



BOYNE CITY  
CITY COMMISSION SPECIAL MEETING  
Boyne City Hall  
319 North Lake Street  
Wednesday, December 23, 2015 at 9:00 a.m.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. CONSENT AGENDA  
The purpose of the consent agenda is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff, or the public may ask that any item(s) on the consent agenda be removed and placed as the last item under new business to receive full discussion. Such requests will be automatically respected.
  - A. Approval of the December 8, 2015 City Commission regular meeting minutes as presented
  - B. Approval of the December 9, 2015 City Commission Old City Clock Work Session minutes as presented
  - C. Approval of the December 10, 2015 Joint Board and Commission meeting minutes as presented
  - D. Approval of the December 14, 2015 City Commission special meeting minutes as presented
4. HEARING CITIZENS COMMENTS (on non-agenda items; 5 minute limit)
5. CORRESPONDENCE
  - A. Charter Letter of December 15, 2015 with rate increases
6. CITY MANAGER'S REPORT
7. REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES
  - A. November, 2015 Financial Statement
8. OLD BUSINESS
  - A. Parkview PILOT Ordinance  
Consideration of second reading to adopt the Parkview PILOT ordinance as presented and authorize staff to take the necessary steps to implement it
9. NEW BUSINESS
  - A. City Facilities Bond Sale Authorization  
Consideration to approve the proposed resolution authorizing the 2016

Unlimited Tax General Obligation Bonds for financing the City Facilities improvements as approved by the Voters of the City of Boyne City and authorize the Mayor, City Manager and City Clerk/Treasurer to take all appropriate steps necessary to implement this action

10. GOOD OF THE ORDER

11. ANNOUNCEMENTS

- The next regular City Commission meeting is scheduled for Tuesday, January 12, 2016 at 7:00 p.m.
- The City Wide Goal Setting meeting is scheduled for Thursday, January 14, 2016 at 6:00 p.m. at St. Matthews Fellowship Hall
- City Offices will be closed on Thursday, December 24, 2015 and Friday December 25, 2015 in observance of Christmas Eve and Christmas Day
- City Offices will be closed on Thursday, December 31, 2015 and Friday January 1, 2016 in observance of New Year's Eve and New Year's Day

12. ADJOURNMENT

*Individuals with disabilities requiring auxiliary aids or services in order to participate in municipal meetings may contact Boyne City Hall for assistance: Cindy Grice, City Clerk/Treasurer, 319 North Lake Street, Boyne City, MI 49712; phone (231) 582-0334*



Scan QR code or go to [www.cityofboyne.com](http://www.cityofboyne.com)  
click on Boards & Commissions for complete  
agenda packets & minutes for each board

**DECEMBER 8, 2015  
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY DECEMBER 8, 2015

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**CALL TO ORDER**

Mayor Neidhamer called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance.

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Present: Mayor Tom Neidhamer, Mayor Pro Tem Gene Towne, Commissioners Ron Grunch, Laura Sansom and Hugh Conklin

Absent: None

Staff: Cindy Grice, Michael Cain, Scott McPherson, Andy Kovolski, Mark Fowler, John Lamont, Jeff Gaither, Kevin Spate and Lori Meeder

Others: There were 10 citizens in attendance including representatives from the Charlevoix County News and Petoskey News Review

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**CONSENT AGENDA  
MOTION**

2015-12-157

Moved by Conklin

Second by Grunch

2015-12-157A

Approval of the November 24, 2015 City Commission regular meeting minutes as presented

2015-12-157B

Approval of Compensation Commission 2015 recommendation to keep the compensation for the Mayor at the current levels of \$3,000 per year and \$2,500 per year for each Commissioner

2015-12-157C

Approval of the recommendation of the Main Street Board to appoint Chris Bandy to the board for a four year term expiring in January, 2020

2015-12-157D

Approval of the recommendation of the Main Street Board to appoint Don Ryde to the board for a four year term expiring in January, 2020

2015-12-157E

Approval of the recommendation of the Main Street Board to appoint Jodie Adams to fill Jim Jensen's remaining term which expires in January, 2017

2015-12-157F

Approval to authorize the City Manager to accept the \$10,000 Open Space and \$1,500 River Sculpture Charlevoix County Community Foundation grants as awarded and provide the necessary paperwork

Ayes: 5

Nays: 0

Absent: 0

Motion carried

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**CITIZENS COMMENTS**

Michelle Cortright, representing a group of individuals, discussed the opportunity resulting of the new city hall facilities construction to safely and securely package our artifacts, cataloging and digitizing our museum collection. She also discussed finding a safe, secure environment for storage in the meantime. The group doesn't know what the cost will be but is talking about researching this information. Kecia Freed provided the Commissioner with a handout of the notes of this group's recent

discussion. Commissioner Sansom said there is a Historical Commission board meeting coming up.

## CORRESPONDENCE

None

## CITY MANAGERS REPORT

City Manager Cain's reported:

- Boyne City has received its Redevelopment Ready Communities certification from the MEDC, just the fifth community to be recognized under this program.
- The Sommerset Pointe force main project is basically done and on hold until sometime this spring. The next step will be the installation of the pump station structure.
- Attorney Mike Watza continues to work out details on the ACD cellular antenna system agreement
- Water/Wastewater Department Staff member John Loughmiller passed is D-2 license requirements. Eric Kujawski earned his D-4 license for the water system and is working towards a new wastewater license. Gary Dunlop has received the State's Edward Dunbar Rich award for 25 or more years of public service in the Water Department.
- Our longest seniority employee, Keith Hausler has formally advised us that he will be retiring on December 31, 2015 after 36 years, 7 months and 10 days as our Parks Foreman and Heavy Equipment Operator. We wish him and his wife all the best

## REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES

Draft Minutes of the November 3, 2015, Zoning Board of Appeals Meeting; the November 5, 2015, Main Street Board Meeting; the November 9, 2015, Economic Development Corporation Board Meeting; the November 9, 2015, Local Development Finance Authority Board Meeting and the November 13, 2015, Historic District Meeting were received and filed.

## Parkview Apartments PILOT

Consideration of first reading to review the materials and introduction of the revised PILOT Ordinance as presented and schedule a second reading for possible further consideration to be held at the City Commission's January 12, 2016 meeting.

City Manager Cain discussed the review of the revised draft ordinance that would provide a PILOT for Parkview Apartments. The revised draft ordinance replaces the previous one introduced on October 13. Unlike the previous version, the loss in tax revenues created by a PILOT would be felt equally by all taxing entities, including the City. The return on the PILOT in the current version is increased from 3% of base rents to 7%. The term of this revision of the PILOT proposed has shortened to 15 years with the possibility of future renewal or extension. City Attorney Jim Murray added the current form is satisfactory.

Staff Comments: Assessor Deb Chavez said if the 2<sup>nd</sup> reading goes to January, 2016, the PILOT would not be in effect until 2017.

Citizens Comments: Chris Christensen said as a resident he thinks it is important to not convolute this ordinance and added that subsidized and affordable workforce housing are not the same thing. There are people that own second homes that are being rented at the market level.

Board Discussion: Commissioner Conklin inquired about the \$3,000,000 renovation costs from the 2013 estimates. Parkview attorney Joe Quandt

said the money captured thru the PILOT must address every penny spent, in the capital needs assessment. Parkview is a limited profit entity. It can't be a fully market driven entity. Bob Brooks of Parkview said you're not restricted to just families in these units. When they were first built, there were a lot of families in the units but the demographics have changed. Commissioner Conklin said he thinks supporting this housing is really important for the community. Commissioner Sansom asked how long the rehabilitation is projected. Attorney Quandt said they have to make \$283,000 in improvements because that's what the PILOT captures.

Mayor Pro-Tem Towne said we need to do what we can, it is important. Commissioner Grunch said he supports the process to move forward. We are definitely in need of more affordable housing. Mayor Neidhamer said he agrees that they support the affordable housing. It's a need for Boyne City. He is in support of the ordinance as a tool This would make 120 units that are not on the tax roll. How much can we afford to not have these on the tax rolls? Why should taxpayers take a hit? He added that he also struggles that the units are already built.

City Manager Cain said the Library and Schools are in favor of leveling the playing field and he got the impression that in its current form the ordinance is something they could live with.

**MOTION**

2015-12-128

Moved by Grunch

Second by Conklin

To approve the first reading to review the materials and introduction of the revised PILOT Ordinance as presented and schedule a second reading for possible further consideration to be held at the City Commission's January 12, 2016 meeting

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**Fire Department Grant Authorization**

Consideration to approve to authorize the Fire Department to apply for a grant to purchase new air packs at an estimated cost of \$138,000 and authorize the City Manager or his designee to complete the necessary paperwork.

Dennis Amesbury discussed the FEMA grant the Fire Department would like to apply for to purchase and replace the firefighter's air packs. The maximum estimated cost of \$138,000 and a 5% local match of \$6,900 would be requested.

Commissioner Sansom asked how sure we are of getting the grant and was informed that we will continue to try if we do not get it this time.

All Commissioners are in support of the recommendation.

**MOTION**

2015-12-129

Moved by Towne

Second by Sansom

To approve to authorize the Fire Department to apply for a grant to purchase new air packs at an estimated cost of \$138,000 and authorize the City Manager or his designee to complete the necessary paperwork.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

### Temporary City Facilities Contract

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Consideration to authorize the City Manager to complete negotiations and execute an agreement with Honeywell to lease space at 364 North Lake Street for a temporary City Hall for a period not to exceed 30 months as outlined at a first year rental cost of \$33,075.

City Manager Cain discussed the temporary quarters to house City Hall operations during the construction of our new City Hall. For a while, we have looked at options with our neighbor Honeywell. They have excess unused space in their facility right across the street from City Hall, just north of the 4Front Credit Union. The space is a mixture of open space and offices that seem sufficient to meet our needs for an estimated period of 18 to 24 month. Both City staff and the City Commission had an opportunity to tour the space. We believe the space could be fully usable in a matter to continue to meet the needs of the community during construction of the new building. The lease would begin on January 1, 2016 at a cost of \$33,075 for the first year rent and utilities and \$34,067.25 for a full second year if needed. Painting and cleaning, along with installation of phone and computer systems would need to take place prior to moving in. The Police Department is planning to move into a modified space being vacated in the old DPW building.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement.

### MOTION

2015-12-130  
Moved by Conklin  
Second by Towne

To authorize the City Manager to complete negotiations and execute an agreement with Honeywell to lease space at 364 North Lake Street for a temporary City Hall for a period not to exceed 30 months as outlined at a first year rental cost of \$33,075.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

### City Hall Asbestos Survey

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Consideration to approve a contract for the Asbestos Survey for the 319 N Lake Street facilities at a unit cost of \$30.95 per sample with Otwell Mawby and authorize the City Manager to sign the required documents, further should the need arise to exceed 70 samples, to authorize the City Manager to proceed as needed with additional sampling at a cost of

\$30.95 per sample to complete the project

Public Works Superintendent Andy Kovolski discussed the need for an asbestos survey of the existing city facilities as we move toward demolition and reconstruction. This testing is a requirement of both the MDEQ and the Federal Environmental Protection Agency. Otwell Mawby has provided us the best cost proposal in the amount of \$30.95 per sample, proposing to take 70 samples. If additional samples are required, they will complete them at the same unit cost.

Staff Comments: None

Citizens Comments: None

Board Discussion: Commissioner Grunch asked if there is any evidence and was informed, yes. Commissioner Conklin inquired about the difference in number of samples proposed from the other Contractor who provided a bid and Andy was unsure, possibly just a minimum is required. All Commissioners are in agreement with the proposal.

2015-12-131

Moved by Towne

Second by Sansom

**MOTION**

To approve a contract for the Asbestos Survey for the 319 N Lake Street facilities at a unit cost of \$30.95 per sample with Otwell Mawby and authorize the City Manager to sign the required documents, further should the need arise to exceed 70 samples, to authorize the City Manager to proceed as needed with additional sampling at a cost of \$30.95 per sample to complete the project

Ayes: 5

Nays: 0

Absent: 0

Motion carried

**2016 Commission Meeting  
Schedule Revision and  
FYE 2017 Budget Schedule**

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Consideration to approve the revised regular meeting schedule for 2016, also approving the Fiscal Year 2016 / 2017 Tentative Budget Schedule as presented

Clerk/Treasurer Grice discussed that it has come to our attention that two of the dates on the recently adopted 2016 City Commission meeting date schedule conflict with elections. The first is the March 8, 2016 Presidential Primary and the second is the November 8, 2016 General Election. We are proposing moving the March 8 and 22 meetings to March 15 and 29, and the November 8 and 22 meetings to November 15 and 29. Also provided is the 2016 / 2017 Tentative Budget schedule.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

2015-12-132

Moved by Grunch

**MOTION**

Second by Conklin

To approve the revised regular meeting schedule for 2016, also approving the Fiscal Year 2016 / 2017 Tentative Budget Schedule as presented

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

**Pavilion Bidding Option**

Further discussion regarding the bidding of Veterans Park Pavilion remodeling was discussed. City Manager stated the upcoming bidding process for the new city facilities could give us valuable information. It will provide real concrete numbers. Commissioner Conklin said the pavilion committee is trying to find some solutions. Without the grant, this is a lot more complicated. Over \$200,000 has been raised so far. City Manager Cain will continue to investigate the options.

