	Medical Insurance - HSA	3,900	3,800	3,508	4,100	4,100	4,100
101-750-713.000	Life Insurance	1,010	350	792	350	350	350
101-750-714.000	Retirement - DB (Active Employees)	15,129	12,500	9,996	12,500	13,769	14,991
101-750-714.003	Retirement - DB (Retirees)	0	0	8,048	8,000	8,000	8,000
101-750-715.000	Worker's Compensation	2,259	2,100	2,336	2,100	2,100	2,100
101-750-716.000	Unemployment Compensation	21	50	18	50	50	50
101-750-720.000	Tuition, Training and Education	0	750	0	750	750	750
101-750-727.000	Office Supplies	1,622	3,500	485	2,000	2,000	2,000
101-750-728.500	Newsletter Delivery	301	750	1,090	750	750	750
101-750-729.000	Recreation Program Supplies	11,258	12,500	3,846	7,500	6,000	6,000
101-750-730.000	Special Program Supplies	40,625	32,500	28,950	30,000	27,500	27,500
101-750-731.000	Operating Supplies	21,585	7,500	1,796	5,000	4,000	4,000
101-750-733.000	Janitorial Supplies	0	0	1,775	0	0	0
101-750-734.000	Building Maintenance Supplies	0	0	270	0	0	0
101-750-803.000	Janitorial Contract	12,054	12,100	12,800	12,100	12,100	12,100
101-750-803.700	Exterminator Service	633	1,200	1,636	600	600	600
101-750-809.000	Contractual Services	33,780	32,000	17,080	28,000	28,000	28,000
101-750-827.200	Charges for Services - IT	8,080	8,274	8,274	8,423	8,575	8,729
101-750-861.000	Mileage Allowance	437	500	173	500	500	500
101-750-883.000	Sports	4,391	7,500	4,554	7,500	6,000	6,000
101-750-890.000	Service Charges	457	0	385	0	0	0
101-750-920.000	Public Utilities	23,800	24,500	25,184	24,500	24,941	25,390
101-750-929.000	Equipment Maintenance	2,505	2,500	39	2,500	2,500	2,500
101-750-931.000	Building Maintenance	8,291	15,000	15,631	15,000	15,000	15,000
101-750-934.000	Parks Maintenance	6,315	7,500	8,680	7,500	7,500	7,500
101-750-955.000	Miscellaneous Expenses	0	0	24	0	0	0
101-750-956.000	Conferences and Workshops	2,144	1,500	1,277	1,500	1,500	1,500
101-750-958.000	Memberships and Dues	610	750	675	750	750	750
101-750-970.000	Capital Outlay	9,156	32,500	31,573	35,000	20,000	20,000
<i>Totals for Department 750 - Recreation</i>		<i>382,869</i>	<i>411,024</i>	<i>316,861</i>	<i>387,773</i>	<i>368,794</i>	<i>373,327</i>
Department 863 - Retirement Services							
101-863-714.002	OPEB Trust Contributions	5,000	5,000	5,000	5,000	5,000	5,000
<i>Totals for Department 863 - Retirement Services</i>		<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>
Department 966 - Transfers Out							
101-966-999.251	Transfers Out - Pool Operating	5,000	0	0	0	0	0
	Transfers Out - Capital						
101-966-999.401	Improvement	175,000	60,000	60,000	50,000	40,000	50,000
<i>Totals for Department 966 - Transfers Out</i>		<i>180,000</i>	<i>60,000</i>	<i>60,000</i>	<i>50,000</i>	<i>40,000</i>	<i>50,000</i>
TOTAL APPROPRIATIONS		2,954,829	3,029,601	2,418,853	2,991,645	2,987,800	3,042,719
NET OF REVENUES/APPROPRIATIONS - FUND 101		211,611	90,848	586,852	56,190	951	3,674
BEGINNING FUND BALANCE		768,837	980,448	980,448	1,071,296	1,127,486	1,128,437
FUND BALANCE ADJUSTMENTS		0	0	0	0	0	0
ENDING FUND BALANCE		980,448	1,071,296	1,567,300	1,127,486	1,128,437	1,132,111

D. Special Revenue Funds

202. Major Street Fund

Fund 202 provides for the maintenance of major streets. Major activities include the maintenance and repair of traffic directional signage, pothole patching and other ongoing maintenance, street sweeping, and winter snow and ice removal.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
FUND 202 - MAJOR STREET FUND							
REVENUES							
202-000-579.000	Act 51 Gas Tax Funding	179,594	192,383	162,756	185,000	204,000	211,000
202-000-665.000	Interest & Dividend Income	253	50	163	50	50	50
TOTAL REVENUES		179,847	192,433	162,919	185,050	204,050	211,050
APPROPRIATIONS							
Department 463 - Street Maintenance							
202-463-731.000	Operating Supplies	0	1,000	0	1,000	1,000	1,000
202-463-809.000	Contractual Services	2,520	0	0	0	0	0
202-463-810.000	Public Works Contract	21,846	24,000	23,050	27,500	27,500	27,500
<i>Totals for Department 463 - Street Maintenance</i>		<i>24,366</i>	<i>25,000</i>	<i>23,050</i>	<i>28,500</i>	<i>28,500</i>	<i>28,500</i>
Department 474 - Traffic Services							
202-474-731.000	Operating Supplies	2,596	2,500	300	2,500	2,500	2,500
202-474-810.000	Public Works Contract	0	1,500	0	1,500	1,500	1,500
202-474-935.000	Traffic Control	15,062	6,500	6,276	6,500	6,500	6,500
<i>Totals for Department 474 - Traffic Services</i>		<i>17,658</i>	<i>10,500</i>	<i>6,576</i>	<i>10,500</i>	<i>10,500</i>	<i>10,500</i>
Department 478 - Winter Services							
202-478-731.000	Operating Supplies	16,667	12,500	6,016	12,500	12,500	12,500
202-478-810.000	Public Works Contract	14,282	25,000	8,288	25,000	25,000	25,000
<i>Totals for Department 478 - Winter Services</i>		<i>30,949</i>	<i>37,500</i>	<i>14,304</i>	<i>37,500</i>	<i>37,500</i>	<i>37,500</i>
Department 910 - Capital Assets							
202-910-970.446	Capital Outlay - Streets & Alleys	10,761	60,000	66,962	60,000	60,000	60,000
<i>Totals for Department 910 - Capital Assets</i>		<i>10,761</i>	<i>60,000</i>	<i>66,962</i>	<i>60,000</i>	<i>60,000</i>	<i>60,000</i>
Department 920 - Administration							
202-920-827.000	Administrative Service Charges	11,500	11,500	11,500	11,500	11,500	11,500
202-920-890.000	Service Charges	0	500	42	500	500	500
202-920-955.000	Miscellaneous Expenses	405	2,000	270	2,000	2,000	2,000
<i>Totals for Department 920 - Administration</i>		<i>11,905</i>	<i>14,000</i>	<i>11,812</i>	<i>14,000</i>	<i>14,000</i>	<i>14,000</i>
Department 966 - Transfers Out							
202-966-999.203	Transfers Out - Local Streets	45,000	45,000	45,000	45,000	45,000	45,000
<i>Totals for Department 966 - Transfers Out</i>		<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>
TOTAL APPROPRIATIONS		140,639	192,000	167,704	195,500	195,500	195,500

D. Special Revenue Funds
202. Major Street Fund

Account Number Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
NET OF REVENUES/APPROPRIATIONS - FUND 202	39,208	433	(4,785)	(10,450)	8,550	15,550
BEGINNING FUND BALANCE	73,846	113,054	113,054	113,487	103,037	111,587
ENDING FUND BALANCE	113,054	113,487	108,269	103,037	111,587	127,137

D. Special Revenue Funds

203. Local Street Fund

203. Local Street Fund

Fund 203 provides for the maintenance of local streets. Major activities include the maintenance and repair of traffic directional signage, pothole patching and other ongoing maintenance, street sweeping, and winter snow and ice removal.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 203 - LOCAL STREET FUND							
REVENUES							
203-000-569.000	State Grants - Other	28,395	0	0	0	0	0
203-000-574.048	METRO Act	8,582	7,500	8,930	7,500	7,500	7,500
203-000-579.000	Act 51 Gas Tax Funding	61,225	65,631	55,470	63,000	69,500	72,000
203-000-665.000	Interest & Dividend Income	498	40	201	40	40	40
203-000-699.202	Transfers In - Major Streets	45,000	45,000	45,000	45,000	45,000	45,000
TOTAL REVENUES		143,700	118,171	109,601	115,540	122,040	124,540
APPROPRIATIONS							
Department 463 - Street Maintenance							
203-463-731.000	Operating Supplies	0	1,000	0	1,000	1,000	1,000
203-463-809.000	Contractual Services	3,780	0	0	0	0	0
203-463-810.000	Public Works Contract	41,204	43,000	42,893	25,000	25,000	25,000
<i>Totals for Department 463 - Street Maintenance</i>		<i>44,984</i>	<i>44,000</i>	<i>42,893</i>	<i>26,000</i>	<i>26,000</i>	<i>26,000</i>
Department 474 - Traffic Services							
203-474-731.000	Operating Supplies	6,751	4,000	2,304	4,000	4,000	4,000
203-474-810.000	Public Works Contract	503	3,000	905	3,000	3,000	3,000
<i>Totals for Department 474 - Traffic Services</i>		<i>7,254</i>	<i>7,000</i>	<i>3,209</i>	<i>7,000</i>	<i>7,000</i>	<i>7,000</i>
Department 478 - Winter Services							
203-478-731.000	Operating Supplies	22,732	12,500	4,011	12,500	12,500	12,500
203-478-810.000	Public Works Contract	21,423	30,000	8,794	27,500	27,500	27,500
<i>Totals for Department 478 - Winter Services</i>		<i>44,155</i>	<i>42,500</i>	<i>12,805</i>	<i>40,000</i>	<i>40,000</i>	<i>40,000</i>
Department 910 - Capital Assets							
203-910-970.446	Capital Outlay - Streets & Alleys	0	50,000	47,775	40,000	40,000	45,000
<i>Totals for Department 910 - Capital Assets</i>		<i>0</i>	<i>50,000</i>	<i>47,775</i>	<i>40,000</i>	<i>40,000</i>	<i>45,000</i>
Department 920 - Administration							
203-920-814.000	Engineering Services	4,449	1,000	0	1,000	1,000	1,000
203-920-827.000	Administrative Service Charges	3,900	3,900	3,900	3,900	3,900	3,900
203-920-890.000	Service Charges	16	300	42	300	300	300
203-920-955.000	Miscellaneous Expenses	0	1,000	0	1,000	1,000	1,000
<i>Totals for Department 920 - Administration</i>		<i>8,365</i>	<i>6,200</i>	<i>3,942</i>	<i>6,200</i>	<i>6,200</i>	<i>6,200</i>
TOTAL APPROPRIATIONS		104,758	149,700	110,624	119,200	119,200	124,200
NET OF REVENUES/APPROPRIATIONS - FUND 203		38,942	(31,529)	(1,023)	(3,660)	2,840	340
BEGINNING FUND BALANCE		65,665	104,607	104,607	73,078	69,418	72,258
ENDING FUND BALANCE		104,607	73,078	103,584	69,418	72,258	72,598

218. Infrastructure Improvements

Fund 218 provides for the City's infrastructure improvement program, consisting primarily of road reconstruction projects. The program is funded by a 20-year infrastructure improvement approved by the voters in 2014 as a renewal of an earlier 20-year millage. The City sold bonds with a face value of \$3,000,000 in April of 2017 to provide funding for the completion of the street reconstruction program in 2017 and 2018. The term of the bond is 15 years and it is being repaid using the annual infrastructure millage funds.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 218 - INFRASTRUCTURE IMPROVEMENTS							
ESTIMATED REVENUES							
218-000-406.000	Infrastructure Taxes	407,131	419,995	418,975	431,208	405,335	412,631
218-000-406.500	Parks Improvement Taxes	0	0	0	0	0	0
218-000-532.000	Local Grants	8,865	0	0	0	0	0
218-000-573.000	Local Community Stabilization	3,303	3,330	3,332	3,000	3,000	3,000
218-000-665.000	Interest & Dividend Income	23,492	21,455	21,456	5,000	5,000	5,000
218-000-699.260	Transfers In - DDA	0	0	0	0	70,000	70,000
TOTAL REVENUES		442,791	444,780	443,763	439,208	483,335	490,631
APPROPRIATIONS							
Department 905 - Long-Term Debt Retirement							
218-905-816.000	Paying Agent Fees	0	500	500	0	0	0
218-905-991.044	Principal: 2017 Street Bonds	150,000	155,000	155,000	160,000	170,000	175,000
218-905-995.044	Interest: 2017 Street Bonds	87,750	83,175	83,175	78,450	73,500	68,325
<i>Totals for department 910 - Long-Term Debt Retirement</i>		<i>237,750</i>	<i>238,675</i>	<i>238,675</i>	<i>238,450</i>	<i>243,500</i>	<i>243,325</i>
Department 910 - Capital Outlay							
218-910-970.003	Capital Outlay - Facilities	0	10,000	2,092	0	0	0
218-910-970.446	Capital Outlay - Streets & Alleys	571,937	450,000	442,504	500,000	150,000	150,000
218-910-970.750	Capital Outlay - Recreation	234,664	205,000	153,882	75,000	0	0
<i>Totals for department 910 - Capital Outlay</i>		<i>806,601</i>	<i>665,000</i>	<i>598,478</i>	<i>575,000</i>	<i>150,000</i>	<i>150,000</i>
Department 920 - Service Charges							
218-920-890.000	Service Charges	539	340	338	0	0	0
<i>Totals for department 910 - Capital Outlay</i>		<i>539</i>	<i>340</i>	<i>338</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL APPROPRIATIONS		1,044,890	904,015	837,491	813,450	393,500	393,325
NET OF REVENUES/APPROPRIATIONS - FUND 218							
BEGINNING FUND BALANCE		1,776,770	1,174,671	1,174,671	715,436	341,194	431,029
ENDING FUND BALANCE		1,174,671	715,436	780,943	341,194	431,029	528,335

