CITY OF CLARE

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UTILITY BILLING
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NON-EMERGENCY
Ph 989.386.2121
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CLARE CITY COMMISSION

Meeting to be held at Clare City Hall
202 W. Fifth St., Clare MI

Monday, January 16, 2023
6:00 p.m.

AGENDA

1. **CALL TO ORDER**
   A. **Pledge of Allegiance**
   B. **Roll Call**

2. **CONSENT AGENDA – All items listed with an asterisk (*) are considered to be routine by the City Commission and shall be enacted by one motion. There will be no separate discussion of these items unless a Commissioner or citizen requests to do so, in which event the item shall be removed from the General Order of Business and considered in its normal sequence on the agenda.**

3. ***APPROVAL OF MINUTES**

4. ***APPROVAL OF AGENDA**

5. **PUBLIC COMMENT**

6. **OLD/UNFINISHED BUSINESS – None**

7. **NEW BUSINESS**
   A. **Presentation and Approval of Fiscal Year 2021/2022 Audit Report**
   B. **City Commissioner Appointment – Vacancy Created by John Myers Resignation**
   C. ***Board & Committee Appointment - Planning Commission (Ken Hibl)**
   D. ***Board & Committee Appointment - Cemetery Board (Steve Haynak, Carol Santini)**
   E. ***Board & Committee Appointment – Local Development Finance Authority (Seth Sharp)**
   F. **First Reading of Proposed Ordinance 2023-001 (Marijuana)**
      1. ***First Reading**
      2. **Public Hearing**

8. **TREASURER'S REPORT**

9. *DEPARTMENT REPORTS

10. CITY MANAGER'S REPORT

11. *COMMUNICATIONS

12. EXTENDED PUBLIC COMMENT

13. COMMISSION DISCUSSION TOPICS

14. *APPROVAL OF BILLS

15. *PROFESSIONAL & EDUCATIONAL TRAINING OPPORTUNITIES

16. ADJOURNMENT

The public will be permitted to provide comment during the Public Comment portions of the meeting. The public is asked to identify themselves by providing their name and address when offering public comment.

Written comment may be submitted to dlyon@cityofclare.org, or placed in the drop box at Clare City Hall, or sent in by postal mail to the City Clerk, Diane Lyon at Clare City Hall, 202 W. Fifth St., Clare MI 48617, prior to 4 p.m. on the date of the meeting and will be read during the public comment portion of the meeting.

The regular meeting of the Clare City Commission was called to order at 6:00 p.m. in the City Commission Chambers of Clare City Hall, 202 West Fifth Street, Clare, Michigan by Mayor Pat Humphrey who led with the Pledge of Allegiance. Present were: Pat Humphrey, Bob Bonham, Maegan Jenkins, and Gus Murphy. Absent: None. Also, present: Jeremy Howard, City Manager; Dave Saad, Police Chief; Shannon Sirpilla, City Treasurer; and Diane Lyon, City Clerk.

2. CONSENT AGENDA:
Moved by Commissioner Jenkins second by Commissioner Murphy to approve the items listed with an asterisk (*) (Amended Agenda, Amended Minutes, Communications, Professional Development, and Bills) that are considered to be routine by the City Commission. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

3. *APPROVAL OF AMENDED MINUTES;
Approved by Consent Agenda.

4. *APPROVAL OF AMENDED AGENDA;
Approved by Consent Agenda.

5. PUBLIC COMMENT: None.

6. UNFINISHED BUSINESS: None.

7. NEW BUSINESS:

A. OATH OF OFFICE
The City of Clare's residents have re-elected Commissioners Patrick Humphrey and have newly elected John Myers to serve a four-year term on the Clare City Commission; the Clare County Board of Canvassers has certified the election results.

Commissioner Elect Myers informed the City that he has taken a position out of state and will not be able to fulfill his elected role. Therefore, he is unable to take the oath of office for this elected position. His letter of resignation is attached. This has created a vacancy in the office of City Commissioner for the seat that Mr. Myers was elected to fill. Per the City Charter, the City Commission must now appoint an eligible and willing resident of the City of Clare to fulfill the remainder of Mr. Myers' term (4 years) within 30 days.

City Clerk Diane Lyon publicly administered the oath of office to Commissioner Humphrey.

B. ANNUAL REVIEW OF BY-LAWS
The By-Laws of the City of Clare City Commission governs the procedures and processes followed by the City Commission with respect to the rules it adopts and enforces, the conduct of its members, the conduct meetings, and the decisions made by the Commission – in essence, everything the City Commission formally does or does not do. Consequently, it is deemed appropriate to review and update those rules annually at the Commission's first meeting prior to conducting any other business to ensure the by-laws are up-to-date and are in fact fulfilling the needs and desires of the City Commission.

Motion by Commissioner Bonham second by Commissioner Murphy to approve the City Commission by-laws by the adoption of Resolution 2023-001. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried*.

C. RECOGNITION OF MR. NICK LOOMIS
Mr. Nick Loomis is a respected member of the City of Clare and the Greater Clare Area Community. His active involvement in the advancement and betterment of community life evolved to his appointment as a member of the City of Clare Planning Commission on May 16, 2019, until his appointment to the Clare City Commission on March 16, 2020, where he served as an active member the remainder of his term on the City Commission through December of 2022. The City Commission is asked to consider formally recognizing Nick for his outstanding service to the City and its residents and to recognize him for his many contributions to Clare as a community leader.

Motion by Commissioner Murphy second by Commissioner Bonham to formally recognize Nick Loomis by the adoption of Resolution 2023-002. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

D. AIRPORT LOTS 203 & 401 LEASE AGREEMENTS-MR. TRACY BOLLE

The City owns all of the property at the Clare Municipal Airport and leases specific portions of that property to allow the construction and maintenance of airplane hangars by private owners. The hangars on Lots 203 and 401 of the Clare Municipal Airport Plat are now owned by Tracy Bolle following the passing of his father, Richard Bolle. The City Commission is asked to approve the lease agreements for the properties upon which the hangars are located.

Motion by Commissioner Murphy second by Commissioner Jenkins to approve lot lease 203 agreement by adoption of Resolution 2023-003, and to approve lot lease 401 agreement by adoption of Resolution 2023-004. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

E. 2023 POVERTY EXEMPTION LEVELS

Public Act 390 of 1994 requires each governing body to approve a Poverty Exemption Policy & Guidelines to be administered by the municipality's appointed Board of Review. Furthermore, Public Act 390 requires the governing body to annually approve income levels for the Board of Review to follow in their review of property tax poverty exemption applications from owners of residential properties. Public Act 390 along with other applicable bulletins and regulations from the State Tax Commission provides the federal poverty income levels, the required asset tests, and other procedural requirements for the poverty exemption application.

The City's Assessor has provided a proposed Policy & Guidelines for 2023 including the federal poverty levels to be used by the Board of Review. The Assessor will assist the City of Clare's Board of Review in their consideration of applications under the provisions of Public Act 390 to ensure compliance. The City Commission is asked to review and approve the 2023 Poverty Exemption Policy & Guidelines.

Motion by Commissioner Bonham second by Commissioner Murphy to approve the proposed 2023 Poverty Exemption Policy & Guidelines by the adoption of Resolution 2023-005. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

F. DRINKING WATER ASSET MANAGEMENT GRANT (DWAM) ACCEPTANCE

At the end of 2020, city staff worked with the city's Engineer of Record to submit a Drinking Water Asset Management Grant (DWAM). The city was notified in 2021 that we were not successful in being awarded the grant. However, in mid-October, the City was notified that a newly passed Public Act (PA53) had allocated an additional $20 million of federal ARPA funds to the Drinking Water Asset Management (DWAM) grant program and the City was now eligible for a portion (approximately 25%) of our requested funds. The Clare City Commission is now asked to consider approving the acceptance of the grant agreement and the terms therein as well as authorizing the City Manager and City Treasurer to sign any and all necessary documents and allow for any necessary budget amendments required to accept the funds.

Motion by Commissioner Murphy second by Commissioner Jenkins to approve acceptance of the DWAM Grant Agreement by the adoption of Resolution 2023-006. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

8. TREASURER'S REPORT: The Treasurer's report was provided.

9. CITY MANAGER'S REPORT

Verizon Cell Tower. More progress continues to be made on the tower site at Clare City Hall. Cold-patch has been placed into the open power trench and will be there until the asphalt plant opens in the spring when a permanent fix can be done. The fence around the site is also complete. I haven't heard any timeline, but I am hopeful that Verizon will soon be able to activate the signal.

Lake Shamrock Dredging. I am happy to report that we finally received a response from EGLE and have been given a partial (modified) permit to start mechanical dredging in the first section (west end) of the lake which starts at the McEwan Street bridge and goes to approximately Shamrock Court (Year 1 area). At this point, we do not have the approval to go any further. The approved site for disposal is at the airport in two very specific areas on the north end of the property. Our plan is to start dredging as soon as we have the signed permit back from EGLE which I signed and sent to them on 12/21/22. We will dredge as much as we can through the winter months, as weather allows until we have to pause for fish spawning during April and May. We are continuing to work with EGLE to get additional permits and will soon be sending out an RFP for Hydraulic dredging of the lake's main portion, which will require its own set of permits from EGLE.

Addendum. The city received the signed permit back from EGLE today to allow the Lake Shamrock dredging spoils to be placed on city airport property. We should have the soil erosion permit from the county this week thus dredging will begin. We have also reached out to the contracted trucking company (Marv Heintz) to prepare for hauling the spoils to the approved site.

10. *COMMUNICATIONS: *Approved by Consent Agenda.*

11. EXTENDED PUBLIC COMMENT: None.

12. COMMISSION DISCUSSION TOPICS: Commissioner Bonham inquired about the city's "urban" status as he heard on the local television news that the City lost its "urban" status.

13. *APPROVAL OF BILLS: *Approved by Consent Agenda.*

14. *PROFESSIONAL & EDUCATIONAL TRAINING OPPORTUNITIES: *Approved by Consent Agenda.*

15. ADJOURNMENT: Motion by Commissioner Jenkins, second by Commissioner Murphy to adjourn the meeting. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, and Carolyn (Gus) Murphy. Nays: None. Absent: None. Motion Carried. Meeting adjourned at 6:20 p.m.

_____ _____

Pat Humphrey, Mayor Diane Lyon, City Clerk

AGENDA REPORT

TO: Mayor Pat Humphrey & the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: January 12, 2023
RE: Audit Presentation and Approval of Fiscal Year 2021/22 Audit Report

For the Agenda of January 16, 2023

Background. The public accounting firm of Andrews, Hooper & Pavlik (AHP) of Midland, Michigan conducted an independent audit of the City of Clare's financial records for the City's fiscal year ending June 30, 2022. A qualified representative from the firm is scheduled to publicly present the results of the audit to the Clare City Commission at its regularly scheduled meeting on January 16, 2023. The audit results are unqualified meaning that no adverse findings were discovered or noted during the course of the independent audit. A draft copy of the complete audit report is attached for your review.

The Treasurer/Finance Director, City Clerk and City Manager will have each reviewed the audit report prior to the meeting and will have formally acknowledged the results in writing.

The City Commission is asked to formally approve the audit findings and results as presented by a qualified senior staff member of the public accounting firm Andrews, Hooper & Pavlik.

Issues & Questions Specified. Should the Clare City Commission formally approve the audit report?

Alternatives.
1. Approve the audit findings.
2. Do not approve the audit findings.
3. Defer/delay decision to a subsequently scheduled City Commission meeting.

Financial Impact. The City of Clare is required to file the results of its annual audit with the Michigan Department of Treasury; failure to do so will result in the withholding of state revenue sharing and render the City ineligible for other state and federally funded programs to include grants and loans. Approval of the audit is necessary to allow City Staff to file the audit and other related reports with appropriate state and federal agencies.

Recommendations. I recommend that the City Commission formally approve the audit results presented by Andrews, Hooper & Pavlik by adoption of attached Resolution 2023-007.

Attachments.
1. Report of Independent Auditors.
2. Fiscal Year 2021/22 Independent Audit Report and Audited Financial.
3. Management Acknowledgement Letter.
4. Resolution 2022-007.

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City Commission

City of Clare

January 16, 2023

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City Commission

City of Clare, Michigan

January 16, 2023

- Introduction
    - AHP Representatives

      Duane Reyhl – Partner
      Danielle Hoppe – Audit Manager
- Letter to City Commission
    - Services Provided and in Process
    - Results of our Audit of the Financial Statements
    - Required Communications with City Commission
    - Management Comments
    - Representation Letter
- Other Questions or Comments

DRAFT

January 16, 2022

City Commission
City of Clare

We are pleased to submit this report, which summarizes the results of our audit, and other matters which we believe would be of interest to you.

Services Provided

In accordance with our engagement letter, AHP provided the following services:

Audit Services:

- Annual Audit – Completed.

Nonattest Services:

- Assistance in drafting of the financial statements – Completed.
- Assistance with GASB entity-wide adjusting entries – Completed.
- Assistance with the initial application of GASBS No. 87, *Leases* - Completed
- Auditing Procedures Report for the State of Michigan – In Process.
- F-65 Submission for the State of Michigan – In Process.

Results of the Audit

The audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Governmental Auditing Standards* and included such tests of the accounting records and such other auditing procedures as we considered necessary for the purpose of expressing an opinion on the financial statements.

The following summarizes various matters of interest noted during our audit.

Significant Risks

As noted in our scope letter dated October 27, 2022, we identified certain areas as having significant risks related to the potential of a material misstatement. We audited each of those significant risks with audit procedures designed to mitigate those risks. Based on our procedures performed, we noted no matters that need to be communicated to you.

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Cybersecurity and Information Technology Controls

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, entities stand to lose their reputation, the ability to operate efficiently, and proprietary information or assets. Entities may also be subject to financial and legal liabilities. Managing this issue is especially challenging because even an entity with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. We believe management should continue to monitor and evaluate this risk, which is a critical best practice. Additionally, periodic assessments of the system in order to verify that the control environment is functioning as designed are key parts of measuring associated business risk. We encourage those charged with governance to work with management on this very important topic. If we can be of assistance in the process, we would be happy to do so.

Net Pension Liability - The City's net pension obligation increased approximately $100,000. This was a combination of an increase of approximately $900,000 in the actuarial accrued liability offset by an increase of approximately $800,000 in the valuation of the underlying invested assets.

The adoption of Government Accounting Stands Board Statement No. 87, *Leases*, resulted in the recognition of a lease receivable and related deferred inflow of resources on the statement of net position for the lease contracts that the City holds as a lessor. The recognition of these amounts did not affect the City's overall net position or fund balances. As a lessee, the City had no significant leases that required the recognition of right-of-use assets or lease liabilities.

Adopted Audit Standard

New Audit Report. Beginning with the year ending June 30, 2022, the standard auditor report has been significantly updated as follows:

- The "Opinion" section of the report will be presented first.
- The "Basis for Opinion" section of the report will include an affirmative statement about the auditor's independence and fulfillment of the auditor's other ethical responsibilities.
- Expands the description of the responsibilities of management for the preparation and fair presentation of the financial statements
- Expands the description of the responsibilities of the auditor and key features of an audit

Adopted Accounting Standards

GASB Statement No. 87, *Leases,* applies to all state and local governments and establishes a single model for all lease accounting. The concept within this model is that a lease is a financing arrangement that permits the use on an underlying asset for a period of time. Lessees will record a lease liability and an intangible right-of-use asset. Lessors will record a lease receivable and a deferred inflow of resources. An exception is granted for short-term leases, which at the beginning of the lease, have a maximum possible term under the contract of 12 months or less, including any options to extend, regardless of its probability of being exercised.

> *Effect on the City:* This applied to leases that the City had in place for its year ending June 30, 2022 as either a lessor or lessee.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. Prior to this standard, such interest costs were capitalized. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

Effect on the City: This did not affect the City for the year ending June 30, 2022.

Future Accounting Standards

Revised State of Michigan Uniform Chart of Accounts – This applies to the City's beginning July 1, 2022.

GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures.

Effect on the City: None based on the City's current circumstances. The standard will apply to future obligations starting with the City's year ending June 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR.) The standard removes LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap. The standard is effective starting with fiscal years ending June 30, 2022.

Effect on the City: No significant effects are expected.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

Effect on the City: The City does not currently have any arrangements for which this standard would apply.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement:

- Defines a SBITA.
- Establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.
- Provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA.
- Requires note disclosures regarding a SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This Statement is effective for fiscal years beginning after June 15, 2022.

Effect on the City: This could affect how the City records IT subscriptions, but the impact is not expected to be significant.