**Personnel Policy Update**

City Manager Cain discussed the Holiday Bonus. For as long as anyone can remember, all full time City employees with a minimum of one year seniority have received a Holiday bonus. Language governing this included in both the DPW/Water/Wastewater/Maintenance and Police Officer labor agreements. During a recent check, we could not find similar language for our non-union personnel in our personnel policy although this has been a documented annual occurrence at least back to the mid 1990's. The proposed language is as follows:

Section 5.19 HOLIDAY BONUS Any employee who has completed one (1) full year of employment with the City as of December 15<sup>th</sup> shall be paid a holiday bonus. The amount of the bonus will be one hundred dollars (\$100) per employee except Department Heads who will receive one hundred and twenty-five dollars (\$125) and part time employees will receive fifty percent (50%) of the regular amount.

Staff Comments: None

Citizens Comments: None

Board Discussion: All are in agreement with the recommendation.

**MOTION**

2015-12-133  
Moved by Sansom  
Second by Towne

To approve the proposed addition to the City's Personnel Policy for the Holiday Pay as presented

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

**GOOD OF THE ORDER**

All Commissioner wished everyone Happy Holidays. Commissioner Conklin said he thought the Redevelopment Ready Communities event

was really great and he thanked Scott McPherson for everything. He added that Mike Cain's words were eloquent. Commissioner Conklin also commented that after the goal setting in January, the City Manager should explore having a City retreat to guide that process.

Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, December 8, 2015 at 9:23 p.m.

**ADJOURNMENT**  
**MOTION**

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Tom Neidhamer  
Mayor

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Cindy Grice  
Clerk / Treasurer

DRAFT

**DECEMBER 9, 2015  
SPECIAL MEETING**

RECORD OF THE PROCEEDINGS OF THE SPECIAL BOYNE CITY COMMISSION WORK SESSION DULY CALLED AND HELD AT THE BOYNE CITY WASTEWATER TREATMENT PLANT, ON WEDNESDAY DECEMBER 9, 2015

**CALL TO ORDER**

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Mayor Neidhamer called the meeting to order at 7:02 p.m.

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Present: Mayor Tom Neidhamer, Mayor Pro Tem Gene Towne, Commissioners Ron Grunch, Laura Sansom and Hugh Conklin

Absent: None

Staff: Michael Cain, Patrick Kilkenny and Lori Meeder

Others: There were 5 citizens in attendance including a representative from the Boyne Gazette

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**DISCUSSION  
REGARDING THE OLD  
CITY CLOCK  
RESTORATION**

Discussion and overview of the Old City Clock with representatives from Balzer Clock, Ray Kendra with Environment Architects and the City Commissioners regarding the restoration of the Old City Clock and its potential placement in the new City Facilities.

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Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the special City Commission work session of Wednesday, December 9, 2015 at 8:25 p.m.

**ADJOURNMENT  
MOTION**

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Tom Neidhamer  
Mayor

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Cindy Grice  
Clerk / Treasurer

**DECEMBER 10, 2015  
JOINT BOARD AND  
COMMISSION MEETING**

RECORD OF THE PROCEEDINGS OF THE JOINT BOARD AND BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT THE DPW FACILITIES, 1031 ROBINSON STREET, ON THURSDAY DECEMBER 10, 2015 AT 6:00 PM

**CALL TO ORDER**

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Mayor Tom Neidhamer called the meeting to order at 6:00 PM followed by the Pledge of Allegiance.

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Present: Mayor Tom Neidhamer, Mayor Pro-Tem Gene Towne, Commissioners Hugh Conklin, Laura Sansom and Ron Grunch

Staff: Michael Cain, Cindy Grice, Patrick Kilkenny, Jeff Gaither, Andy Kovolski, Mark Fowler, Lori Meeder, Barb Brooks, and Scott McPherson

Others: There were 7 citizens in attendance,

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**Economic Development Corporation/Local Development Finance Authority**

Kelly Bellant discussed the 2015 projects, including the drainage improvements to the Business Park, the walkway and the continuing support of growing our kids with the Fab Lab. There are concerns about affordable housing and daycare in Boyne City for workers in this area. There is growth at Precision Edge, Lexamar's staffing level is at 800, IMI is adding on to their facility. Lexamar is the largest employer in Charlevoix County.

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**Election Commission**

Clerk / Treasurer Cindy Grice discussed the roll of the 3 members of the election commission. They meet prior to each election to approve that election's inspectors. There are at least 3 elections in 2016, possible 4.

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**Historical District Commission**

Planning Director Scott McPherson said there is currently one vacant seat on the Commission. The Planning Commission works closely with this board and has formally adopted the plan of action. The current big project is the White House that is being renovated.

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**Historic Commission**

Commissioner Sansom, a member of this Commission said they currently have four vacant seats. There is a lot of work to be done getting the current museum packed and moved. If anyone knows of anyone who can volunteer and help, please contact us. The 100<sup>th</sup> Anniversary of the LaFrance Fire Truck is in 2017. The board continues to assist with school tours throughout the year.

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**Boyne City Housing Commission**

City Manager Mike Cain said the Housing Commission is doing quite well under Jane MacKenzie's leadership. They have recently been confirmed as a premier status agency. The units are full throughout and there is a waiting list on all projects.

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**Main Street Board**

Lori Meeder explained the current Brownfield Redevelopment projects currently underway – the Dilworth and the Lake Street Redevelopment project. There are lots of exciting new retailers in town. The events over this past year were well attended. A new event, entitled Boyne Appetit! is scheduled to kick off this winter.

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**Team Boyne**

Jim Baumann discussed this group that is the Economic Restructuring Committee of Boyne City Main Street. The group has had recruiting businesses on the agenda and the problem now is there are no vacant buildings. This group will work closely with Main Street and their volunteers.

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Jim Baumann said he will be retiring this year. He will be working remotely for three months this winter.

## **Boyne Area Chamber**

Mike Sheean said the board works closely with DPW Superintendent Andy Kovolski. In 2015, the Ridge Run Dog Park was further developed. The Archery Group is starting to have events at Avalanche. The BC to Charlevoix trail phase is being rebid. City Manager Cain discussed the new signage in Old City Park. Also discussed was the possible Pavilion project and thoughts of how we deal with that issue. Boyne On the Water also affects City Parks.

## **Parks and Recreation Commission**

Planning Director Scott McPherson discussed the Catt Lake Street Redevelopment Project and the changes made to the project throughout the process. The Boyne City Master Plan has been updated. We recently received the Redevelopment Ready Communities certification this past week. The Safe Routes to Schools project should be done during the Summer of 2016.

## **Planning Commission**

Assistant Planning & Zoning Director Patrick Kilkenny said this board deals with zoning variance requests. There were four official variance requests in 2015.

## **Zoning Board of Appeals**

Richard Bouters said the Labor Day drag race is still going strong. There is a great turnout and it provides good income for the Airport. We participate in the Business Expo every year. Most airports offer courtesy cars and now Boyne City has one. It is a vehicle that was donated by Harbor House Publishers. Between May 5 and November 8, we had 39 people use the vehicle, 62% of those uses were to go downtown Boyne City to shop or have a meal.

## **Airport Advisory Board**

Oral Sutliff discussed the role of this Board. The number of appeals heard has dropped significantly in recent years, mostly due to having Assessor Deb Chavez more easily accessible and working directly for the City.

## **Board of Review**

Cindy Grice spoke for this Commissioner. They meet every odd numbered year to discuss and recommend possible changes to the City Commissioner's annual compensation. This year, the board chose to keep the compensation the same as the 2013 levels, which were increased for the first time since 2001. All members of the Compensation Commissioner expressed gratitude to the Commissioner's for their hard work and all agree that the compensation is not nearly enough for what they do.

## **Compensation Commission**

Cliff Carey discussed the shared circulation services our library offers. This years, there were 60,000 visits. Downloadable music is now offered. The library is open 54 hours per week. Kindles and iPads are offered to be checked out. The library has purchased a 3D printer. Mr. Carey provided an example of an item printed out by the printer.

## **Boyne District Library**

Commissioner Hugh Conklin said with good leadership, there is nothing we can't do. Commissioner Sansom said it is an exciting time right now with the new facilities construction coming up. Mayor Pro-Tem Towne thanked all volunteers that work on the various boards. It wouldn't be the City that it is without these individuals. There are many projects to look forward to. Commissioner Grunch said this is a collaboration of all the supporting groups. There are a lot of cities that are trying to model after

## **City Commissioners**

us. It's been a fun ride. Mayor Neidhamer said there are over 9 projects starting in the Spring of 2016.

### Staff Comments

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Public Works Superintendent Andy Kovolski said he is happy to have the new DPW building on time, on budget. It speaks volumes of the City's commitment to take care of what we have.

Assistant Planning & Zoning Director Patrick Kilkenny said he has been here for 6 months and everyone including the Boards and Commissioner work well together.

Planning Director Scott McPherson discussed the great partnerships we share with Evangeline and Wilson Townships as well.

Harbormaster Barb Brooks said the marina has been self-funded for the past 10 years and been building up a fund balance for capital projects such as replacing the shoppers dock. We are working towards a possible expansion and taking a close look at the right size for our needs.

Water / Wastewater Superintendent Mark Fowler said it is great working with everyone. The recent Sommerset Point sewer extension project is nearing completion.

Police Chief Jeff Gaither discussed the new policy regarding body cameras used by officers. The small cost is the camera. Video storage is the higher cost. It's a great tool for the department. The department works well with the schools and critical incident training. Officers have random visits with schools, having lunch with student and positive contact with students. Officers volunteered their time to assist with building a soccer wall at Rotary Park. One more officer has been trained on a bicycle. We received a grant to send an officer to search and rescue school and the skills learned have been used to assist other departments already. Kyle Smith has been sent to Evidence Tech School while Dan Mercer has gone to a higher level at the Evidence Tech School. Chief Gaither also provided the list of Core Values that the Police Department is expected to live by, reflecting the Department's core values.

City Manager Cain said there is a common vision in Boyne City. It is everybody working together towards it.

### ADJOURNMENT

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Moved by Mayor Neidhamer, seconded by Mayor Pro Tem Towne to adjourn the Joint Board and City Commission meeting of December 10, 2015 at 8:25 p.m.

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Tom Neidhamer  
Mayor

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Cindy Grice  
Clerk / Treasurer

**DECEMBER 14, 2015  
SPECIAL MEETING**

RECORD OF THE PROCEEDINGS OF THE SPECIAL BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON MONDAY DECEMBER 14, 2015

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**CALL TO ORDER**

Mayor Neidhamer called the meeting to order at 9:00 a.m. followed by the Pledge of Allegiance.

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Present: Mayor Tom Neidhamer, Mayor Pro Tem Gene Towne, Commissioners Ron Grunch, Laura Sansom and Hugh Conklin

Absent: None

Staff: Cindy Grice and Michael Cain

Others: There were no citizens in attendance.

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**Closed Session  
MOTION**

2015-12-164  
Moved by Conklin  
Second by Grunch

To approve the request of the City Manager to go into closed session to meet with our attorney regarding Attorney/Client Privilege communications as provided in MCL 15.268 (h) of the Michigan Open Meetings Act (PA 267 of 1976) at 9:01 a.m.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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**Return to Open Session  
MOTION**

2015-12-165  
Moved by Neidhamer  
Second by Towne

To return to open session at 10:13 a.m.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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**ADJOURNMENT  
MOTION**

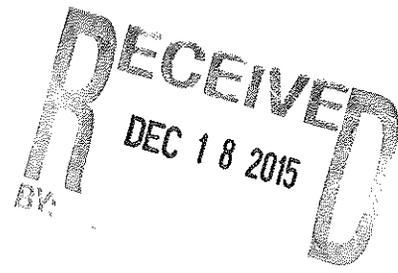
Motion by Mayor Neidhamer seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, December 14, 2015 at 10:24 a.m.

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Tom Neidhamer  
Mayor

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Cindy Grice  
Clerk / Treasurer



December 15, 2015



T7 P1493 \*\*\*\*\*AUTO\*\*ALL FOR AADC 496  
City of Boyne City  
319 N. Lake St.  
Boyne City, MI 49712-2109

Dear Franchise Official:

Containing costs and efficiently managing our operations are critical to providing customers with the best value possible. Like every business, Charter faces rising costs that require occasional price adjustments.