D. Special Revenue Funds

226. Solid Waste Fund

226. Solid Waste Fund

Fund 226 provides for the collection and disposal of all solid waste, recycling services, and brush pickup/removal.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 226 - SOLID WASTE FUND							
ESTIMATED REVENUES							
226-000-403.000	Refuse Collection Taxes	232,492	239,831	239,246	246,237	231,462	235,629
226-000-573.000	Local Community Stabilization	1,886	1,900	1,903	0	0	0
226-000-630.000	Service Charges	159,527	155,800	155,787	160,000	170,000	180,000
226-000-642.000	Sales	180	300	195	300	300	300
226-000-662.000	Utility Bill Penalties	2,680	2,000	1,940	2,000	2,000	2,000
226-000-665.000	Interest & Dividend Income	253	230	231	30	30	30
TOTAL REVENUES		397,018	400,061	399,302	408,567	403,792	417,959
APPROPRIATIONS							
Department 248 - General Government							
226-248-702.000	Administration Wages	24,658	27,800	23,586	30,500	30,500	31,049
226-248-704.000	Part-Time Wages	0	3,200	0	3,200	3,258	3,316
226-248-711.000	Social Security & Medicare	1,825	2,400	1,744	2,400	2,443	2,487
226-248-712.000	Medical Insurance	6,074	5,750	5,743	5,750	5,865	5,982
226-248-712.001	Medical Insurance - Employee Cont.	(581)	0	(491)	0	0	0
226-248-712.002	Retirement - HCSP	536	500	530	500	500	500
226-248-712.003	Medical Insurance - Retirees	900	1,500	862	1,500	1,500	1,500
226-248-712.004	Medical Insurance - Retiree Cont.	(85)	0	(83)	0	0	0
226-248-712.005	Medical Insurance - HSA	780	100	690	100	100	100
226-248-713.000	Life Insurance	250	100	241	100	100	100
226-248-714.000	Retirement - DB (Active Employees)	687	750	180	750	841	841
226-248-714.003	Retirement - DB (Retirees)	0	1,050	0	1,050	1,050	1,050
226-248-714.500	Retirement - DC (Active Employees)	1,105	1,050	877	1,050	1,050	1,050
226-248-715.000	Worker's Compensation	196	250	202	250	250	250
226-248-716.000	Unemployment Compensation	8	25	7	25	25	25
226-248-890.000	Service Charges	0	500	19	500	500	500
<i>Totals for department 248 - General Government</i>		36,353	44,975	34,107	47,675	47,982	48,751
Department 528 - Refuse Collection & Disposal							
226-528-805.000	Refuse Collections Contract	206,388	217,459	177,315	225,070	229,121	233,246
226-528-806.250	Special Household Waste Prog	2,832	3,000	1,879	3,000	3,000	3,000
226-528-810.000	Public Works Contract	33,206	35,000	34,531	35,000	35,000	35,000
226-528-810.001	Leaf Collection	63,286	65,000	64,440	60,000	60,000	60,000
226-528-810.100	Street Sweeping	10,630	13,000	4,770	13,000	13,000	13,000
226-528-827.000	Administrative Service Charge	15,517	15,889	15,889	16,175	16,466	16,763
226-528-827.200	Charges for Services - IT	7,681	7,866	7,866	8,008	8,152	8,298
<i>Totals for department 528 - Refuse Collection & Disposal</i>		339,540	357,214	306,690	360,253	364,739	369,307
TOTAL APPROPRIATIONS		375,893	402,189	340,797	407,928	412,721	418,057
NET OF REVENUES/APPROPRIATIONS - FUND 226							
		21,125	(2,128)	58,505	639	(8,929)	(99)
BEGINNING FUND BALANCE							
		16,688	37,813	37,813	35,685	36,324	27,395
ENDING FUND BALANCE							
		37,813	35,685	96,318	36,324	27,395	27,296

251. Pool/Fitness Facility

Fund 251 provides for the operation and maintenance of the community pool and wellness center. Most revenues are provided by a 25-year operating millage approved by the voters in 2003.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 251 - POOL/FITNESS FACILITY							
ESTIMATED REVENUES							
251-000-408.000	Pool Operating Taxes	172,614	178,064	177,628	182,816	171,847	174,941
251-000-573.000	Local Community Stabilization	1,401	2,400	1,413	1,400	1,400	1,400
251-000-636.100	Pool Visitor Fees	0	2,575	2,090	500	500	500
251-000-636.200	Swimming Lesson Fees	5,388	4,000	1,925	4,000	4,000	4,000
251-000-636.300	Swim Team Fees	34,607	37,500	5,675	37,500	37,500	37,500
251-000-665.000	Interest & Dividend Income	258	20	150	20	20	20
251-000-671.000	Miscellaneous Other Revenues	0	0	660	0	0	0
251-000-699.101	Transfers In - General Fund	5,000	0	0	0	0	0
TOTAL REVENUES		219,268	224,559	189,541	226,236	215,267	218,361
APPROPRIATIONS							
Department 750 - Recreation							
251-750-970.000	Capital Outlay	0	20,000	0	12,000	12,000	12,000
251-750-983.000	Leased Assets	22,843	9,750	9,692	0	0	0
<i>Totals for department 750 - Recreation</i>		<i>22,843</i>	<i>29,750</i>	<i>9,692</i>	<i>12,000</i>	<i>12,000</i>	<i>12,000</i>
Department 759 - Pool/Fitness Facility Operations							
251-759-702.000	Administration Wages	14,777	0	0	0	0	0
251-759-704.000	Part-Time Wages	45,860	42,000	28,395	42,000	42,000	42,000
251-759-711.000	Social Security & Medicare	3,826	5,200	2,883	5,200	5,200	5,200
251-759-712.000	Medical Insurance	0	3,325	0	0	0	0
251-759-712.001	Medical Insurance - Employee Cont.	0	(333)	0	0	0	0
251-759-712.002	Retirement - HCSP	250	330	0	0	0	0
251-759-715.000	Worker's Compensation	917	1,050	948	1,050	1,050	1,050
251-759-727.000	Office Supplies	0	750	0	0	0	0
251-759-731.000	Operating Supplies	11,200	8,500	2,646	8,500	8,500	8,500
251-759-731.500	Pool Chemicals	3,381	7,500	0	7,500	7,500	7,500
251-759-733.000	Janitorial Supplies	0	0	68	150	150	150
251-759-738.000	Licenses & Permits	153	150	70	150	150	150
251-759-803.000	Janitorial Contract	8,034	9,000	7,365	9,000	9,000	9,000
251-759-827.000	Administrative Service Charge	12,932	13,242	13,992	13,480	13,723	13,970
251-759-827.200	Charges for Services - IT	2,694	2,759	2,759	2,809	2,859	2,911
251-759-880.200	Swim Team	44,519	40,000	18,918	42,500	42,500	42,500
251-759-880.300	Suits & Sweats/uniforms	3,344	2,000	(725)	0	0	0
251-759-880.400	Synchronized Swimming	58	250	260	250	250	250
251-759-890.000	Service Charges	3	200	31	200	200	200
251-759-920.000	Public Utilities	12,409	12,500	11,687	12,500	12,500	12,500
251-759-920.300	Utilities - Water	7,934	16,000	6,695	16,000	16,000	16,000
251-759-929.000	Equipment Maintenance	946	6,000	837	6,000	6,000	5,000
251-759-929.500	Pool Maintenance	31,977	8,000	7,790	12,500	12,500	12,500
251-759-931.000	Building Maintenance	9,094	7,000	3,305	12,500	12,500	12,500
<i>Totals for dept 759 - Pool/Fitness Facility Operations</i>		<i>214,308</i>	<i>185,423</i>	<i>107,924</i>	<i>192,289</i>	<i>192,582</i>	<i>191,881</i>

D. Special Revenue Funds

251. Pool/Fitness Facility

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
TOTAL APPROPRIATIONS		237,151	215,173	117,616	204,289	204,582	203,881
NET OF REVENUES/APPROPRIATIONS - FUND 251		(17,883)	9,386	71,925	21,947	10,685	14,480
BEGINNING FUND BALANCE		21,341	3,458	3,458	12,844	34,791	45,477
ENDING FUND BALANCE		3,458	12,844	75,383	34,791	45,477	59,957

258. Segregated Capital Assets Fund – Parks Special Revenue Fund (SCAF-PSRF)

The Segregated Capital Assets Fund (SCAF) includes settlement funds that are invested in various accounts. SCAF consists of two constituent parts – a Parks Special Revenue Fund invested under the terms of Section 7a of Public Act 20 of 1943 (MCL 129.97a), and a Remainder Fund invested under the terms of Section 1 of Public Act 20 of 1943 (MCL 129.91).

As restricted by Sections 2-255 through 2-263 of the City's Code of Ordinances, the City may use interest and investment returns for purposes specified in the Ordinance. The principal balance of the funds ("corpus") may not be used, spent, or diverted without a supermajority vote of the Commission following the procedures set forth in Section 2-261 of the Code of Ordinances.

The restricted corpus (principal) amount of the SCAF is \$3,242,872, which was the settlement amount received by the City during fiscal year 1995. On January 13, 2015 the City Commission passed ordinance 408 which created the SCAF Parks Special Revenue Fund (SCAF-PSRF) and allocated \$2,000,000 of the total SCAF principal balance to that newly-created fund, and by ordinance established that that protected corpus (principal) balance be indexed for inflation. This left \$1,242,872 as the restricted corpus (principal) balance of the SCAF Remainder Fund (SCAF-RF). The SCAF-RF principal balance is not indexed for inflation.

The SCAF-PSRF was invested in March of 2015. For the purposes of inflation indexing, the City uses the Consumer Price Index for All Urban Consumers (CPI-U) for the Detroit-Ann Arbor-Flint, MI region as calculated by the United States Bureau of Labor Statistics.⁴ The baseline CPI-U value for the SCAF-PSRF is 221.784, the annual value for 2014 which was the most recent available annual published value when the SCAF-PSRF was invested. The SCAF-PSRF restricted corpus (principal) balance is updated each year using the annual CPI-U value for the year preceding for budgeting purposes.

The following table summarizes the yearly performance of the parks special revenue fund, the CPI-U value, and preceding year cash returns. The funds available for spending are the greater of the market value of the fund minus the inflation-indexed corpus value, or the preceding year cash returns. The SCAF-PSRF fund is projected to return \$50,000 in cash returns over the July 1, 2019 through June 30, 2020 period.

A total of \$200,000 has been withdrawn from the SCAF-PSRF over the course of its existence to support recreation capital investments: \$100,000 in FY17-18 to fund the renovation of the Big Room at the Community Center, and \$100,000 in FY19-20 to support the construction of the pavilions at the pool and Gainsboro Park.

SCAF-PSRF Summary Table

Date	Market Value	CPI-U Value	Inflation-Indexed Corpus Value	Preceding Year Cash Returns	Available Funds
March 31, 2015	\$2,000,000	221.784	\$2,000,000	--	--
March 31, 2016	\$1,947,373	218.706	\$1,972,243	\$17,547	\$17,547
March 31, 2017	\$2,132,749	222.167	\$2,003,454	\$49,386	\$129,295
March 31, 2018	\$2,196,323	226.896	\$2,046,099	\$52,867	\$150,224
March 31, 2019	\$2,309,551	232.250	\$2,094,380	\$58,791	\$215,171
March 31, 2020	\$2,104,435	235.267	\$2,121,587	\$48,802*	\$48,802

* Cash returns (dividends + capital gains) are for partial FY19-20 as of 3/31/19

⁴ https://www.bls.gov/regions/midwest/data/consumerpriceindexhistorical_detroit_table.pdf

D. Special Revenue Funds

258. Segregated Capital Assets Fund – Parks Special Revenue Fund (SCAF-PSRF)

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 258 - SCAF PARKS SPECIAL REVENUE FUND							
ESTIMATED REVENUES							
258-000-665.000	Interest & Dividend Income	58,791	50,000	51,779	50,000	52,500	55,000
258-000-665.100	Unrealized/Realized Gain/Loss	75,231	20,000	8,283	0	0	0
TOTAL REVENUES		134,022	70,000	60,062	50,000	52,500	55,000
APPROPRIATIONS							
Department 966 - Transfers Out							
258-966-999.101	Transfers Out - General Fund	0	0	0	0	0	0
258-966-999.251	Transfers Out - Pool Operating	0	0	0	0	0	0
258-966-999.401	Transfers Out - Capital Improvement	0	100,000	100,000	0	0	0
<i>Totals for department 966 - Transfers Out</i>		<i>0</i>	<i>100,000</i>	<i>100,000</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL APPROPRIATIONS		0	100,000	100,000	0	0	0
NET OF REVENUES/APPROPRIATIONS - FUND 258							
		134,022	(30,000)	(39,938)	50,000	52,500	55,000
BEGINNING FUND BALANCE		2,249,015	2,383,037	2,383,037	2,353,037	2,403,037	2,455,537
ENDING FUND BALANCE		2,383,037	2,353,037	2,343,099	2,403,037	2,455,537	2,510,537

259. Segregated Capital Assets Fund Remainder Fund (SCAF-RF)

\$1,242,872 is the restricted corpus (principal) balance of the SCAF Remainder Fund (SCAF-RF). The SCAF-RF principal balance is not indexed for inflation. The SCAF-RF has been used to finance the construction of Gainsboro Park. The recreation expenditures will be repaid using the park improvement millage which runs through FY24-25.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 259 - SCAF REMAINDER FUND							
ESTIMATED REVENUES							
259-000-406.500	Parks Improvement Taxes	102,810	106,064	105,802	105,973	99,615	101,408
259-000-573.000	Local Community Stabilization	910	840	842	0	0	0
259-000-665.000	Interest & Dividend Income	2,629	11,700	11,697	1,000	1,000	1,000
TOTAL REVENUES		106,349	118,604	118,341	106,973	100,615	102,408
APPROPRIATIONS							
Department 248 - General Government							
259-248-890.000	Service Charges	51	500	172	100	100	100
<i>Totals for department 248 - General Government</i>		<i>51</i>	<i>500</i>	<i>172</i>	<i>100</i>	<i>100</i>	<i>100</i>
Department 910 - Capital Assets							
259-910-970.750	Capital Outlay - Recreation	23,649	0	0	0	0	0
<i>Totals for department 248 - General Government</i>		<i>23,649</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL APPROPRIATIONS		23,700	500	172	100	100	100
NET OF REVENUES/APPROPRIATIONS - FUND 259		82,649	118,104	118,169	106,873	100,515	102,308
BEGINNING FUND BALANCE		526,133	608,782	608,782	726,886	833,759	934,274
ENDING FUND BALANCE		608,782	726,886	726,951	833,759	934,274	1,036,582