GASB Accounting Projects in Process

Financial Reporting Model—Reexamination of Statements 34, 35, 37, 41, and 46 and Interpretation 6. The GASB has a long-term project to improve the overall financial reporting model. The objective of these improvements, based on the GASB's research to date would be to:

- Enhance the model's effectiveness in providing essential decision-making information
- Enhance the ability to assess a government's accounting
- Address certain application issues

While GASB's preliminary assessment is that most areas of the current model are effective, a number of improvement areas were identified. Below is a summary of issues being explored:

- *Management's Discussion and Analysis (MD&A).* Enhance the financial statement analysis component, consider the elimination of boilerplate requirements, and clarify guidance for presenting currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.
- *Government-Wide Financial Statements.* Explore alternatives for the format of the statement of activities and consider whether a government-wide statement of cash flows should be required, and if so, how those cash flows should be presented.
- *Major Funds*. Explore options for providing additional information about debt service funds, either individual or in aggregate.
- *Governmental Fund Financial Statements*. Explore a conceptually consistent measurement focus and basis of accounting and develop a presentation format for governmental fund financial statements consistent with the measurement focus and basis of accounting.
- *Proprietary Fund and Business-Type Activity Financial Statements*. Evaluate operating indicator alternatives in conjunction with evaluating the guidance for the separate presentation of operating and nonoperating revenues and expenses.

- *Fiduciary Fund Financial Statements*. Explore where the fiduciary fund financial statements should be presented in the basic financial statements.
- *Budgetary Comparisons*. Explore the appropriate method of communication (either as basic financial statements or required supplementary information) for budgetary comparison information and consider whether and, if so, which budget variances should be required to be presented.
- *Other Issues*. As appropriate and in conjunction with other topics, explore options that would permit more timely financial reporting or that would reduce complexity overall.

The current projected timetable for the final standard is late 2023 or early 2024.

Effect on the City: This is expected to affect all units of government, including the City. Based on the City's current profile, the proposed effective date for the City would be several years after the release of the pronouncement.

The Auditor's Communications with Those Charged with Governance

This section discusses our responsibilities under AICPA *Professional Standards section* AU-C 260, *The Auditor's Communication with Those Charged with Governance.* The following excerpts from that standard describe the specific matters required to be communicated to you and our responses thereto:

Our Responsibility under U.S. Generally Accepted Auditing Standards

The auditors' standard report emphasizes that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, is designed to provide reasonable, but not absolute, assurance that the financial statements are free of material misstatement and in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Our report dated January 16, 2023 follows this format. Because of the concept of reasonable assurance, and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

Our responsibility, as described by our professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. GAAP. Our audit does not relieve you or management of your responsibilities.

As part of the audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning internal control.

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Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our scope letter dated October 27, 2022. No matters came to our attention during our audit that resulted in a change to our timing or scope of our procedures.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Clare are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year, other than required by the current year adopted accounting standards. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates affecting the financial statements are estimates related to 1) the determination of the net pension liability and 2) the useful lives of depreciable capital assets.

For the estimates listed above, we evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were related to deposits and investments, capital assets, long-term debt, and employee retirement systems.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Proposed adjustments related primarily to pension and OPEB liabilities and entries to reflect government-wide activity not recorded in the fund financial statements. There were no significant uncorrected misstatements.

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Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on financial accounting, reporting, or auditing matters, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management's representation letter dated January 16, 2022. A copy of the representations is attached.

Management's Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the financial statements or a determination of the type of opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all relevant facts. To our knowledge, there were no such consultations with other accountants.

Major Issues Discussed with Management Prior to Retention

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Supplementary Information

With respect to the other supplementary information accompanying the financial statements, we made certain inquires of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. GAAP, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Communication of Fees for Nonaudit Services

As previously described in this letter, we performed certain nonaudit services at the request of management and documented in an engagement letter. Fees for these services did not exceed those noted in our engagement letter.

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Management Letter

We considered the City's internal control during the course of the audit, and we remained alert for areas where procedures and controls could be improved. We noted no matters involving the internal control over financial reporting and its operation that we would consider to be material weaknesses.

* * *

This report is intended solely for the information and use of the City Commission and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

We will be pleased to respond to any comments or questions you may have concerning this letter, or any other aspects of our services to the City.

It has been a pleasure to serve the City during 2022. We want to express our appreciation for the cooperation and courtesy extended to us by management and employees of the City and look forward to continuing our association in the future.

Sincerely,

DRAFT

Audited Financial Statements

City of Clare
Clare and Isabella Counties, Michigan

Year Ended June 30, 2022
with Report of Independent Auditors

DRAFT

City of Clare

Audited Financial Statements

Year Ended June 30, 2022

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City of Clare

Audited Financial Statements

Year Ended June 30, 2022

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Report of Independent Auditors

To the City Commission
City of Clare
Clare and Isabella Counties, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component units, and the aggregate remaining fund information of the City of Clare (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component units, and the aggregate remaining fund information of the City of Clare, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Clare and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Clare's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11, the pension benefit information on pages 56-57, and the budgetary comparison information on pages 58-60, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with

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auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Clare's basic financial statements. The combining financial statements for nonmajor funds, internal service funds, fiduciary finds, and component units for the year ended June 30, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements for nonmajor funds, internal service funds, fiduciary finds, and component units are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2023, on our consideration of the City of Clare's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Clare's internal control over financial reporting and compliance.

Midland, Michigan
January 16, 2023

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City of Clare

Management's Discussion and Analysis

June 30, 2022

This discussion and analysis of the City of Clare's financial performance provides an overview of the City's financial activities for the year that ended on June 30, 2022. Please read it in conjunction with the financial statements following this section.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent year by $20,463,005 (net position). Of this amount, $1,785,707 represents unrestricted net position.

- The City's total net position increased by $657,604.

- At the close of the current year, the City's governmental funds reported combined fund balances of $3,017,391, an increase of $360,050 in comparison with the prior year. Approximately 58% of this amount, which is $1,750,263, is available for spending at the City's discretion (unassigned fund balance).

- At the end of the current year, unrestricted fund balance (the total of committed, assigned, and unassigned components of fund balance) for the General Fund was $2,027,275, or approximately 52% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected special assessments and accrued interest expense).

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Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion of, their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, community development, and recreation and culture. The business-type activities of the City include sewer and water operations.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Local Development Financing Authority, Downtown Development Authority, and Brownfield Redevelopment Authority for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund.

The City adopts an annual appropriated budget for its General and special revenue funds. Budgetary comparison schedules for each major fund have been provided herein to demonstrate compliance with those budgets.

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Proprietary funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are used to report activities that provide supplies and services to the City's other programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Fund and Water Fund, each of which is considered to be a major fund of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one type of fiduciary fund. The custodial funds report resources held by the City in a custodial capacity for individuals, private organizations, and other governments.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information related to the City's employee benefit plan and the General Fund's and Major Street Fund's performance compared to their budgets.

The combining statements referred to earlier in connection with the nonmajor governmental funds and internal service funds are presented immediately following the aforementioned required supplementary information.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $20,463,005 at the close of the most recent year.

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City of Clare's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Assets						
Current assets	**$ 4,140,872**	$ 3,415,638	**$ 3,026,746**	$ 3,134,313	**$ 7,167,618**	$ 6,549,951
Capital assets, net	**15,088,957**	14,343,797	**10,811,208**	10,431,264	**25,900,165**	24,775,061
Total assets	**19,229,829**	17,759,435	**13,837,954**	13,565,577	**33,067,783**	31,325,012
Deferred outflows of resources	**1,054,772**	775,521	**206,918**	170,237	**1,261,690**	945,758
Liabilities						
Current liabilities	**1,021,170**	429,203	**309,225**	204,422	**1,330,395**	633,625
Long-term liabilities	**7,464,962**	6,423,251	**5,071,111**	5,270,681	**12,536,073**	11,693,932
Total liabilities	**8,486,132**	6,852,454	**5,380,336**	5,475,103	**13,866,468**	12,327,557
Deferred inflows of resources	**-**	113,006	**-**	24,806	**-**	137,812
Net position						
Invested in capital assets, net of related debt	**11,250,015**	11,454,227	**6,399,561**	5,836,310	**17,649,576**	17,290,537
Restricted	**794,485**	868,481	**233,237**	191,395	**1,027,722**	1,059,876
Unrestricted	**(263,031)**	(753,212)	**2,031,738**	2,208,200	**1,785,707**	1,454,988
Total net position	**$ 11,798,469**	11,569,496	**$ 8,664,536**	$8,235,905	**$20,463,005**	$19,805,401

The largest portion of the City's net position 86% reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (5%) represents resources that are subject to external restrictions on how they may be used. The remaining amount of $1,785,707 represents unrestricted net position to be used at the City's discretion.

At the end of the current year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year.

City of Clare's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Revenues						
Program revenues:						
Charges for services	**$ 899,582**	$ 856,294	**$ 1,879,664**	$ 1,758,196	**$ 2,779,246**	$ 2,614,490
Operating grants and contributions	**555,099**	601,189	**-**	-	**555,099**	601,189
Capital grants and contributions	**13,400**	146,106	**275,983**	1,515,509	**289,383**	1,661,615
General revenues:						
Property taxes and fees	**2,063,414**	2,008,660	**-**	-	**2,063,414**	2,008,660
Special assessments	**526**	595,177	**-**	-	**526**	595,177
Grants and contributions not restricted to programs	**663,700**	598,192	**-**	-	**663,700**	598,192
Interest earnings	**1,380**	2,712	**47,070**	44,176	**48,450**	46,888
Gain on sale of assets	**144,247**	141,700	**-**	-	**144,247**	141,700
Miscellaneous	**68,787**	24,859	**80,774**	90,201	**149,561**	115,060
Total revenues	**4,410,135**	4,974,889	**2,283,491**	3,408,082	**6,693,626**	8,382,971
Expenses						
General government	**1,286,158**	1,563,298	**-**	-	**1,286,158**	1,563,298
Public safety	**1,251,736**	1,243,727	**-**	-	**1,251,736**	1,243,727
Public works	**965,622**	931,939	**-**	-	**965,622**	931,939
Community development	**35,064**	28,667	**-**	-	**35,064**	28,667
Recreation and culture	**573,100**	539,540	**-**	-	**573,100**	539,540
Interest on long-term debt	**69,482**	52,650	**-**	-	**69,482**	52,650
Sewer	**-**	-	**1,001,771**	1,084,233	**1,001,771**	1,084,233
Water	**-**	-	**853,089**	881,145	**853,089**	881,145
Total expenses	**4,181,162**	4,359,821	**1,854,860**	1,965,378	**6,036,022**	6,325,199
Change in net position	**228,973**	615,068	**428,631**	1,442,704	**657,604**	2,057,772
Net position-beginning	**11,569,496**	10,954,428	**8,235,905**	6,793,201	**19,805,401**	17,747,629
Net position-ending	**$11,798,469**	$11,569,496	**$ 8,664,536**	$ 8,235,905	**$20,463,005**	$19,805,401

Governmental Activities. During the current year, net position for governmental activities increased $228,973 from the prior year for an ending balance of $11,798,469. This increase was the result of a variety of factors.

Business-Type Activities. During the current year, net position for business-type activities increased $428,631 from the prior year for an ending balance of $8,664,536. The current year increase was due to the City maintaining normal operations and revenues exceeding expenditures.

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Financial Analysis of Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Commission.

As of June 30, 2022, the City's governmental funds reported combined fund balances of $3,017,391, an increase of $360,050 in comparison with the prior year. Approximately 58% of this amount constitutes unassigned fund balance of $1,750,263, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form ($166,916), 2) legally required to be maintained intact ($500,563), 3) restricted for particular purposes ($293,922), or 4) assigned for particular purposes ($305,727).

The General Fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the General Fund was $1,750,263, while total fund balance increased to $437,515. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 45% of total General Fund expenditures, while total fund balance represents approximately 62% of that same amount.

The fund balance of the City's General Fund increased by $437,515 during the current year. Overall revenues decreased by approximately $560,000 related to less bond proceeds of approximately $550,000 in the fiscal year and expenditures decreased by approximately $131,000 compared to the prior year.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer Fund at the end of the year was $130,758 and for the Water Fund was $1,516,027. The total decrease in net position for the Sewer Fund was $66,724; while the Water Fund's net position increased by $337,997. As noted earlier in the discussion of business-type activities, the change in net position for the Sewer Fund resulted from an increase in expenditures being greater than the increase in revenues and for the water fund the increase was a result normal operations.

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General Fund Budgetary Highlights

Original Budget Compared to Final Budget. During the year there was no need for any significant amendments to increase the original estimated revenues, appropriations, or other financing sources or uses.

Final Budget Compared to Actual Results. The most significant differences between estimated revenues and actual revenues were in the categories of state revenue, donations and contributions, proceeds from sale of assets due to timing of grant funding, and donations received for various projects. The most significant differences between estimated expenditures and actual expenditures were in the following categories: police department, fire department, street lights, parks and recreation, airport, and capital outlay and resulted from efforts to keep staffing levels reasonable based on needs and the timing and completion of projects.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022 was $25,900,165 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, and the sewer and water systems. The total increase in capital assets for the current fiscal year was approximately 4%.

City of Clare's Capital Assets (net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Land	**$ 4,139,102**	$ 4,203,345	**$ 53,389**	$ 53,389	**$ 4,192,491**	$ 4,256,734
Land improvements	**5,401,367**	5,461,336	**33,122**	36,066	**5,434,489**	5,497,402
Buildings	**1,158,537**	1,248,883	**1,125,369**	1,201,227	**2,283,906**	2,450,110
Equipment	**575,797**	655,649	**1,330,521**	1,019,536	**1,906,318**	1,675,185
Vehicles	**1,815,948**	897,892	**-**	-	**1,815,948**	897,892
System	**-**	-	**8,198,244**	8,044,815	**8,198,244**	8,044,815
Construction in progress	**1,998,206**	1,876,692	**70,563**	76,231	**2,068,769**	1,952,923
	$15,088,957	$14,343,797	**$ 10,811,208**	$10,431,264	**$ 25,900,165**	$24,775,061

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $8,250,589. Of this amount, $7,086,954 is debt backed by the full faith and credit of the government. The remainder of the City's long-term obligations comprises installment purchase contracts.

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City of Clare's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
General obligation bonds	**$ 3,492,000**	$ 2,492,000	**$ 2,151,954**	$ 2,201,954	**$ 5,643,954**	$ 4,693,954
Revenue bonds		-	**2,259,693**	2,393,000	**2,259,693**	2,393,000
Special assessment bonds		-	**-**	-	**-**	-
Installment purchase contracts	**346,942**	397,570	**-**	-	**346,942**	397,570
	$ 3,838,942	$ 2,889,570	**$ 4,411,647**	$4,594,954	**$ 8,250,589**	$ 7,484,524

The City's total debt increased by approximately $760,000, or 10%, during the current year. The reason for the increase is due to the City issuing one new bond in the amount of $1,150,000 for public safety and public works projects.

Economic Factors and Next Year's Budgets and Rates

Revenues and expenditures for 2022-2023 are projected to increase 2% per year in each category within General Governmental Activities, slightly more within Business-Type Activities. These assumptions are based upon historical revenue and expense data that has been accumulated and extensively analyzed including changes in property taxation laws, state revenue sharing, and other regulatory changes affecting the City. The City has also, since the start of the Great Recession, actively pursued cost containment efforts and simultaneously expanded its property tax base. The economic challenges of the past decade have limited and severely hampered municipal governmental entities. However, during this timeframe, the City has renegotiated all of its outstanding debt to take advantage of historically-low interest rates saving hundreds of thousands in interest expenses and simultaneously and strategically implemented growth initiatives to be fully prepared to grow with the recovering economy.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to either: Mr. Jeremy Howard, City Manager, Email: jhoward@cityofclare.org or Ms. Shannon Sirpilla, City Treasurer, Finance and Technology Director, Email: SSirpilla@cityofclare.org.