As a result, customers in your community will be notified of the following price adjustments through a billing statement message on or after December 15, 2015:

- *Effective on February 15, 2016 pricing will be adjusted for the Change of Service Computerized Fee from \$2.99 to \$4.99 and Late Fee will be adjusted from \$7.95 to \$8.95.*

Charter continues to provide significant product enhancements, including adding new HD channels at no additional cost, and providing more than 10,000 On Demand choices, more than 1,500 of them in HD. As customers continue to expand their TV viewing to alternate devices such as tablets, Charter offers downloadable channel apps that enable customers to use these devices for viewing and to access their DVRs remotely. Also, Charter TV and Internet customers can now access the Charter Spectrum™ TV App, providing more than 100 live TV channels inside their home on their tablet or Smartphone at no additional charge.

Charter remains committed to providing excellent communications and entertainment services in your community and in each of the communities we serve. If you have any questions about these changes, please feel free to contact me at **(906) 401-0616**.

Sincerely,

*Don Gladwell*

Don Gladwell  
Manager, Government Affairs  
Charter Communications

CASH SUMMARY BY FUND FOR BOYNE CITY

FROM 11/01/2015 TO 11/30/2015

Agenda Item 7A

FUND: 101 202 203 206 209 210 211 213 226 242 248 251 285 295 590 592 661 701

CASH AND INVESTMENT ACCOUNTS

Fund	Description	Beginning Balance 11/01/2015	Total Debits	Total Credits	Ending Balance 11/30/2015
101	GENERAL FUND	2,655,384.95	259,141.56	696,491.57	2,218,034.94
202	MAJOR STREET FUND	208,572.46	94,997.00	303,569.46	0.00
203	LOCAL STREET FUND	0.00	36,339.05	36,339.05	0.00
206	FIRE FUND	444,203.25	0.00	9,862.89	434,340.36
209	CEMETERY FUND	25,924.88	3,660.00	3,463.34	26,121.54
210	AMBULANCE FUND	19,017.64	37,556.03	50,499.58	6,074.09
211	SPECIAL PROJECTS FUND	4,936.37	234.75	0.00	5,171.12
213	FARMERS MARKET FUND	17,099.64	2,618.00	3,219.36	16,498.28
226	RUBBISH COLLECTION FUND	0.00	0.00	0.00	0.00
242	BOYNE THUNDER FUND	102,346.38	38.45	68,315.70	34,069.13
248	DOWNTOWN DEVELOPMENT AUTHORITY	271,858.71	1,400.00	11,537.88	261,720.83
251	LDFA FUND	942,037.91	0.00	5,637.78	936,400.13
285	MARINA FUND	199,723.66	8,271.40	3,683.24	204,311.82
295	AIRPORT FUND	24,731.24	16,189.85	17,274.37	23,646.72
590	WASTEWATER FUND	2,473,953.66	133,389.11	23,880.60	2,583,462.17
592	WATER FUND	627,667.63	114,441.04	26,791.03	715,317.64
661	MOTOR POOL FUND	700,691.18	0.00	11,970.26	688,720.92
701	TRUST & AGENCY FUND	23,611.82	1,280.52	45.96	24,846.38
	TOTAL - ALL FUNDS	8,741,761.38	709,556.76	1,272,582.07	8,178,736.07

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET RMAL	YTD BALANCE 11/30/2015 (ABNORMAL)	ACTIVITY FOR MONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
<b>Fund 101 - GENERAL FUND</b>					
031-REVENUES	4,866,900.00	2,537,760.41	7,059.80	2,329,139.59	52.14
032-REVENUES	1,680,532.00	334,697.19	147,450.00	1,345,834.81	19.92
033-REVENUES	139,500.00	70,791.65	0.00	68,708.35	50.75
034-REVENUES	154,450.00	47,098.16	20,472.29	107,351.84	30.49
035-REVENUES	17,700.00	4,921.26	1,219.20	12,778.74	27.80
036-REVENUES	624,536.00	(22,548.65)	9,644.93	647,084.65	(3.61)
<b>TOTAL Revenues</b>	<b>7,483,618.00</b>	<b>2,972,720.02</b>	<b>185,846.22</b>	<b>4,510,897.98</b>	<b>39.72</b>
<b>Fund 101 - GENERAL FUND:</b>					
101-LEGISLATIVE	19,895.00	15,278.70	7,087.23	4,616.30	76.80
151-PLANNING	171,208.00	89,490.94	11,499.94	81,717.06	52.27
173-GENERAL SERVICES	604,352.00	340,988.88	41,003.90	263,363.12	56.42
191-ELECTIONS	5,600.00	3,214.86	568.51	2,385.14	57.41
208-ACCOUNTING/AUDIT	12,600.00	12,600.00	0.00	0.00	100.00
209-ASSESSMENT/TAXES	67,800.00	46,313.41	10,471.24	21,486.59	68.31
210-LEGAL	57,500.00	42,608.87	5,460.00	14,891.13	74.10
248-GENERAL/OTHER SERVICES	161,200.00	76,334.23	5,403.91	84,865.77	47.35
250-HOUSING	0.00	167,023.64	88,479.16	(167,023.64)	100.00
265-PUBLIC BUILDINGS	2,806,305.00	2,081,052.93	279,383.84	725,252.07	74.16
301-POLICE DEPARTMENT	676,868.00	367,032.44	48,487.53	309,835.56	54.23
706-ENVIRONMENTAL	1,000.00	2,035.00	0.00	(1,035.00)	203.50
751-PARKS & RECREATION	1,049,540.00	187,207.98	24,040.40	862,332.02	17.84
804-MUSEUM	3,277.00	1,107.38	91.06	2,169.62	33.79
809-SIDEWALKS	800,000.00	7,483.12	2,328.50	792,516.88	0.94
890	0.00	0.00	0.00	0.00	0.00
899-CONTINGENCY	33,090.00	22,109.04	9,534.15	10,980.96	66.81
965-TRANSFERS OUT	1,013,383.00	411,609.15	88,545.60	601,773.85	40.62
<b>TOTAL Expenditures</b>	<b>7,483,618.00</b>	<b>3,873,490.57</b>	<b>622,384.97</b>	<b>3,610,127.43</b>	<b>51.76</b>
<b>TOTAL REVENUES</b>	<b>7,483,618.00</b>	<b>2,972,720.02</b>	<b>185,846.22</b>	<b>4,510,897.98</b>	<b>39.72</b>
<b>TOTAL EXPENDITURES</b>	<b>7,483,618.00</b>	<b>3,873,490.57</b>	<b>622,384.97</b>	<b>3,610,127.43</b>	<b>51.76</b>
<b>NET OF REVENUES &amp; EXPENDITURES</b>	<b>0.00</b>	<b>(900,770.55)</b>	<b>(436,538.75)</b>	<b>900,770.55</b>	<b>100.00</b>

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 202 - MAJOR STREET FUND					
030-REVENUES	909,588.00	205,827.83	94,997.00	703,760.17	22.63
TOTAL Revenues	909,588.00	205,827.83	94,997.00	703,760.17	22.63
451-CONSTRUCTION	407,653.00	304,855.22	270,800.11	102,797.78	74.78
463-ROUTINE MAINTANCE	267,750.00	143,578.92	26,079.32	124,171.08	53.62
474-TRAFFIC SERVICE	20,520.00	4,239.14	657.86	16,280.86	20.66
478-WINTER MAINTENANCE	143,000.00	18,316.15	2,358.60	124,683.85	12.81
482-ADMINISTRATION	70,665.00	42,487.80	3,673.57	28,177.20	60.13
965-TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	909,588.00	513,477.23	303,569.46	396,110.77	56.45
Fund 202 - MAJOR STREET FUND:					
TOTAL REVENUES	909,588.00	205,827.83	94,997.00	703,760.17	22.63
TOTAL EXPENDITURES	909,588.00	513,477.23	303,569.46	396,110.77	56.45
NET OF REVENUES & EXPENDITURES	0.00	(307,649.40)	(208,572.46)	307,649.40	100.00

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE)	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 203 - LOCAL STREET FUND					
030-REVENUES	525,011.00	199,801.24	36,339.05	325,209.76	38.06
TOTAL Revenues	525,011.00	199,801.24	36,339.05	325,209.76	38.06
451-CONSTRUCTION	20,263.00	37,071.18	352.18	(16,808.18)	182.95
463-ROUTINE MAINTANCE	299,000.00	134,071.33	27,945.78	164,928.67	44.84
474-TRAFFIC SERVICE	17,813.00	4,638.04	2,245.52	13,174.96	26.04
478-WINTER MAINTENANCE	120,610.00	18,323.04	2,122.15	102,286.96	15.19
482-ADMINISTRATION	67,325.00	41,236.56	3,673.42	26,088.44	61.25
TOTAL Expenditures	525,011.00	235,340.15	36,339.05	289,670.85	44.83
Fund 203 - LOCAL STREET FUND:					
TOTAL REVENUES	525,011.00	199,801.24	36,339.05	325,209.76	38.06
TOTAL EXPENDITURES	525,011.00	235,340.15	36,339.05	289,670.85	44.83
NET OF REVENUES & EXPENDITURES	0.00	(35,538.91)	0.00	35,538.91	100.00

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 (DECREASE)	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 206 - FIRE FUND					
030-REVENUES	271,406.00	(33,082.00)	0.00	304,488.00	(12.19)
TOTAL Revenues	271,406.00	(33,082.00)	0.00	304,488.00	(12.19)
Fund 206 - FIRE FUND:					
TOTAL REVENUES	271,406.00	(33,082.00)	0.00	304,488.00	12.19
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	271,406.00	(33,082.00)	0.00	304,488.00	12.19

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL	ACTIVITY FOR ONTH 11/30/2015 (ABNORMAL) EASE	(DECREASE) RMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 209 - CEMETERY FUND						
030-REVENUES	75,039.00	19,238.00	3,660.00		55,801.00	25.64
TOTAL Revenues	75,039.00	19,238.00	3,660.00		55,801.00	25.64
Fund 209 - CEMETERY FUND:						
TOTAL REVENUES	75,039.00	19,238.00	3,660.00		55,801.00	25.64
TOTAL EXPENDITURES	0.00	0.00	0.00		0.00	0.00
NET OF REVENUES & EXPENDITURES	75,039.00	19,238.00	3,660.00		55,801.00	25.64

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL (ABNORMAL)	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 210 - AMBULANCE FUND					
030-REVENUES	907,400.00	504,318.46	34,786.00	403,081.54	55.58
032-REVENUES	150,000.00	58,283.50	0.00	91,716.50	38.86
TOTAL Revenues	1,057,400.00	562,601.96	34,786.00	494,798.04	53.21
045-EXPENSES	150,000.00	0.00	0.00	150,000.00	0.00
TOTAL Expenditures	150,000.00	0.00	0.00	150,000.00	0.00
Fund 210 - AMBULANCE FUND:					
TOTAL REVENUES	1,057,400.00	562,601.96	34,786.00	494,798.04	53.21
TOTAL EXPENDITURES	150,000.00	0.00	0.00	150,000.00	0.00
NET OF REVENUES & EXPENDITURES	907,400.00	562,601.96	34,786.00	344,798.04	62.00

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 211 - SPECIAL PROJECTS FUND					
030-REVENUES	0.00	6,190.62	234.75	(6,190.62)	100.00
032-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	6,190.62	234.75	(6,190.62)	100.00
Fund 211 - SPECIAL PROJECTS FUND:					
TOTAL REVENUES	0.00	6,190.62	234.75	(6,190.62)	100.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	6,190.62	234.75	(6,190.62)	100.00

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL	ACTIVITY FOR ONTH 11/30/2015 (ABNORMAL) EASE	(DECREASE) RMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 213 - FARMERS MARKET FUND						
030-REVENUES	0.00	40,512.45	2,455.00	(40,512.45)	100.00	
TOTAL Revenues	0.00	40,512.45	2,455.00	(40,512.45)	100.00	
Fund 213 - FARMERS MARKET FUND:						
TOTAL REVENUES	0.00	40,512.45	2,455.00	(40,512.45)	100.00	
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	
NET OF REVENUES & EXPENDITURES	0.00	40,512.45	2,455.00	(40,512.45)	100.00	

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL	ACTIVITY FOR ONTH 11/30/2015 (ABNORMAL) EASE	(DECREASE) RMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 226 - RUBBISH COLLECTION FUND						
030-REVENUES	38,300.00	38,315.00	0.00		(15.00)	100.04
TOTAL Revenues	38,300.00	38,315.00	0.00		(15.00)	100.04
Fund 226 - RUBBISH COLLECTION FUND:						
TOTAL REVENUES	38,300.00	38,315.00	0.00		(15.00)	100.04
TOTAL EXPENDITURES	0.00	0.00	0.00		0.00	0.00
NET OF REVENUES & EXPENDITURES	38,300.00	38,315.00	0.00		(15.00)	100.04