260. Downtown Development Authority

Fund 260 provides for the collection of TIFA taxes and the expenditure of funds on activities in support of the Downtown Development Authority's Development Plan. The DDA paid for the alley reconstruction from 10 Mile to Devonshire during the 2015-16 through 2017-18 budget years. In FY 21 the DDA will fund the reconstruction of the Woodward streetscape, including the addition of a cycle track from Sylvan to I-696, a \$1.6 million project that is being funded in part by \$1 million in grants from EGLE and MDOT.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 260 - DOWNTOWN DEVELOPMENT AUTHORITY							
ESTIMATED REVENUES							
260-000-405.000	T.I.F.A. Taxes	93,102	94,000	93,651	91,873	86,360	87,915
260-000-410.500	Delinquent Tax Collection	348	100	165	100	100	102
260-000-573.000	Local Community Stabilization	2,453	3,515	3,514	2,500	2,500	2,545
260-000-665.000	Interest & Dividend Income	555	25	442	25	25	25
260-000-671.000	Miscellaneous Other Revenues	120	250	0	250	250	250
260-000-675.000	Contributions & Donations	0	5,500	5,000	0	0	0
TOTAL REVENUES		96,578	103,390	102,772	94,748	89,235	90,837
APPROPRIATIONS							
Department 730 - Development Activities							
260-730-731.000	Operating Supplies	110	0	0	0	0	0
260-730-740.200	Sales Tax Expense	1	30	0	30	30	30
260-730-809.000	Contractual Services	11,878	50,000	7,560	50,000	0	0
260-730-827.000	Administrative Service Charge	14,200	14,200	14,200	14,200	14,200	14,200
260-730-880.000	Community Promotion	790	4,500	1,350	3,000	3,000	3,000
260-730-890.000	Service Charges	12	500	103	500	500	500
260-730-955.000	Miscellaneous Expenses	0	500	0	500	500	500
260-730-955.400	Brick Paver Program	190	0	61	0	0	0
260-730-955.500	Development Grant	0	3,000	0	3,000	3,000	3,000
260-730-970.000	Capital Outlay	1,679	10,000	0	170,000	0	0
260-730-999.218	Transfers Out - Infrastructure	0	0	0	0	70,000	70,000
<i>Totals for department 730 - Development Activities</i>		<i>28,860</i>	<i>82,730</i>	<i>23,274</i>	<i>241,230</i>	<i>91,230</i>	<i>91,230</i>
TOTAL APPROPRIATIONS		28,860	82,730	23,274	241,230	91,230	91,230
NET OF REVENUES/APPROPRIATIONS - FUND 260		67,718	20,660	79,498	(146,482)	(1,995)	(393)
BEGINNING FUND BALANCE		74,572	142,290	142,290	162,950	16,468	14,473
ENDING FUND BALANCE		142,290	162,950	221,788	16,468	14,473	14,080

271. Library Fund

Fund 271 provides for the collection of library services taxes and the annual payment of Pleasant Ridge's contract with the Huntington Woods library. Library services are funded by a 0.5 mill property tax adopted by the voters in 2019 for tax years 2020-21 through 2014-25. The City levies 0.3564 mills to generate the required revenue.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 271 - LIBRARY FUND							
ESTIMATED REVENUES							
271-000-407.000	Library Taxes	54,938	56,675	56,532	58,180	59,227	60,293
271-000-573.000	Local Community Stabilization	437	0	450	0	0	0
271-000-665.000	Interest & Dividend Income	106	20	75	20	20	20
TOTAL REVENUES		55,481	56,695	57,057	58,200	59,247	60,313
APPROPRIATIONS							
Department 299 - Library							
271-299-800.000	Library Services Contract	42,236	43,400	43,038	43,400	44,181	44,976
271-299-827.000	Administrative Service Charge	13,345	13,665	13,665	13,911	14,161	14,416
271-299-890.000	Service Charges	1	225	6	225	225	225
<i>Totals for department 299 - Library</i>		<i>55,582</i>	<i>57,290</i>	<i>56,709</i>	<i>57,536</i>	<i>58,568</i>	<i>59,618</i>
TOTAL APPROPRIATIONS		55,582	57,290	56,709	57,536	58,568	59,618
NET OF REVENUES/APPROPRIATIONS - FUND 271		(101)	(595)	348	664	680	696
BEGINNING FUND BALANCE		10,677	10,576	10,576	9,981	10,645	11,325
ENDING FUND BALANCE		10,576	9,981	10,924	10,645	11,325	12,020

D. Special Revenue Funds

297. Historical Fund

Fund 297 provides for the funding of projects and activities undertaken by the Historical Commission. These activities are funded by the Commission's annual Home and Garden tour.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 297 - HISTORICAL FUND							
ESTIMATED REVENUES							
297-000-642.000	Sales	2,990	4,150	4,150	250	250	250
297-000-651.000	Use & Admission Fees	0	6,425	6,441	0	5,500	5,500
297-000-665.000	Interest & Dividend Income	34	10	28	10	10	10
297-000-675.000	Contributions & Donations	148	2,550	2,550	350	350	350
TOTAL REVENUES		3,172	13,135	13,169	610	6,110	6,110
APPROPRIATIONS							
Department 803 - Historic Activities							
297-803-731.000	Operating Supplies	2,800	5,500	5,930	500	5,500	5,500
297-803-740.200	Sales Tax Expense	60	30	0	30	30	30
297-803-890.000	Service Charges	0	100	6	100	100	100
297-803-931.000	Building Maintenance	545	650	150	650	650	650
297-803-955.000	Miscellaneous Expenses	40	500	40	500	500	500
<i>Totals for department 803 - Historic Activities</i>		<i>3,445</i>	<i>6,780</i>	<i>6,126</i>	<i>1,780</i>	<i>6,780</i>	<i>6,780</i>
TOTAL APPROPRIATIONS		3,445	6,780	6,126	1,780	6,780	6,780
NET OF REVENUES/APPROPRIATIONS - FUND 297		(273)	6,355	7,043	(1,170)	(670)	(670)
BEGINNING FUND BALANCE		7,345	7,072	7,072	13,427	12,257	11,587
ENDING FUND BALANCE		7,072	13,427	14,115	12,257	11,587	10,917

301. Debt Service (Voted Bonds)

This fund accounts for the repayment of the current portion of debt principal and interest due during the current fiscal year on general obligation unlimited tax debt, as approved by the electors. The debt was used to construct the pool and wellness center and was issued in 2003, and the final payment will be in 2029.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 301 - Debt Service (Voted Bonds)							
ESTIMATED REVENUES							
301-000-404.000	Debt Service Property Taxes	191,205	190,651	190,384	195,347	198,864	202,443
301-000-573.000	Local Community Stabilization	1,608	1,675	1,687	0	0	0
TOTAL REVENUES		192,813	192,326	192,071	195,347	198,864	202,443
APPROPRIATIONS							
Department 905 - Long-Term Debt Retirement							
301-905-809.000	Contractual Services	1,000	1,500	1,000	1,500	1,500	1,500
301-905-816.000	Paying Agent Fees	750	750	0	750	750	750
301-905-991.047	Principal: Community Center Debt	125,000	125,000	125,000	125,000	150,000	150,000
301-905-995.047	Interest: Community Center Debt	67,525	62,212	62,213	56,899	51,587	45,212
<i>Totals for department 905 - Long-Term Debt Retirement</i>		<i>194,275</i>	<i>189,462</i>	<i>188,213</i>	<i>184,149</i>	<i>203,837</i>	<i>197,462</i>
TOTAL APPROPRIATIONS		194,275	189,462	188,213	184,149	203,837	197,462
NET OF REVENUES/APPROPRIATIONS - FUND 301		(1,462)	2,864	3,858	11,198	(4,973)	4,981
BEGINNING FUND BALANCE		14,878	13,416	13,416	16,280	27,478	22,505
ENDING FUND BALANCE		13,416	16,280	17,274	27,478	22,505	27,486

401. Capital Improvement Fund

The Capital Improvement Fund provides for non-infrastructure capital projects over \$5,000 in cost. The Capital Improvement Fund will allow the City to save for large purchases over multiple budget years to ensure that the City can maintain investment in its facilities and equipment. The Capital Improvement Fund pays for new police vehicles and is used to fund building and facilities maintenance and improvements as necessary. The major project planned for 2020 is the construction of covered pavilions at Gainsboro Park and the pool.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 401 - Capital Improvement Fund							
ESTIMATED REVENUES							
401-000-665.000	Interest & Dividend Income	2,940	2,330	2,332	0	0	0
401-000-675.000	Contributions & Donations	45,000	35,000	35,000	30,000	0	0
401-000-699.101	Transfers In - General Fund	175,000	60,000	60,000	50,000	40,000	50,000
401-000-699.258	Transfers In - SCAF-PSRF	0	100,000	100,000	0	0	0
TOTAL REVENUES		222,940	197,330	197,332	80,000	40,000	50,000
APPROPRIATIONS							
Department 910 - Capital Assets							
401-910-970.003	Capital Outlay - Facilities	161,259	175,000	141,930	0	0	0
401-910-970.300	Capital Outlay - Police	58,447	60,000	59,165	0	50,000	0
401-910-970.750	Capital Outlay - Recreation	4,038	105,000	55,712	75,000	20,000	20,000
	<i>Totals for department 910 - Capital Assets</i>	<i>223,744</i>	<i>340,000</i>	<i>256,807</i>	<i>75,000</i>	<i>70,000</i>	<i>20,000</i>
Department 910 - Capital Assets							
401-920-890.000	Service Charges	76	100	76	100	100	100
	<i>Totals for department 910 - Capital Assets</i>	<i>76</i>	<i>100</i>	<i>76</i>	<i>100</i>	<i>100</i>	<i>100</i>
TOTAL APPROPRIATIONS		223,820	340,100	256,883	75,100	70,100	20,100
NET OF REVENUES/APPROPRIATIONS - FUND 401		(880)	(142,770)	(59,551)	4,900	(30,100)	29,900
BEGINNING FUND BALANCE		282,812	281,932	281,932	139,162	144,062	113,962
ENDING FUND BALANCE		281,932	139,162	222,381	144,062	113,962	143,862

Revolving Energy Fund

The Capital Improvement Fund also serves as the City's revolving energy fund. The intent is to establish a self-sustaining fund that finances energy efficiency and renewable energy projects that captures a set portion of the cost savings generated by completed energy projects.

The revolving loan fund supports the previous and ongoing community energy management work undertaken by the City of Pleasant Ridge with support from EcoWorks and the Southeast Michigan Energy Office (SEMREO) and funded by the Michigan Energy Office. This fund provides a financing mechanism for the Pleasant Ridge Strategic Energy Plan, which was adopted in 2017.

The City has committed to allocating at least 50% of the savings achieved through energy efficiency and renewable energy projects to the Capital Improvement Fund, which will provide funding for future energy efficiency and renewable energy projects. The savings achieved from energy projects are calculated using calendar year 2016 as the baseline year. Each year, the metered energy use from all City facilities for the preceding calendar year is compiled and compared to the 2016 baseline year. The reduction in energy usage is calculated and converted into a dollar amount using the most recent years' average utility rates. 50% of this savings is then included in the General Fund transfer to the Capital Improvement Fund to serve as seed funding for additional energy efficiency and renewable energy projects.

The City Manager serves as the City's Energy Manager and has responsibility for management and oversight of the revolving energy fund, energy project implementation, and implementation of the Strategic Energy Plan.

Specific energy fund policies are as follows:

- The purpose of the energy fund is to support the implementation of the City's Strategic Energy Plan.
- 50% of energy project savings are reinvested into the energy fund on an ongoing basis until the capital cost of all energy projects has been repaid. If all projects have been repaid, then the aggregate savings amount will be contributed to the energy fund for a minimum of 5 additional years.
- Savings are evaluated using metered energy usage when available. If metered payback is not available or measurable, an estimated payback may be used. If weather-adjusted energy usage is available, it can be used as a metric if appropriate.
- Energy projects will be prioritized based on 1) expected payback period, 2) recommendations of the Strategic Energy Plan, 3) total capital cost of project, and 4) discretion of the energy manager and City Commission.
- The use and funding of the revolving energy fund may be evaluated and adjusted from time to time by the energy manager and the City Commission.

Baseline City Facility Energy Use – 2015-2016 Two-Year Average

Utility	City Hall Usage	Community Center Usage	Total Usage	Cost per Unit
Electricity	44,594 kWh	182,360 kWh	226,954 kWh	\$0.121
Natural Gas	250 kcf	997.5 kcf	1,247.5 kcf	\$6.069

Annual Energy Usage Comparison

Year	Electricity			Natural Gas			Savings*
	Total kWh Used	Total Cost	Cost per kWh	Total MCF Used	Total Cost	Cost per MCF	
2016 Baseline	226,954	\$27,461	\$0.121	1,248	\$7,571	\$6.07	
2017	185,152	\$22,072	\$0.119	1,318	\$8,320	\$6.31	\$4,983
2018	162,655	\$19,474	\$0.120	1,208	\$8,012	\$6.64	\$7,698
2019	158,323	\$20,875	\$0.132	1,145	\$7,613	\$6.65	\$9,049
TOTAL							\$21,730

* total savings is calculated by multiplying the current year cost per energy unit times the reduction/increase in usage for the current year compared to the baseline year

Completed Energy Project List

The following table lists energy projects completed since the creation of the revolving energy fund.

Project	Date Completed	Project Cost
City Hall LED Lighting Conversion	December 2016	\$800
Community Center LED Lighting Conversion	February 2017	\$8,900
Community Center 26 kWh Solar Energy System	September 2017	\$56,000
TOTAL		\$65,700

E. Enterprise Funds

592. Water and Sewer Fund

The water and sewer fund is responsible for the distribution of water and maintenance and repair of water mains, valves, hydrants, meters and other appurtenant parts of the system. This department is also responsible for the removal of sanitary sewerage and storm water, and maintenance of catch basins and other parts of the combined sewer system. Finally, the department also handles billing, record maintenance, and other customer-related activities associated with the utility.

The 2020-2021 projected budget includes a capital outlay of \$200,000 for water meter transponder head replacements. The transponder heads will be reaching their end of life in the next few years, and the City plans to begin a wholesale replacement project in 2020 or after.

The budget also includes increasing capital outlays for lead service line replacement. By State mandate the water utility is responsible for replacing all lead service leads, both public and private portions, from the main to the meter inside of each home and business. About 70% of water customers have complete or partial lead service leads, so this will be an extraordinary cost that will be borne by the ratepayers to the utility over the coming 20 years. Water customers should anticipate large rate increases over the coming 3-5 years to fund this replacement project as required by the State of Michigan.