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City of Clare

Statement of Net Position

June 30, 2022

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Assets				
Cash and cash equivalents	$ 3,286,735	$ 1,917,148	$ 5,203,883	$ 138,406
Investments held by trustee	209,636	-	209,636	-
Accounts receivable, net	33,834	254,398	288,232	-
Assessments receivable, net	595,172	-	595,172	-
Internal balances	(384,953)	384,953	-	-
Due from other governmental units	151,857	-	151,857	-
Inventory	102,614	56,288	158,902	-
Prepaid items	145,977	20,905	166,882	-
Restricted cash and cash equivalents	-	393,054	393,054	-
Capital assets, net:				
Assets not being depreciated	6,137,308	123,952	6,261,260	386,558
Assets being depreciated	8,951,649	10,687,256	19,638,905	170,747
Total assets	19,229,829	13,837,954	33,067,783	695,711
Deferred outflows of resources				
Related to pension	1,054,772	206,918	1,261,690	-
Liabilities				
Accounts payable	289,733	155,293	445,026	-
Accrued liabilities	23,844	9,476	33,320	-
Accrued interest payable	17,045	25,890	42,935	1,270
Due to other governmental units	224	-	224	-
Deposits and other liabilities	1,043	12,872	13,915	-
Unearned revenue	414,864	-	414,864	-
Long-term debt:				
Due in one year	274,417	105,694	380,111	65,000
Due in more than one year	3,564,525	4,305,953	7,870,478	291,000
Net pension liability	3,900,437	765,158	4,665,595	-
Total liabilities	8,486,132	5,380,336	13,866,468	357,270
Deferred inflows of resources				
Related to pension	-	-	-	-
Net position				
Invested in capital assets, net of related debt	11,250,015	6,399,561	17,649,576	201,305
Restricted for:				
Landfill postclosure care	209,636	-	209,636	-
Cemetery perpetual care	290,927	-	290,927	-
Streets and highways	293,922	-	293,922	-
Debt service	-	233,237	233,237	132,948
Community development	-	-	-	4,188
Unrestricted	(246,031)	2,031,738	1,785,707	-
Total net position	$ 11,798,469	$ 8,664,536	$ 20,463,005	$ 338,441

See accompanying notes.

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City of Clare

Statement of Activities

Year Ended June 30, 2022

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Governmental activities:								
General government	$ 1,286,158	$ 144,385	$ -	$ -	$ (1,141,773)		$ (1,141,773)	
Public safety	1,251,736	309,195	7,528	-	(935,013)		(935,013)	
Public works	965,622	235,545	534,711	400	(194,966)		(194,966)	
Community development	35,064	-	-	-	(35,064)		(35,064)	
Recreation and culture	573,100	210,457	12,860	13,000	(336,783)		(336,783)	
Interest on long-term debt	69,482	-	-	-	(69,482)		(69,482)	
Total governmental activities	4,181,162	899,582	555,099	13,400	(2,713,081)		(2,713,081)	
Business-type activities:								
Sewer	1,001,771	1,023,112	-	-		$ 21,341	21,341	
Water	853,089	856,552	-	275,983		279,446	279,446	
Total business-type activities	1,854,860	1,879,664	-	275,983		300,787	300,787	
Total primary government	$ 6,036,022	$ 2,779,246	$ 555,099	$ 289,383		300,787	(2,412,294)	
Component units:								
Downtown Development Authority	56,206	-	10,749	-				$ (45,457)
Local Development Finance Authority	9,707	-	-	-				(9,707)
Brownfield Redevelopment Authority	-	-	-	-				-
Total component units	$ 65,913	$ -	$ 10,749	$ -				(55,164)
General revenues:								
Property taxes and related fees					2,063,414	-	2,063,414	104,420
Special assessments					526	-	526	
Grants and contributions not restricted to specific programs					663,700	-	663,700	-
Interest earnings					1,380	47,070	48,450	17
Gain on sale of assets					144,247	-	144,247	-
Miscellaneous					68,787	80,774	149,561	-
Total general revenues					2,942,054	127,844	3,069,898	104,437
Change in net position					228,973	428,631	657,604	49,273
Net position-beginning					11,569,496	8,235,905	19,805,401	289,168
Net position-ending					$ 11,798,469	$ 8,664,536	$ 20,463,005	$ 338,441

See accompanying notes.

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City of Clare

Governmental Funds Balance Sheet

June 30, 2022

	General	Major Street	Other Governmental Funds	Total
Assets				
Cash and cash equivalents	$ 2,413,011	$ 215,523	$ 489,210	$ 3,117,744
Investments held by trustee	209,636		-	209,636
Accounts receivable, net	31,472	-	-	31,472
Assessments receivable, net	547,810	-	526	548,336
Due from other governmental units	75,309	54,369	22,179	151,857
Due from other funds				
Inventory	32,742	-	-	32,742
Prepaid items	130,334	1,647	2,193	134,174
Total assets	$ 3,440,314	$ 271,539	$ 514,108	$ 4,225,961
Liabilities, deferred inflows of resources, and fund balances				
Liabilities:				
Accounts payable	$ 63,751	$ 1,112	$ 163,424	$ 228,287
Accrued liabilities	19,399	1,424	1,757	22,580
Due to other governmental units	224	-	-	224
Deposits and other liabilities	1,043	-	-	1,043
Unearned revenue	91,506	-	-	91,506
Total liabilities	175,923	2,536	165,181	343,640
Deferred inflows of resources:				
Unavailable revenue - long-term special assessments	864,404	-	526	864,930
Total deferred inflows of resources	864,404	-	526	864,930
Fund balances:				
Nonspendable - inventory	32,742	-	-	32,742
Nonspendable - prepaid items	130,334	1,647	2,193	134,174
Nonspendable - landfill postclosure care	209,636	-	-	209,636
Nonspendable - cemetery perpetual care	-	-	290,927	290,927
Restricted - streets and highways	-	267,356	26,566	293,922
Assigned - fire department	277,012	-	-	277,012
Assigned - cemetery	-	-	28,715	28,715
Unassigned	1,750,263	-	-	1,750,263
Total fund balances	2,399,987	269,003	348,401	3,017,391
Total liabilities, deferred inflows of resources, and fund balances	$ 3,440,314	$ 271,539	$ 514,108	$ 4,225,961

See accompanying notes.

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City of Clare

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2022

Total fund balances for governmental funds	$ 3,017,391
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets	18,863,781
Accumulated depreciation	(4,759,825)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	
Long-term special assessments receivable	594,646
Deferred outflows represent financial uses, but are deferred expenses in the government-wide financial statements	1,054,772
The internal service funds are used by the City to charge the cost of operating a data processing service and a mobile equipment service to individual funds. A portion of the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	790,366
Certain liabilities are not payable in the current period and are not reported in the funds.	
Accrued interest payable	(17,045)
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances as of June 30, 2022 are:	
Installment purchase contracts	(18,908)
General obligation limited tax bonds	(3,820,034)
Net pension liability	(3,900,437)
Other reconciling items	(6,238)
Total net position of governmental activities	$ 11,798,469

See accompanying notes.

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City of Clare

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2022

	General	Major Streets	Other Governmental Funds	Total
Revenues				
Property taxes and related fees	$ 1,794,275	$ -	$ 269,139	$ 2,063,414
Special assessments, net	74,927	-	526	75,453
Licenses and permits	81,359	-	-	81,359
Federal grants	13,000	-	-	13,000
State grants	663,700	386,696	148,015	1,198,411
Charges for services	698,026	-	3,000	701,026
Fines and forfeits	3,031	-	-	3,031
Interest and rentals	30,553	24	575	31,152
Donations	29,835	400	-	30,235
Other revenue	196,252	2,377	(600)	198,029
Total revenues	3,584,958	389,497	420,655	4,395,110
Expenditures				
General government	856,189	-	-	856,189
Public safety	1,164,423	-	-	1,164,423
Public works	442,139	225,374	615,099	1,282,612
Community development	35,064	-	-	35,064
Recreation and culture	557,415	-	-	557,415
Capital outlay	625,572	-	-	625,572
Debt service	201,188	-	101,580	302,768
Total expenditures	3,881,990	225,374	716,679	4,824,043
Excess (deficiency) of revenues over expenditures	(297,032)	164,123	(296,024)	(428,933)
Other financing sources (uses)				
Issuance of long-term debt	750,000	-	-	750,000
Transfers in	515,126	-	213,436	728,562
Transfers out	(530,579)	(157,000)	(2,000)	(689,579)
Total other financing sources (uses)	734,547	(157,000)	211,436	788,983
Net change in fund balances	437,515	7,123	(84,588)	360,050
Fund balances-beginning	1,962,472	261,880	432,989	2,657,341
Fund balances-ending	$ 2,399,987	$ 269,003	$ 348,401	$ 3,017,391

See accompanying notes.

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City of Clare

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2022

Net change in fund balances - total governmental funds	$	360,050
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Add: capital outlay		625,572
Subtract: depreciation expense		(506,046)
Subtract: sale of assets		(129,242)
Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.		
Add: decrease in accrued interest payable		5,325
Subtract: increase in net pension liability net of related deferred outflows and inflows		226,128
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.		
Add: repayments of installment purchase contract		227,963
Subtract: bond proceeds		(1,150,000)
The internal service funds are used by the City to charge the costs of operating a data processing service and a mobile equipment service to individual funds. Some of the net revenue (expense) attributable to those funds is reported within governmental activities.		
Net operating income (loss) from governmental activities in internal service funds		(194,572)
Interest earnings from governmental internal service funds		20
Gain (loss) on sale of capital assets in governmental internal service funds		15,005
Transfers out		(12,000)
Other reconciling items		760,770
Change in net position of governmental activities	$	228,973

See accompanying notes.

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City of Clare

Proprietary Funds Statement of Net Position

Year Ended June 30, 2022

	Sewer Fund	Water Fund	Total	Internal Service Funds
Assets				
Current assets:				
Cash and cash equivalents	$ 173,872	$ 1,743,276	$ 1,917,148	$ 168,991
Accounts receivable, net	131,682	122,716	254,398	2,362
Inventory	53,852	2,436	56,288	69,872
Prepaid items	14,015	6,890	20,905	11,803
Restricted cash:				
Cash - restricted for USDA bond reserves	125,003	34,814	159,817	-
Cash - restricted for USDA repair and replacement	134,417	98,820	233,237	-
Total current assets	632,841	2,008,952	2,641,793	253,028
Noncurrent assets:				
Capital assets:				
Land	10,757	42,632	53,389	85,000
Construction in progress	-	70,563	70,563	-
Land improvements, net	33,122	-	33,122	-
Buildings and improvements, net	1,072,504	52,865	1,125,369	79,351
Equipment, net	1,327,465	3,056	1,330,521	85,253
Vehicles, net	-	-	-	735,397
Sewer and water system infrastructure, net	2,803,572	5,394,672	8,198,244	-
Total noncurrent assets	5,247,420	5,563,788	10,811,208	985,001
Total assets	5,880,261	7,572,740	13,453,001	1,238,029
Deferred outflows of resources				
Related to pension	113,805	93,113	206,918	-
Liabilities				
Current liabilities:				
Accounts payable	32,456	122,837	155,293	61,473
Accrued expenses	4,641	4,835	9,476	1,237
Accrued interest payable	10,665	15,225	25,890	-
Deposits and other liabilities	12,872	-	12,872	-
Bonds and loans payable	60,429	45,265	105,694	23,803
Total current liabilities	121,063	188,162	309,225	86,513
Noncurrent liabilities:				
Bonds and loans payable	2,393,953	1,912,000	4,305,953	226,283
Net pension liabilities	420,837	344,321	765,158	-
Total liabilities	2,935,853	2,444,483	5,380,336	312,796
Deferred inflows of resources				
Related to pension	-	-	-	-
Net position				
Invested in capital assets, net of related debt	2,793,038	3,606,523	6,399,561	734,915
Restricted for debt service	134,417	98,820	233,237	-
Unrestricted	130,758	1,516,027	1,646,785	190,318
Total net position	$ 3,058,213	$ 5,221,370	$ 8,279,583	$ 925,233

See accompanying notes.

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City of Clare

Reconciliation of the Net Position on the Statement of Net Position for Enterprise Funds to the Net Position of Business-Type Activities on the Statement of Net Position

Year Ended June 30, 2022

Net position - total enterprise funds	$ 8,279,583
Total net position reported for business-type activities in the statement of net position is different because:	
The internal service funds are used by the City to charge the cost of operating a data processing service and a mobile equipment service to individual funds. A portion of the assets and liabilities of the internal service funds are included in the business-type activities in the statement of net position.	384,953
Total net position of business-type activities	$ 8,664,536

See accompanying notes.

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City of Clare

Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2022

	Sewer Fund	Water Fund	Total	Internal Service Funds
Operating revenues				
Charges for services	$ 1,023,112	$ 856,552	$ 1,879,664	$ 475,409
Other revenue	5,663	75,111	80,774	45,762
Total operating revenues	1,028,775	931,663	1,960,438	521,171
Operating expenses				
Salaries and wages	230,806	241,351	472,157	69,459
Payroll taxes	16,840	17,537	34,377	4,998
Employee benefits	62,853	72,382	135,235	27,135
Retirement	-	11,794	11,794	19,792
Supplies	64,429	49,186	113,615	111,964
Postage	2,601	2,833	5,434	-
Professional and contracted services	24,548	26,664	51,212	39,151
Insurance	13,223	5,055	18,278	11,810
Telephone and communications	6,394	4,184	10,578	4,326
Professional development	1,053	1,886	2,939	-
Utilities	125,259	112,181	237,440	25,105
Repair and maintenance	49,336	51,799	101,135	107,669
Drain inprovements	8,697	-	8,697	-
Equipment rental	121,800	82,500	204,300	-
Miscellaneous	3,269	2,062	5,331	790
Depreciation	285,419	173,753	459,172	136,186
Total operating expenses	1,016,527	855,167	1,871,694	558,385
Operating income (loss)	12,248	76,496	88,744	(37,214)
Nonoperating revenues (expenses)				
Interest earnings	86	46,984	47,070	20
Issuance of long-term debt	-	-	-	400,000
Proceeds from sale of assets	-	-	-	15,005
Interest expense	(69,058)	(51,466)	(120,524)	(12,814)
Net nonoperating revenues (expenses)	(68,972)	(4,482)	(73,454)	402,211
Income (loss) before transfers	(56,724)	72,014	15,290	364,997
Transfers				
Transfers out	(10,000)	(10,000)	(20,000)	(12,000)
Total transfers	(10,000)	(10,000)	(20,000)	(12,000)
Capital grant	-	275,983	275,983	-
Total capital contributions	-	275,983	275,983	-
Changes in net position	(66,724)	337,997	271,273	352,997
Total net position-beginning	3,124,937	4,883,373	8,008,310	572,236
Total net position-ending	$ 3,058,213	$ 5,221,370	$ 8,279,583	$ 925,233

See accompanying notes.

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City of Clare

Reconciliation of the Statement of Revenues, Expenses, and Changes in Net Position of Enterprise Funds to the Statement of Activities

Year Ended June 30, 2022

Net change in net position - total enterprise funds	$ 271,273
The change in net position reported for business-type activities in the statement of activities is different because:	
The internal service funds are used by the City to charge the costs of operating a data processing service and a mobile equipment service to individual funds. Some of the net revenue (expense) attributable to those funds is reported within business-type activities.	157,358
Other reconciling items	
Change in net position of business-type activities	$ 428,631

See accompanying notes.

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City of Clare

Proprietary Funds Statement of Cash Flows

Year Ended June 30, 2022

	Sewer Fund	Water Fund	Total	Internal Service Funds
Cash flows from operating activities				
Receipts from customers	$ 1,011,898	$ 912,691	$ 1,924,589	$ 521,137
Payments to suppliers	(463,072)	(260,998)	(724,070)	(260,505)
Payments to employees	(308,965)	(341,461)	(650,426)	(120,973)
Net cash from operating activities	239,861	310,232	550,093	139,659
Cash flows from noncapital financing activities				
Transfers out	(10,000)	(10,000)	(20,000)	(12,000)
Proceeds from equipment loan	-	-	-	400,000
Net cash from noncapital financing activities	(10,000)	(10,000)	(20,000)	388,000
Cash flows from capital and related financing activities				
Purchases and construction of capital assets	(419,791)	(419,325)	(839,116)	(460,413)
Capital contributions	-	275,983	275,983	-
Proceeds from the sale of capital assets	-	-	-	15,005
Principal paid on capital debt	(100,572)	(82,735)	(183,307)	(23,375)
Interest paid on capital debt	(69,058)	(51,466)	(120,524)	(12,404)
Net cash from capital and related financing activities	(589,421)	(277,543)	(866,964)	(481,187)
Cash flows from investing activities				
Interest earnings	86	46,984	47,070	19
Net cash from investing activities	86	46,984	47,070	19
Net change in cash and cash equivalents	(359,474)	69,673	(289,801)	46,491
Balances-beginning of year	792,766	1,807,237	2,600,003	122,500
Balances-end of year	$ 433,292	$ 1,876,910	$ 2,310,202	$ 168,991
Displayed as:				
Cash and cash equivalents	$ 173,872	$ 1,743,276	$ 1,917,148	$ 168,991
Restricted cash and cash equivalents	259,420	133,634	393,054	-
	$ 433,292	$ 1,876,910	$ 2,310,202	$ 168,991
Reconciliation of operating loss to net cash from operating activities:				
Operating loss	$ 12,248	$ 76,496	$ 88,744	$ (37,214)
Adjustments to reconcile operating loss to net cash from operating activities:				
Depreciation expense	285,419	173,753	459,172	136,186
Change in assets and liabilities:				
Accounts receivable, net	(16,877)	(18,972)	(35,849)	(34)
Inventory	(8,030)	3,681	(4,349)	(20,552)
Prepaid items	7,215	8,107	15,322	3,382
Accounts payable	24,433	117,789	142,222	57,480
Accrued expenses	1,534	1,603	3,137	411
Deposits and other liabilities	(66,081)	(52,225)	(118,306)	-
Net cash from operating activities	$ 239,861	$ 310,232	$ 550,093	$ 139,659

See accompanying notes.