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 242 - BOYNE THUNDER FUND					
030-REVENUES	247,700.00	118,351.80	40.00	129,348.20	47.78
TOTAL Revenues	247,700.00	118,351.80	40.00	129,348.20	47.78
Fund 242 - BOYNE THUNDER FUND:					
TOTAL REVENUES	247,700.00	118,351.80	40.00	129,348.20	47.78
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	247,700.00	118,351.80	40.00	129,348.20	47.78

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY					
030-REVENUES	372,200.00	273,365.97	650.00	98,834.03	73.45
731-EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	372,200.00	273,365.97	650.00	98,834.03	73.45
030-REVENUES	0.00	0.00	0.00	0.00	0.00
731-EXPENDITURES	415,585.00	126,477.08	10,787.88	289,107.92	30.43
TOTAL Expenditures	415,585.00	126,477.08	10,787.88	289,107.92	30.43
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:					
TOTAL REVENUES	372,200.00	273,365.97	650.00	98,834.03	73.45
TOTAL EXPENDITURES	415,585.00	126,477.08	10,787.88	289,107.92	30.43
NET OF REVENUES & EXPENDITURES	(43,385.00)	146,888.89	(10,137.88)	(190,273.89)	338.57

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 251 - LDFA FUND					
030-REVENUES	191,418.00	143,132.51	0.00	48,285.49	74.77
TOTAL Revenues	191,418.00	143,132.51	0.00	48,285.49	74.77
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	0.00	0.00	0.00	0.00	0.00
Fund 251 - LDFA FUND:					
TOTAL REVENUES	191,418.00	143,132.51	0.00	48,285.49	74.77
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	191,418.00	143,132.51	0.00	48,285.49	74.77

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 285 - MARINA FUND					
030-REVENUES	154,400.00	123,687.26	8,196.40	30,712.74	80.11
TOTAL Revenues	154,400.00	123,687.26	8,196.40	30,712.74	80.11
Fund 285 - MARINA FUND:					
TOTAL REVENUES	154,400.00	123,687.26	8,196.40	30,712.74	80.11
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	154,400.00	123,687.26	8,196.40	30,712.74	80.11

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL	ACTIVITY FOR ONTH 11/30/2015 (ABNORMAL) EASE	(DECREASE) RMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 295 - AIRPORT FUND						
030-REVENUES	155,626.00	87,187.98	1,286.85		68,438.02	56.02
TOTAL Revenues	155,626.00	87,187.98	1,286.85		68,438.02	56.02
Fund 295 - AIRPORT FUND:						
TOTAL REVENUES	155,626.00	87,187.98	1,286.85		68,438.02	56.02
TOTAL EXPENDITURES	0.00	0.00	0.00		0.00	0.00
NET OF REVENUES & EXPENDITURES	155,626.00	87,187.98	1,286.85		68,438.02	56.02

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 410 - BOYNE SENIORS CENTER FUND					
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	0.00	0.00	0.00	0.00
Fund 410 - BOYNE SENIORS CENTER FUND:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	0.00	0.00	0.00

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL (ABNORMAL)	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 590 - WASTEWATER FUND					
030-REVENUES	<u>1,616,564.00</u>	<u>631,249.05</u>	<u>115,605.92</u>	<u>985,314.95</u>	<u>39.05</u>
032-REVENUES	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL Revenues	<u>1,616,564.00</u>	<u>631,249.05</u>	<u>115,605.92</u>	<u>985,314.95</u>	<u>39.05</u>
590-EXPENDITURES	<u>1,620,091.00</u>	<u>294,257.94</u>	<u>22,759.96</u>	<u>1,325,833.06</u>	<u>18.16</u>
592-EXPENDITURES	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
860	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL Expenditures	<u>1,620,091.00</u>	<u>294,257.94</u>	<u>22,759.96</u>	<u>1,325,833.06</u>	<u>18.16</u>
Fund 590 - WASTEWATER FUND:					
TOTAL REVENUES	<u>1,616,564.00</u>	<u>631,249.05</u>	<u>115,605.92</u>	<u>985,314.95</u>	<u>39.05</u>
TOTAL EXPENDITURES	<u>1,620,091.00</u>	<u>294,257.94</u>	<u>22,759.96</u>	<u>1,325,833.06</u>	<u>18.16</u>
NET OF REVENUES & EXPENDITURES	<u>(3,527.00)</u>	<u>336,991.11</u>	<u>92,845.96</u>	<u>(340,518.11)</u>	<u>9,554.61</u>

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 592 - WATER FUND					
030-REVENUES	624,546.00	16,429.22	15,962.97	608,116.78	2.63
032-REVENUES	0.00	342,508.41	65,915.72	(342,508.41)	100.00
592-EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	624,546.00	358,937.63	81,878.69	265,608.37	57.47
592-EXPENDITURES	528,197.00	214,895.29	23,828.45	313,301.71	40.68
TOTAL Expenditures	528,197.00	214,895.29	23,828.45	313,301.71	40.68
Fund 592 - WATER FUND:					
TOTAL REVENUES	624,546.00	358,937.63	81,878.69	265,608.37	57.47
TOTAL EXPENDITURES	528,197.00	214,895.29	23,828.45	313,301.71	40.68
NET OF REVENUES & EXPENDITURES	96,349.00	144,042.34	58,050.24	(47,693.34)	149.50

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 661 - MOTOR POOL FUND					
030-REVENUES	300,300.00	105,283.93	0.00	195,016.07	35.06
TOTAL Revenues	300,300.00	105,283.93	0.00	195,016.07	35.06
860	0.00	0.00	0.00	0.00	0.00
TOTAL Expenditures	0.00	0.00	0.00	0.00	0.00
<b>Fund 661 - MOTOR POOL FUND:</b>					
TOTAL REVENUES	300,300.00	105,283.93	0.00	195,016.07	35.06
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	300,300.00	105,283.93	0.00	195,016.07	35.06

PERIOD ENDING 11/30/2015

ACCOUNT DESCRIPTION	2015-16 AMENDED BUDGET	YTD BALANCE 11/30/2015 RMAL (ABNORMAL)	ACTIVITY FOR ONTH 11/30/2015 EASE (DECREASE) RMAL	AVAILABLE BALANCE RMAL (ABNORMAL)	% BDGT USED
Fund 701 - TRUST & AGENCY FUND					
030-REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL Revenues	0.00	0.00	0.00	0.00	0.00
Fund 701 - TRUST & AGENCY FUND:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES - ALL FUNDS	14,023,116.00	5,853,321.25	565,975.88	8,169,794.75	41.74
TOTAL EXPENDITURES - ALL FUNDS	11,632,090.00	5,257,938.26	1,019,669.77	6,374,151.74	45.20
NET OF REVENUES & EXPENDITURES	2,391,026.00	595,382.99	(453,693.89)	1,795,643.01	24.90



# City of Boyne City

# MEMO

Date: December 18, 2015

To: Mayor Neidhamer and the Boyne City City Commission

From: Michael Cain, City Manager 

Subject: Parkview Apartments Payment in Lieu of Taxes (PILOT) Request

Attached for the City Commission's review and possible consideration today is a revised draft ordinance that would provide a PILOT for the property that comprises the Parkview Apartments south of Division Street. A map showing the property is provided on page A.

This revised draft ordinance updates the previous one introduced on October 13<sup>th</sup> and replaces the one introduced at our December 8<sup>th</sup> meeting. Unlike the original version the loss in tax revenues created by using a PILOT would be felt equally by all taxing entities, including the City. The return on the PILOT in the current version is increased from 3% of base rents to 7%. The money from the earlier proposed side agreement which would have in effect held the City harmless from a loss in revenues associated with this PILOT would be shared equally by all the taxing entities. The term of the PILOT proposed under this agreement was shortened to 15 years, with the possibility of future renewal or extension. Enclosed again are pages M and N from our December 8<sup>th</sup> discussion which show the financial implications of this PILOT to us and the other taxing jurisdictions.

Also enclosed is an updates release of claims and a draft letter from me regarding our willingness to make an additional connection to our storm drain system, under certain conditions.

The City attorney has reviewed all these documents and finds them to be in proper order and that the City Commission can properly consider adoption of the PILOT ordinance currently before you, if the Commission desires. Attorney Murray expects to be present at today's meeting to help address any questions that might come up on this matter.

The matter is coming before the City Commission today, instead of on January 12<sup>th</sup> as proposed earlier, because the finding by the City Assessor that in order for this ordinance to have effect in 2016 it does have to be approved by December 31, 2015 was correct.

This matter has been properly published to be considered today and I have personally contacted the County Coordinator, School Superintendent, Library Director and Transit Executive Director regarding today's meeting. I have heard no objections to what is currently before you.

**RECOMMENDATION:** That the City Commission review the materials submitted and adopt the revised PILOT Ordinance as presented and authorize staff to take the necessary steps to implement it.

#### OPTIONS:

- 1) Deny the request for a PILOT
- 2) Revise the request for a PILOT
- 3) Postpone the request for further information or consideration
- 4) Other options as determined by the City Commission



# Park View Apartments Parcel Descriptions



33N06W35SESW

33N06W35SWSE

32N06W02NENW

32N06W02NWNE

Parcel A  
15-051-302-011-20

Parcel C  
15-051-302-011-30

Parcel B  
15-051-302-011-25

A

**CITY OF BOYNE CITY**

**ORDINANCE NO. \_\_\_\_\_**

**TAX EXEMPTION ORDINANCE**

ADOPTED: \_\_\_\_\_

An Ordinance to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with an Authority or Federally-Aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*) (the "Act"), and matters related thereto.

THE CITY OF BOYNE CITY ORDAINS:

Section 1. Purpose. This Ordinance authorizes and approves an annual service charge in lieu of taxes for residential housing developments that: (a) serve Low Income or Moderate Income Persons (as defined in the State Housing Development Authority Act, Act 346 of the Public Acts of Michigan of 1966, as amended, and this Ordinance); (b) are financed or assisted by USDA-RD or the Authority in accordance with Act 346; (c) are located within the City; and (d) comply with this Ordinance.

Section 2. Title. This Ordinance shall be known and cited as the "*City of Boyne City Tax Exemption Ordinance-Parkview Apartments.*"

Section 3. Preamble. It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City is authorized by this Act to establish or change the annual service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefitted and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City acknowledges that the Parkview Apartments Limited Dividend Housing Association Limited Partnership (the "Sponsor" as defined in Section 4 of this Ordinance) has committed to rehabilitate, own and operate a housing development identified as Parkview Apartments on certain property located at 326 East Division Street in the City to

serve low income persons and families, and that the Sponsor has offered to pay and will pay to the City on account of this housing project an annual service charge for public services in lieu of all *ad valorem* property taxes.

Section 4. Definitions. The terms used within this Ordinance shall have the following meanings:

A. "Act" means the State Housing Development Authority Act, being Act 346 of the Public Acts of Michigan of 1966, as amended.

B. "Authority" means the Michigan State Housing Development Authority.

C. "Annual Shelter Rents" means the total collections during each calendar year from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of Utilities.

D. "Class" means the Housing Development known as Parkview Apartments for Low Income or Moderate Income Persons.

E. "Contract Rents" are as defined by the U.S. Department of Housing and Urban Development in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended, received in connection with the operation of a housing project representing rent or occupancy charges, exclusive of utilities.

F. "Federally-Aided Mortgage" means any of the following:

(i) A mortgage insured, purchased, or held by the Secretary of the Department of Housing and Urban Development ("HUD") or United States Department of Agriculture — Rural Development ("USDA-RD");

(ii) A mortgage receiving interest credit reduction payments provided by the HUD or USDA - RD;

(iii) A Housing Development to which the Authority allocates low income housing tax credits under Section 22b of the Act; or

(iv) A mortgage receiving special benefits under other federal law designated specifically to develop low and moderate-income housing, consistent with the Act.

G. "Housing Development" means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines to improve the quality of the development as it relates to housing for persons of low income. For the purposes of this Ordinance, "Housing

Development" means Parkview Apartments located on the property legally described as:

Part of the Northeast ½ of the Northwest ¼, Section 2, T32N-R6W, City of Boyne City, Charlevoix County, Michigan. Described as beginning at a point on the North Line, of said Section 2 which is S 89°53'40" W, 331.89 feet from the north ¼ Corner of said Section 2; Thence S 00°35'05" E, 1426.53 feet; Thence S 89°09'43" W, 331.14 feet; Thence N 00°36'53", 1230.77 feet; Thence N 89°53'40" E, 100.00 feet; Thence N 00°36'53" W, 200.00 feet to a point on said North Line; Thence along said North Line 231.89 feet to the Point of beginning. Containing 10.413 acres more or less and subject to East Division Street Road Right of Way, also subject to all Easements and Restrictions of record.