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
Fund 592 - WATER AND SEWER FUND							
ESTIMATED REVENUES							
592-000-642.000	Sales	908,536	1,044,340	955,492	1,101,188	1,123,211	1,145,675
592-000-645.000	Storm Water Runoff Fees	354,307	349,500	353,240	365,670	372,941	380,399
592-000-650.000	IWC Charges	6,465	6,000	4,700	4,500	4,500	4,500
592-000-662.000	Utility Bill Penalties	19,645	10,000	14,603	10,000	10,000	10,000
592-000-665.000	Interest & Dividend Income	15,407	2,500	14,994	7,500	7,500	7,500
592-000-671.000	Miscellaneous Other Revenues	1,855	0	0	0	0	0
592-000-679.000	Refunds & Rebates	7,097	2,000	0	0	0	0
TOTAL REVENUES		1,313,312	1,414,340	1,343,029	1,488,858	1,518,152	1,548,075

APPROPRIATIONS

Department 536 - Water & Sewer Systems

592-536-702.000	Administration Wages	34,933	39,200	29,907	41,050	41,050	41,789
592-536-704.000	Part-Time Wages	0	7,500	0	7,500	7,500	7,500
592-536-711.000	Social Security & Medicare	2,583	3,600	2,187	3,600	3,600	3,600
592-536-712.000	Medical Insurance	10,814	8,200	10,028	8,200	8,200	8,200
592-536-712.001	Medical Insurance - Employee Cont.	(1,030)	0	(826)	0	0	0
592-536-712.002	Retirement - HCSP	527	500	479	500	500	500
592-536-712.003	Medical Insurance - Retirees	2,101	800	2,010	800	800	800
592-536-712.004	Medical Insurance - Retiree Cont.	(198)	0	(194)	0	0	0
592-536-712.005	Medical Insurance - HSA	1,170	500	1,470	500	500	500
592-536-713.000	Life Insurance	339	150	323	150	150	150
592-536-714.000	Retirement - DB (Active Employees)	687	0	180	0	0	0
592-536-714.003	Retirement - DB (Retirees)	4,124	18,000	3,577	18,000	19,827	21,586

Account Number	Description	Actual 2018-19	Budget 2019-20	Activity to 06/04/20	Requested 2020-21	Projected 2021-22	Projected 2022-23
592-536-714.500	Retirement - DC (Active Employees)	2,579	2,450	2,047	2,450	2,450	2,450
592-536-715.000	Worker's Compensation	196	225	202	225	225	225
592-536-716.000	Unemployment Compensation	6	20	5	20	20	20
592-536-728.000	Postage	2,762	3,000	2,392	3,000	3,000	3,000
592-536-809.000	Contractual Services	1,066	15,000	6,655	15,000	15,000	15,000
592-536-810.000	Public Works Contract	23,868	45,000	10,888	45,000	45,000	45,000
592-536-814.000	Engineering Services	810	5,000	4,416	5,000	5,000	5,000
592-536-818.000	Water Purchases	189,259	213,700	148,133	221,820	228,475	235,329
592-536-819.000	Sewage Treatment	236,588	239,650	179,973	240,087	244,889	249,787
592-536-819.500	Storm Water Treatment	348,708	358,500	269,511	365,628	372,941	380,399
592-536-820.000	IWC Charges	3,285	6,200	2,342	6,200	6,200	6,200
592-536-827.000	Administrative Service Charge	30,913	31,222	31,222	31,534	32,102	32,680
592-536-827.200	Charges for Services - IT	16,161	16,549	16,549	16,847	17,150	17,459
592-536-890.000	Service Charges	268	2,000	408	2,000	2,000	2,000
592-536-906.000	Printing Water Bills	1,449	3,900	1,330	3,900	3,900	3,900
592-536-910.000	Insurance & Bonds	20,000	20,000	20,000	10,000	10,000	10,000
592-536-929.000	Equipment Maintenance	1,980	2,000	0	2,000	2,000	2,000
592-536-937.000	Water Meter Maintenance	1,268	1,000	1,094	300,000	50,000	50,000
592-536-939.000	Sewer Maintenance	58,355	67,500	66,648	75,000	30,000	30,000
592-536-955.000	Miscellaneous Expenses	1,886	1,000	0	1,000	1,000	1,000
592-536-956.000	Conferences and Workshops	3,600	350	0	350	350	350
592-536-958.000	Memberships and Dues	1,838	2,000	1,339	2,000	2,000	2,000
592-536-964.000	Refunds	0	2,000	0	2,000	2,000	2,000
592-536-970.000	Capital Outlay	0	37,500	1,144	150,000	200,000	250,000
592-536-970.594	Capital Outlay - Sewer Projects	141,387	35,000	34,388	60,000	30,000	30,000
592-536-991.000	Principal: GWK Drain Debt	282	94,000	83,846	94,000	94,000	94,000
592-536-995.000	Interest: GWK Drain Debt	13,806	17,000	25,871	17,000	17,000	17,000
592-536-996.001	Paying Agent Fees	7	250	3	250	250	250
<i>Totals for department 536 - Water & Sewer Systems</i>		<i>1,158,377</i>	<i>1,300,466</i>	<i>959,547</i>	<i>1,752,611</i>	<i>1,499,078</i>	<i>1,571,674</i>
TOTAL APPROPRIATIONS		1,158,377	1,300,466	959,547	1,752,611	1,499,078	1,571,674
NET OF REVENUES/APPROPRIATIONS - FUND 592		154,935	113,874	383,482	(263,754)	19,074	(23,599)
BEGINNING FUND BALANCE		847,082	1,002,017	1,002,017	1,115,891	852,137	871,211
ENDING FUND BALANCE		1,002,017	1,115,891	1,385,499	852,137	871,211	847,613

Water and Sewer Enterprise Fund Fund Balance Notes

- Reported Fund Balance. In prior budgets, the fund balance for the water and sewer fund has been based on the net position in the City's annual financial statements. However, the net position includes noncurrent (i.e. non-liquid) assets such as capital assets that are being depreciated (mostly the pipes in the ground), along with noncurrent liabilities such as the noncurrent portion of long-term debt. Neither capital assets nor noncurrent debt has any impact on the ability of the water fund to handle the day to day operations of the water and sewer department. Similarly, they have no bearing on the ability of the water and sewer fund to fix a water main break or to repair a sewer.

For the above reasons, beginning with the 2017-18 budget, working capital is the water and sewer enterprise fund balance that is reported for budgetary purposes. Working capital is defined as cash and cash equivalents plus liquid investments minus current liabilities. Refer to the water and sewer enterprise fund statement of net position in the City's most recent financial statements for a detailed accounting of all current and noncurrent assets and liabilities.

- Water and Sewer Enterprise Fund Fund Balance Policy. The City's policy is to maintain a minimum fund balance of \$640,000 in the Water and Sewer Enterprise Fund. This is to provide sufficient liquidity to meet current, future, and emergency spending needs. The minimum fund balance target is derived as follows:
 - 90 days of operations ($\$1,657,010/4 = \$414,250$); plus
 - Annual debt service (\$111,000); plus
 - Emergency capital replacement, or 5% of net book value of assets ($\$962,699 * 0.05 = \$48,135$); plus
 - Planned capital replacement (average of \$150,000 annually)

The target minimum fund balance is therefore $\$414,250 + \$111,000 + \$48,135 + \$150,000 = \$637,735$, which rounds up to \$723,385.

Projected fund balance at the end of FY21 is \$928,137. For budgetary purposes, we are building fund balance in excess of our target reserve to save in advance for the expense to replace all water meter heads in the City and for future water main and lead service line replacement projects.

MEMORANDUM

TO: Pleasant Ridge City Commission
FROM: Gregory K. Need
RE: Small Cell Wireless Ordinance
DATE: May 6, 2020

In 2017, the City adopted an ordinance regulating the deployment of “small cell” wireless facilities in the right-of-way. At the time, we were one of the first communities in Michigan to adopt such an ordinance. Unfortunately, the Michigan Legislature adopted legislation and the FCC adopted regulations that make our current ordinance provisions unenforceable. The legislation does allow some limited ability to issue permits, regulate aesthetic aspects of these small cell facilities, and require insurance, indemnity provisions, and bonds, but only if the City adopts an ordinance to do so. City administration recommends adoption of this draft ordinance to allow us to exercise the limited rights we do have.

As previously noted, new technology favored by the wireless communication industry involves the use of antennas placed much closer together and at generally lower heights as traditional cellular towers. To facilitate deployment of this technology, the wireless communication industry convinced the State Legislature and FCC to adopt laws and rules that, with a few limitations, require municipalities to approve antennas and related facilities or utility poles.

This issue is further complicated by the fact that there are some inconsistencies between the state and federal regulations. State law allows a height limit of 40’, plus 5’ for the antenna. Federal law permits 50’ or 10%. In addition, there are some differences in the allowed fees. We have adopted in this ordinance the state restrictions.

I recognize that this is far longer than the current ordinance; however, the draft ordinance includes the provisions contained in the state legislation (a copy of which is attached). This ordinance is modelled after one adopted by the City of Berkley earlier this year.

Please note that the FCC regulations are the subject of challenges currently pending in the federal courts. It is, therefore, certainly possible that the federal restrictions may be modified in the future. There are also possible challenges to the Michigan legislation. For all these reasons, language in Sec 62-195 preserves our ability to challenge those restrictions or amend this ordinance based upon subsequent court proceedings.

Please feel free to send Jim any questions or comments in advance of the meeting and I will respond. Otherwise, I will be more than happy to answer any questions on the 12th.

ORDINANCE 439

An Ordinance to amend the City of Pleasant Ridge Code of Ordinance Chapter 62 – Streets, Sidewalks, and Other Public Places

THE CITY OF PLEASANT RIDGE ORDAINS:

SECTION 1: Chapter 62 of the Code is amended by deleting Section 62.29 – DAS/Small Cell/Wireless Facilities in the Public Rights-of-Way and adding a new Article IV – Small Cell Wireless Facilities Deployment, to read as follows:

ARTICLE IV. – SMALL CELL WIRELESS FACILITIES DEPLOYMENT

Sec. 62-181. – Title and purpose.

The purpose of this Article is to regulate small cell wireless infrastructure and the activities of wireless infrastructure providers and wireless service providers in regard to the placement and siting of “Small Cell” facilities.

Sec. 62-182. – Definitions.

- (a) “Act” means the Small Wireless Facilities Deployment Act, 2018 PA 365, MCL 460.1301 et seq, as may be amended from time to time.
- (b) “Antenna” means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.
- (c) “Applicant” means a wireless provider or wireless infrastructure provider that submits an application described in this article.
- (d) “City pole” means a utility pole owned or operated by the City and located in the public right-of-way.
- (e) “Colocate” means to install, mount, maintain, modify, operate, or replace wireless facilities on or adjacent to a wireless support structure or utility pole. “Collocation” has a corresponding meaning.
- (f) “Fee” means a City one-time per small cell site charge for application processing.
- (g) “Rate” means the City’s annual charge per site.
- (h) “Make-ready work” means work necessary to enable a City pole or utility pole to support collocation, which may include modification or replacement of utility poles or modification of lines.

- (i) “Micro wireless facility” means a small cell wireless facility that is not more than 24 inches in length, 15 inches in width, and 12 inches in height and that does not have an exterior antenna more than 11 inches in length.
- (j) “Public right-of-way” or “ROW” means the area on, below, or above a public roadway, highway, street, alley, bridge, sidewalk, or utility easement dedicated for compatible uses. Public right-of-way does not include any of the following:
 - (1) A private right-of-way; or
 - (2) Land owned or controlled by a railroad as defined in section 109 of the Railroad Code of 1993, MCL 462.109.
- (k) “Small cell wireless facility” means a wireless facility that meets both of the following requirements:
 - (1) Each antenna is not more than 6 cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements would fit within an imaginary enclosure of not more than 6 cubic feet; and
 - (2) All other wireless equipment associated with the facility is cumulatively not more than 25 cubic feet in volume. The following types of associated ancillary equipment are not included in the calculation of equipment volume: electric meters, concealment elements, telecommunications demarcation boxes, grounding equipment, power transfer switches, cut-off switches, and vertical cable runs for the connection of power and other services.
- (l) “Utility pole” means a pole or similar structure that is or may be used to support small cell wireless facilities. Utility pole does not include a sign pole less than 15 feet in height above ground.
- (m) “Wireless facility” means equipment at a fixed location that enables the provision of wireless services between user equipment and a communications network, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration. Wireless facility includes a small cell wireless facility. Wireless facility does not include coaxial or fiber-optic cable between utility poles or wireless support structures.
- (n) “Wireless provider” is a regulated provider of telecommunications services and a “wireless infrastructure provider” is an installer of wireless equipment at small cell sites and, both terms are interchangeable terms for purposes of this article.
- (o) “Wireless services” means any services, provided using licensed or unlicensed spectrum, including the use of Wi-Fi, whether at a fixed location or mobile.

- (p) “Wireless support structure” means a freestanding structure designed to support or capable of supporting small cell wireless facilities. Wireless support structure does not include a utility pole.
- (q) “Wireline” means a facility used to transport services by wire or fiber- optic cable from a wireless facility to a network.

Sec. 62-183. – Scope of authority.

- (a) Except as provided in this article or the Act, the City shall not prohibit, regulate, or charge for the collocation of small cell wireless facilities.
- (b) The approval of a small cell wireless facility under this article authorizes only the collocation of a small cell wireless facility and does not authorize either of the following:
 - (1) The provision of any services; or
 - (2) The installation, placement, modification, maintenance, or operation of a wireline in the ROW.

Sec. 62-184. – Small cell ROW access; permitted use; height; underground; downtown; residential districts.

- (a) This section applies only to activities of a wireless provider within the public right-of-way for the deployment of small cell wireless facilities and associated new or modified utility poles.
- (b) The City shall not enter into an exclusive arrangement with any person for use of the ROW for the construction, operation, or maintenance of utility poles or the collocation of small cell wireless facilities.
- (c) The City shall not charge a wireless provider an annual rate more than:
 - (1) \$20.00 annually, unless subdivision (2), below, applies.
 - (2) \$125.00 annually, if a new utility pole or wireless support structure was erected at a new site by or on behalf of the wireless provider on or after the effective date of this article. This subdivision does not apply to the replacement of an existing utility pole.
 - (3) Every five years after the effective date of the Act, the maximum fees then authorized under this subsection shall be increased by 10% and rounded to the nearest dollar.
- (d) All greater rates and fees in current agreements shall be modified within 90 days of application receipt, so as not to exceed the fees provided here, except for new small cell dedicated utility poles installed and operational in the ROW before the effective date of this article or related agreements, which shall remain in effect for the duration of this article or the agreement.