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City of Clare

Statement of Fiduciary Net Position

Year Ended June 30, 2022

	Custodial Funds
Assets	
Cash and cash equivalents	$ 76,898
Total assets	$ 76,898
Liabilities	
Accrued expenses	$ 68,285
Due to other governmental units	8,613
Total liabilities	$ 76,898

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2022

	Custodial Funds
Additions	
Property taxes collected for other governments	$ 6,353,459
Deductions	
Property taxes distributed to other governments	(6,350,526)
Net change in fiduciary position	2,933
Net position at beginning of year	73,965
Net position at end of year	$ 76,898

See accompanying notes.

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City of Clare

Component Units Statement of Net Position

June 30, 2022

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Assets				
Cash and cash equivalents	$ 134,218	$ (448)	$ 4,636	$ 138,406
Capital assets, net:				
Assets not being depreciated	386,558	-	-	386,558
Assets being depreciated	130,106	40,641	-	170,747
Total assets	650,882	40,193	4,636	695,711
Liabilities				
Accrued interest payable	1,270	-	-	1,270
Long-term liabilities:				
Due in one year	65,000	-	-	65,000
Due in more than one year	291,000	-	-	291,000
Total liabilities	357,270	-	-	357,270
Net position				
Invested in capital assets, net of related debt	160,664	40,641	-	201,305
Restricted - debt service	132,948	-	-	132,948
Restricted - community development	-	(448)	4,636	4,188
Total net position	$ 293,612	$ 40,193	$ 4,636	$ 338,441

See accompanying notes.

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City of Clare

Reconciliation of the Component Units Balance Sheet to the Component Units Statement of Net Position

June 30, 2022

Total fund balances for component units	$ 138,406
Total net position reported for component units in the statement of net position is different because:	
Capital assets used in the component units' governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:	
Capital assets	1,109,407
Accumulated depreciation	(552,102)
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest payable	(1,270)
Long-term liabilities applicable to the component units' governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at June 30, 2022 are:	
DDA bonds	(356,000)
Total net position of component units	$ 338,441

See accompanying notes.

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City of Clare

Component Units Statement of Activities

June 30, 2022

Functions/Programs:	Expenses	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Downtown Development Authority:							
Community and economic development	54,206.00	$ 10,749	$ -	$ (43,457)	$ -	$ -	$ (43,457)
Local Development Finance Authority:							
Community and economic development	4,724	-	-	-	(4,724)	-	(4,724)
Brownfield Redevelopment Authority:							
Community and economic development	-	-	-	-	-	-	-
	$ 58,930	$ 10,749	$ -	(43,457)	(4,724)	-	(48,181)
General revenues:							
Property taxes and related fees				99,441	4,979	-	104,420
Interest earnings				16	-	1	17
Transfers out				(2,000)	(4,983)	-	(6,983)
Total general revenues				97,457	(4)	1	97,454
Change in net position				54,000	(4,728)	1	49,273
Net position-beginning				239,612	44,921	4,635	289,168
Net position-ending				$ 293,612	$ 40,193	$ 4,636	$ 338,441

See accompanying notes.

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City of Clare

Reconciliation of the Component Units Statement of Revenues, Expenditures, and Changes in Fund Balances to the Component Units Statement of Activities

June 30, 2022

Net change in fund balances - component units	$ 13,488
The change in net position reported for component units in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Add: capital outlay	3,488
Subtract: depreciation expense	(29,703)
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.	
Add: repayments of DDA bonds	62,000
Change in net position of component units	$ 49,273

See accompanying notes.

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1. Summary of Significant Accounting Policies

The accounting policies of the City of Clare (City) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies used by the City:

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City is governed by an elected five-member commission. The City provides services to its various residents in many areas, including general government, public safety, public works, recreation and culture, and sewer and water utilities. As required by GAAP, these financial statements present the City and its component units. The component units discussed below are included in the City's reporting entity because they are entities for which the City is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Discretely Presented Component Units

Downtown Development Authority (DDA) – The DDA was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and to promote economic growth within the downtown district. The DDA's governing body, which consists of twelve members, is selected by the City Commission. The City Commission approves the annual budget of the DDA. The DDA does not issue separate financial statements.

Local Development Finance Authority (LDFA) – The LDFA was created to help finance local industrial development projects. The LDFA's governing body, which consists of nine members, is selected by the City Commission. In addition, the LDFA's budget is subject to approval by the City Commission. The LDFA does not issue separate financial statements.

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1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity (continued)

Discretely Presented Component Units (continued)

Brownfield Redevelopment Authority (BRDA) – The BRDA was created to develop and implement brownfield projects. The BRDA's governing body is selected by the City Commission. The City Commission approves the annual budget of the BRDA. The BRDA does not issue separate financial statements.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the City has three discretely presented component units. Although all may not be considered major component units, they are nevertheless shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and other charges between the City's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

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1. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements (continued)

The City reports the following major governmental fund:

The ***General Fund*** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

The ***Sewer Fund*** is used to record the revenues and expenses for the operation of a sewer system.

The ***Water Fund*** is used to record the revenues and expenses for the operation of a water system.

Additionally, the City reports the following fund types:

Internal Service Funds account for major machinery and equipment purchases and maintenance, as well as data processing services provided to other departments of the City on a cost reimbursement basis.

Custodial Funds account for assets held for other governments and other city funds in a custodial capacity, including tax collections, payroll, and benefit administration.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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1. Summary of Significant Accounting Policies (continued)

E. Use of Estimates

The preparation of the financial statements in conformity with United States generally accepted accounting principles require management to make estimates and assumptions that affect the amounts of assets and liabilities, disclosure of contingent assets, and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include, but are not limited to, the net pension obligation.

F. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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1. Summary of Significant Accounting Policies (continued)

F. Measurement Focus and Basis of Accounting (continued)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

G. Budgetary Information

Budgets and Budgetary Accounting–The City follows the following procedures in establishing the budgetary data reflected in the financial statements.

- Annual budgets are legally adopted, and formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Annual Informational Budget Summaries are prepared for Debt Service Funds, Capital Project Funds, Enterprise Funds, and Internal Service Funds.

- Budgets can be amended during the year by a majority vote of the City Commission. The activity level in the General Fund and the fund level in the Special Revenue Funds are the legal level of control.

- Budgets for the General Fund and Special Revenue Funds are prepared on a modified accrual basis. Also, informational budgets for the Debt Service Funds and Capital Projects Funds are prepared on the modified accrual basis, while the Enterprise Fund and Internal Service Fund informational budgets are prepared using the accrual basis of accounting. Both methods are consistent with GAAP.

- Budget appropriations lapse at year-end.

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1. Summary of Significant Accounting Policies (continued)

H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments–Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables–All trade and property tax receivables are shown net of allowance for uncollectible amounts.

Inventories and Prepaid Items–Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect cost applicable to future years and are recorded as prepaid items in the government-wide and fund statements.

Restricted Assets–The revenue bonds of the enterprise funds require amounts to be set aside for debt service principal and interest. The amount has been classified as restricted assets.

Capital Assets–Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Interest incurred, if any, during the construction of capital assets of business-type activities is included in the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following useful lives:

Land improvements	10 to 30 years
Buildings and improvements	15 to 60 years
Sewer and water systems	50 to 75 years
Vehicles	3 to 5 years
Equipment	3 to 5 years

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1. Summary of Significant Accounting Policies (continued)

H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

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

Deferred outflows of resources consist of net outflows related to the City's multiple-employer net pension obligation. Net pension obligation amounts are amortized over the actuarial calculated expected remaining service life of the members. Employer contributions subsequent to the measurement date of the net pension liability are required to be reported as deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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1. Summary of Significant Accounting Policies (continued)

H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Long-Term Obligations–In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported inclusive of the applicable bond premium or net of the applicable bond discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

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

Fund Balance Flow Assumption–Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The City's policy is that when multiple classifications are available and appropriate for a specific purpose, fund balance will be used first from the most restrictive category in order to the least restrictive.

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1. Summary of Significant Accounting Policies (continued)

H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

Fund Balance Policies–In the fund financial statements, fund balance is presented in five possible categories:

Nonspendable – amounts which cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as creditors, grantors, and higher levels of government), through constitutional provisions, or by enabling legislations.

Committed – amounts which are subject to limitations the City imposes upon itself through official actions made by the City Commission, and that remain binding unless removed in the same manner.

Assigned – amounts neither restricted nor committed for which the City has a stated intended use as established by the City Commission or an official to which the City Commission has delegated the authority to assign amounts for specific purposes.

Unassigned – amounts that are available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

Estimates–The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Adoption of New Accounting Standards

On July 1, 2021, the City adopted GASB Statement No. 87, *Leases*, and subsequent pronouncements (GASBS No. 87.) This standard applies to all state and local governments and establishes a single model for all lease accounting. The concept within this model is that a lease is a financing arrangement that permits the use on an underlying asset for a period of time. As such, a lessee records (in financial statements using the economic resources measurement focus) a lease liability and an intangible right-of-use asset. A lessor records a lease receivable and a corresponding deferred inflow of resources. An exception is granted for short-term leases, which are defined as "a lease that, at the beginning of the lease, has a maximum possible term under the contract of 12 months or less, including any options to extend, regardless of its probability of being exercised."

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1. Summary of Significant Accounting Policies (continued)

I. Adoption of New Accounting Standards (continued)

Implementation of the provisions of GASBS No. 87 are retroactive and requires a government to evaluate all leases in place as of the beginning of the period during which implementation is first applied. The City applied GASBS No. 87 for its lessor leases receivable as of July 1, 2021 with no cumulative effect on beginning net position. The standard was not applied to the City's right-of-use assets and liabilities as a lessee for contracts previously accounted for as operating leases due to the insignificance of those amounts. For further discussion of the City's accounting for its leases, refer to Note 8.

J. Revenues and Expenditures/Expenses

Program Revenues–Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes–The City property tax is levied each July 1st on the taxable valuation of property (as defined by State statutes) located in the City as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

The 2021 net taxable valuation of the City totaled $92,908,398, on which ad valorem taxes levied consisted of 18.5000 mills for City operating purpose, 0.7500 mills for parks, and 3.0000 mills for streets. These amounts are recognized in the General Fund (operating and parks) and Local Street Fund (streets) as property taxes and related fees.

Proprietary Funds Operating and Nonoperating Revenues and Expenses–Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. The Sewer and Water funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the systems. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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2. Deposits and Investments

At year-end, the City's deposits and investments were reported in the basic financial statements in the following categories:

	Deposits	Investments	Total
Financial statement caption:			
Primary Government:			
Cash and cash equivalents	$ 5,203,883	$ -	$ 5,203,883
Investments	-	-	-
Investments held by trustee	209,636	-	209,636
Restricted cash and cash equivalents	393,054	-	393,054
Component Units:			
Cash and cash equivalents	138,406	-	138,406
Fiduciary Funds:			
Cash and cash equivalents	76,898	-	76,898
	$ 6,021,877	$ -	$ 6,021,877

Under its investment policy, the City restricts its investments to bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States; repurchase agreements consisting of bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the State under a law or rule of this State or the United States. The City Commission has authorized the following financial institutions as depositories for the City: The Huntington National Bank and Mercantile Bank.

Investment and Deposit Risk

Interest Rate Risk–Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. However, the City may collateralize its repurchase agreements using longer-dated investments not to exceed five years to maturity.

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2. Deposits and Investments (continued)

Investment and Deposit Risk (continued)

Credit Risk–Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's current investment policy does specify a credit risk rating to be maintained. The City's investments are backed by U.S. governmental securities, which are rated AA+ and AAA by Standard & Poor's and Moody's Investor Services, respectively.

Custodial Credit Risk – Deposits–Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. State law does not require, and the City does not have, a policy for deposit custodial credit risk. As of year-end, $287,625 of the City's bank balances of $5,896,485 was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

Concentration of Credit Risk–The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by Michigan law.

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3. Capital Assets

Capital asset activity of the primary government for the current period was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 4,203,344	$ -	$ (64,242)	$ 4,139,102
Construction in progress	1,876,692	121,514	-	1,998,206
Total capital assets not being depreciated	6,080,036	121,514	(64,242)	6,137,308
Capital assets being depreciated:				
Land improvements	6,896,086	230,096	-	7,126,182
Buildings and improvements	3,264,066	-	-	3,264,066
Equipment	2,535,737	41,296	-	2,577,033
Vehicles	2,753,432	1,058,725	(325,000)	3,487,157
Total capital assets being depreciated	15,449,321	1,330,117	(325,000)	16,454,438
Less accumulated depreciation:				
Land improvements	(1,434,750)	(290,066)	-	(1,724,816)
Buildings and improvements	(2,015,183)	(90,346)	-	(2,105,529)
Equipment	(1,880,088)	(121,148)	-	(2,001,236)
Vehicles	(1,855,539)	(140,669)	325,000	(1,671,208)
Total accumulated depreciation	(7,185,560)	(642,229)	325,000	(7,502,789)
Total capital assets being depreciated, net	8,263,761	687,888	-	8,951,649
Governmental activities capital assets, net	$ 14,343,797	$ 809,402	$ (64,242)	$ 15,088,957

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3. Capital Assets (continued)

Business-type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 53,389	$ -	$ -	$ 53,389
Construction in progress	76,231	1,278	(6,946)	70,563
Total capital assets not being depreciated	129,620	1,278	(6,946)	123,952
Capital assets being depreciated:				
Land improvements	425,549	-	-	425,549
Buildings and improvements	5,394,966	8,956	-	5,403,922
Equipment	1,960,253	385,402	(8,500)	2,337,155
Infrastructure	13,895,000	450,426	-	14,345,426
Total capital assets being depreciated	21,675,768	844,784	(8,500)	22,512,052
Less accumulated depreciation:				
Land improvements	(389,482)	(2,943)	-	(392,425)
Buildings and improvements	(4,193,738)	(84,815)	-	(4,278,553)
Equipment	(940,717)	(74,417)	8,500	(1,006,634)
Infrastructure	(5,850,187)	(296,997)	-	(6,147,184)
Total accumulated depreciation	(11,374,124)	(459,172)	8,500	(11,824,796)
Total capital assets being depreciated, net	10,301,644	385,612	-	10,687,256
Business-type activities capital assets, net	$10,431,264	$ 386,890	$ (6,946)	$10,811,208

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3. Capital Assets (continued)

Depreciation expense was charged to programs of the City as follows:

Governmental Activities	
General government	$ 218,089
Public safety	119,894
Public works	120,912
Recreation and culture	76,854
Internal Service Fund depreciation	136,186
	$671,935
Business-Type Activities	
Sewer	$285,419
Water	173,753
	$459,172

Discretely Presented Component Units
Activity for the DDA for the current period was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 108,126	$ -	$ -	$ 108,126
Constructions in progress	274,944	3,488	-	278,432
Total capital assets not being depreciated	383,070	3,488	-	386,558
Capital assets being depreciated:				
Land improvements	490,633	-	-	490,633
Equipment	138,200	-	-	138,200
Total capital assets being depreciated	628,833	-	-	628,833
Less accumulated depreciation:				
Land improvements	(334,972)	(25,555)	-	(360,527)
Equipment	(138,200)	-	-	(138,200)
Total accumulated depreciation	(473,172)	(25,555)	-	(498,727)
Total capital assets being depreciated, net	155,661	(25,555)	-	130,106
DDA capital assets, net	$ 538,731	$ (22,067)	$ -	$ 516,664

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3. Capital Assets (continued)

Activity for the LDFA for the current period was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Land improvements	$ 94,016	$ -	$ -	$ 94,016
Total capital assets being depreciated	94,016	-	-	94,016
Less accumulated depreciation:				
Land improvements	(49,228)	(4,147)	-	(53,375)
Total accumulated depreciation	(49,228)	(4,147)	-	(53,375)
LDFA capital assets, net	$ 44,788	$ (4,147)	$ -	40,641

Construction Commitments

The City's active construction projects as of June 30, 2022 included the following contractor commitments:

	Spent to Date	Remaining Commitment
Airport–Parallel Taxiway	$ 66,949	$ 572,051
Municipal Street Project	-	226,393
Lake Shamrock Dredging	21,373	3,627
Replace Lead Lines	379,686	608,630
Sole Source Purchase City Hall Boiler	-	14,859
City Hall Window Replacement	-	9,615
	$ 468,008	$ 1,435,174

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4. Interfund Receivables, Payables, and Transfers

As of June 30, 2022, there were no interfund receivables or payables between the funds. The composition of interfund transfers out and in is as follows:

Fund	Transfers Out	Fund	Transfers In
General	$505,206	General	$46,983
Major Street	157,000	Local Street	160,000
Local Street	2,000	Fire	103,143
Fire	23,373	Parks	365,000
Parks	2,000	Public Safety/Bldg Debt	53,436
DDA	2,000		
LFDA	4,983		
Internal Service	12,000		
Sewer	10,000		
Water	10,000		
	$728,562		$728,562

Transfers represent unrestricted revenues used to finance programs that the City must account for in specific funds in accordance with budgetary authorizations, amounts provided as subsidies, or matching funds for specific grant programs.