H. "Low Income or Moderate Income Persons and Families" means persons and families eligible to move into the Housing Development and as defined in the Act, as amended.

I. "Mortgage Loan" means a loan or grant made or to be made or approved by the Authority or USDA-RD to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the Housing Development, and secured by a mortgage on the Housing Development.

J. "Rehabilitation" means the definition of rehabilitation as provided in MCL 125.1411(s) which includes improvements identified in the USDA-RD Approved Capital Needs Assessment for Parkview Apartments dated March 26, 2012. Included in this definition is any repair, reconstruction or rehabilitation of infrastructure at Parkview Apartments including roads, utilities, parking areas and facilities.

K. "Sponsor" means Parkview Apartments Limited Dividend Housing Association Limited Partnership and its successors or assigns, so long as such successor or assign is lawfully organized and receives a Mortgage Loan pursuant to this Ordinance.

L. "Tax Credits" means the low income housing tax credits made available by the Authority to the Sponsor for rehabilitation of the Housing Development by the Sponsor in accordance with the Low Income Housing Tax Credit Program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.

M. "USDA-RD" means the United States Department of Agriculture, Rural Development.

N. "Utilities" means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the Housing Development.

Section 5. Class of Housing Projects. It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income and Moderate Income Persons and Families that are financed with a Federally-Aided Mortgage Loan. It is further

determined that Parkview Apartments is of this class or assisted by USDA-RD or the Authority pursuant to the Act.

Section 6. Establishment of Annual Service Charge.

The Housing Development identified as Parkview Apartments and the property on which it is located shall be exempt from and after the commencement of Rehabilitation of the Housing Development, all ad valorem property taxes. The City acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the Housing Development for exemption from all *ad valorem* property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to rehabilitate and operate the Housing Development, the City agrees to accept payment of an annual service charge for public services in lieu of all *ad valorem* property taxes. Subject to receipt or continuance of a Federally-Aided Mortgage Loan, the annual service charge shall be equal to 7% of the Annual Shelter Rents actually collected by the Housing Development during each operating year.

Section 7. Limitation on the Payment of Annual Service Charge. Notwithstanding Section 6, if any portion of the Housing Development is occupied by other than Low Income and Moderate Income Persons, the full amount of the taxes that would be paid on those units of the Housing Development if the Housing Development were not tax exempt shall be added to the service charge in lieu of taxes.

Section 8. Contractual Effect of Ordinance. Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, and subject to the terms of this Ordinance including, but not limited to Section 11 herein, this Ordinance constitutes a contract between the City and the Sponsor with the Housing Development to provide an exemption from *ad valorem* property taxes and to accept the payment of an annual service charge in lieu of such taxes, as previously described in this Ordinance. It is expressly recognized that the Authority and USDA-RD are third party beneficiaries to this Ordinance. Sponsor shall provide to City, at least annually, any audit or annual report information, including a summary of Rehabilitation activities undertaken in the previous year, which Sponsor provides to other public agencies. If no audit or Rehabilitation activity summary is provided to other agencies, Sponsor shall nonetheless annually provide City a summary of Rehabilitation activities with evidence of costs paid to facilitate those Rehabilitation activities.

Section 9. Payment of Service Charge. The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as *ad valorem* property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 1<sup>st</sup> of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, *et seq.*)

Section 10. Duration. This Ordinance shall remain in effect and shall not terminate so long as the Housing Development remains subject to a Federally Aided Mortgage Loan and so long as (a) the Housing Development submits the required annual notification of exemption pursuant to M.C.L. 125.1415a(1), as amended; and (b) the Mortgage Loan remains outstanding and unpaid, but in any event not more than fifteen (15) years from the effective date of this Ordinance.

Section 11. Severability. The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

Section 12. Inconsistent Ordinances. All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

Section 13. Effective Date. This Ordinance shall become effective on fifteen (15) days after enactment or upon publication, whichever shall later occur as provided in Section 7.14 of the City Charter.

\_\_\_\_\_  
CITY CLERK

Passed and adopted by the City of Boyne City on \_\_\_\_\_, 2015.

\_\_\_\_\_  
, President

\_\_\_\_\_  
, Clerk



## RELEASE OF ALL CLAIMS

**THIS RELEASE OF ALL CLAIMS** (hereinafter referred to as "Release Agreement") is authorized and executed to be effective \_\_\_\_\_, 2016 by **Parkview Apartments Limited Dividend Housing Association Limited Partnership**, a Michigan limited partnership, of 05465 Aspen Drive, Charlevoix, Michigan 49720 (hereinafter referred to as "**Parkview Apartments**"); **LeDay, Inc.**, a Michigan corporation, whose address is PO Box 327, Boyne City Michigan 49712 ("**LeDay**"); and **Robert and Pamela Brooks**, husband and wife, whose address is 5465 Aspen Drive, Charlevoix, Michigan 49720 ("**Brooks**"). Parkview Apartments, LeDay and Brooks are jointly and severally releasing the City of Boyne City ("City") as provided herein and therefore shall be referred to collectively as "**Parkview**".

### RECITALS

WHEREAS, Parkview Apartments is the owner of the property commonly known as Parkview Apartments located on the property legally described as:

Part of the Northeast ½ of the Northwest ¼, Section 2, T32N-R6W, City of Boyne City, Charlevoix County, Michigan. Described as beginning at a point on the North Line, of said Section 2 which is S 89°53'40" W, 331.89 feet from the north ¼ Corner of said Section 2; Thence S 00°35'05" E, 1426.53 feet; Thence S 89°09'43" W, 331.14 feet; Thence N 00°36'53", 1230.77 feet; Thence N 89°53'40" E, 100.00 feet; Thence N 00°36'53" W, 200.00 feet to a point on said North Line; Thence along said North Line 231.89 feet to the Point of beginning. Containing 10.413 acres more or less and subject to East Division Street Road Right of Way, also subject to all Easements and Restrictions of record;

WHEREAS, LeDay and Brooks have an interest in Parkview Apartments;

WHEREAS, Parkview Apartments, LeDay and Brooks ("Parkview") have made claims against the City of Boyne City, its employees, representatives, assigns and agents, including C2AE, for damages to Parkview Apartments, including damages to their road, parking areas and other infrastructure due to groundwater impoundment/increased groundwater elevations allegedly caused by the City's removal of the culvert under Division Street when Division Street was reconstructed (the "Property Claims");

WHEREAS, Parkview Apartments has also made claims against the City for violations of the Michigan Freedom of Information Act (the "FOIA Claims"). The Property Claims and FOIA Claims against the City are collectively referred to as the "Claims");

WHEREAS, Parkview and City desire to settle the Claims Parkview may have against City as of the date of this Release Agreement;

WHEREAS, the City, at its sole cost, recently reconstructed portions of Division Street near Parkview Apartments and also enacted Ordinance No. \_\_ cited as the "*City of Boyne City Tax Exemption Ordinance-Parkview Apartments.*"

Therefore, Parkview Apartments, LeDay and Brooks, jointly and severally, and in consideration of these Recitals and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged agree as follows:

### AGREEMENT

Parkview Apartments, LeDay and Brooks (jointly and severally "Parkview") hereby and for their owners, employees, agents, representatives, successors and assigns, release, acquit and forever discharge City and its agents (including C2AE), affiliates, successors, heirs, assigns, employees, representatives, insurance carriers, lawyers, and all persons acting by, through, under or in concert with them from the Claims, and any and all manners of action or actions, causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, expenses or attorneys' fees of any nature whatsoever, known or unknown and arising or related to the Claims, which Parkview now has or may hereafter have against City by reason of any acts, omissions, events or facts occurring or existing prior to the date hereof. The claims released hereunder include, without limitation, the Claims for damages to Parkview Apartments' road, parking areas and other infrastructure due to groundwater impoundment/increased groundwater elevations allegedly caused by the City's removal of the culvert under Division Street when Division Street was reconstructed; violations of the Freedom of Information Act or any other matter related to the Claims or causes of action recognized by State or Federal statutes or by common law or case law. This release does not preclude the option of Releasors to request and the City to permit the connections of edge drains serving the Parkview Apartments property to the City catch basins to aid in the lowering of groundwater elevations on the Parkview property. Any such connection shall be at the sole cost of Releasors.

The undersigned further declare and represent that no promise, inducement or agreement which has not been expressed within the four corners of this agreement entitled "Release of All Claims" has been made and that this Release Agreement contains the entire agreement between the undersigned parties hereto and further that the terms of this Release Agreement are contractual and not merely a recital.

It is understood and agreed that this settlement is a compromise of doubtful and disputed claims and that the agreements made hereunder are not to be construed as an admission of liability or wrongdoing on the part of any of the parties hereby released and that City hereby denies any liability for any claims of Parkview but merely intends to avoid litigation and to buy its peace.

Parkview hereby declares and represents that the damages claimed to be sustained by them may exist in the future and that recovery therefrom is uncertain and indefinite





sworn, did depose and say that he has read and understand the foregoing and that he executed the same freely and without duress on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_County, MI, acting in \_\_\_\_\_  
County, Michigan  
My commission expires:\_\_\_\_\_

LeDay, Inc., a Michigan corporation

Dated: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_day of \_\_\_\_\_, 2015, before me personally appeared \_\_\_\_\_ as \_\_\_\_\_ of LeDay, Inc., a Michigan corporation, known to me as the person named herein who executed the foregoing Release and who, after being first duly sworn, did depose and say that he has read and understand the foregoing and that he executed the same freely and without duress on behalf of the corporation.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_County, MI, acting in \_\_\_\_\_  
County, Michigan  
My commission expires:\_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Robert Brooks

Dated: \_\_\_\_\_

\_\_\_\_\_  
Pamela Brooks

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2015, before me personally appeared Robert Brooks and Pamela Brooks, known to me as the persons named herein who executed the foregoing Release and who, after being first duly sworn, did depose and say that they have read and understand the foregoing and that they executed the same freely and without duress.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County, MI, acting in \_\_\_\_\_  
County, Michigan  
My commission expires: \_\_\_\_\_

Open.06056.60760.16208840-1

1 Aggregate Taxable Value \$ 1,000,000  
 2 TCV Annual Inflation 0.008  
 3 REHAB Capital Needs Assessment Estimated Total \$1,500,000  
 4 Park View Damage Repair Total \$150,000  
 5 Annual Sheltered Rent Receipts (est.) \$ 545,350  
 6 City Project Total (est.) \$ 60,000  
 7 % PILOT (percent of sheltered rent receipts) 7%

Total	Jurisdiction	Class	Millage	%	Jurisdictions					TOTAL TAXES	A B			
					YEAR	Millages	Schools	Dist. Library	Char-Em ISD		County	City	ANNUAL PILOT 7% of SHELTERED RENTS (est.)	City Share of 7% PILOT
27.3500	Schools	SET	6.0000	21.94%										
		Local Ops	18.0000	65.81%										
		Local Debt	3.3500	12.25%										
0.9696	Dist. Library	Ops 1	0.6367	65.67%										
		Ops 2	0.3329	34.33%										
2.7813	Char-Em ISD	Ops1	0.2000	7.19%										
		SpEd 1	0.6713	24.14%										
		SpEd 2	1.1600	41.71%										
		VocTech	0.7500	26.97%										
7.7500	County	Ops 1	4.7000	60.65%										
		Transit	0.2500	3.23%										
		Grandvu	0.7500	9.68%										
		Vets	0.1000	1.29%										
		Parks	0.1500	1.94%										
		Seniors	0.6500	8.39%										
		Recycling	0.1500	1.94%										
		Roads	1.0000	12.90%										
18.2000	City	Ops 1	15.5100	85.22%										
		Fac'y Debt	2.6900	14.78%										
57.0509	<b>TOTALS</b>		57.0509											
					1	2016	\$27,350	\$970	\$2,781	\$7,750	\$18,200	\$57,051	\$38,175	\$12,178
					2	2017	\$27,350	\$970	\$2,781	\$7,750	\$18,200	\$57,051	\$38,175	\$12,178
					3	2018	\$27,350	\$970	\$2,781	\$7,750	\$18,200	\$57,051	\$38,175	\$12,178
					4	2019	\$27,350	\$970	\$2,781	\$7,750	\$18,200	\$57,051	\$38,175	\$12,178
					5	2020	\$27,350	\$970	\$2,781	\$7,750	\$18,200	\$57,051	\$38,175	\$12,178
					6	2021	\$27,569	\$977	\$2,804	\$7,812	\$18,346	\$57,507	\$38,175	\$12,178
					7	2022	\$27,789	\$985	\$2,826	\$7,874	\$18,492	\$57,967	\$38,175	\$12,178
					8	2023	\$28,012	\$993	\$2,849	\$7,937	\$18,640	\$58,431	\$38,175	\$12,178
					9	2024	\$28,236	\$1,001	\$2,871	\$8,001	\$18,789	\$58,899	\$38,175	\$12,178
					10	2025	\$28,462	\$1,009	\$2,894	\$8,065	\$18,940	\$59,370	\$38,175	\$12,178
					11	2026	\$28,689	\$1,017	\$2,918	\$8,130	\$19,091	\$59,845	\$38,175	\$12,178
					12	2027	\$28,919	\$1,025	\$2,941	\$8,195	\$19,244	\$60,323	\$38,175	\$12,178
					13	2028	\$29,150	\$1,033	\$2,964	\$8,260	\$19,398	\$60,806	\$38,175	\$12,178
					14	2029	\$29,383	\$1,042	\$2,988	\$8,326	\$19,553	\$61,292	\$38,175	\$12,178
					15	2030	\$29,618	\$1,050	\$3,012	\$8,393	\$19,710	\$61,783	\$38,175	\$12,178
					<b>TOTALS</b>						\$281,203	\$881,478	\$572,618	\$182,673
					<b>NOTES:</b> COL A = ROW 5 x ROW 7 COL B = COL A x 18.2 mils ÷ 57.0509 mils									