- (e) Except as set forth in Section 62-185, below, or the Zoning Ordinance, and as limited in this section, small cell siting is a permitted use and not subject to zoning regulation if it complies with all other sections of this article and if:
 - (1) A utility pole in the ROW installed or modified on or after the effective date of this article shall not exceed 40 feet above ground level, unless a taller height is agreed to by the City; and
 - (2) A small cell wireless facility in the ROW installed or modified after the effective date of this article shall not extend more than 5 feet above a utility pole or wireless support structure on which the small cell wireless facility is colocated.
- (f) A proposed utility pole or other support structure that exceeds the height limits under subsection (e), above, is subject to zoning review.

Sec. 62-185. – Aesthetics limitations and requirements.

- (a) Undergrounding: A wireless provider shall comply with reasonable and nondiscriminatory requirements, including concealment measures, that do not prohibit communications service providers from installing structures on or above ground in the ROW in an area designated solely for underground or buried cable and utility facilities, if:
 - (1) The City has required all cable and utility facilities to place all their facilities underground;
 - (2) The City does not prohibit replacement of the City's poles by a wireless provider in the designated area; and
 - (3) A wireless provider may apply for a waiver of the undergrounding requirements.
- (b) Downtown, Historic, and Residential Districts: A wireless provider shall comply with written, objective requirements for reasonable, technically feasible, nondiscriminatory, and technologically neutral designs or concealment measures in a historic district, downtown district or residential zoning district. Such requirement shall not have the effect of prohibiting any wireless provider's technology. Any such design or concealment measures are not included in size restrictions in the definition of small wireless facility.
- (c) Aesthetics Requirements: Wireless Providers shall install, modify, collocate or otherwise provide all wireless facilities, equipment, poles, support structures and all other related wireless objects in a manner, size and appearance that is consistent and in conformity with the existing requirements and existing practices in fact, pertaining to such districts as defined by the applicable ordinances, rules and codes of the City and the applicable rules and laws of this State, in such fashion as to create the least negative impact on the district as possible. Such accommodations may include use of similar height, materials, color, design, number and appearance of other similar structures utilized by other occupiers of the rights of way and public spaces.

- (1) Collocation including replacement of existing poles or support structures is strongly encouraged over the installation of additional new poles or support structures in the ROW.
 - (2) Placement of all equipment inside the pole or support structure is favored over placement outside the pole, including ground mountings.
 - (3) The smallest equipment, antennas and poles and support structures feasible is preferred.
 - (4) Camouflaging, stealth or concealment elements are preferred.
 - (5) Installations generally are favored in the following Districts in the following order of preference:
 - a. 1st Preference: Industrial
 - b. 2nd Preference: Commercial
 - c. 3rd Preference: Residential
 - (6) Disagreements as between the provider and the City on specific aesthetics issues shall be addressed by the City Commission upon timely written request of the provider. City staff and Commission may consider incentives favoring installations in preferred districts.
- (d) Wireless providers shall repair all damage to the ROW caused by the activities of the wireless provider while occupying, constructing, installing, mounting, maintaining, modifying, operating, or replacing small cell wireless facilities, utility poles, or wireless support structures in the ROW and shall return the ROW to its prior condition. Following 60 days written notice, the City may make those repairs and charge the wireless provider the cost of the repairs.

Sec. 62-186. – Provider and City responsibilities; application information; shot clocks; tolling; deemed approved; basis for denial; resubmittal; batch applications; application fees; micro wireless facility exemption; alternate siting; decommissioning sites.

- (a) This section applies to activities of a wireless provider within the public right-of-way.
- (b) Except as otherwise provided in subsection (c) below, the provider/applicant shall seek a City ROW access permit to colocate a small cell wireless facility or install, modify, or replace a utility pole on which a small cell wireless facility will be colocated as required of all ROW users. The processing of an application for such a permit is subject to all of the following:
 - (1) In-kind contributions to the City are not permitted in lieu of rates and fees described above unless all parties voluntarily agree in furtherance of the interests of both.
 - (2) The provider shall provide all the information and documentation required by the City to enable the City to make an informed decision with regard to its criteria for authorizing ROW access including the following:
 - a. A certificate of compliance with FCC rules related to radio frequency emissions from a small cell wireless facility,
 - b. Proof of notification to every other affected authority and all necessary permits, permit applications, or easements to ensure all necessary permissions for the proposed activity are obtained, and
 - c. An attestation that the small cell wireless facilities will be operational for use by a wireless services provider within 1 year after the permit issuance date. Failure to abide by this term shall result in termination of any permit issued in reliance on such attestation.
 - (3) Within 25 days after receiving an initial application, the City shall notify the applicant in writing whether the application is complete. If incomplete, the notice will delineate all missing documents or information. The notice tolls the running of the time for approving or denying an application under subdivision (6), below.
 - (4) If the applicant makes a supplemental submission in response to the City's notice of incompleteness, the City will so notify the applicant in writing within 10 days, delineating the previously requested and missing documents or information. The time period for approval or denial is tolled in the case of second or subsequent notices.
 - (5) The City shall approve or deny the application and notify the applicant in writing within the period of time listed in subsection (c) after the completed application is received:

- (c) The following “Shot Clock” deadlines apply:
- (1) Collocation Shot Clock: For an application for the collocation of small cell wireless facilities on a utility pole, 60 days, subject to the following adjustments:
 - a. Add 15 days if an application from another wireless provider was received within 1 week of the application in question.
 - b. Add 15 days if, a timely extension is requested.
 - (2) New or Replacement 40’ Pole and Limited Equipment: For an application for a new or replacement utility pole that meets the height requirements of subsection 62-184(e), above, and associated small cell facility, 90 days, subject to the following adjustments:
 - a. Add 15 days if an application from another wireless provider was received within 1 week of the application in question.
 - b. Add 15 days if, a timely extension is requested.
- (d) Deemed Approved: A completed application is considered to be approved if not timely acted upon by the City and, if the City receives a notice not less than 7 days before, the applicant may proceed with the work pursuant to this automatic approval.
- (e) Basis for Denial: The City may deny a completed application for a proposed collocation of a small cell wireless facility or installation, modification, or replacement of a utility pole that meets the height requirements in subsection 62-184(e), above, if the proposed activity would do any of the following:
- (1) Materially interfere with the safe operation of traffic control equipment.
 - (2) Materially interfere with sight lines or clear zones for transportation or pedestrians.
 - (3) Materially interfere with compliance with the Americans with Disabilities Act of 1990, or similar federal, state, or local standards regarding pedestrian access or movement.
 - (4) Materially interfere with maintenance or full unobstructed use of public utility infrastructure under the jurisdiction of the City or other authority.
 - (5) With respect to drainage infrastructure under the jurisdiction of the City or other authority, either of the following:
 - a. Materially interfere with maintenance or full unobstructed use of the drainage infrastructure as it was originally designed, or

- b. Not be located a reasonable distance from the drainage infrastructure to ensure maintenance under the Drain Code of 1956, MCL 280.1 to 280.630, and access to the drainage infrastructure.
- (6) Fail to comply with reasonable, nondiscriminatory, written spacing requirements of general applicability adopted by ordinance or otherwise that apply to the location of ground-mounted equipment and new utility poles and that do not prevent a wireless provider from serving any location.
- (7) Fail to comply with all other applicable codes.
- (8) Fail to comply with section 62-185, above.
- (9) Fail to meet reasonable, objective, written stealth or concealment criteria for small cell wireless facilities applicable in a downtown or residential district or other designated area, as specified in an ordinance or otherwise and nondiscriminatory applied to all other occupants of the ROW, including electric utilities, incumbent or competitive local exchange carriers, fiber providers, cable television operators, and the City.
- (f) Reasons for Denial; Resubmission and 30 Day Shot Clock: If the completed application is denied, the notice under subdivision 62-186(b)(5), above, shall explain the reasons for the denial and, if applicable, cite the specific provisions of applicable codes on which the denial is based. The applicant may cure the deficiencies identified by the City and resubmit the application within 30 days after the denial without paying an additional application fee. The City shall approve or deny the revised application within 30 days. The City shall limit its review of the revised application to the deficiencies cited in the denial.
- (g) Batch Applications: An applicant may file an application and receive a single permit for the collocation of up to 20 substantially similar small cell wireless installations. The City may approve or deny 1 or more small cell wireless facilities included in such consolidated application.
- (h) Approval of an application authorizes the wireless provider to undertake the installation, collocation and maintenance of such facilities.
- (i) The City shall not institute a moratorium on filing, receiving, or processing applications or issuing permits for the collocation of small cell wireless facilities or the installation, modification, or replacement of utility poles on which small cell wireless facilities will be colocated.
- (j) The City and an applicant may extend a time period under this subsection by mutual agreement.
- (k) Application Fee for a permit under Sec. 62-186(b)(2) shall not exceed the lesser of the following:

- (1) \$200.00 for each small cell wireless facility alone; or
 - (2) \$300.00 for each small cell wireless facility and a new utility pole to which it will be attached.
 - (3) Every five years after the effective date of the Act, the maximum fees then authorized under this subsection shall be increased by 10% and rounded to the nearest dollar.
- (l) The City may revoke a permit, upon 30 days notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated utility pole fail to meet the requirements of this article.
 - (m) Exemptions: The City shall not require a permit or any other approval or require fees or rates for ordinance compliant replacement, maintenance or operation of a small cell wireless facility or ordinance compliant installation, replacement, maintenance or operation of a micro wireless facility that is suspended on cables strung between utility poles or wireless support structures in compliance with applicable codes.
 - (n) Alternate Siting: Upon receipt of an application to place a new utility pole, the City may propose and the applicant shall use an alternate location within the ROW or on property or structures owned or controlled by the City within 75 feet of the applicants proposed location if reasonably achievable.
 - (o) Decommissioning Sites: A wireless provider shall notify the City in writing before discontinuing use of a small cell wireless facility, utility pole, or wireless support structure. The notice shall specify when and how the wireless provider intends to remove the small cell wireless facility, utility pole, or wireless support structure. The wireless provider shall return the property to its pre-installation condition. If the wireless provider does not complete the removal within 45 days after the discontinuance of use, the authority may complete the removal and assess the costs of removal against the wireless provider. A permit under this section for a small cell wireless facility expires upon removal of the small cell wireless facility.
 - (p) A provider shall obtain a permit for any work that will affect traffic patterns or obstruct vehicular or pedestrian traffic in the ROW.

Sec. 62-187. – City owned poles: rates; terms.

- (a) The City shall not enter into an exclusive arrangement with any person for the right to attach to City poles. A person who purchases, controls, or otherwise acquires a City pole is subject to the requirements of this section.
- (b) Rate: The rate for the collocation of small cell wireless facilities on authority poles shall be nondiscriminatory regardless of the services provided by the collocating person. The rate shall not exceed \$30.00 per year per City pole plus any rate charged for the use of the ROW under section 62-184(c).
- (c) Within 90 days after receiving the first request to colocate a small cell wireless facility

on a City pole, the City shall make available, through ordinance or otherwise, the rates, fees, and terms for the collocation of small cell wireless facilities on City poles. The rates, fees, and terms shall comply with all of the following:

- (1) The rates, fees, and terms shall be nondiscriminatory, competitively neutral, and commercially reasonable and shall comply with this article and the Act;
- (2) The City shall provide a good-faith estimate for any make-ready work within 60 days after receipt of a complete application. Make-ready work shall be completed within 60 days of written acceptance of the good-faith estimate by the applicant;
- (3) The person owning or controlling the City pole shall not require more make-ready work than required to comply with law or industry standards; and
- (4) Fees for make-ready work shall not do any of the following:
 - a. Include costs related to preexisting or prior damage or noncompliance unless the damage or noncompliance was caused by the applicant;
 - b. Include any unreasonable consultant fees or expenses; or
 - c. Exceed actual costs imposed on a nondiscriminatory basis.
- (d) This section does not require the City to install or maintain any specific City pole or to continue to install or maintain City poles in any location if the City makes a nondiscriminatory decision to eliminate aboveground poles of a particular type generally, such as electric utility poles, in a designated area of its geographic jurisdiction. For City poles with colocated small cell wireless facilities in place when the City makes a decision to eliminate aboveground poles of a particular type, the City shall do one of the following:
 - (1) Continue to maintain the City pole;
 - (2) Install and maintain a reasonable alternative pole or wireless support structure for the collocation of the small cell wireless facility;
 - (3) Offer to sell the pole to the wireless provider at a reasonable cost;
 - (4) Allow the wireless provider to install its own utility pole so it can maintain service from that location; or
 - (5) Proceed as provided by an agreement between the City and the wireless provider.

Sec. 62-188. – No requirement to provide service.

This article does not require wireless facility deployment or regulate wireless services.

Sec. 62-189. – Appeals.

The applicant may appeal any City determinations related to this article to the City Commission or the Oakland County Circuit Court.

Sec. 62-190. – Defense, indemnity and insurance.

All applicant wireless providers shall:

- (1) Defend, indemnify, and hold harmless the City and its elected and appointed officials, officers, agents, and employees against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees resulting from the installation, construction, repair, replacement, operation, or maintenance of any wireless facilities, wireless support structures, or utility poles to the extent caused by the applicant and all entities acting on its behalf including but not limited to its contractors, its subcontractors, and the officers, employees, or agents of any of these, except as to liabilities or losses due to or caused by the sole negligence of the City or its officers, agents, or employees; and
- (2) Obtain insurance naming the City and those acting on its behalf including but not limited to its officers, agents, and employees as additional insureds against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees. A wireless provider may meet all or a portion of the City's insurance coverage and limit requirements by self-insurance, conditioned upon providing to the City evidence demonstrating to the City's satisfaction the wireless provider's financial ability to meet the City's insurance coverage and limit requirements throughout the life of the provider's use of the ROW. To the extent it self-insures, a wireless provider is not required to name additional insureds under this section.

Sec. 62-191. – Bonding.

- (a) As a condition of a permit described in this article, the wireless provider shall provide a \$1,000 bond per site, for the purpose of providing for the removal of abandoned or improperly maintained small cell wireless facilities, including those that the City determines should be removed to protect public health, safety, or welfare, to repair the ROW as provided under subsection 62-185(d), above, and, to recoup rates or fees that have not been paid by a wireless provider in more than 12 months, if the wireless provider has received 60-day advance notice from the City of the noncompliance.
- (b) The City shall not require a cash bond, unless the wireless provider has failed to obtain or maintain a bond required under this section or the surety has defaulted or failed to perform on a bond given to the City on behalf of a wireless provider.

Sec. 62-192. – Labelling.

A small cell wireless facility for which a permit is issued shall be labeled with the name of the wireless provider, emergency contact telephone number, and information that identifies the small cell wireless facility and its location.

Sec. 62-193. – Electric costs.

A wireless provider is responsible for arranging and paying for the electricity used to operate a small cell wireless facility.

Sec. 62-194. – Investor-owned utilities.