5. Long-Term Debt

The government issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties and will be repaid from amounts levied against those properties that directly benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the district) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

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5. Long-Term Debt (continued)

Bond and contractual agreements can be summarized as follows:

	Interest Rate	Principal Matures	Beginning Balance	Additions (Reductions)	Ending Balance	Due Within One Year
Governmental Activities						
Public safety building – 2012 refunding bonds	3.37%	2035	$ 415,000	$ (35,000)	380,000	$ 35,000
Soccer complex installment purchase	2.69%	2022	37,454	(18,546)	18,908	18,908
North Industrial Park	4.00%	2044	486,000	(13,000)	473,000	14,000
Sidewalk LED lighting	2.24%	2031	87,064	(8,706)	78,358	8,706
Recreational Complex Construction	2.60%	2037	291,000	(14,000)	277,000	15,000
2018 Freightliner Blade Truck	2.05%	2028	80,500	(11,500)	69,000	11,500
2018 Elgin Street Sweeper	3.60%	2033	192,552	(11,875)	180,677	12,303
2021 Shamrock Lake Bonds	1.95%	2035	1,300,000	(88,000)	1,212,000	88,000
2021B Capital Improvement Bond	1.90%	2037	-	1,150,000	1,150,000	71,000
			$2,889,570	$ 949,333	3,838,942	$ 274,417
Business-Type Activities						
Sewer Fund:						
Sewage system revenue bonds	2.50%	2051	$2,201,954	$ (50,000)	2,151,954	51,000
2012 refunding bonds	2.15%	2023	50,000	(45,571)	4,429	4,429
2014 rural development bonds	3.25%	2054	303,000	(5,000)	298,000	5,000
Water Fund:						
2012 refunding bonds	2.23%	2023	60,000	(48,736)	11,264	11,265
2014 rural development bonds	3.25%	2054	507,000	(9,000)	498,000	9,000
2019 Water Plant Revenue Bond	2.125%	2059	1,473,000	(25,000)	1,448,000	25,000
			$4,594,954	$ (183,306)	4,411,647	$ 105,694
Component Units						
DDA:						
2020 Refunding Bonds	1.2% to 1.6%	2026	$ 147,000	$ (35,000)	$ 112,000	$ 37,000
2020 Streetscape Bonds	1.84%	2030	271,000	(27,000)	244,000	28,000
			$ 418,000	$ (62,000)	$ 356,000	$ 65,000

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5. Long-Term Debt (continued)

Annual debt service requirements to maturity for the above obligations are as follows:

	Governmental Activities		Business-Type Activities		Component Units	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 274,417	$ 72,019	$ 105,694	$ 111,293	$ 65,000	$ 5,912
2024	246,952	67,139	94,000	108,277	67,000	4,860
2025	249,411	62,833	96,000	105,914	30,000	3,763
2026	250,887	58,413	98,000	103,481	31,000	2,926
2027	254,379	53,926	100,000	101,011		2,374
2028-2032	1,268,219	198,856	544,000	465,470	98,000	3,625
2033-2037	1,096,677	81,780	615,000	393,194	-	-
2038-2042	135,000	29,200	701,000	310,917	-	-
2043-2047	63,000	3,840	793,000	217,084	-	-
2048-2052	-	-	776,953	110,649	-	-
2053-2057	-	-	325,000	34,524	-	-
2058-2061	-	-	163,000	5,302	-	-
	$ 3,838,942	$ 628,006	$ 4,411,647	$ 2,067,103	$ 356,000	$ 23,459

6. Segment Information–Enterprise Funds

The City issued revenue bonds to finance certain improvements to its sewer and water systems. Because the Sewer and Water funds are individual major funds that account entirely for the City's sewage treatment activities and water distribution, segment disclosures are not required.

7. Risk Management

The City participates in a public entity risk (insurance) pool with other local units of government in the Michigan Municipal Liability and Property Pool. This self-insurance plan provides members with loss protection for property damage and general liability. The City paid the annual premium for this insurance policy before June 30, 2022.

When a claim is incurred and/or paid, the member's loss contribution account is charged or credited according to the member's actual loss experience; no obligation is credited for another member's losses. If contributions are in excess of actual expenses and reserves, future contributions are decreased. Should any member have more losses paid on their behalf than contributions covering such losses, credit is extended within the association joint loss fund; such a deficit is repaid by the member in future contributions. The plan does not maintain separate funds for members and consequently the City's share of total assets and total equity is unknown. Audited financial statements of the plan are available.

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8. Deferred Compensation Plan

The City offers all its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The assets of the plan were held in trust as described in Internal Revenue Code Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof, for the exclusive benefit of the participants, holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the City for the purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. In accordance with the provisions of GASB Statement No. 32, plan balances and activities are not reflected in the City's financial statements.

A summary of the plan's investment activity for the year ended June 30, 2022, follows:

Balance – July 1, 2021	$ 926,559
Employee contributions	93,426
Transfers	16,564
Current withdrawals	(28,096)
Interest and market losses	(104,803)
Adjustments/fees	(3,455)
Balance – June 30, 2022	$ 900,195

9. Pension Plan

Defined Benefit Pension Plan

General Information about the Pension Plan

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

Contributions. The City is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

The City's contribution rate during the 2021 calendar valuation period was 30.87% of annual covered payroll for general employees, 30.79% of annual covered payroll for police employees, and 47.25% for Pere Marquette District Library full time employees. The City's contributions to the plan for the year ended June 30, 2022 were $409,626 which equaled the City's required contribution.

The City may establish contribution rates to be paid by its covered employees. General employees are required to contribute 4% of their annual covered payroll; police employees contribute 8%, and Pere Marquette District Library employees contribute 4%. Employee contributions for the year ended June 30, 2022 were $75,437

Benefit Provisions. The chart below summarizes the benefit provisions for each of the City's two covered groups.

01 – General: Open Division	**2021 Valuation**
Benefit Multiplier	2.25% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	-
Early Retirement (Reduced)	50/25
	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
COLA for Current Retirees	2.50% (Non-Compound)
Employee Contributions	4%
Act 88	Yes (Adopted 6/6/2005)

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

02 – Police: Open Division	**2021 Valuation**
Benefit Multiplier	2.50% Multiplier (80% max)
	Frozen FAC; to 2.25% Multiplier (80% max)
Bridged Benefit Date	06/30/2016
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25
	55/15
Final Average Compensation	3 years
Employee Contributions	8%
Act 88	Yes (Adopted 6/6/2005)

07 – PMDL All FT EEs: Open Division	**2021 Valuation**
Benefit Multiplier	2.25% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	-
Early Retirement (Reduced)	50/25
	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
COLA for Current Retirees	2.50% (Non-Compound)
Employee Contributions	4%
Act 88	Yes (Adopted 6/6/2005)

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

Employees covered by benefit terms. As of the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to but not yet receiving benefits	14
Active employees	28
	71

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2021 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.5%
- Salary Increases: 3.00% in the long-term
- Investment rate of return: 7.00%, net of investment expense, including inflation
- Although no specific price inflation assumptions are needed for the valuation, the 3% long-term wage inflation assumption would be consistent with a price inflation of 3% - 4%
- Mortality rates used were based on a version of Pub-2010 and fully generational MP-2019
- The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience studies completed in 2018 and 2020

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	60.0%	4.20%
Global Fixed Income	20.0%	0.90%
Private Investments	20.0%	1.90%
Total	100.00%	7.00%

Discount Rate. The discount rate used to measure the total pension liability is 7.25% for 2021. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) – (b)**
Balances as of December 31, 2020	$ 10,726,901	$6,172,866	$4,554,035
Changes for the year			
Service Cost	183,628	-	183,628
Interest on total pension liability	781,035	-	781,035
Changes in benefits	-	-	-
Difference between expected and actual experience	81,289	-	81,289
Changes in assumptions	456,937	-	456,937
Employer contributions	-	382,822	(382,822)
Employee contributions	-	143,666	(143,666)
Net investment income	-	871,543	(871,543)
Benefit payments, including employee refunds	(596,612)	(596,612)	-
Administrative expense	-	(10,013)	10,013
Other changes	(3,311)	-	(3,311)
Net changes	1,162,417	460,748	701,669
Balances as of December 31, 2021	$11,629,867	$6,964,272	$4,665,595

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's net pension liability would be using a discount rate that is 1% point lower (6.25%) or 1% higher (8.25%) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$6,231,650	$4,749,704	$3,517,334

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022 the employer recognized pension expense of $884,424. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 312,275	$ -
Differences in assumptions	576,579	-
Excess (Deficit) Investment Returns	162,351	-
Contributions subsequent to the measurement date*	210,486	-
Total	$ 1,261,690	$ -

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending June 30, 2022.

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9. Pension Plan (continued)

Defined Benefit Pension Plan (continued)

Amounts reported as deferred outflows and inflows of resources related to pensions, excluding contributions subsequent to the measurement date, will be recognized in pension expense as follows:

Year Ended June 30	
2023	$ 516,209
2024	346,256
2025	188,740
	$ 1,051,205

Funding Policy – The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment were determined using an attained age actuarial funding method. Unfunded actuarial accrued liabilities, if any, were amortized as a level percent of payroll over a period of 26 years.

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

10. Contingencies

The City receives financial assistance from other governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the City. However, in the opinion of management, any such disallowed claims will not have a material effect on any financial statements herein or on the overall position of the City.

The City is subject to various legal proceedings arising in the course of providing public services to City residents. However, in the opinion of the City's attorney and management, the resolution of these matters will not have a material effect, if any, on the financial condition of the City.

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11. Landfill Post-Closure Care

The City owns and operated the Hatton Township Landfill (Landfill), which was closed in 1987. Following closure, the Landfill was capped. However, there have been claims of contamination from the landfill infiltrating local aquifers and contaminating local private wells.

The City hired a technical consultant to develop an assessment plan to determine the levels of alleged migratory contamination. The Michigan Department of Environmental Quality (DEQ) disagreed with the scope and extent of the City consultant's assessment and assumed the role of performing this assessment in 2000. The DEQ completed its assessment plan in 2003 and found no migratory contamination.

The City has contributed $200,000 to be held in perpetuity in a designated and agreed-upon, third-party escrow account to defray any future costs and litigation ensuing from contamination caused by the Landfill.

The Landfill is no longer accepting solid waste. Any liability related to any other costs, which may possibly be incurred, cannot be estimated at this time, and no estimated liability has been recorded.

12. Tax Abatements

The City receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions granted by the City. Industrial Facility Tax exemptions are intended to promote construction of new industrial facilities or to rehabilitate historical facilities. For the fiscal year ended June 30, 2022, the City's property tax revenues were reduced by $13,185 under these agreements. There are no significant abatements made by the City.

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City of Clare

Required Supplementary Information
Defined Benefit Pension Plan (MERS)
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total pension liability										
Service Cost	**$ 183,628**	$ 166,797	$ 153,722	$ 154,120	$ 144,430	$ 163,000	$ 158,301	$ 154,504		
Interest	**781,035**	712,129	703,740	699,144	675,187	669,009	628,374	607,608		
Changes of benefit terms	**-**	-	-	(48,037)	40,916	(173,929)	(12,417)	-		
Difference between expected and actual experience	**81,289**	525,294	(45,357)	(216,322)	(26,763)	(39,835)	(143,831)	-		
Changes of assumptions	**456,937**	322,626	290,251	-	-	-	394,907	-		
Benefit payments including employee refunds	**(596,612)**	(555,518)	(515,531)	(546,980)	(531,306)	(532,186)	(546,575)	(500,277)		
Other	**(3,311)**	(8,911)	-	1	(1)	1	19,637	18,988		
Net change in total pension liability	**902,966**	1,162,417	586,825	41,926	302,463	86,060	498,396	280,823		
Total pension liability, beginning	**10,726,901**	9,564,484	8,977,659	8,935,733	8,633,270	8,547,210	8,048,814	7,767,991		
Total pension liability, ending	**11,629,867**	10,726,901	$ 9,564,484	$ 8,977,659	$ 8,935,733	$ 8,633,270	$ 8,547,210	$ 8,048,814	$ 7,883,371	$ 7,880,941
Plan fiduciary net position										
Contributions-employer	**$ 382,822**	$ 348,456	$ 313,639	$ 277,787	$ 256,765	$ 246,242	$ 221,449	$ 200,646		
Contributions-employee	**143,666**	236,085	69,055	68,396	67,274	90,212	94,551	75,078		
Net Investment income	**871,543**	697,484	697,443	(214,020)	669,346	538,864	(75,565)	314,166		
Benefit payments including employee refunds	**(596,612)**	(555,518)	(515,531)	(546,980)	(531,306)	(532,186)	(546,575)	(500,277)		
Administrative expense and other changes	**(10,013)**	(11,321)	(12,007)	(10,713)	(10,609)	(10,640)	(11,048)	(11,501)		
Transfers	**-**	(254,438)	-	-	-	-	-	-		
Net change in plan fiduciary net position	**791,406**	460,748	552,599	(425,530)	451,470	332,492	(317,188)	78,112		
Plan fiduciary net position, beginning	**6,172,866**	5,712,118	5,159,519	5,585,049	5,133,579	4,801,087	5,118,275	5,040,163		
Plan fiduciary net position, ending	**$ 6,964,272**	$ 6,172,866	$ 5,712,118	$ 5,159,519	$ 5,585,049	$ 5,133,579	$ 4,801,087	$ 5,118,275	$ 5,351,846	$ 5,194,914
Employer net pension liability	**$ 4,665,595**	$ 4,554,035	$ 3,852,366	$ 3,818,140	$ 3,350,684	$ 3,499,691	$ 3,746,123	$ 2,930,539	$ 2,531,525	$ 2,686,027
Plan fiduciary net position as a percentage of the total pension liability	59.9%	57.5%	59.7%	57.5%	62.5%	59.5%	56.2%	63.6%	67.9%	65.9%
Covered employee payroll	**$ 1,534,305**	$ 1,495,782	$ 1,356,101	$ 1,340,751	$ 1,266,188	$ 1,284,529	$ 1,257,889	$ 1,238,862	$ 1,164,366	$ 1,252,982
Employer's net pension liability as a percentage of covered employee payroll	304.1%	304.5%	284.1%	284.8%	264.6%	272.4%	297.8%	236.6%	217.4%	214.4%

Notes to schedule:

Benefit changes: There were no changes in benefits during the periods presented.

Changes in assumptions:

For 2021: 1) The assumed annual rate of investment return, net of all expenses, was lowered from 7.35% to 7.00%. 2) The asset smoothing period was changed from 10 years to 5 years, effective in 2016. There were no changes in actuarial assumptions or methods for 2021.
date.

These totals and ratios for years 2012 through 2020 are shown for comparative purposes and reflect the actuarial accrued liability, actuarial value of assets, unfunded actuarial accrued liability, and covered payroll as reported in previous years' financial statements.