**Money to Split**

**\$38,175**

<b>JURISDICTION</b>	<b>Millage</b>	<b>% of Mills</b>	<b>Taxes</b>	
Schools - SET	6.00000	10.52%	\$4,014.84	
Schools - Local Ops	18.00000	31.55%	\$12,044.51	
Schools - Local Debt	3.35000	5.87%	\$2,241.62	<b>\$18,300.96</b>
District Library - Ops 1	0.63670	1.12%	\$426.04	
District Library - Ops 2	0.33290	0.58%	\$222.76	<b>\$648.80</b>
Char EM Isd - Ops 1	0.20000	0.35%	\$133.83	
Char EM Isd - Spc Ed 1	0.67130	1.18%	\$449.19	
Char EM Isd - Spc Ed 2	1.16000	2.03%	\$776.20	
Char EM Isd - Voc Ed	0.75000	1.31%	\$501.85	<b>\$1,861.08</b>
County - Ops 1	4.70000	8.24%	\$3,144.95	
County Transit	0.25000	0.44%	\$167.28	
County Grandvue	0.75000	1.31%	\$501.85	
County Vets	0.10000	0.18%	\$66.91	
County Parks	0.15000	0.26%	\$100.37	
County Seniors	0.65000	1.14%	\$434.94	
County Recycling	0.15000	0.26%	\$100.37	
County Roads	1.00000	1.75%	\$669.14	<b>\$5,185.83</b>
City Ops 1	15.51000	27.19%	\$10,378.35	
City Facility Debt	2.69000	4.72%	\$1,799.98	<b>\$12,178.34</b>
	57.0509	100.00%	\$38,175.00	<b>\$38,175.00</b>

December 8, 2015

Robert Brooks  
Parkview Apartments Limited  
Dividend Housing Association  
Limited Partnership  
05465 Aspen Drive  
Charlevoix, MI 49720

RE: Parkview Apartments

Dear Mr. Brooks:

The City of Boyne City ("City") agrees that, upon the request of Parkview Apartments Limited Dividend Housing Association Limited Partnership ("Parkview"), the City will permit the connection of edge drains serving the Parkview Apartments property to the City catch basins to aid in the lowering of groundwater elevations on the Parkview property. Any such connection shall be at the sole cost of Parkview and subject to the following:

The City reserves the right to restrict the flow to a manageable level to make sure it does not overtask the City system. For example, it may require that Parkview connects gradually as the system can accept it. In addition, the City's duty to accept is conditional on the following:

1. Proper design documentation for the tie-in is prepared by a licensed professional engineer and is provided for review by the City of Boyne City
2. They submit a completed Right of Way use form.
3. All work will be required to adhere to our Municipal Standards.

Very truly yours,

Michael Cain, City Manager





# City of Boyne City

# MEMO

Date: December 18, 2015  
To: Mayor Neidhamer and the Boyne City City Commission  
From: Michael Cain, City Manager  
Subject: City Facilities Bond Sale Authorization

On May 5<sup>th</sup> the voters of the City of Boyne City authorized the City to borrow up to \$7,000,000 with the approval of the Facility Improvements Bond Proposal. Since then, the City, working with our architect Ray Kendra of Environment Architects has been finalizing plans for our new facilities. Bids for that project are scheduled to be issued on January 28<sup>th</sup> and due two weeks later on February 17<sup>th</sup>. The City Commission will be free to accept a bid anytime thereafter, possibly at the February 23<sup>rd</sup> regularly scheduled noon City Commission meeting.

Before the City Commission today is a resolution authorizing staff to proceed with the process of issuing the voter approved bonds at the \$7,000,000 amount. Attached is a December 16, 2015 letter and the proposed resolution on the matter from the City's long standing bond attorney Patrick McGow of the law firm Miller, Canfield, Paddock and Stone. Also attached is a December 14, 2015 letter outlining the terms on this matter from our long standing financial consultant Paul Stauder of The PFM Group. The PFM Group is a new name to most of us. They recently acquired the firm Paul was associated with; Stauder, Barch and Associates. Both Pat and Paul worked with us on the 2004 approximately \$8.4 million bond sale for the Wastewater plant improvements and all has gone well. In addition, a proposed schedule for this matter is also attached.

As the Commissioners may be aware, this is a time of historically low interest rates, even with the Federal Reserve's increase of 0.25 percent last week. This is a good time to borrow money.

While we will not know for sure the exact cost of our proposed project until the bids come in, our architect continues to believe we are still within our estimated amounts. Excess bond proceeds above what would be needed to do the project, if any, could be used to make payments towards the cost of the bonds.

If anyone has any questions on this matter, please let me know prior to the meeting. I have contacted both Paul and Pat to arrange their availability by phone if needed. However with people's holiday schedules, reaching people is a bit more difficult this time of year. I would prefer as much time as possible to address any questions you may have.

**RECOMMENDATION:** That the City Commission approve the proposed resolution authorizing the 2016 Unlimited Tax General Obligation Bonds for financing the City Facilities improvements as approved by the Voters of the City of Boyne City and authorize the Mayor, City Manager and City Clerk/Treasurer to take all appropriate steps necessary to implement this action.

#### Options:

- a) Postpone action on this matter for further information or consideration.
- b) Modify the request
- c) Deny the request.
- d) Other option as determined by the City Commission.

# MILLER CANFIELD

PATRICK F. MCGOW  
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150 West Jefferson, Suite 2500  
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[www.millercanfield.com](http://www.millercanfield.com)

MICHIGAN: Ann Arbor  
Detroit • Grand Rapids  
Kalamazoo • Lansing • Troy

FLORIDA: Tampa

ILLINOIS: Chicago

NEW YORK: New York

OHIO: Cincinnati

CANADA: Windsor

CHINA: Shanghai

MEXICO: Monterrey

POLAND: Gdynia

Warsaw • Wrocław

December 16, 2015

Mr. Michael Cain  
City Manager  
City of Boyne City  
319 North Lake Street  
Boyne City MI 49712-1101

Re: \$7,000,000 City of Boyne City, County of Charlevoix, Michigan  
2016 Unlimited Tax General Obligation Bonds

Dear Mike:

I have enclosed a form of Bond Authorizing Resolution to be considered for approval by the City Council at its meeting scheduled on December 23rd. The Resolution authorizes the issuance of the Bonds to pay the cost of the construction of the facilities improvements authorized by the Boyne City Facilities Improvements Bond Proposal approved by the voters on May 5, 2015. The Resolution authorizes the issuance of the Bonds in the amount of \$7,000,000.

The Resolution is based upon the bond specifications prepared by Public Financial Management, Inc., the City's financial advisors. The Resolution sets forth the terms of the Bonds, the form of Bonds, the form of notice of sale and provides for a competitive public sale of the Bonds. The Resolution also authorizes various City officials to take the necessary actions to issue, sell and deliver the Bonds and delegates the authority to award the Bonds to the City Manager and/or City Treasurer. There are various blanks in the Resolution in the form of bond and form of Notice of Sale that are intended to be in blank, those items will be completed in the final forms of those documents.

The enclosed Resolution is the only approval from the City Council needed for this issue. If approved, the Resolution authorizes the City Manager and City Treasurer to take the necessary steps to select the sale date, proceed with the sale of the Bonds and award the Bonds on the date of the sale of the Bonds to the bidder whose bid produces the lowest interest cost to the City.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. Michael Cain

-2-

December 16, 2015

After the adoption of the Bond Authorizing Resolution, the next step would be to prepare and finalize the Preliminary Official Statement and information for rating agencies to proceed to a bond sale. Public Financial Management will make arrangements to prepare and distribute the Preliminary Official Statement for the Bonds. My office will make arrangements for the publication of the Official Notice of Sale in The Bond Buyer, a municipal finance newspaper that regularly carries such notices of sale.

If you or anyone copied on this letter have any questions about the enclosed Resolution, please give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By:



Patrick F. McGow

Enclosures

cc: (w/ Encl.)  
Cindy Grice, City Treasurer  
Paul Stauder

25659859.1\010277-00016

**RESOLUTION AUTHORIZING  
2016 UNLIMITED TAX GENERAL OBLIGATION BONDS**

**CITY OF BOYNE CITY  
COUNTY OF CHARLEVOIX, STATE OF MICHIGAN**

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Minutes of a special meeting of the City Commission of the City of Boyne City, County of Charlevoix, State of Michigan, held on December 23, 2015, at 9:00 a.m., prevailing Eastern Time.

PRESENT: Members: \_\_\_\_\_

\_\_\_\_\_

ABSENT: Members: \_\_\_\_\_

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the qualified electors of the City of Boyne City, County of Charlevoix, State of Michigan (the "City"), at the election duly called and held on May 5, 2015, did by more than the required majority of those voting approve the following proposition:

**Boyne City Facility Improvements Bond Proposal**

Shall the City of Boyne City, Michigan, borrow the principal sum of not to exceed Seven Million Dollars (\$7,000,000) and issue its general obligation unlimited tax bonds, in one or more series, payable in not to exceed twenty-one (21) years, for the purpose of paying the cost to acquire, construct, furnish and equip buildings and City facilities to house its police, fire, ambulance, museum and City Hall operations, including site acquisition, demolition, site improvements and related infrastructure improvements? If approved, the estimated millage to be levied in 2016 is 2.69 mills (\$2.69 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 2.26 mills (\$2.26 per \$1,000 of taxable value).

WHEREAS, it is the determination of the City Commission that at this time unlimited tax general obligation bonds in the principal amount of not to exceed Seven Million Thousand Dollars (\$7,000,000) be issued pursuant to the above proposition for the purpose described in the above proposition (the "Project").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated **2016 Unlimited Tax General Obligation Bonds** (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Seven Million Thousand Dollars (\$7,000,000) for the purpose of paying the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The issue shall

consist of bonds in fully-registered form of the denomination of \$5,000, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration, dated as of the date of delivery. The Bonds shall bear interest, mature and be payable at the times and in the manner set forth in Sections 6 and 7 hereof.

The Bonds shall be sold at public sale at a price not less than 99% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 6 and 7 hereof and if term bonds are selected by the original purchaser of the bonds, then the bonds will be subject to mandatory redemption in accordance with the foregoing maturity schedule at par.

Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The principal of the Bonds shall be payable at a bank or trust company as the transfer agent for the bonds (the "Transfer Agent"), to be selected by the City Manager or Treasurer at the time of sale of the Bonds.

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and the Treasurer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form and to make such changes in the Bond Form within the parameters of this resolution as may be required to accomplish the foregoing.

2. Execution of Bonds. The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. No Bond shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Treasurer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption

date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

4. Debt Retirement Fund; Unlimited Tax Pledge; Defeasance of Bonds. The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the City Commission, to be designated 2016 UNLIMITED TAX GENERAL OBLIGATION BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature. The City hereby pledges its unlimited tax full faith and credit for the prompt payment of the Bonds. All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the year 2016, there shall be levied upon the tax rolls of the City for the purpose of the Debt Retirement Fund each year, in the manner required by the provisions of Act 34, Public Acts of Michigan, 2001, as amended, an amount sufficient so that the estimated collection therefrom will be sufficient to promptly pay, when due, the principal of and interest on the Bonds becoming due prior to the next annual tax levy; provided, however, that if at the time of making any such annual tax levy there shall be other funds available or surplus moneys on hand in the Debt Retirement Fund for the payment of principal of and interest on the Bonds, then credit therefor may be taken against such annual levy for the Debt Retirement Fund.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Construction Fund; Proceeds of Bond Sale. The City Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the City Commission, to be designated 2016 UNLIMITED TAX GENERAL OBLIGATION BONDS CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF CHARLEVOIX

**CITY OF BOYNE CITY**

2016 UNLIMITED TAX GENERAL OBLIGATION BOND

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	May 1, _____	_____, 2016	

Registered Owner:

Principal Amount: \_\_\_\_\_ Dollars

The City of Boyne City, County of Charlevoix, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2016 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_ Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

This bond is one of a series of bonds aggregating the principal sum of \$7,000,000, issued for the purpose of paying the cost to acquire, construct, furnish and equip City facilities improvements and all related costs, and paying costs incidental to the issuance of the series of bonds in pursuance of a vote of the qualified electors of the City voting thereon at an election duly called and held on May 5, 2015.