- (a) This article does not add to, replace, or supersede any law regarding poles or conduits, similar structures, or equipment of any type owned or controlled by an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, an independent transmission company, or a cooperative electric utility.
- (b) This article does not impose or otherwise affect any rights, controls, or contractual obligations of an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, an independent transmission company or a cooperative electric utility with respect to its poles or conduits, similar structures, or equipment of any type.
- (c) Except for purposes of a wireless provider obtaining a permit to occupy a right-of-way, this ordinance does not affect an investor-owned utility whose rates are regulated by the MPSC. Notwithstanding any other provision of this article, pursuant to and consistent with section 6g of 1980 PA 470, MCL 460.6g, the MPSC has sole jurisdiction over attachment of wireless facilities on the poles, conduits, and similar structures or equipment of any type or kind owned or controlled by an investor-owned utility whose rates are regulated by the MPSC.

Sec. 62-195. – Authority reservation of rights.

- (a) This article is adopted in compliance with Michigan 2018 PA 365; MCL 460.1301 and 2018 PA 366; MCL 125.3205(1)(c) as amended and MCL 125.3514(10). However, the City takes specific note of inconsistencies as between these State Acts and certain potentially preemptive FCC Rulings concerning “Small Cells” known as the “Moratoria Order”; FCC 3rd Report and Order and Declaratory Ruling of 8/13/2018 FCC 18-111 <https://docs.fcc.gov/public/attachments/FCC-18-111A1.pdf> and “Small Cell Order”; FCC Declaratory Ruling and 3rd Report and Order of 9/27/2018 FCC 18-133 <https://docs.fcc.gov/public/attachments/FCC-18-133A1.pdf>.
- (b) The City also notes inconsistencies with the Michigan Constitution of 1963 including but not limited to Article VII Sections 22, 26, 29, 30, 31 and 34. Adoption of this article shall not be construed as a waiver of the City’s right to engage in or otherwise support a legal challenge to either the State Acts or FCC rules referenced above. In the event of any interpretations, including Judicial, Legislative or Administrative, contrary

to the Michigan Public Acts and/or FCC rules referenced above, the City reserves the right to amend and or repeal this article and to cancel all related agreements, policies and procedures undertaken in furtherance hereof.

- (c) The City further reserves the right to revoke or suspend any permits or approvals issued pursuant to this article if based on compelling and credible scientific or medical evidence or report from a qualified and credible public agency or health organization, the City Commission determines that wireless facilities or infrastructure deployed hereunder present or constitute an imminent, serious, and credible threat or danger to the public health, welfare, or safety.

SECTION 2: Severability Clause

Should any word, phrase, sentence, paragraph, or section of this Ordinance be held invalid or unconstitutional, the remaining provisions of this ordinance shall remain in full force and effect.

SECTION 3: Effective Date

This Ordinance shall become effective 30 days following the date of adoption.

SECTION 4: Publication

The City Commission directs the City Clerk to publish a summary of this ordinance in compliance with Public Act 182 of 1991, as amended, and Section ____ of the Pleasant ridge City Charter.

City Commission Introduction:	Tuesday, May 12, 2020
City Commission Public Hearing:	Tuesday, June 9, 2020
City Commission Adoption:	
Published:	
Effective:	

Attest:

Amy Allison
City Clerk

SMALL WIRELESS COMMUNICATIONS FACILITIES DEPLOYMENT ACT Act 365 of 2018

AN ACT to provide for the regulation by state or local government authorities and municipally owned electric utilities of the activities of wireless infrastructure providers and wireless services providers and of wireless facilities, wireless support structures, and utility poles; to regulate rates and fees concerning wireless facilities, wireless support structures, communications service provider pole attachments, and utility poles charged by state or local government authorities and municipally owned electric utilities; to provide for collocation of wireless facilities and of communications service provider pole attachments; to provide for use of public rights-of-way; to regulate certain permitting processes and zoning reviews; to prohibit certain commercially discriminatory actions by state or local government authorities and municipally owned electric utilities; to prohibit state and local government authorities from entering into exclusive arrangements with any person for the right to attach to certain utility poles; to authorize indemnification and insurance requirements; to authorize certain bonding requirements; and to provide for charges for electricity to operate small cell wireless facilities.

History: 2018, Act 365, Eff. Mar. 12, 2019.

The People of the State of Michigan enact:

460.1301 Short title; purpose of act.

Sec. 1. (1) This act shall be known and may be cited as the "small wireless communications facilities deployment act".

(2) The purpose of the act is to do all of the following:

(a) Increase investment in wireless networks that will benefit the citizens of this state by providing better access to emergency services, advanced technology, and information.

(b) Increase investment in wireless networks that will enhance the competitiveness of this state in the global economy.

(c) Encourage the deployment of advanced wireless services by streamlining the process for the permitting, construction, modification, maintenance, and operation of wireless facilities in the public rights-of-way.

(d) Allow wireless services providers and wireless infrastructure providers access to the public rights-of-way and the ability to attach to poles and structures in the public rights-of-way to enhance their networks and provide next generation services.

(e) Ensure the reasonable and fair control and management of public rights-of-way by governmental authorities within this state.

(f) Address the timely design, engineering, permitting, construction, modification, maintenance, and operation of wireless facilities as matters of statewide concern and interest.

(g) Provide for the management of public rights-of-way in a safe and reliable manner that does all of the following:

(i) Supports new technology.

(ii) Avoids interference with right-of-way use by existing public utilities and cable communications providers.

(iii) Allows for a level playing field for competitive communications service providers.

(iv) Protects public health, safety, and welfare.

(h) Increase the connectivity for autonomous and connected vehicles through the deployment of small cell wireless facilities with full access and compatibility for connected and autonomous vehicles as determined and approved by the state transportation department, county road commissions, and authorities.

(i) Prioritize, as provided in this act, the use of existing utility poles and wireless support structures for collocation over the installation of new utility poles or wireless support structures.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1303 Definitions; A, B.

Sec. 3. As used in this act:

(a) "Affiliated transmission company" means that term as defined in section 2 of the electric transmission line certification act, 1995 PA 30, MCL 460.562.

(b) "Antenna" means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.

(c) "Applicable codes" means uniform building, fire, electrical, plumbing, or mechanical codes adopted under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531,

or adopted by the United States Occupational Safety and Health Administration or by a state or national code organization, including, but not limited to, the "National Electrical Safety Code" published by the Institute of Electrical and Electronics Engineers.

(d) "Applicant" means a wireless provider that submits an application described in this act.

(e) "Attaching entity" means a public or private party or entity, other than the municipally owned electric utility, that, pursuant to an agreement with the municipally owned electric utility, places a wire or cable attachment on a nonauthority pole or related infrastructure within the communication space. Attaching entity includes, but is not limited to, both of the following:

(i) A telecommunication provider as that term is defined in section 102 of the metropolitan extension telecommunications rights-of-way oversight act, 2002 PA 48, MCL 484.3102.

(ii) A video service provider as that term is defined in the uniform video services local franchise act, 2006 PA 480, MCL 484.3301.

(f) "Authority", unless the context implies otherwise, means this state, or a county, township, city, village, district, or subdivision thereof if authorized by law to make legislative, quasi-judicial, or administrative decisions concerning an application described in this act. Authority does not include any of the following:

(i) A municipally owned electric utility.

(ii) An investor-owned utility whose rates are regulated by the MPSC.

(iii) A state court having jurisdiction over an authority.

(g) "Authority pole" means a utility pole owned or operated by an authority and located in the ROW.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1305 Definitions; C to I.

Sec. 5. As used in this act:

(a) "Colocate" means to install, mount, maintain, modify, operate, or replace wireless facilities on or adjacent to a wireless support structure or utility pole. "Collocation" has a corresponding meaning. Colocate does not include make-ready work or the installation of a new utility pole or new wireless support structure.

(b) "Communications facility" means the set of equipment and network components, including wires, cables, antennas, and associated facilities, used by a communications service provider to provide communications service.

(c) "Communication space" means that term as defined in the "National Electric Safety Code" published by the Institute of Electrical and Electronics Engineers.

(d) "Communications service" means service provided over a communications facility, including cable service as defined in 47 USC 522, information service as defined in 47 USC 153, telecommunications service as defined in 47 USC 153, or wireless service.

(e) "Communications service provider" means any entity that provides communications services.

(f) "FCC" means the Federal Communications Commission.

(g) "Fee" means a nonrecurring charge for services.

(h) "Historic district" means a historic district established under section 3 of the local historic districts act, 1970 PA 169, MCL 399.203, or a group of buildings, properties, or sites that are either listed in the National Register of Historic Places or formally determined eligible for listing by the Keeper of the National Register, the individual who has been delegated the authority by the federal agency to list properties and determine their eligibility for the National Register, in accordance with Section VI.D.1.a.i-v of the Nationwide Programmatic Agreement codified at 47 CFR Part 1, appendix C.

(i) "Independent transmission company" means that term as defined in section 2 of the electric transmission line certification act, 1995 PA 30, MCL 460.562.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1307 Definitions; L to S.

Sec. 7. As used in this act:

(a) "Law" means federal, state, or local law, including common law, a statute, a rule, a regulation, an order, or an ordinance.

(b) "Make-ready work" means work necessary to enable an authority pole or utility pole to support collocation, which may include modification or replacement of utility poles or modification of lines.

(c) "Micro wireless facility" means a small cell wireless facility that is not more than 24 inches in length, 15 inches in width, and 12 inches in height and that does not have an exterior antenna more than 11 inches in length.

(d) "MPSC" means the Michigan Public Service Commission created in section 1 of 1939 PA 3, MCL 460.1.

(e) "Municipally owned electric utility" means a system owned by a municipality or combination of municipalities to furnish power or light and includes a cooperative electric utility that, on or after the effective date of this act, acquired all or substantially all of the assets of a municipal electric utility, when applying this act to the former territory of the municipal electric utility.

(f) "Nonauthority pole" means a utility pole used for electric delivery service and controlled by the governing body of a municipally owned electric utility.

(g) "Person" means an individual, corporation, limited liability company, partnership, association, trust, or other entity or organization, including an authority.

(h) "Public right-of-way" or "ROW" means the area on, below, or above a public roadway, highway, street, alley, bridge, sidewalk, or utility easement dedicated for compatible uses. Public right-of-way does not include any of the following:

(i) A private right-of-way.

(ii) A limited access highway.

(iii) Land owned or controlled by a railroad as defined in section 109 of the railroad code of 1993, 1993 PA 354, MCL 462.109.

(iv) Railroad infrastructure.

(i) "Rate" means a recurring charge.

(j) "Small cell wireless facility" means a wireless facility that meets both of the following requirements:

(i) Each antenna is located inside an enclosure of not more than 6 cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements would fit within an imaginary enclosure of not more than 6 cubic feet.

(ii) All other wireless equipment associated with the facility is cumulatively not more than 25 cubic feet in volume. The following types of associated ancillary equipment are not included in the calculation of equipment volume: electric meters, concealment elements, telecommunications demarcation boxes, grounding equipment, power transfer switches, cut-off switches, and vertical cable runs for the connection of power and other services.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1309 Definitions; U to W.

Sec 9. As used in this act:

(a) "Utility pole" means a pole or similar structure that is or may be used in whole or in part for cable or wireline communications service, electric distribution, lighting, traffic control, signage, or a similar function, or a pole or similar structure that meets the height requirements in section 13(5) and is designed to support small cell wireless facilities. Utility pole does not include a sign pole less than 15 feet in height above ground.

(b) "Wireless facility" means equipment at a fixed location that enables the provision of wireless services between user equipment and a communications network, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration. Wireless facility includes a small cell wireless facility. Wireless facility does not include any of the following:

(i) The structure or improvements on, under, or within which the equipment is colocated.

(ii) A wireline backhaul facility.

(iii) Coaxial or fiber-optic cable between utility poles or wireless support structures or that otherwise is not immediately adjacent to or directly associated with a particular antenna.

(c) "Wireless infrastructure provider" means any person, including a person authorized to provide telecommunications services in this state but not including a wireless services provider, that builds or installs wireless communication transmission equipment, wireless facilities, or wireless support structures and who, when filing an application with an authority under this act, provides written authorization to perform the work on behalf of a wireless services provider.

(d) "Wireless provider" means a wireless infrastructure provider or a wireless services provider. Wireless provider does not include an investor-owned utility whose rates are regulated by the MPSC.

(e) "Wireless services" means any services, provided using licensed or unlicensed spectrum, including the use of Wi-Fi, whether at a fixed location or mobile.

(f) "Wireless services provider" means a person that provides wireless services.

(g) "Wireless support structure" means a freestanding structure designed to support or capable of supporting small cell wireless facilities. Wireless support structure does not include a utility pole.

(h) "Wireline backhaul facility" means a facility used to transport services by wire or fiber-optic cable from a wireless facility to a network.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1311 Collocation of small cell wireless facilities; prohibited authority.

Sec. 11. (1) Except as provided in this act, an authority shall not prohibit, regulate, or charge for the collocation of small cell wireless facilities.

(2) The approval of a small cell wireless facility under this act authorizes only the collocation of a small cell wireless facility and does not authorize either of the following:

(a) The provision of any particular services.

(b) The installation, placement, modification, maintenance, or operation of a wireline backhaul facility in the ROW.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1313 Activities of wireless provider in public right of way; exclusive arrangement prohibited; rates; ordinance compliance; installation and concealment requirements; waiver of undergrounding requirements; repair damage to right of way.

Sec. 13. (1) This section applies only to activities of a wireless provider within the public right-of-way for the deployment of small cell wireless facilities and associated new or modified utility poles.

(2) An authority shall not enter into an exclusive arrangement with any person for use of the ROW for the construction, operation, or maintenance of utility poles or the collocation of small cell wireless facilities.

(3) An authority shall not charge a wireless provider a rate for each utility pole or wireless support structure in the ROW in the authority's geographic jurisdiction on which the wireless provider has colocated a small cell wireless facility that exceeds the following:

(a) \$20.00 annually, unless subdivision (b) applies.

(b) \$125.00 annually, if the utility pole or wireless support structure was erected by or on behalf of the wireless provider on or after the effective date of this act. This subdivision does not apply to the replacement of a utility pole that was not designed to support small cell wireless facilities.

Every 5 years after the effective date of this act, the maximum rates then authorized under subdivisions (a) and (b) are increased by 10% and rounded to the nearest dollar.