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City of Clare

Required Supplementary Information
Defined Benefit Pension Plan (MERS)
Schedule of Employer's Contributions

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarial determined contributions	**$ 400,415**	$ 357,211	$ 313,639	$ 277,787	$ 256,765	$ 246,242	$ 221,449	$ 200,646	$ 203,749
Contributions in relation to the actuarially determined contribution	**400,415**	357,211	313,639	277,787	256,765	246,242	221,449	200,646	203,749
Contribution deficiency (excess)	**-**	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Employee Payroll	**$ 1,534,305**	$ 1,495,782	$ 1,356,101	$ 1,340,751	$ 1,266,188	$ 1,284,529	$ 1,257,889	$ 1,238,862	$ 1,164,366
Contributions as a percentage of covered employee payroll	**26%**	24%	23%	21%	20%	19%	18%	16%	17%

Notes to Schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	17 years
Asset valuation method	10 year smoothed
Inflation	2.50%
Salary Increases	3.00%
Investment rate of return	7.00%
Retirement age	Varies depending on plan adoption
Mortality	50% Female/50% Male RP-2014 Annuity Mortality Table

Above dates are based on the actuarial measurement date

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City of Clare

Budgetary Comparison Schedule - General Fund

June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes and related fees	$ 1,786,939	$ 1,796,780	$ 1,794,275	$ (2,505)
Special assessments, net	49,410	67,834	74,927	7,093
Licenses and permits	46,750	68,173	81,359	13,186
Federal revenue	352,650	352,650	13,000	(339,650)
State revenue	494,829	625,936	663,700	37,764
Charges for services	709,602	736,762	698,026	(38,736)
Fines and forfeitures	4,100	4,100	3,031	(1,069)
Interest and rentals	27,513	30,311	30,553	242
Other revenue - donations	55,775	71,040	29,835	(41,205)
Other revenue	74,434	191,792	196,252	4,460
Total revenues	3,602,002	3,945,378	3,584,958	(360,420)
Expenditures				
General government:				
City commission	66,155	66,655	45,641	21,014
City manager	135,241	136,166	133,950	2,216
Assessor	51,752	69,595	38,627	30,968
Clerk	225,203	226,143	218,103	8,040
Elections	16,070	16,060	4,440	11,620
Board of review	2,026	2,226	2,076	150
Cemetery	106,138	106,279	79,601	26,678
Buildings and grounds	84,607	83,801	65,177	18,624
Fiscal services	173,270	173,963	163,625	10,338
All other general government	48,950	107,050	104,949	2,101
Public safety:				
Police department	893,434	950,260	913,795	36,465
Fire department	265,888	265,888	232,310	33,578
Building inspection and regulation activities	19,000	19,000	18,318	682
Public works:				
Solid waste	215,530	237,575	231,817	5,758
Landfill closure	87,667	87,691	70,750	16,941
Department of public works	55,434	56,540	56,698	(158)
Drains	15,158	15,159	15,158	1
Street lights	58,378	67,794	67,716	78
Community development:				
Planning and zoning	28,700	43,700	35,064	8,636

See accompanying notes.

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City of Clare

Budgetary Comparison Schedule - General Fund (continued)

June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures (continued)				
Recreation and culture:				
Parks and recreation	$ 2,092,561	$ 2,127,344	$ 394,268	$ 1,733,076
Airport	156,511	182,045	163,147	18,898
Capital outlay:				
General government	75,800	-	-	-
Public safety	613,230	625,620	625,572	48
Recreation and culture	63,000	37,500	-	37,500
Debt service:				
Principal	175,712	175,812	142,269	33,543
Interest and fiscal charges	68,291	68,291	58,919	9,372
Total expenditures	5,793,706	5,948,157	3,881,990	2,066,167
Excess (deficiency) of revenues over expenditures	(2,191,704)	(2,002,779)	(297,032)	1,705,747
Other financing sources (uses)				
Issuance of long-term debt	-	-	750,000	750,000
Transfers in	765,126	511,126	515,126	4,000
Transfers out	(771,333)	(526,333)	(530,579)	(4,246)
Total other financing sources (uses)	(6,207)	(15,207)	734,547	749,754
Net change in fund balances	(2,197,911)	(2,017,986)	437,515	2,455,501
Fund balances-beginning	1,962,472	1,962,472	1,962,472	-
Fund balances-ending	$ (235,439)	$ (55,514)	$ 2,399,987	$ 2,455,501

See accompanying notes.

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City of Clare

Budgetary Comparison Schedule - Major Streets Fund

June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
State revenue	$ 376,713	$ 376,713	$ 386,696	$ 9,983
Interest earnings	100	100	24	(76)
Special assessments, net	1,002	1,002	-	(1,002)
Other revenue - donations	-	-	400	400
Other revenue	-	-	2,377	2,377
Total revenues	377,815	377,815	389,497	11,682
Expenditures				
Public works:				
Wages	72,737	72,767	67,849	4,918
Payroll taxes	5,564	5,564	4,859	705
Fringe benefits	28,225	28,225	24,476	3,749
Retirement	9,586	20,591	19,186	1,405
Internal service fund - mobile	65,300	65,300	65,300	-
Operating supplies	20,000	20,300	12,397	7,903
Road salt	20,500	26,400	8,923	17,477
Professional and contractual services	7,400	10,200	7,074	3,126
Electricity	600	600	84	516
Professional services - trees	2,500	2,500	1,685	815
Drain Inprovements	13,541	13,541	13,541	-
Miscellaneous	300	300	-	300
Total expenditures	246,253	266,288	225,374	40,914
Excess (deficiency) of revenues over expenditures	131,562	111,527	164,123	52,596
Other financing sources (uses)				
Transfers out	(157,000)	(157,000)	(157,000)	-
Total other financing sources (uses)	(157,000)	(157,000)	(157,000)	-
Net change in fund balances	(25,438)	(45,473)	7,123	52,596
Fund balances-beginning	261,880	261,880	261,880	-
Fund balances-ending	$ 236,442	$ 216,407	$ 269,003	$ 52,596

See accompanying notes.

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City of Clare

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2022

	Special Revenue			Debt Service	Permanent	
	Local Street	Municipal Street	Drug Forfeiture	Public Safety	Cemetery Perpetual Care	Total
Assets						
Cash and cash equivalents	$ 41,519	$ 173,299	$ 2,894	$ (48,144)	$ 319,642	$ 489,210
Assessments receivable, net	526	-	-	-	-	526
Due from other governmental units	22,179	-	-	-	-	22,179
Prepaid items	2,193	-	-	-	-	2,193
Total assets	$ 66,417	$ 173,299	$ 2,894	$ (48,144)	$ 319,642	$ 514,108
Liabilities, deferred inflows of resources, and fund balances						
Liabilities:						
Accounts payable	$ 301	$ 163,123	$ -	$ -	$ -	$ 163,424
Accrued liabilities	1,757	-	-	-	-	1,757
Total liabilities	2,058	163,123	-	-	-	165,181
Deferred inflows of resources:						
Unavailable revenue - long-term special assessments	526	-	-	-	-	526
Total deferred inflows of resources	526	-	-	-	-	526
Fund balances:						
Nonspendable - prepaid items	2,193	-	-	-	-	2,193
Nonspendable - cemetery perpetual care	-	-	-	-	290,927	290,927
Restricted - streets and highways	61,640	10,176	2,894	(48,144)	-	26,566
Assigned - cemetery	-	-	-	-	28,715	28,715
Total fund balances	63,833	10,176	2,894	(48,144)	319,642	348,401
Total liabilities, deferred inflows of resources, and fund balances	$ 66,417	$ 173,299	$ 2,894	$ (48,144)	$ 319,642	$ 514,108

See accompanying notes.

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City of Clare

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

June 30, 2022

	Special Revenue			Debt Service	Permanent	
	Local Street	Municipal Street	Drug Forfeiture	Public Safety	Cemetery Perpetual Care	Total
Revenues						
Property taxes and related fees	$ -	$ 269,139	$ -	$ -	$ -	$ 269,139
Special assessments, net	526	-	-	-	-	526
State revenue	148,015	-	-	-	-	148,015
Charges for services	-	-	-	-	3,000	3,000
Interest and rentals	4	529	-	-	42	575
Other revenue	-	-	-	-	(600)	(600)
Total revenues	148,545	269,668	-	-	2,442	420,655
Expenditures						
Public works	288,675	326,424	-	-	-	615,099
Debt service:						
Principal	-	-	-	85,694	-	85,694
Interest and fiscal charges	-	-	-	15,886	-	15,886
Total expenditures	288,675	326,424	-	101,580	-	716,679
Excess (deficiency) of revenues over expenditures	(140,130)	(56,756)	-	(101,580)	2,442	(296,024)
Other financing sources (uses)						
Transfers in	160,000	-	-	53,436	-	213,436
Transfers out	(2,000)	-	-	-	-	(2,000)
Total other financing sources (uses)	158,000	-	-	53,436	-	211,436
Net change in fund balances	17,870	(56,756)	-	(48,144)	2,442	(84,588)
Fund balances-beginning	45,963	66,932	2,894	-	317,200	432,989
Fund balances-ending	$ 63,833	$ 10,176	$ 2,894	$ (48,144)	$ 319,642	$ 348,401

See accompanying notes.

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City of Clare

Combining Statement of Net Position - Internal Service Funds

June 30, 2022

	Data Processing	Mobile Equipment	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 39,197	$ 129,794	$ 168,991
Accounts receivable, net	-	2,362	2,362
Inventory	-	69,872	69,872
Prepaid items	1,147	10,656	11,803
Total current assets	40,344	212,684	253,028
Noncurrent assets:			
Capital assets:			
Land	-	85,000	85,000
Buildings and improvements, net	-	79,351	79,351
Equipment, net	64,313	20,940	85,253
Vehicles, net	-	735,397	735,397
Total noncurrent assets	64,313	920,688	985,001
Total assets	104,657	1,133,372	1,238,029
Liabilities			
Current liabilities:			
Accounts payable	1,636	59,837	61,473
Accrued expenses	-	1,237	1,237
Long-term liabilities:			
Due in one year	-	23,803	23,803
Due in more than one year	-	226,283	226,283
Total liabilities	1,636	311,160	312,796
Net position			
Invested in capital assets	64,313	670,602	734,915
Unrestricted	38,708	151,610	190,318
Total net position	$ 103,021	$ 822,212	$ 925,233

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City of Clare

Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds

June 30, 2022

	Data Processing	Mobile Equipment	Total
Operating revenues			
Charges for services	$ 61,300	$ 414,109	$ 475,409
Other revenue	78	45,684	45,762
Total operating revenues	61,378	459,793	521,171
Operating expenses			
Salaries and wages	-	69,459	69,459
Payroll taxes	-	4,998	4,998
Employee benefits	-	27,135	27,135
Retirement	-	19,792	19,792
Supplies	8,741	103,223	111,964
Professional and contracted services	32,652	6,499	39,151
Insurance	1,187	10,623	11,810
Telephone and communications	-	4,326	4,326
Utilities	-	25,105	25,105
Repair and maintenance	-	107,669	107,669
Miscellaneous	-	790	790
Depreciation	29,120	107,066	136,186
Total operating expenses	71,700	486,685	558,385
Operating income (loss)	(10,322)	(26,892)	(37,214)
Nonoperating revenues (expenses)			
Interest earnings	4	16	20
Issuance of long-term debt	-	400,000	400,000
Gain on sale of assets	-	15,005	15,005
Interest expense	-	(12,814)	(12,814)
Total nonoperating revenues (expenses)	4	402,207	402,211
Income (loss) before transfers	(10,318)	375,315	364,997
Transfers			
Transfers out	(11,000)	(1,000)	(12,000)
Total transfers	(11,000)	(1,000)	(12,000)
Changes in net position	(21,318)	374,315	352,997
Total net position-beginning	124,339	447,897	572,236
Total net position-ending	$ 103,021	$ 822,212	$ 925,233

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City of Clare

Combining Statement of Cash Flows - Internal Service Funds

June 30, 2022

	Data Processing	Mobile Equipment	Total
Cash flows from operating activities			
Receipts from customers	$ 61,378	$ 459,759	$ 521,137
Payments to suppliers	(42,088)	(218,417)	(260,505)
Payments to employees	-	(120,973)	(120,973)
Net cash from operating activities	19,290	120,369	139,659
Cash flows from noncapital financing activities			
Transfers out	(11,000)	(1,000)	(12,000)
Proceeds from equipment loan	-	400,000	400,000
Net cash from noncapital financing activities	(11,000)	399,000	388,000
Cash flows from capital and related financing activities			
Purchases and construction of capital assets	-	(460,413)	(460,413)
Proceeds from the sale of capital assets	-	15,005	15,005
Principal payments	-	(23,375)	(23,375)
Interest paid on capital debt	-	(12,404)	(12,404)
Net cash from capital and related financing activities	-	(481,187)	(481,187)
Cash flows from investing activities			
Interest earnings	3	16	19
Net cash from investing activities	3	16	19
Net change in cash and cash equivalents	8,293	38,198	46,491
Cash and cash equivalents at beginning of year	30,904	91,596	122,500
Cash and cash equivalents at end of year	$ 39,197	$ 129,794	$ 168,991
Reconciliation of operating loss to net cash from operating activities:			
Operating income (loss)	$ (10,322)	$ (26,892)	$ (37,214)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation expense	29,120	107,066	136,186
Change in assets and liabilities:			
Accounts receivable, net	-	(34)	(34)
Inventory	-	(20,552)	(20,552)
Prepaid items	40	3,342	3,382
Accounts payable	452	57,028	57,480
Accrued expenses	-	411	411
Net cash from operating activities	$ 19,290	$ 120,369	$ 139,659

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City of Clare

Combining Balance Sheet - Fiduciary Funds

June 30, 2022

	General Agency Fund	Current Tax Collection Fund	Payroll Imprest Fund	Total
Assets				
Cash and cash equivalents	$ 65,954	$ -	$ 10,944	$ 76,898
Total assets	$ 65,954	$ -	$ 10,944	$ 76,898
Liabilities				
Accrued expenses	$ 65,954	$ -	$ 2,331	$ 68,285
Due to other governmental units	-	-	8,613	8,613
Total liabilities	$ 65,954	$ -	$ 10,944	$ 76,898

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2022

	General Agency Fund	Tax Collection Fund	Payroll Imprest Fund	Total
Additions				
Amounts collected for other governments	$ 65,954	$ 5,780,699	$ 506,806	$ 6,353,459
Deductions				
Amounts distributed to other governments	-	5,780,799	569,727	6,350,526
Net change in fiduciary position	65,954	(100)	(62,921)	2,933
Net position at beginning of year	-	100	73,865	73,965
Net position at end of year	$ 65,954	$ -	$ 10,944	$ 76,898

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City of Clare

Combining Balance Sheet - Component Units

June 30, 2022

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Assets				
Cash and cash equivalents	$ 134,218	$ (448)	$ 4,636	$ 138,406
Total assets	$ 134,218	$ (448)	$ 4,636	$ 138,406
Fund balances:				
Restricted - debt service	134,218	-	-	134,218
Restricted - community development	-	(448)	4,636	4,188
Total fund balances	134,218	(448)	4,636	138,406
Total liabilities and fund balances	$ 134,218	$ (448)	$ 4,636	$ 138,406

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City of Clare

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Component Units

June 30, 2022

	Downtown Development Authority	Local Development Finance Authority	Brownfield Redevelopment Authority	Total
Revenues				
Property taxes and related fees	$ 99,441	$ 4,979	$ -	$ 104,420
Interest earnings	16	-	1	17
Other revenue	10,749	-	-	10,749
Total revenues	110,206	4,979	1	115,186
Expenditures				
Community development	25,243	577	-	25,820
Debt service:				
Principal	62,000	-	-	62,000
Interest and related fees	6,895	-	-	6,895
Total expenditures	94,138	577	-	94,715
Excess of revenue over expenditures	16,068	4,402	1	20,471
Other financing sources (uses)				
Transfers out	(2,000)	(4,983)	-	(6,983)
Total other financing sources (uses)	(2,000)	(4,983)	-	(6,983)
Net change in fund balances	14,068	(581)	1	13,488
Fund balances-beginning	120,150	133	4,635	124,918
Fund balances-ending	$ 134,218	$ (448)	$ 4,636	$ 138,406

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January 16, 2023

Andrews Hooper Pavlik PLC
5915 Eastman Avenue, Suite 100
Midland, Michigan 48640

This representation letter is provided in connection with your audit of the financial statements of the City of Clare (City), which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 16, 2023, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 27, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and for preparation of the supplementary information in accordance with the applicable criteria.
2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by U.S. GAAP to be included in the financial reporting entity.
3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Township's accounts

9) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit.

10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

11) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

12) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

13) Tax abatement agreements have been properly disclosed in the notes to the financial statements.

Information Provided

14) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of City Commission or summaries of actions of recent meetings for which minutes have not yet been prepared.

15) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

16) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

17) We have no knowledge of any fraud or suspected fraud that affects the City and involves:

    a) Management,

    b) Employees who have significant roles in internal control, or

c) Others where the fraud could have a material effect on the financial statements.

18) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

19) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

20) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

21) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements.

Government—specific

22) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

24) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

25) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts and legal and contractual provisions for reporting specific activities in separate funds.

27) We have appropriately disclosed all information for conduit debt obligations in accordance with GASB 91.

28) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

30) As part of your audit, you assisted with the following:

a) Preparation of the financial statements and disclosures.

b) Year-end GASB 34 entries with source information provided by us.

c) Updating the long-term debt schedules with source information provided by us.

d) Updating pension liabilities and related deferred resources and inflows based on information provided by us.

e) Preparing State of Michigan Form F-65 (Annual Local Unit Fiscal Report).

We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

31) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

32) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

33) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

34) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.

35) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.

36) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

37) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

38) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

39) Provisions for uncollectible receivables have been properly identified and recorded.