Bonds of this issue maturing in the years 2017 to 2026, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 2027 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after May 1, 2026, at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called in part for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

This bond is payable out of the City's Debt Retirement Fund for this issue and in order to make such payment, the City is required each year to levy taxes on all taxable property within the boundaries of the City for such payment, without limitation as to either rate or amount.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Boyne City, by its City Commission, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

**CITY OF BOYNE CITY**  
County of Charlevoix  
State of Michigan

By: \_\_\_\_\_  
Its Mayor

By: \_\_\_\_\_  
Its City Clerk

(SEAL)

(Form of Transfer Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned resolution.

\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Transfer Agent

By: \_\_\_\_\_  
Authorized Signatory

[Bond printer to insert form of assignment]

7. Notice of Sale. The City Clerk is authorized to fix a date of sale for the Bonds and to arrange to publish a notice of sale of the Bonds in *The Bond Buyer*, New York, New York, which notice of sale shall be in substantially the following form:

OFFICIAL NOTICE OF SALE

\$7,000,000  
CITY OF BOYNE CITY  
COUNTY OF CHARLEVOIX, STATE OF MICHIGAN  
2016 UNLIMITED TAX GENERAL OBLIGATION BONDS

SEALED BIDS for the purchase of the above bonds will be received at the office of the City Clerk located at 319 N. Lake Street, Boyne City, MI 49712 on \_\_\_\_\_, the \_\_\_\_ day of \_\_\_\_\_, 2015 until \_\_\_\_ a.m., prevailing Eastern Time, at which time and place said bids will be publicly opened and read.

SEALED BIDS will also be received on the same date and until the same time at the offices of the Municipal Advisory Council of Michigan, Buhl Building, 535 Griswold, Suite 1850, Detroit, Michigan 48226, when, simultaneously, the bids will be opened and read.

FAXED BIDS: Signed bids may be submitted by fax to the City Clerk at fax number (231) 582-6506 or to the Municipal Advisory Council of Michigan at fax number (313) 963-0943; provided that faxed bids must arrive before the time of sale and the bidder bears all risks of transmission failure and the GOOD FAITH DEPOSIT MUST BE MADE AND RECEIVED as described in the Section "GOOD FAITH" below.

ELECTRONIC BIDS: Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10010, (212) 849-5021. IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.

Bidders may choose any means or location to present bids but a bidder may not present a bid in more than one location or by more than one means.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of initial delivery, numbered in order of registration, and will bear interest from their date payable on November 1, 2016, and semiannually thereafter.

The bonds will mature on the 1st day of May in each of the years, as follows:

2017	\$100,000	2027	\$355,000
2018	220,000	2028	370,000
2019	240,000	2029	390,000
2020	265,000	2030	405,000
2021	280,000	2031	420,000
2022	290,000	2032	440,000
2023	300,000	2033	460,000
2024	315,000	2034	480,000

2025	330,000	2035	500,000
2026	340,000	2036	500,000

**PRIOR REDEMPTION OF BONDS:** Bonds maturing in the years 2017 to 2026 inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2027 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after May 1, 2026, at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the transfer agent to redeem said bond or portion thereof.

**TERM BOND OPTION:** The initial purchaser of the bonds may designate any one or more maturities from May 1, 2017 through the final maturity as term bonds and the consecutive maturities on or after the year 2017 which shall be aggregated in the term bonds. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on May 1 of the years and in the amounts set forth in the above maturity schedule at a redemption price of par, plus accrued interest to the date of mandatory redemption. Term bonds or portions thereof mandatorily redeemed shall be selected by lot. Any such designation must be made at the time bids are submitted and must be listed on the bid.

**INTEREST RATE AND BIDDING DETAILS:** The bonds shall bear interest at rate or rates not exceeding 5% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. THE INTEREST RATE FOR EACH SERIAL OR TERM BOND MATURITY SHALL BE EQUAL TO OR GREATER THAN THE PRECEDING SERIAL OR TERM BOND MATURITY. The difference between the highest and lowest interest rates bid shall not exceed three percent (3%) per annum. No proposal for the purchase of less than all of the bonds or at a price less than 99% or more than 102% of their par value will be considered.

**BOOK-ENTRY OPTION:** Upon the request of the successful bidder, the bonds will be issued in book-entry only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the bonds. In the event of registration with DTC, the purchaser will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds. In the alternative, the successful bidder may request bond certificates to be delivered to the purchaser as one fully registered bond per maturity.

**TRANSFER AGENT AND REGISTRATION:** Principal shall be payable at the principal

corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check mailed to the registered owner of record as shown on the registration books of the City as of the 15th day prior to an interest payment date. The bonds will be transferred only upon the registration books of the City kept by the transfer agent.

PURPOSE AND SECURITY: The bonds were authorized at an election held on May 5, 2015 for the purpose of paying the cost to acquire, construct, furnish and equip City facility improvements. The bonds will pledge the full faith and credit of the City for payment of the principal and interest thereon and will be payable from ad valorem taxes which may be levied without limitation as to rate or amount. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$140,000 payable to the order of the Treasurer of the City will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the City as instructed by the City not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

AWARD OF BONDS: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on November 1, 2016 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to \_\_\_\_\_, 2016, in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the City, computed in the manner specified above.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The successful bidder will be required to furnish, at delivery of the bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the "Code"). Such certificate will include (i) for those maturities where 10% of each such maturity of the bonds has been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, the price at which the first 10% of each such maturity was sold to members of the general public, and (ii) for those maturities where 10% of such maturity has not been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, an agreement by the successful bidder to provide bond counsel with the prices at which the first 10% of each such maturity is ultimately sold to members of the general public.

"QUALIFIED TAX EXEMPT OBLIGATIONS": The City has designated the bonds as "Qualified Tax Exempt Obligations" for purposes of the deduction of interest expense by financial

institutions pursuant to the Code.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

DELIVERY OF BONDS: The City will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC in New York, New York, or such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the City shall promptly return the good faith deposit. Payment for the bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the bonds shall be paid by the purchaser at the time of delivery.

CUSIP NUMBERS: Upon the request of the successful bidder, CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the Issuer; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser.

OFFICIAL STATEMENT: A preliminary Official Statement that the City deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from Public Financial Management, Inc., financial advisors to the City, at the address and telephone listed under REGISTERED MUNICIPAL ADVISOR below. Public Financial Management, Inc., will provide the winning bidder with 100 final Official Statements within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Additional copies of the Official Statement will be supplied by Public Financial Management, Inc., upon request and agreement by the purchaser to Public Financial Management, Inc., within 24 hours of the time of sale.

BOND INSURANCE AT PURCHASER'S OPTION: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any and all increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the City has requested and received a rating on the Bonds from a rating agency, the City shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE

MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the City has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the sixth month after the end of each fiscal year commencing with the fiscal year ended June 30, 2016, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (i) above.

REGISTERED MUNICIPAL ADVISORS: Further information relating to the bonds may be obtained from the City's Registered Municipal Advisors, Public Financial Management, Inc., 3989 Research Park Drive, Ann Arbor, MI 481018, (telephone (734) 668-6688, Facsimile (734) 668-6723).

ENVELOPES containing the bids should be plainly marked "Proposal for 2016 Unlimited Tax General Obligation Bonds."

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Cindy Grice  
City Clerk  
City of Boyne City

8. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty-one (21) years.

9. Tax Covenant; Qualified Tax Exempt Obligations. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. The City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

10. Official Statement; Qualification for Insurance; Ratings. The City Manager and City Treasurer are hereby authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the City; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

11. Continuing Disclosure. The City agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and the City Manager and City Treasurer are hereby authorized to execute such undertaking prior to delivery of the Bonds.

12. Authorization of Other Actions. The City Manager and City Treasurer are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters within the parameters described in this resolution. The City Manager and City Treasurer are each authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, including the Michigan Department of Treasury, to enable the sale and delivery of the Bonds as contemplated herein.

13. Award of Sale of Bonds. The City Manager and City Treasurer are each hereby authorized on behalf of the City to award the sale of the Bonds to the bidder whose bid meets the requirements of law and which produces the lowest true interest cost to the City computed in accordance with the terms of the Official Notice of Sale as published.

14. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES:           Members: \_\_\_\_\_

\_\_\_\_\_

NAYS:           Members: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Cindy Grice, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Boyne City, County of Charlevoix, State of Michigan, at a special meeting held on December 23, 2016, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Cindy Grice, City Clerk

25654213.1\010277-00016



December 14, 2015

Mr. Patrick F. McGow  
Miller, Canfield, Paddock and Stone  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

Re: Not to Exceed \$7,000,000 City of Boyne City, County of Charlevoix, State of Michigan, 2016  
General Obligation Municipal Facility Bonds (UTGO)

Dear Pat:

Please draft a bond parameters resolution for the bonds for the Council's consideration on Tuesday, December 22nd. The first levy for the bonds will be July 1, 2016. The bonds will be offered via competitive sale by late February or early March. The bond parameters are as follows:

Tax Designation:	Designate as Bank Qualified
Date of Issue:	Date of Delivery
Principal Due:	May 1 annually
Maturities:	Provide for maturities in the years 2017 through 2036 (See Attached)
Term Bonds:	The initial purchaser of the bonds may designate any one or more maturities as term bonds and the consecutive maturities which shall be aggregated in the term bonds. Any such designation must be made within 24 hours of the sale.
Mandatory Redemption:	The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on the dates and in the amounts set forth in the maturity schedule at par, plus accrued interest to the date of mandatory redemption.
Optional Redemption:	Bonds maturing through 5-1-26 shall be non-callable. Bonds due thereafter shall be made callable, at the option of the Issuer, in such order as the Issuer shall determine on any date on or after 5-1-26 at par and accrued interest; no premium.
First Coupon:	11-1-2016.
Capitalized Interest:	None
Maximum Rate:	5%
Maximum Spread:	3%
Multiples:	1/8 or 1/20 of 1% or both
Restriction:	INTEREST RATES SHALL NOT BE IN DESCENDING ORDER.
Purchase Price:	Not less than 99% or more than 102% of the par value.
Basis of Award:	Lowest <u>T</u> <u>r</u> <u>u</u> <u>e</u> <u>I</u> <u>n</u> <u>t</u> <u>e</u> <u>r</u> <u>e</u> <u>s</u> <u>t</u> <u>C</u> <u>o</u> <u>s</u> <u>t</u> .
Bond Insurance:	Not at issuer's expense.
Good Faith Deposit:	Require a 2% good faith deposit to be made by noon following the day of sale.
Form of Bonds:	Non-Certificated; Book Entry Only
Bid Acceptance:	At the City administrative office or the Municipal Advisory Council. Bids may also be submitted via Parity or by Fax at either location.



3989 Research Park Drive  
Ann Arbor, MI 48108

734-668-6688  
734-668-6723 fax  
www.pfm.com

Mr. Patrick McGow  
December 14, 2015  
Page 2

Official Statements: The Financial Consultant will provide a reasonable number of Final  
Official Statements to the managing underwriter at no cost.  
Notice of Sale: Publish in The Bond Buyer  
Delegation parameters: Bond term not to exceed 21 years  
Purchase price not less than 99%  
TIC shall not exceed 5%

We would appreciate receiving a copy of the bond authorizing resolution, continuing disclosure undertaking and legal opinion when they become available. Please let me know if anything further is needed at this time.