(4) If, on the effective date of this act, an authority has a rate or fee in an ordinance or in an agreement with a wireless provider for the use of the ROW to colocate a small cell wireless facility or to construct, install, mount, maintain, modify, operate, or replace a utility pole, and the rate or fee does not comply with subsection (3), the authority shall, not later than 90 days after the effective date of this act, revise the rate or fee to comply with subsection (3). Both of the following apply:

(a) For installations of utility poles designed to support small cell wireless facilities or collocations of small cell wireless facilities installed and operational in the ROW before the effective date of this act, the fees, rates, and terms of an agreement or ordinance for use of the ROW remain in effect subject to the termination provisions contained in the agreement or ordinance.

(b) For installations of utility poles designed to support small cell wireless facilities or collocations of small cell wireless facilities installed and operational in the ROW after the effective date of this act, the fees, rates, and terms of an agreement or ordinance for use of the ROW shall comply with subsection (3).

(5) A wireless provider may, as a permitted use not subject to zoning review or approval, except that an application for a permitted use is still subject to approval by the authority under section 15, colocate small cell wireless facilities and construct, maintain, modify, operate, or replace utility poles in, along, across, upon, and under the ROW. Such structures and facilities shall be constructed and maintained so as not to obstruct or hinder the usual travel or public safety on the ROW or obstruct the legal use of the authority's ROW or uses of the ROW by other utilities and communications service providers. Both of the following apply:

(a) A utility pole in the ROW installed or modified on or after the effective date of this act shall not exceed 40 feet above ground level, unless a taller height is agreed to by the authority.

(b) A small cell wireless facility in the ROW installed or modified after the effective date of this act shall not extend more than 5 feet above a utility pole or wireless support structure on which the small cell wireless facility is colocated.

(6) Subject to this section, section 17, and applicable zoning regulations, a wireless provider may colocate a small cell wireless facility or install, construct, maintain, modify, operate, or replace a utility pole that exceeds the height limits under subsection (5), or a wireless support structure, in, along, across, upon, and under the ROW.

(7) A wireless provider shall comply with reasonable and nondiscriminatory requirements otherwise provided that prohibit communications service providers from installing structures on or above ground in the ROW in an area designated solely for underground or buried cable and utility facilities if all of the following apply:

(a) The authority has required all cable and utility facilities, other than authority poles, along with any attachments, or poles used for street lights, traffic signals, or other attachments necessary for public safety, to be placed underground by a date that is not less than 90 days before the submission of the application.

(b) The authority does not prohibit the replacement of authority poles by a wireless provider in the designated area.

(c) The authority allows wireless providers to apply for a waiver of the undergrounding requirements for the placement of a new utility pole to support small cell wireless facilities, and the waiver applications are addressed in a nondiscriminatory manner.

(8) Subject to section 15(2), and except for facilities excluded from evaluation for effects on historic properties under 47 CFR 1.1307(a)(4)(ii), an authority may adopt written, objective requirements for reasonable, technically feasible, nondiscriminatory, and technologically neutral design or concealment measures in a historic district, downtown district, or residential zoning district. Any such requirement shall not have the effect of prohibiting any wireless provider's technology. Any such design or concealment measures are not considered a part of the small wireless facility for purposes of the size restrictions in the definition of small wireless facility in section 7.

(9) An authority's administration and regulation of activities of wireless providers in the ROW shall be reasonable, nondiscriminatory, and competitively neutral and shall comply with applicable law.

(10) An authority may require a wireless provider to repair all damage to the ROW directly caused by the activities of the wireless provider while occupying, constructing, installing, mounting, maintaining, modifying, operating, or replacing small cell wireless facilities, utility poles, or wireless support structures in the ROW and to return the ROW to its functional equivalent before the damage. If the wireless provider fails to make the repairs required by the authority within 60 days after written notice, the authority may make those repairs and charge the wireless provider the reasonable, documented cost of the repairs.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1315 Permitted activities of wireless provider in right of way; application; determination; notice; denial; consolidated application; extension; fees; revocation; moratorium prohibited; notice of discontinuance of use.

Sec. 15. (1) This section applies to activities of a wireless provider within the public right-of-way.

(2) Except as otherwise provided in subsection (5), an authority may require a permit to colocate a small cell wireless facility or install, modify, or replace a utility pole on which a small cell wireless facility will be colocated if the permit is of general applicability. The processing of an application for such a permit is subject to all of the following:

(a) The authority shall not directly or indirectly require an applicant to perform services unrelated to the collocation for which a permit is sought, such as reserving fiber, conduit, or pole space for the authority or making other in-kind contributions to the authority.

(b) An authority may require an applicant to provide information and documentation to enable the authority to make a decision with regard to the criteria in subdivision (i). An authority may also require a certificate of compliance with FCC rules related to radio frequency emissions from a small cell wireless facility.

(c) If the proposed activity will occur within a shared ROW or an ROW that overlaps another ROW, a wireless provider shall provide, to each affected authority to which an application for the activity is not submitted, notification of the wireless provider's intent to locate a small cell wireless facility within the ROW. An authority may require proof of other necessary permits, permit applications, or easements to ensure all necessary permissions for the proposed activity are obtained.

(d) Within 25 days after receiving an application, an authority shall notify the applicant in writing whether the application is complete. If the application is incomplete, the notice shall clearly and specifically delineate all missing documents or information. The notice tolls the running of the time for approving or denying an application under subdivision (h).

(e) The running of time period tolled under subdivision (d) resumes when the applicant makes a supplemental submission in response to the authority's notice of incompleteness. If a supplemental submission is inadequate, the authority shall notify the applicant in writing not later than 10 days after receiving the supplemental submission that the supplemental submission did not provide the information identified in the original notice delineating missing documents or information. The time period may be tolled in the case of second or subsequent notices under the procedures identified in subdivision (d). Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness.

(f) The authority may require an applicant to include an attestation that the small cell wireless facilities will

be operational for use by a wireless services provider within 1 year after the permit issuance date, unless the authority and the applicant agree to extend this period or delay is caused by lack of commercial power or communications transport facilities to the site.

(g) The application shall be processed on a nondiscriminatory basis.

(h) The authority shall approve or deny the application and notify the applicant in writing within the following period of time after the application is received:

(i) For an application for the collocation of small cell wireless facilities on a utility pole, 60 days, subject to the following adjustments:

(A) Add 15 days if an application from another wireless provider was received within 1 week of the application in question.

(B) Add 15 days if, before the otherwise applicable 60-day or 75-day time period under this subparagraph elapses, the authority notifies the applicant in writing that an extension is needed and the reasons for the extension.

(ii) For an application for a new or replacement utility pole that meets the height requirements of section 13(5)(a) and associated small cell facility, 90 days, subject to the following adjustments:

(A) Add 15 days if an application from another wireless provider was received within 1 week of the application in question.

(B) Add 15 days if, before the otherwise applicable 90-day or 105-day time period under this subparagraph elapses, the authority notifies the applicant in writing that an extension is needed and the reasons for the extension.

If the authority fails to comply with this subdivision, the completed application is considered to be approved subject to the condition that the applicant provide the authority not less than 7 days' advance written notice that the applicant will be proceeding with the work pursuant to this automatic approval.

(i) An authority may deny a completed application for a proposed collocation of a small cell wireless facility or installation, modification, or replacement of a utility pole that meets the height requirements in section 13(5)(a) only if the proposed activity would do any of the following:

(i) Materially interfere with the safe operation of traffic control equipment.

(ii) Materially interfere with sight lines or clear zones for transportation or pedestrians.

(iii) Materially interfere with compliance with the Americans with Disabilities Act of 1990, Public Law 101-336, or similar federal, state, or local standards regarding pedestrian access or movement.

(iv) Materially interfere with maintenance or full unobstructed use of public utility infrastructure under the jurisdiction of an authority.

(v) With respect to drainage infrastructure under the jurisdiction of an authority, either of the following:

(A) Materially interfere with maintenance or full unobstructed use of the drainage infrastructure as it was originally designed.

(B) Not be located a reasonable distance from the drainage infrastructure to ensure maintenance under the drain code of 1956, 1956 PA 40, MCL 280.1 to 280.630, and access to the drainage infrastructure.

(vi) Fail to comply with reasonable, nondiscriminatory, written spacing requirements of general applicability adopted by ordinance or otherwise that apply to the location of ground-mounted equipment and new utility poles and that do not prevent a wireless provider from serving any location.

(vii) Fail to comply with applicable codes.

(viii) Fail to comply with section 13(7) or (8).

(ix) Fail to meet reasonable, objective, written stealth or concealment criteria for small cell wireless facilities applicable in a historic district or other designated area, as specified in an ordinance or otherwise and nondiscriminatorily applied to all other occupants of the ROW, including electric utilities, incumbent or competitive local exchange carriers, fiber providers, cable television operators, and the authority.

(j) If the completed application is denied, the notice under subdivision (h) shall explain the reasons for the denial and, if applicable, cite the specific provisions of applicable codes on which the denial is based. The applicant may cure the deficiencies identified by the authority and resubmit the application within 30 days after the denial without paying an additional application fee. The authority shall approve or deny the revised application within 30 days. The authority shall limit its review of the revised application to the deficiencies cited in the denial.

(k) An applicant may at the applicant's discretion file a consolidated application and receive a single permit for the collocation of up to 20 small cell wireless facilities within the jurisdiction of a single authority or, in the case of the state transportation department, a single designated control section as identified on the department's website. The small cell wireless facilities within a consolidated application must consist of substantially similar equipment and be placed on similar types of utility poles or wireless support structures. An authority may approve a permit for 1 or more small cell wireless facilities included in a consolidated

application and deny a permit for the remaining small cell facilities. An authority shall not deny a permit for a small cell wireless facility included in a consolidated application on the basis that a permit is being denied for 1 or more other small cell facilities included in that application.

(l) Within 1 year after a permit is granted, a wireless provider shall complete collocation of a small cell wireless facility that is to be operational for use by a wireless services provider, unless the authority and the applicant agree to extend this period or the delay is caused by the lack of commercial power or communications facilities at the site. If the wireless provider fails to complete the collocation within the applicable time, the permit is void, and the wireless provider may reapply for a permit. A permittee may voluntarily request that a permit be terminated.

(m) Approval of an application authorizes the wireless provider to do both of the following:

(i) Undertake the installation or collocation.

(ii) Subject to relocation requirements that apply to similarly situated users of the ROW and the applicant's right to terminate at any time, maintain the small cell wireless facilities and any associated utility poles or wireless support structures covered by the permit for so long as the site is in use and in compliance with the initial permit under this act.

(n) An authority shall not institute a moratorium on filing, receiving, or processing applications or issuing permits for the collocation of small cell wireless facilities or the installation, modification, or replacement of utility poles on which small cell wireless facilities will be colocated.

(o) The authority and an applicant may extend a time period under this subsection by mutual agreement.

(3) An application fee for a permit under subsection (2) shall not exceed the lesser of the following:

(a) \$200.00 for each small cell wireless facility alone.

(b) \$300.00 for each small cell wireless facility and a new utility pole to which it will be attached.

Every 5 years after the effective date of this act, the maximum fees then authorized under this subsection are increased by 10% and rounded to the nearest dollar.

(4) An authority may revoke a permit, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated utility pole fail to meet the requirements of subsection (2)(i).

(5) An authority shall not require a permit or any other approval or require fees or rates for any of the following:

(a) The replacement of a small cell wireless facility with a small cell wireless facility that is not larger or heavier, in compliance with applicable codes.

(b) Routine maintenance of a small cell wireless facility, utility pole, or wireless support structure.

(c) The installation, placement, maintenance, operation, or replacement of a micro wireless facility that is suspended on cables strung between utility poles or wireless support structures in compliance with applicable codes.

(6) An authority that receives an application to place a new utility pole may propose an alternate location within the ROW or on property or structures owned or controlled by an authority within 75 feet of the proposed location to either place the new utility pole or colocate on an existing structure. The applicant shall use the alternate location if, as determined by the applicant, the applicant has the right to do so on reasonable terms and conditions and the alternate location does not impose unreasonable technical limits or significant additional costs.

(7) Before discontinuing its use of a small cell wireless facility, utility pole, or wireless support structure, a wireless provider shall notify an authority in writing. The notice shall specify when and how the wireless provider intends to remove the small cell wireless facility, utility pole, or wireless support structure. The authority may impose reasonable and nondiscriminatory requirements and specifications for the wireless provider to return the property to its preinstallation condition. If the wireless provider does not complete the removal within 45 days after the discontinuance of use, the authority may complete the removal and assess the costs of removal against the wireless provider. A permit under this section for a small cell wireless facility expires upon removal of the small cell wireless facility.

(8) This section does not prohibit an authority from requiring a permit for work that will unreasonably affect traffic patterns or obstruct vehicular or pedestrian traffic in the ROW.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1317 Zoning review and approval; application; approval or denial requirements; fees; moratorium prohibited; revocation.

Sec. 17. (1) The activities set forth in section 15(5) are exempt from zoning review. Subsections (2) to (4) apply to zoning reviews for the following activities that are subject to zoning review and approval, that are not a permitted use under section 13(5), and that take place within or outside the public right-of-way:

(a) The modification of existing or installation of new small cell wireless facilities.

(b) The modification of existing or installation of new wireless support structures used for such small cell wireless facilities.

(2) The processing of an application for a zoning approval is subject to all of the following requirements:

(a) Within 30 days after receiving an application under this section, an authority shall notify the applicant in writing whether the application is complete. If the application is incomplete, the notice shall clearly and specifically delineate all missing documents or information. The notice tolls the running of the 30-day period.

(b) The running of the time period tolled under subdivision (a) resumes when the applicant makes a supplemental submission in response to the authority's notice of incompleteness. If a supplemental submission is inadequate, the authority shall notify the applicant not later than 10 days after receiving the supplemental submission that the supplemental submission did not provide the information identified in the original notice delineating missing documents or information. The time period may be tolled in the case of second or subsequent notices under the procedures identified in subdivision (a). Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness.

(c) The application shall be processed on a nondiscriminatory basis.

(d) The authority shall approve or deny the application and notify the applicant in writing within 90 days after an application for a modification of a wireless support structure or installation of a small cell wireless facility is received or 150 days after an application for a new wireless support structure is received. The time period for approval may be extended by mutual agreement between the applicant and authority. If the authority fails to comply with this subdivision, the application is considered to be approved subject to the condition that the applicant provide the authority not less than 15 days' advance written notice that the applicant will be proceeding with the work pursuant to this automatic approval.

(e) An authority shall not deny an application unless all of the following apply:

(i) The denial is supported by substantial evidence contained in a written record that is publicly released contemporaneously.

(ii) There is a reasonable basis for the denial.

(iii) The denial would not discriminate against the applicant with respect to the placement of the facilities of other wireless providers.