40) As a lessor, the City's lease receivables represent the present value of expected lease payments to be received over their noncancellable period plus renewal option periods that we believe are likely to be exercised. As a lessee, the City's right-of-us assets and related lease liabilities have been properly identified and recorded, except for immaterial contracts containing leases as disclosed in the financial statements.

41) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

42) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

43) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

44) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

45) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

46) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

47) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes

48) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

49) With respect to the combining financial statements for nonmajor funds, internal service funds, fiduciary finds, and component units, which are considered supplementary information (OSI):

    a) We acknowledge our responsibility for presenting the other supplementary information in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the other supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

    b) If the OSI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signed:

_____
Jeremy Howard
Clare City Manager

_____
Shannon Sirpilla
Clare City Treasurer and Finance Director

_____
Diane M. Lyon
Clare City Clerk

AGENDA REPORT

TO: Mayor Pat Humphrey & the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: January 12, 2023
RE: Audit Presentation and Approval of Fiscal Year 2021/22 Audit Report

For the Agenda of January 16, 2023

Background. The public accounting firm of Andrews, Hooper & Pavlik (AHP) of Midland, Michigan conducted an independent audit of the City of Clare's financial records for the City's fiscal year ending June 30, 2022. A qualified representative from the firm is scheduled to publicly present the results of the audit to the Clare City Commission at its regularly scheduled meeting on January 16, 2023. The audit results are unqualified meaning that no adverse findings were discovered or noted during the course of the independent audit. A draft copy of the complete audit report is attached for your review.

The Treasurer/Finance Director, City Clerk and City Manager will have each reviewed the audit report prior to the meeting and will have formally acknowledged the results in writing.

The City Commission is asked to formally approve the audit findings and results as presented by a qualified senior staff member of the public accounting firm Andrews, Hooper & Pavlik.

Issues & Questions Specified. Should the Clare City Commission formally approve the audit report?

Alternatives.
1. Approve the audit findings.
2. Do not approve the audit findings.
3. Defer/delay decision to a subsequently scheduled City Commission meeting.

Financial Impact. The City of Clare is required to file the results of its annual audit with the Michigan Department of Treasury; failure to do so will result in the withholding of state revenue sharing and render the City ineligible for other state and federally funded programs to include grants and loans. Approval of the audit is necessary to allow City Staff to file the audit and other related reports with appropriate state and federal agencies.

Recommendations. I recommend that the City Commission formally approve the audit results presented by Andrews, Hooper & Pavlik by adoption of attached Resolution 2023-007.

Attachments.
1. Report of Independent Auditors.
2. Fiscal Year 2021/22 Independent Audit Report and Audited Financial.
3. Management Acknowledgement Letter.
4. Resolution 2022-007.

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City Commission

City of Clare

January 16, 2023

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City Commission

City of Clare, Michigan

January 16, 2023

- Introduction
    - AHP Representatives

      Duane Reyhl – Partner
      Danielle Hoppe – Audit Manager
- Letter to City Commission
    - Services Provided and in Process
    - Results of our Audit of the Financial Statements
    - Required Communications with City Commission
    - Management Comments
    - Representation Letter
- Other Questions or Comments

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January 16, 2022

City Commission
City of Clare

We are pleased to submit this report, which summarizes the results of our audit, and other matters which we believe would be of interest to you.

Services Provided

In accordance with our engagement letter, AHP provided the following services:

Audit Services:

- Annual Audit – Completed.

Nonattest Services:

- Assistance in drafting of the financial statements – Completed.
- Assistance with GASB entity-wide adjusting entries – Completed.
- Assistance with the initial application of GASBS No. 87, *Leases* - Completed
- Auditing Procedures Report for the State of Michigan – In Process.
- F-65 Submission for the State of Michigan – In Process.

Results of the Audit

The audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Governmental Auditing Standards* and included such tests of the accounting records and such other auditing procedures as we considered necessary for the purpose of expressing an opinion on the financial statements.

The following summarizes various matters of interest noted during our audit.

Significant Risks

As noted in our scope letter dated October 27, 2022, we identified certain areas as having significant risks related to the potential of a material misstatement. We audited each of those significant risks with audit procedures designed to mitigate those risks. Based on our procedures performed, we noted no matters that need to be communicated to you.

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Cybersecurity and Information Technology Controls

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, entities stand to lose their reputation, the ability to operate efficiently, and proprietary information or assets. Entities may also be subject to financial and legal liabilities. Managing this issue is especially challenging because even an entity with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. We believe management should continue to monitor and evaluate this risk, which is a critical best practice. Additionally, periodic assessments of the system in order to verify that the control environment is functioning as designed are key parts of measuring associated business risk. We encourage those charged with governance to work with management on this very important topic. If we can be of assistance in the process, we would be happy to do so.

Net Pension Liability - The City's net pension obligation increased approximately $100,000. This was a combination of an increase of approximately $900,000 in the actuarial accrued liability offset by an increase of approximately $800,000 in the valuation of the underlying invested assets.

The adoption of Government Accounting Stands Board Statement No. 87, *Leases*, resulted in the recognition of a lease receivable and related deferred inflow of resources on the statement of net position for the lease contracts that the City holds as a lessor. The recognition of these amounts did not affect the City's overall net position or fund balances. As a lessee, the City had no significant leases that required the recognition of right-of-use assets or lease liabilities.

Adopted Audit Standard

New Audit Report. Beginning with the year ending June 30, 2022, the standard auditor report has been significantly updated as follows:

- The "Opinion" section of the report will be presented first.
- The "Basis for Opinion" section of the report will include an affirmative statement about the auditor's independence and fulfillment of the auditor's other ethical responsibilities.
- Expands the description of the responsibilities of management for the preparation and fair presentation of the financial statements
- Expands the description of the responsibilities of the auditor and key features of an audit

Adopted Accounting Standards

GASB Statement No. 87, *Leases,* applies to all state and local governments and establishes a single model for all lease accounting. The concept within this model is that a lease is a financing arrangement that permits the use on an underlying asset for a period of time. Lessees will record a lease liability and an intangible right-of-use asset. Lessors will record a lease receivable and a deferred inflow of resources. An exception is granted for short-term leases, which at the beginning of the lease, have a maximum possible term under the contract of 12 months or less, including any options to extend, regardless of its probability of being exercised.

> *Effect on the City:* This applied to leases that the City had in place for its year ending June 30, 2022 as either a lessor or lessee.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. Prior to this standard, such interest costs were capitalized. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

Effect on the City: This did not affect the City for the year ending June 30, 2022.

Future Accounting Standards

Revised State of Michigan Uniform Chart of Accounts – This applies to the City's beginning July 1, 2022.

GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures.

Effect on the City: None based on the City's current circumstances. The standard will apply to future obligations starting with the City's year ending June 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR.) The standard removes LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap. The standard is effective starting with fiscal years ending June 30, 2022.

Effect on the City: No significant effects are expected.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

Effect on the City: The City does not currently have any arrangements for which this standard would apply.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement:

- Defines a SBITA.
- Establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.
- Provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA.
- Requires note disclosures regarding a SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This Statement is effective for fiscal years beginning after June 15, 2022.

Effect on the City: This could affect how the City records IT subscriptions, but the impact is not expected to be significant.

GASB Accounting Projects in Process

Financial Reporting Model—Reexamination of Statements 34, 35, 37, 41, and 46 and Interpretation 6. The GASB has a long-term project to improve the overall financial reporting model. The objective of these improvements, based on the GASB's research to date would be to:

- Enhance the model's effectiveness in providing essential decision-making information
- Enhance the ability to assess a government's accounting
- Address certain application issues

While GASB's preliminary assessment is that most areas of the current model are effective, a number of improvement areas were identified. Below is a summary of issues being explored:

- *Management's Discussion and Analysis (MD&A).* Enhance the financial statement analysis component, consider the elimination of boilerplate requirements, and clarify guidance for presenting currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.
- *Government-Wide Financial Statements.* Explore alternatives for the format of the statement of activities and consider whether a government-wide statement of cash flows should be required, and if so, how those cash flows should be presented.
- *Major Funds*. Explore options for providing additional information about debt service funds, either individual or in aggregate.
- *Governmental Fund Financial Statements*. Explore a conceptually consistent measurement focus and basis of accounting and develop a presentation format for governmental fund financial statements consistent with the measurement focus and basis of accounting.
- *Proprietary Fund and Business-Type Activity Financial Statements*. Evaluate operating indicator alternatives in conjunction with evaluating the guidance for the separate presentation of operating and nonoperating revenues and expenses.

- *Fiduciary Fund Financial Statements*. Explore where the fiduciary fund financial statements should be presented in the basic financial statements.
- *Budgetary Comparisons*. Explore the appropriate method of communication (either as basic financial statements or required supplementary information) for budgetary comparison information and consider whether and, if so, which budget variances should be required to be presented.
- *Other Issues*. As appropriate and in conjunction with other topics, explore options that would permit more timely financial reporting or that would reduce complexity overall.

The current projected timetable for the final standard is late 2023 or early 2024.

Effect on the City: This is expected to affect all units of government, including the City. Based on the City's current profile, the proposed effective date for the City would be several years after the release of the pronouncement.

The Auditor's Communications with Those Charged with Governance

This section discusses our responsibilities under AICPA *Professional Standards section* AU-C 260, *The Auditor's Communication with Those Charged with Governance.* The following excerpts from that standard describe the specific matters required to be communicated to you and our responses thereto:

Our Responsibility under U.S. Generally Accepted Auditing Standards

The auditors' standard report emphasizes that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, is designed to provide reasonable, but not absolute, assurance that the financial statements are free of material misstatement and in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Our report dated January 16, 2023 follows this format. Because of the concept of reasonable assurance, and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

Our responsibility, as described by our professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. GAAP. Our audit does not relieve you or management of your responsibilities.

As part of the audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning internal control.

DRAFT

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our scope letter dated October 27, 2022. No matters came to our attention during our audit that resulted in a change to our timing or scope of our procedures.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Clare are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year, other than required by the current year adopted accounting standards. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates affecting the financial statements are estimates related to 1) the determination of the net pension liability and 2) the useful lives of depreciable capital assets.

For the estimates listed above, we evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were related to deposits and investments, capital assets, long-term debt, and employee retirement systems.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Proposed adjustments related primarily to pension and OPEB liabilities and entries to reflect government-wide activity not recorded in the fund financial statements. There were no significant uncorrected misstatements.

DRAFT

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on financial accounting, reporting, or auditing matters, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management's representation letter dated January 16, 2022. A copy of the representations is attached.

Management's Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the financial statements or a determination of the type of opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all relevant facts. To our knowledge, there were no such consultations with other accountants.

Major Issues Discussed with Management Prior to Retention

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Supplementary Information

With respect to the other supplementary information accompanying the financial statements, we made certain inquires of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. GAAP, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Communication of Fees for Nonaudit Services

As previously described in this letter, we performed certain nonaudit services at the request of management and documented in an engagement letter. Fees for these services did not exceed those noted in our engagement letter.

DRAFT

Management Letter

We considered the City's internal control during the course of the audit, and we remained alert for areas where procedures and controls could be improved. We noted no matters involving the internal control over financial reporting and its operation that we would consider to be material weaknesses.

* * *

This report is intended solely for the information and use of the City Commission and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

We will be pleased to respond to any comments or questions you may have concerning this letter, or any other aspects of our services to the City.

It has been a pleasure to serve the City during 2022. We want to express our appreciation for the cooperation and courtesy extended to us by management and employees of the City and look forward to continuing our association in the future.

Sincerely,

DRAFT

January 16, 2023

Andrews Hooper Pavlik PLC
5915 Eastman Avenue, Suite 100
Midland, Michigan 48640

This representation letter is provided in connection with your audit of the financial statements of the City of Clare (City), which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 16, 2023, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 27, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and for preparation of the supplementary information in accordance with the applicable criteria.
2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by U.S. GAAP to be included in the financial reporting entity.
3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Township's accounts

9) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit.

10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

11) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

12) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

13) Tax abatement agreements have been properly disclosed in the notes to the financial statements.

Information Provided

14) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of City Commission or summaries of actions of recent meetings for which minutes have not yet been prepared.

15) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

16) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

17) We have no knowledge of any fraud or suspected fraud that affects the City and involves:

    a) Management,

    b) Employees who have significant roles in internal control, or

c) Others where the fraud could have a material effect on the financial statements.

18) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

19) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

20) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

21) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements.

Government—specific

22) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

24) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

25) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts and legal and contractual provisions for reporting specific activities in separate funds.

27) We have appropriately disclosed all information for conduit debt obligations in accordance with GASB 91.

28) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

30) As part of your audit, you assisted with the following:

a) Preparation of the financial statements and disclosures.

b) Year-end GASB 34 entries with source information provided by us.

c) Updating the long-term debt schedules with source information provided by us.

d) Updating pension liabilities and related deferred resources and inflows based on information provided by us.

e) Preparing State of Michigan Form F-65 (Annual Local Unit Fiscal Report).

We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

31) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

32) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

33) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

34) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.

35) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.

36) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

37) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

38) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

39) Provisions for uncollectible receivables have been properly identified and recorded.

40) As a lessor, the City's lease receivables represent the present value of expected lease payments to be received over their noncancellable period plus renewal option periods that we believe are likely to be exercised. As a lessee, the City's right-of-us assets and related lease liabilities have been properly identified and recorded, except for immaterial contracts containing leases as disclosed in the financial statements.

41) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

42) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

43) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

44) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

45) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

46) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

47) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes

48) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

49) With respect to the combining financial statements for nonmajor funds, internal service funds, fiduciary finds, and component units, which are considered supplementary information (OSI):

    a) We acknowledge our responsibility for presenting the other supplementary information in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the other supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

    b) If the OSI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signed:

_____
Jeremy Howard
Clare City Manager

_____
Shannon Sirpilla
Clare City Treasurer and Finance Director

_____
Diane M. Lyon
Clare City Clerk

RESOLUTION 2023-007

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE ANNUAL EXTERNAL AUDIT REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE CITY OF CLARE'S FISCAL YEAR 2021/22.

WHEREAS, an independent audit of the accounting and financial records of the City of Clare for the City's fiscal year ending on June 30, 2022 was conducted by the public accounting firm of Andrews, Hooper & Pavlik (AHP) of Midland, Michigan; and

WHERAS, said audit resulted in no significant or adverse findings and an unqualified (clean) audit opinion from Andrews, Hooper & Pavlik of the City. Said results being verbally presented to the Clare City Commission by a qualified representative of said accounting firm at a scheduled and noticed public meeting held on January 16, 2023; and

WHEREAS, it is necessary for the Clare City Commission to approve the results of said audit and audited financial statements to facilitate the filing of the audit and other related reports with appropriate State of Michigan and certain federal agencies; and

WHEREAS, the City Treasurer/Finance Director, the City Manager and the City Clerk have each reviewed, acknowledged and formally concur with the results of the audit; and

WHEREAS, the City Commission was provided with and has had ample time to review a draft copy of said audit report; and

WHEREAS, the City Commission has concluded that said audit report is acceptable and reflects an accurate statement of the fiscal status of the City of Clare.

NOW THEREFORE BE IT RESOLVED that the Clare City Commission hereby approves the results of the independent audit of the financial statements of the City of Clare for the fiscal year ending June 30, 2022. Said audit being conducted by the independent public accounting firm of Andrews, Hooper & Pavlik of Midland, Michigan.

BE IT FURTHER RESOLVED that the City Commission directs its Treasurer/Finance Director to file the appropriate reports of said audit findings and other reports with the various agencies and departments of the State of Michigan and the Federal Government.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 16th day of January, 2023.

_____

Diane Lyon, City Clerk

AGENDA REPORT

TO: Mayor Pat Humphrey & the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: January 12, 2023
RE: City Commissioner Appointment – Vacancy Created by John Myers Resignation

For the Agenda of January 16, 2023

Background. Commissioner John Myers has tendered his resignation (*see copy of att'd letter*) due to a change of residency. Section 5.4 (*copy att'd*) of the City Charter stipulates the City Commission shall select and appoint, within 30 days, a successor to serve the balance of the term of a vacant City Commission seat.

The process and method used by the City Commission to select a successor is mute in the City Charter, thus is left to the discretion and judgment of the Commission.

The City maintains a list of qualified residents who have expressed interest in serving on the City's commissions, boards, and committees by submitting an application to serve. Mrs. Kimberly Horwood-Bussell, Mr. Karl Hauser, and Mr. Pete Spitzley are all city residents who meet the qualifications to serve as City Commissioner and have applied (*see copy of applications*) for consideration for appointment.