Sincerely,

Paul R. Stauder  
Managing Director

PRS  
Enclosures

Cc: Michael Cain, City Manager  
Cindy Grice, City Treasurer  
Robert Naughton / Kristine Griffiths / Ray Slomba / Monica Vincent, PFM

Presale 20 Year Bonds

**\$7,000,000**  
**CITY OF BOYNE CITY**  
**COUNTY OF CHARLEVOIX, STATE OF MICHIGAN**  
**PROPOSED 2016 GENERAL OBLIGATION MUNICIPAL FACILITY BONDS**  
**(GENERAL OBLIGATION - UNLIMITED TAX)**

Dated: Feb 1, 16  
 Delivery: Feb 1, 16  
 Bond Term: 20 yrs, 3 mos  
 Average Life: 12.369  
 120% Useful Life of Projects: TBD  
 1:5 Ratio: TRUE  
 N.I.C.: 4.25%  
 [2] Debt/TV: 3.85%  
 [2] Debt/(TV+IFT): 3.74%

Ad Valorem T.V. Growth History			Avg Growth
2010	\$190,180,825		-0.88%
2011	184,630,417	-2.92%	
2012	180,707,199	-2.12%	
2013	178,260,973	-1.35%	
2014	179,796,939	0.86%	
2015	181,869,974	1.15%	
July Debt Levy: 100%			

**Schedule of Estimated Millage Needed to Retire Bonded Debt**

Tax Year	F/Y End 6-30	Existing UTGO Debt \$0	Interest Due Nov 1	Interest Due May 1	Interest Rate	Principal Due May 1	Total P&I	Total Existing & Proposed Debt	Plus Delq. Allowance 7.00%	(Use) of Funds on Hand \$0	Net Existing Proposed Debt	Projected Txbal Value [3]	Growth Rate	Mills This Issue	Mills Needed for Bond Debt
2015	2016	\$0	\$0	\$0	4.250%	\$0	\$0	\$0	\$0	\$0	\$0	\$187,277,356	1.15%		0.00
2016	2017	0	223,125 [1]	148,750	4.250%	100,000	471,875	471,875	35,517	0	507,392	189,150,130	1.00%	2.68	2.68
2017	2018	0	146,625	146,625	4.250%	220,000	513,250	513,250	0	0	513,250	191,987,382	1.50%	2.67	2.67
2018	2019	0	141,950	141,950	4.250%	240,000	523,900	523,900	0	0	523,900	195,827,129	2.00%	2.68	2.68
2019	2020	0	136,850	136,850	4.250%	265,000	538,700	538,700	0	0	538,700	200,722,807	2.50%	2.68	2.68
2020	2021	0	131,219	131,219	4.250%	280,000	542,438	542,438	0	0	542,438	205,740,878	2.50%	2.64	2.64
2021	2022	0	125,269	125,269	4.250%	290,000	540,538	540,538	0	0	540,538	210,884,399	2.50%	2.56	2.56
2022	2023	0	119,106	119,106	4.250%	300,000	538,213	538,213	0	0	538,213	216,156,509	2.50%	2.49	2.49
2023	2024	0	112,731	112,731	4.250%	315,000	540,463	540,463	0	0	540,463	221,560,422	2.50%	2.44	2.44
2024	2025	0	106,038	106,038	4.250%	330,000	542,075	542,075	0	0	542,075	227,099,433	2.50%	2.39	2.39
2025	2026	0	99,025	99,025	4.250%	340,000	538,050	538,050	0	0	538,050	232,776,919	2.50%	2.31	2.31
2026	2027	0	91,800	91,800	4.250%	355,000	538,600	538,600	0	0	538,600	238,596,342	2.50%	2.26	2.26
2027	2028	0	84,256	84,256	4.250%	370,000	538,513	538,513	0	0	538,513	244,561,250	2.50%	2.20	2.20
2028	2029	0	76,394	76,394	4.250%	390,000	542,788	542,788	0	0	542,788	250,675,281	2.50%	2.17	2.17
2029	2030	0	68,106	68,106	4.250%	405,000	541,213	541,213	0	0	541,213	256,942,163	2.50%	2.11	2.11
2030	2031	0	59,500	59,500	4.250%	420,000	539,000	539,000	0	0	539,000	263,365,717	2.50%	2.05	2.05
2031	2032	0	50,575	50,575	4.250%	440,000	541,150	541,150	0	0	541,150	269,949,860	2.50%	2.00	2.00
2032	2033	0	41,225	41,225	4.250%	460,000	542,450	542,450	0	0	542,450	276,698,607	2.50%	1.96	1.96
2033	2034	0	31,450	31,450	4.250%	480,000	542,900	542,900	0	0	542,900	283,616,072	2.50%	1.91	1.91
2034	2035	0	21,250	21,250	4.250%	500,000	542,500	542,500	0	0	542,500	290,706,474	2.50%	1.87	1.87
2035	2036	0	10,625	10,625	4.250%	500,000	521,250	521,250	0	0	521,250	297,974,136	2.50%	1.75	1.75
2036	2037	0	0	0	4.250%	0	0	0	0	0	0	305,423,489	2.50%		0.00
2037	2038	0	0	0	4.250%	0	0	0	0	0	0	313,059,076	2.50%		0.00
2038	2039	0	0	0	4.250%	0	0	0	0	0	0	320,885,553	2.50%		0.00
		<b>\$0</b>	<b>\$1,877,119</b>	<b>\$1,802,744</b>		<b>\$7,000,000</b>	<b>\$10,679,863</b>	<b>\$10,679,863</b>	<b>\$35,517</b>	<b>\$0</b>	<b>\$10,715,380</b>				

[1] 9 mos interest.

[2] Includes \$0 of Existing LT debt and \$0 of Existing UT debt as of Dated Date.

[3] Includes \$5,407,382 of Equivalent IFT Valuations and Less DDA/TIFA Debt Captures of \$0

kcg

**\$7,000,000**  
**CITY OF BOYNE CITY**  
**COUNTY OF CHARLEVOIX, STATE OF MICHIGAN**  
**PROPOSED 2016 GENERAL OBLIGATION MUNICIPAL FACILITY BONDS**  
**(GENERAL OBLIGATION - UNLIMITED TAX)**

Average Life = 0.69 years

**SCHEDULE OF ESTIMATED CONSTRUCTION FUND EARNINGS**

Date	EXPENDITURE ACTIVITY		Totals	Month	Payout %	Construction Fund Balance	Interest Rate	Projected Interest Earned
	Construction Projects	Other Fees and Costs						
Apr 16						\$7,000,000		
Apr 16	\$380,667	\$160,118	\$540,784	1	7.71%	6,459,216	0.25%	\$1,346
May 16	380,667		380,667	2	13.14%	6,079,895	0.25%	1,267
Jun 16	380,667		380,667	3	18.57%	5,700,495	0.25%	1,188
Jul 16	380,667		380,667	4	24.00%	5,321,015	0.25%	1,109
Aug 16	380,667		380,667	5	29.43%	4,941,457	0.25%	1,029
Sep 16	380,667		380,667	6	34.86%	4,561,820	0.25%	950
Oct 16	380,667		380,667	7	40.28%	4,182,104	0.25%	871
Nov 16	380,667		380,667	8	45.71%	3,802,308	0.25%	792
Dec 16	380,667		380,667	9	51.14%	3,422,434	0.25%	713
Jan 17	380,667		380,667	10	56.57%	3,042,480	0.25%	634
Feb 17	380,667		380,667	11	62.00%	2,662,447	0.25%	555
Mar 17	380,667		380,667	12	67.43%	2,282,336	0.25%	475
Apr 17	380,667		380,667	13	72.86%	1,902,144	0.25%	396
May 17	380,667		380,667	14	78.29%	1,521,874	0.25%	317
Jun 17	380,667		380,667	15	83.71%	1,141,524	0.25%	238
Jul 17	380,667		380,667	16	89.14%	761,095	0.25%	159
Aug 17	380,667		380,667	17	94.57%	380,587	0.25%	79
Sep 17	380,667		380,667	18	100.00%	0	0.25%	0
Oct 17	0		0	19	100.00%	0	0.25%	0
Nov 17	0		0	20	100.00%	0	0.25%	0
Dec 17	0		0	21	100.00%	0	0.25%	0
Jan 18	0		0	22	100.00%	0	0.25%	0
Feb 18	0		0	23	100.00%	0	0.25%	0
Mar 18	0		0	24	100.00%	0	0.25%	0
	<u>\$6,852,000</u>	<u>\$160,118</u>	<u>\$7,012,118</u>					<u>\$12,118</u>

Breakdown of Estimated Other Fees and Costs			
<b>OTHER FEES:</b>		<b>OTHER COSTS:</b>	
Municipal Advisory Council Fee	\$400	Election, Notice of Sale, Bond Printing, etc.	\$5,160
Auditor's Subsequent Events Review	500	Capitalized Interest: x mos. @ x%	0
Bond Attorney	26,450	Bond Discount 1.250%	87,500
Construction Manager (Incl. in Construction Costs)	0	Bond Insurance	0
Financial Consultant	16,650	Other	0
	0	<b>TOTAL OTHER COSTS:</b>	<u>\$92,660</u>
<b>Other:</b>		<b>TOTAL OTHER FEES AND COSTS</b>	<u>\$160,118</u>
Credit Ratings	\$16,958	Total Project Cost	\$7,012,118
Official Statement Printing & Mailing	5,500	Less Equity Contribution	0
Treasury Filing	1,000	Less Construction Fund Earnings	12,118
<b>TOTAL OTHER FEES</b>	<u>\$67,458</u>	<b>AMOUNT OF BOND ISSUE</b>	<u>\$7,000,000.00</u>
		Estimated Construction Fund Deposit	\$6,839,882

STAUDER, BARCH & ASSOCIATES, INC.  
Municipal Bond Financial and Marketing Consultants  
3989 Research Park Drive  
Ann Arbor, Michigan 48108  
Phone (734) 668-6688 Fax (734) 668-6723

prs  
12/14/15



**CITY OF BOYNE CITY  
2016 GENERAL OBLIGATION MUNICIPAL FACILITY BONDS**

**FINANCING TIMETABLE**

FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
31	1	2	3	4	5	6	28	29	1	2	3	4	5
7	8	9	10	11	12	13	6	7	8	9	10	11	12
14	15	16	17	18	19	20	13	14	15	16	17	18	19
21	22	23	24	25	26	27	20	21	22	23	24	25	26
28	29	1	2	3	4	5	27	28	29	30	31	1	2

**Proposed**

Action to be Taken

Responsible Party(s)

Date

City adopts Authorizing Resolution for Bond	<b>C</b>	<b>Dec 22, 15 (Tue)</b>
Preliminary Official Statement sent to all parties for review	FA	Feb 02, 16 (Tue)
Financial Advisor to send out rating and insurance packages	FA	Feb 02, 16 (Tue)
<b>Due diligence conference call to review Official Statement</b>	<b>All</b>	<b>Feb 16, 16 (Tue)</b>
Rating call	FA / C	Feb 17, 16 (Wed)
Second draft Official Statement sent out for review	FA	Feb 22, 16 (Mon)
<b>Publish Notice of Sale</b>	<b>BC</b>	<b>Feb 23, 16 (Tue)</b>
Preliminary Official Statement printed	FA	Feb 23, 16 (Tue)
Rating and Insurance due	FA	Mar 01, 16 (Tue)
<b>Bond Sale</b>	<b>All</b>	<b>Mar 08, 16 (Tue)</b>
Final Official Statement printed	FA	Mar 17, 16 (Thu)
Bond Counsel to prepare closing documents	BC	Mar 21, 16 (Mon)
Financial Advisor to circulate closing figures and instructions	FA	Mar 21, 16 (Mon)
<b>Tentative bond delivery</b>	<b>All</b>	<b>Mar 29, 16 (Tue)</b>
Bond Counsel to file Securities Report	BC	Mar 29, 16 (Tue)

**Key:**

- C = City- City Of Boyne City
- BC = Bond Counsel- Miller, Canfield, Paddock and Stone, P.L.C.
- FA = Financial Advisor- Public Financial Management, Inc.
- All = All parties

AW  
Dec-17-15

# December 2015

December 2015

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

January 2016

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 29	30	Dec 1 5:00pm ZBA	2	3 8:30am Main Street Board mtg. 6:00pm Parks & Rec	4	5
6	7 1:00pm Redevelopment Ready Community Development 6:30pm Lake Shore Drive Water System	8 7:00pm City Commission	9	10 6:00pm Joint Board and Commission Meeting (New DPW Building)	11	12
13	14	15	16	17	18	19
20	21 5:00pm Planning Commission 7:00pm Historical Commission	22	23 9 a.m. City Commission	24 Christmas Eve (United States) City Offices closed	25 Christmas City Offices Closed 11:00am Christmas Dinner (Presbyterian Church)	26
27	28	29	30	31 City Offices closed New Year's Eve (United States)	Jan 1, 16	2

# January 2016

January 2016							February 2016						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2		1	2	3	4	5	6
3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29					
31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 27	28	29	30	31	Jan 1, 16 City Offices Closed New Years Day	2
3	4	5 5:00pm ZBA	6	7 8:30am Main Street Board mtg. 6:00pm Parks & Rec	8	9
10	11 12:00pm EDC/LDFA	12 7:00pm City Commission	13	14 6:00pm City Wide Goal Setting	15	16
17	18 Martin Luther King Day (United States) 5:00pm Planning Commission	19	20	21	22	23
24	25	26 12:00pm City Commission	27	28 5:30pm Airport Advisory Board	29	30
31	Feb 1	2	3	4	5	6