(3) An authority's review of an application for a zoning approval is subject to all of the following requirements:

(a) An applicant's business decision on the type and location of small cell wireless facilities, wireless support structures, or technology to be used is presumed to be reasonable. This presumption does not apply with respect to the height of wireless facilities or wireless support structures. An authority may consider the height of such structures in its zoning review, but shall not discriminate between the applicant and other communications service providers.

(b) An authority shall not evaluate or require an applicant to submit information about an applicant's business decisions with respect to any of the following:

(i) The need for a wireless support structure or small cell wireless facilities.

(ii) The applicant's service, customer demand for the service, or the quality of service.

(c) Any requirements regarding the appearance of facilities, including those relating to materials used or arranging, screening, or landscaping, shall be reasonable.

(d) Any spacing, setback, or fall zone requirement shall be substantially similar to a spacing, setback, or fall zone requirement imposed on other types of commercial structures of a similar height.

(4) An application fee for a zoning approval shall not exceed the following:

(a) \$1,000.00 for a new wireless support structure or modification of an existing wireless support structure.

(b) \$500.00 for a new small cell wireless facility or modification of an existing small cell wireless facility.

(5) Within 1 year after a zoning approval is granted, a wireless provider shall commence construction of the approved structure or facilities that are to be operational for use by a wireless services provider, unless the authority and the applicant agree to extend this period or the delay is caused by a lack of commercial power or communications facilities at the site. If the wireless provider fails to commence the construction of the approved structure or facilities within the time required pursuant to section 15(2)(l), the zoning approval is void, and the wireless provider may reapply for a zoning approval. However, the wireless provider may voluntarily request that the zoning approval be terminated.

(6) An authority shall not institute a moratorium on either of the following:

(a) Filing, receiving, or processing applications for zoning approval.

(b) Issuing approvals for installations that are not a permitted use.

(7) An authority may revoke a zoning approval, upon 30 days' notice and an opportunity to cure, if the permitted small cell wireless facilities and any associated wireless support structure fail to meet the

requirements of the approval, applicable codes, or applicable zoning requirements.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1319 Authority poles; exclusive arrangement prohibited; limitation on rates, fees, and terms; elimination of aboveground poles.

Sec. 19. (1) An authority shall not enter into an exclusive arrangement with any person for the right to attach to authority poles. A person who purchases, controls, or otherwise acquires an authority pole is subject to the requirements of this section.

(2) The rate for the collocation of small cell wireless facilities on authority poles shall be nondiscriminatory regardless of the services provided by the collocating person. The rate shall not exceed \$30.00 per year per authority pole. Every 5 years after the effective date of this act, the maximum rate then authorized under this subsection is increased by 10% and rounded to the nearest dollar. This rate for the collocation of small cell wireless facilities on authority poles is in addition to any rate charged for the use of the ROW under section 13.

(3) If, on the effective date of this act, an authority has a rate, fee, or other term in an ordinance or in an agreement with a wireless provider that does not comply with this section, the authority shall, not later than 90 days after the effective date of this act, revise the rate, fee, or term to comply with this section. Both of the following apply:

(a) An ordinance or an agreement between an authority and a wireless provider that is in effect on the effective date of this act and that relates to the collocation on authority poles of small cell wireless facilities installed and operational before the effective date of this act remains in effect as it relates to those collocations, subject to termination provisions in the ordinance or agreement.

(b) The rates, fees, and terms established under this section apply to the collocation on authority poles of small cell wireless facilities that are installed and operational after the rates, fees, and terms take effect.

(4) Within 90 days after receiving the first request to colocate a small cell wireless facility on an authority pole, the authority shall make available, through ordinance or otherwise, the rates, fees, and terms for the collocation of small cell wireless facilities on the authority poles. The rates, fees, and terms shall comply with all of the following:

(a) The rates, fees, and terms shall be nondiscriminatory, competitively neutral, and commercially reasonable and shall comply with this act.

(b) The authority shall provide a good-faith estimate for any make-ready work within 60 days after receipt of a complete application. Make-ready work shall be completed within 60 days of written acceptance of the good-faith estimate by the applicant.

(c) The person owning or controlling the authority pole shall not require more make-ready work than required to comply with law or industry standards.

(d) Fees for make-ready work shall not do any of the following:

(i) Include costs related to preexisting or prior damage or noncompliance unless the damage or noncompliance was caused by the applicant.

(ii) Include any unreasonable consultant fees or expenses.

(iii) Exceed actual costs imposed on a nondiscriminatory basis.

(5) This section does not require an authority to install or maintain any specific authority pole or to continue to install or maintain authority poles in any location if the authority makes a nondiscriminatory decision to eliminate aboveground poles of a particular type generally, such as electric utility poles, in a designated area of its geographic jurisdiction. For authority poles with colocated small cell wireless facilities in place when an authority makes a decision to eliminate aboveground poles of a particular type, the authority shall do 1 of the following:

(a) Continue to maintain the authority pole.

(b) Install and maintain a reasonable alternative pole or wireless support structure for the collocation of the small cell wireless facility.

(c) Offer to sell the pole to the wireless provider at a reasonable cost.

(d) Allow the wireless provider to install its own utility pole so it can maintain service from that location.

(e) Proceed as provided by an agreement between the authority and the wireless provider.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1321 Municipally owned electric utility; collocation on nonauthority poles; standards; application process; moratorium prohibited; rates; make-ready work.

Sec. 21. (1) The governing body of a municipally owned electric utility shall not enter into an exclusive arrangement with any person for the right to attach to nonauthority poles.

(2) The governing body of a municipally owned electric utility shall allow the collocation of small cell wireless facilities on nonauthority poles on a nondiscriminatory basis.

(3) The collocation of small cell wireless facilities on nonauthority poles by a wireless provider shall comply with the applicable, nondiscriminatory safety and reliability standards adopted by the governing body of a municipally owned electric utility and with the "National Electric Safety Code" published by the Institute of Electrical and Electronics Engineers. The governing body of a municipally owned electric utility may require a wireless provider to execute an agreement for nonauthority pole attachments if such an agreement is required of all other nonauthority pole attachments.

(4) The governing body of a municipally owned electric utility shall adopt a process for requests by wireless providers to collocate small cell wireless facilities on nonauthority poles that is nondiscriminatory and competitively neutral. If such a process has not been adopted within 90 days after the effective date of this act, the application process in section 15 applies to such requests. The governing body of a municipally owned electric utility shall not impose a moratorium on the processing of nonauthority pole collocation requests, or require a wireless provider to perform any service not directly related to the collocation. The governing body of a municipally owned electric utility may charge a fee not to exceed \$100.00 per nonauthority pole for processing the request. The governing body of a municipally owned electric utility may charge an additional fee not to exceed \$100.00 per nonauthority pole for processing the request, if a modification or maintenance of the collocation requires an engineering analysis. Every 5 years after the effective date of this act, the maximum fees then authorized under this subsection are increased by 10% and rounded to the nearest dollar.

(5) The rate for a wireless provider to collocate on a nonauthority pole in the ROW shall not exceed \$50.00 annually per nonauthority pole. Every 5 years after the effective date of this act, the maximum rate then authorized under this subsection is increased by 10% and rounded to the nearest dollar.

(6) A wireless provider shall comply with the process for make-ready work that the governing body of a municipally owned electric utility has adopted for other parties under the same or similar circumstances that attach facilities to nonauthority poles. If such a process has not been adopted, the wireless provider and the governing body of a municipally owned electric utility shall comply with the process for make-ready work under 47 USC 224 and implementing orders and regulations. A good-faith estimate established by the governing body of a municipally owned electric utility for any make-ready work for nonauthority poles shall include pole replacement if necessary. All make-ready costs shall be based on actual costs, with detailed documentation provided.

(7) If a wireless provider is required to relocate small cell wireless facilities colocated on a nonauthority pole, it shall do so in accordance with the nondiscriminatory terms adopted by the governing body of a municipally owned electric utility.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1323 Attaching entity; standards; compliance; rate; civil action.

Sec. 23. (1) An attaching entity, and all contractors or parties under its control, shall comply with reliability, safety, and engineering standards adopted by the governing body of a municipally owned electric utility, including, but not limited to, the following:

(a) Applicable engineering and safety standards governing installation, maintenance, and operation of facilities and the performance of work in or around the municipally owned electric utility nonauthority poles and facilities.

(b) The "National Electric Safety Code" published by the Institute of Electrical and Electronics Engineers.

(c) Regulations of the United States Occupational Safety and Health Administration.

(d) Other reasonable safety and engineering requirements to which municipally owned electric utility facilities are subject by law.

(2) The governing body of a municipally owned electric utility may require an attaching entity to execute an agreement for wire or cable attachments to nonauthority poles or related infrastructure.

(3) The governing body of a municipally owned electric utility shall not charge an attaching entity a rate for wire or cable pole attachments within the communication space on a nonauthority pole greater than the maximum allowable rate pursuant to 47 USC 224(d) and (e) as established in Federal Communications Commission Order on Reconsideration 15-151.

(4) Subject to section 27, an attaching entity may commence a civil action for injunctive relief for a violation of this section. The attaching entity shall not file an action under this subsection unless the attaching entity has first provided the municipally owned electric utility with a written notice of the intent to sue. Within 30 days after the municipally owned electric utility receives written notice of intent to sue, the municipally owned electric utility and the attaching entity shall meet and make a good-faith attempt to determine if there is a credible basis for the action. If the parties agree that there is a credible basis for the

action, the governing body of the municipally owned electric utility shall take all reasonable and prudent steps necessary to comply with the applicable requirements of this section within 90 days after the meeting.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1325 Jurisdiction; authority; certain interior structures, campuses, stadiums, and athletic facilities.

Sec. 25. An authority does not have jurisdiction or authority over the design, engineering, construction, installation, or operation of a small cell wireless facility located in an interior structure or upon a campus of an institution of higher education including any stadiums or athletic facilities associated with the institution of higher education, a professional stadium, or a professional athletic facility, other than to enforce applicable codes. This act does not authorize this state or any other authority to require wireless facility deployment or to regulate wireless services.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1327 Circuit courts; jurisdiction; right to appeal.

Sec. 27. The circuit court has jurisdiction to determine all disputes arising under this act. Venue lies in the judicial circuit where the authority or municipally owned electric utility is located. In addition to its right to appeal to the circuit court, an applicant may elect, at its sole discretion, to appeal a determination under the act to an authority, if the authority has an appeal process to render a decision expeditiously.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1329 Indemnification; insurance requirements.

Sec. 29. As part of the permit process under section 15, a zoning approval process under section 17, or a request process under section 21, an authority or the governing body of a municipally owned electric utility may require a wireless provider to do the following with respect to a small cell wireless facility, a wireless support structure, or a utility pole:

(a) Defend, indemnify, and hold harmless the authority or the governing body of a municipally owned electric utility and its officers, agents, and employees against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees resulting from the installation, construction, repair, replacement, operation, or maintenance of any wireless facilities, wireless support structures, or utility poles to the extent caused by the applicant, its contractors, its subcontractors, and the officers, employees, or agents of any of these. A wireless provider has no obligation to defend, indemnify, or hold harmless an authority or the governing body of a municipally owned electric utility, or the officers, agents, or employees of the authority or governing body against any liabilities or losses due to or caused by the sole negligence of the authority or the governing body of a municipally owned electric utility or its officers, agents, or employees.

(b) Obtain insurance naming the authority or the governing body of a municipally owned electric utility and its officers, agents, and employees as additional insureds against any claims, demands, damages, lawsuits, judgments, costs, liens, losses, expenses, and attorney fees. A wireless provider may meet all or a portion of the authority's insurance coverage and limit requirements by self-insurance. To the extent it self-insures, a wireless provider is not required to name additional insureds under this section. To the extent a wireless provider elects to self-insure, the wireless provider shall provide to the authority evidence demonstrating, to the authority's satisfaction, the wireless provider's financial ability to meet the authority's insurance coverage and limit requirements.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1331 Fee and rate limitations.

Sec. 31. An authority may establish a fee or rate less than the maximum specified in section 13(3), 15(3), 17(4), or 19(2), subject to other requirements of this act.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1333 Bonding requirements; limitations.

Sec. 33. (1) As a condition of a permit described in this act, an authority may adopt bonding requirements for small cell wireless facilities if both of the following requirements are met:

(a) The authority imposes similar requirements in connection with permits issued for similarly situated users of the ROW.

(b) The purpose of the bonds is 1 or more of the following:

(i) To provide for the removal of abandoned or improperly maintained small cell wireless facilities, including those that an authority determines should be removed to protect public health, safety, or welfare.

(ii) To repair the ROW as provided under section 13(10).

(iii) To recoup rates or fees that have not been paid by a wireless provider in more than 12 months, if the wireless provider has received 60-day advance notice from the authority of the noncompliance.

(2) An authority shall not require either of the following under subsection (1):

(a) A cash bond, unless any of the following apply:

(i) The wireless provider has failed to obtain or maintain a bond required under this section.

(ii) The surety has defaulted or failed to perform on a bond given to the authority on behalf of the wireless provider.

(b) A bond in an amount exceeding \$1,000.00 per small cell wireless facility.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1335 Labeling requirement of small cell wireless facility.

Sec. 35. A small cell wireless facility for which a permit is issued shall be labeled with the name of the wireless provider, emergency contact telephone number, and information that identifies the small cell wireless facility and its location.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1337 Payment of electricity to operate small cell wireless facility.

Sec. 37. A wireless provider is responsible for arranging and paying for the electricity used to operate a small cell wireless facility.

History: 2018, Act 365, Eff. Mar. 12, 2019.

460.1339 Scope of act; application to and effect on certain electric utilities.

Sec. 39. (1) This act does not add to, replace, or supersede any law regarding poles or conduits, similar structures, or equipment of any type owned or controlled by an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, an independent transmission company, or, except as provided in section 7(e), a cooperative electric utility.

(2) This act does not impose or otherwise affect any rights, controls, or contractual obligations of an investor-owned utility whose rates are regulated by the MPSC, an affiliated transmission company, an independent transmission company or, except as provided in section 7(e), a cooperative electric utility with respect to its poles or conduits, similar structures, or equipment of any type.

(3) Except for purposes of a wireless provider obtaining a permit to occupy a right-of-way, this act does not affect an investor-owned utility whose rates are regulated by the MPSC. Notwithstanding any other provision of this act, pursuant to and consistent with section 6g of 1980 PA 470, MCL 460.6g, the MPSC has sole jurisdiction over attachment of wireless facilities on the poles, conduits, and similar structures or equipment of any type or kind owned or controlled by an investor-owned utility whose rates are regulated by the MPSC.

History: 2018, Act 365, Eff. Mar. 12, 2019.