The City Commission is asked to review each of the applications and then subsequently appoint one of the City residents who have expressed interest in serving as a successor to Commissioner Myers or provide guidance to the City Staff with respect to its desires in creating a pool of candidates for consideration.

Note: The 30 day required timeframe for appointment per the charter would require a special meeting of the City Commission if an appointment is not made at the January 16th meeting.

Issues & Questions Specified. Should the City Commission appoint a successor to Commissioner Myers?

Alternatives.

1. Appoint one of the above-named individuals to serve as Commissioner Myer's successor for the remainder of the term (4 years).
2. Direct City Staff to facilitate a method to gather applications of other qualified residents for consideration as Commissioner Myers' successor.
3. Set the matter aside for a decision at a later date.

Financial Impact. There is no immediate fiscal impact.

Recommendation. I recommend that the City Commission appoint a successor to Commissioner Myers to fill the vacancy left by his resignation at the last City Commission meeting. A draft resolution is attached and will be completed if the Commission decides to make the appointment at the scheduled January 16th meeting.

Attachments.

1. Letter of Resignation.
2. Sec. 5.4, City Charter.
3. Applications Received (Mrs. Kimberly Horwood-Bussell, Mr. Karl Hauser, Mr. Pete Spitzley).
4. Resolution 2023-008.

City of Commission Resignation

Dear Board of Commissioners and Jeremy Howard,

Due to a change in my career, I will need to resign my seat on the City Commission as well as Planning Commission. I appreciate the opportunity to serve the great city of Clare and wish the board the best of luck in selecting my replacement. Please let me know if you have any questions or if there is anything I can do to help the transition.

All the best,

John Myers

Section 5.4. Filling vacancies in elective offices.

If a vacancy occurs in any elective office, the commission shall, within thirty days after such vacancy occurs, appoint a person who possesses the qualifications required of holders of said office for the balance of the term. In the case of a vacancy in the position of commissioner, the commission shall elect a successor to serve the balance of the unexpired term of the commissioner whose position has become vacant. If three or more vacancies in the position of commissioners exist simultaneously, a special election shall be called immediately to fill such vacancies.

State law reference(s)—Filling vacancies, MCL 201.37.

City of Clare

202 W. Fifth Street
Clare, Michigan 48617

APPLICATION FOR APPOINTMENT TO CITY BOARDS, COMMITTEES, AND COMMISSIONS

AS PROVIDED UNDER THE CHARTER OF THE CITY OF CLARE- CHAPTER 5. GENERAL PROVISIONS REGARDING OFFICERS AND PERSONNEL OF CITY, SECTION 5.1. ELIGIBILITY FOR OFFICE IN CITY:

No person shall be elected or appointed to any office who is in default to the city, or to any school district, county, or other municipal corporation of the state, now or heretofore existing. The election or appointment of any such defaulter shall be void.

NAME Kimberly M H-Russell PHONE# 989802-1294

ADDRESS 425 Wilcox Pkwy CITY Clare ,MI ZIP 48617

EMAIL horwoodk1@gmail.com

CITY RESIDENT: ☒ YES ☐ NO IF YES, HOW LONG? 7 years

DO YOU **PRESENTLY** OR HAVE YOU **PREVIOUSLY** SERVED ON A BOARD, COMMITTEE OR COMMISSION FOR THE CITY OF CLARE? ☒ YES ☐ NO

IF YES, PLEASE LIST THE BOARDS, COMMITTEES AND/OR COMMISSIONS AND THE TERM EXPIRATION DATE(S):
Board of Review 2000-2004

THE FOLLOWING IS A LIST OF OUR CURRENT BOARDS, COMMITTEES, AND COMISSIONS. PLEASE NOTE WHICH BOARD, COMMITTEE, OR COMMISSION THAT YOU WOULD BE INTERESTED IN SERVING (PLEASE RATE YOUR SELECTIONS WITH #1 BEING THE BOARD YOU WOULD PREFER TO SERVE ON FIRST).

____ AIRPORT ADVISORY BOARD
____ BOARD OF REVIEW*
____ BROWNFIELD REDEVELOPMENT AUTHORITY
____ CEMETERY ADVISORY BOARD
X CITY COMMISSION (ONLY IF VACANCY OCCURS)*
____ DEPOT GOVERNING BOARD
____ DOWNTOWN DEVELOPMENT AUTHORITY**
____ ECONOMIC DEVELOPMENT CORPORATION (EDC)
____ INDUSTRIAL DEVELOPMENT CORPORATION
____ LOCAL DEVELOPMENT FINANCE AUTHORITY
____ PARKS & RECREATION
____ PLANNING COMMISSION
____ TRAFFIC & SAFETY COMMITTEE
____ TREE ADVOCACY GROUP
____ ZONING BOARD OF APPEALS (ZBA)
____ OTHER: _____

*Residency required by Charter (9.6)

AIRPORT ADVISORY BOARD: The Board is charged with proposing and providing recommendations to the City Commission regarding all aspects of present and projected/future management and operations including operating rules, regulations, policies, procedures, and standards of the Clare Municipal Airport developing the five-year plan for the airport. Members serve a three-year term and meet on a monthly basis.

BOARD OF REVIEW: Members, appointed annually, must be electors of the city. Experience and/or training in matters related to real estate is preferred but not required. The State requires training every two years and meeting times/dates are prescribed by Michigan Law. Please check below if you have experience in:
☐Banking/Finance
☐Property Appraisal/Assessing
☐Real Estate/Development/Law

BROWNFIELD REDEVELOPMENT AUTHORITY
The purpose of the Authority is to promote the revitalization, redevelopment, and reuse of certain contaminated, blighted, or obsolete properties primarily through the use of tax increment financing. The Authority is empowered to establish redevelopment districts within which environmentally blighted properties are located, and then collect taxes within that district for improvements to fund redevelopment projects. Members serve a three-year term. This body meets as needed.

CEMETERY ADVISORY BOARD The Board advises the City Commission regarding practices, policies, and procedures to be promulgated for the Cherry Grove Cemetery and to develop and submit any plans deemed necessary and appropriate to promote and ensure the orderly and prosperous future growth of the Cemetery. There is no residency requirement to serve on this board and members serve a three-year term. This body meets as needed.

CLARE RAILROAD DEPOT GOVERNING BOARD There are no residency requirements to serve on this board and membership of the said body is comprised of the President of the Clare County Arts Council or a designated representative; the President of the Clare Area Chamber of Commerce or a designated representative; a representative of the local railroad historic group; the Clare City Manager, who serves as chair of the board; the Treasurer/Finance Director of the City of Clare; the Clare City Clerk; the City of Clare Recreation Director; and other ad hoc members of the city Staff, local organizations, and entities as determined necessary by the chairperson of the Clare Railroad Depot Governing Body. This body meets quarterly.

DOWNTOWN DEVELOPMENT AUTHORITY: A minimum of 50% of the members must consist of commissioners that own or manage commercial property in the downtown and one member who lives within the DDA district. Members serve a three-year term. This body meets monthly. Please check below if you have experience in:
☐New Business Development
☐Business Recruitment and Retention
☐Marketing and Promotion
☐Real Estate Development
☐Banking/Finance

ECONOMIC DEVELOPMENT CORPORATION The EDC oversees economic development for the City and has the authority to adopt resolutions pertaining to economic development. The board consists of nine members selected by the Mayor and confirmed by the City Commission to serve a six-year term. This body meets as needed.

INDUSTRIAL DEVELOPMENT CORPORATION This autonomous 12-member entity oversees the operations, development, and management of the Clare Industrial Parks.

LOCAL DEVELOPMENT FINANCE AUTHORITY This Authority is charged with supporting economic development, facilitating growth, nurturing existing and new industrial businesses, and financing needed development projects within Clare's North Industrial Park. This eleven-member board consists of seven members from the City, two representatives from Clare Public Schools, one representative from Mid Michigan College, and one member from Clare County. City

representatives are appointed by the Mayor and approved by the City Commission to serve four-year terms. This body meets twice annually or as needed.

PARKS & RECREATION: Members are appointed by the city council. Members must be registered voters in the city qualified by experience and/or training in a variety of disciplines. This body meets quarterly. Please check below if you have experience in:

☐☐Advertising/Marketing/Public Relations
☐☐Banking/Finance
☐Fitness/Recreation
☐Forestry
☐Land Use Planning
☐Landscape Architecture
☐Physical Education
☐Public Administration

PLANNING COMMISSION: Members shall consist of residents representative of the general population of the City of Clare, its business community, and other special interest groups. Interest in land use related issues is beneficial. This body meets on the second Wednesday of each month. Please check below if you have experience in:

☐Architecture/Landscape Architecture
☐Building Construction
☐Civil Engineering
☐Land Use Planning
☐Real Estate Development

TRAFFIC & SAFETY COMMITTEE This five-member body meets on an as-needed basis and makes recommendations to the City Planning Commission and City Commission related to all matters regarding traffic and safety matters.

TREE ADVOCACY GROUP assists the director of public works in the development of a comprehensive plan for the City of Clare, including but not limited to planning, tree planting, and maintenance programs for all public trees; promoting the goals of the municipal tree program; participate in and/or coordinate annual Arbor Day celebrations; coordinate with citizens groups—Tree plantings, volunteer efforts to install or maintain plantings or other beautification projects on public land; provide a means to involve the public in a community forestry management plan, and to promote new and existing tree programs by motivating both local government and the public to support community forestry management.

The Tree Advocacy Group consists of five members who are citizens, and residents of Clare and serve a three-year term.

ZONING BOARD OF APPEALS: Members must be residents of the City. Interest or knowledge of land use related issues is beneficial. Members that do not serve by position on the Planning Commission or City Commission serve a three-year term. Please check below if you have experience in:

☐Architecture
☐Building Construction/Engineering
☐Land Use Planning
☐Real Estate/Development/Law

ARE YOU WILLING TO ATTEND TRAINING SEMINARS, IF NECESSARY? YES ☒ NO ☐

AVAILABILITY FOR MEETINGS: (PLEASE CIRCLE) MON TUES WED THURS FRI

TIME OF DAY: (PLEASE MARK) ☒ EARLY MORNING ☐ DAYTIME ☒ EVENING

PRESENT EMPLOYMENT:

Boehringer-Ingelheim Pharmaceutical, Executive Cardiovascular Business Specialist

Name of Business/Firm/Owner | Title of Position | Type of Business

Ridgefield, Connecticut | Pharmaceuticals

Number/Street | City/Zip | Telephone

LIST YOUR JOB DUTIES AND RESPONSIBILITIES:

Sales of Pharmaceuticals to Cardiology + Hospitals for a territory in Michigan.

PLEASE LIST COMMUNITY ACTIVITIES AND SPECIAL QUALIFICATIONS:

Board VP for Parker Cancer treatment fund of Clare City.

EDUCATION: (Optional)

Masters of Public Administration

Graduate Certificate in Healthcare Admin

PLEASE LIST TWO PERSONAL REFERENCES (Clare Residents)

1. Gus Murphy

Name | Address

Telephone

2. Pat Humphrey | Rainbow Dr.

Name | Address

Telephone

I hereby certify that this form is true and accurate to the best of my knowledge.

Signature | Date 12/21/2022

Please return this application to:

City Clerk
202 W. Fifth Street
Clare, MI 48617

City of Clare
202 W. Fifth Street
Clare, Michigan 48617

CODE OF CONDUCT

When appointed to a Board, Committee, or Commission, you will be required to sign the following Code of Conduct upon Oath of Office:

When appointed to a Board, Committee, and/or Commission of the City of Clare, I will perform the duties of the office to the best of my ability and in accordance with the City's policies and procedures and the Charter of the City of Clare.

I will do my best to inform myself on matters of concern to the City of Clare and my specific activities of the group. I will try to attend all meetings and give careful consideration to the business of the board, committee or commission.

As a member of the board, committee and/or commission of the City of Clare, I will disclose to the other members any conflict of interest I may have on matters before it.

I will hold in confidence information obtained in my role as a member of a board, committee or commission and will use such information exclusively for City purposes. I will not take advantage of my office in my contacts with representatives of the public or private sector, with other associations or with the City staff.

Signature

12/21/2022
Date

City of Clare

202 W. Fifth Street
Clare, Michigan 48617

APPLICATION FOR APPOINTMENT TO CITY BOARDS, COMMITTEES, AND COMMISSIONS

AS PROVIDED UNDER THE CHARTER OF THE CITY OF CLARE- CHAPTER 5. GENERAL PROVISIONS REGARDING OFFICERS AND PERSONNEL OF CITY, SECTION 5.1. ELIGIBILITY FOR OFFICE IN CITY:

No person shall be elected or appointed to any office who is in default to the city, or to any school district, county, or other municipal corporation of the state, now or heretofore existing. The election or appointment of any such defaulter shall be void.

NAME PETER M. SPITZLEY PHONE# (517) 281-3089

ADDRESS 700 NORTHRIDGE DR CITY CLARE ,MI ZIP MI, 48617

EMAIL SPITZLEY.PC@GMAIL.COM

CITY RESIDENT: ☑ YES ☐ NO IF YES, HOW LONG? 7 1/2 YEARS

DO YOU **PRESENTLY** OR HAVE YOU **PREVIOUSLY** SERVED ON A BOARD, COMMITTEE OR COMMISSION FOR THE CITY OF CLARE? ☑ YES ☐ NO

IF YES, PLEASE LIST THE BOARDS, COMMITTEES AND/OR COMMISSIONS AND THE TERM EXPIRATION DATE(S):
PARKS & RECREATION BOARD - SERVED AS VICE CHAIR
5 1/2 YEARS, EXPIRES OCTOBER 2023

THE FOLLOWING IS A LIST OF OUR CURRENT BOARDS, COMMITTEES, AND COMISSIONS. PLEASE NOTE WHICH BOARD, COMMITTEE, OR COMMISSION THAT YOU WOULD BE INTERESTED IN SERVING (PLEASE RATE YOUR SELECTIONS WITH #1 BEING THE BOARD YOU WOULD PREFER TO SERVE ON FIRST).

- ____ AIRPORT ADVISORY BOARD
- ____ BOARD OF REVIEW*
- ____ BROWNFIELD REDEVELOPMENT AUTHORITY
- ____ CEMETERY ADVISORY BOARD
- 1. ✓ CITY COMMISSION (ONLY IF VACANCY OCCURS)*
- ____ DEPOT GOVERNING BOARD
- ____ DOWNTOWN DEVELOPMENT AUTHORITY**
- ____ ECONOMIC DEVELOPMENT CORPORATION (EDC)
- ____ INDUSTRIAL DEVELOPMENT CORPORATION
- ____ LOCAL DEVELOPMENT FINANCE AUTHORITY
- 2. ✓ PARKS & RECREATION
- 3. ✓ PLANNING COMMISSION
- ____ TRAFFIC & SAFETY COMMITTEE
- ____ TREE ADVOCACY GROUP
- ____ ZONING BOARD OF APPEALS (ZBA)
- ____ OTHER: _____

*Residency required by Charter (9.6)

AIRPORT ADVISORY BOARD: The Board is charged with proposing and providing recommendations to the City Commission regarding all aspects of present and projected/future management and operations including operating rules, regulations, policies, procedures, and standards of the Clare Municipal Airport developing the five-year plan for the airport. Members serve a three-year term and meet on a monthly basis.

BOARD OF REVIEW: Members, appointed annually, must be electors of the city. Experience and/or training in matters related to real estate is preferred but not required. The State requires training every two years and meeting times/dates are prescribed by Michigan Law. Please check below if you have experience in:

☐Banking/Finance
☐Property Appraisal/Assessing
☐Real Estate/Development/Law

BROWNFIELD REDEVELOPMENT AUTHORITY
The purpose of the Authority is to promote the revitalization, redevelopment, and reuse of certain contaminated, blighted, or obsolete properties primarily through the use of tax increment financing. The Authority is empowered to establish redevelopment districts within which environmentally blighted properties are located, and then collect taxes within that district for improvements to fund redevelopment projects. Members serve a three-year term. This body meets as needed.

CEMETERY ADVISORY BOARD The Board advises the City Commission regarding practices, policies, and procedures to be promulgated for the Cherry Grove Cemetery and to develop and submit any plans deemed necessary and appropriate to promote and ensure the orderly and prosperous future growth of the Cemetery. There is no residency requirement to serve on this board and members serve a three-year term. This body meets as needed.

CLARE RAILROAD DEPOT GOVERNING BOARD There are no residency requirements to serve on this board and membership of the said body is comprised of the President of the Clare County Arts Council or a designated representative; the President of the Clare Area Chamber of Commerce or a designated representative; a representative of the local railroad historic group; the Clare City Manager, who serves as chair of the board; the Treasurer/Finance Director of the City of Clare; the Clare City Clerk; the City of Clare Recreation Director; and other ad hoc members of the city Staff, local organizations, and entities as determined necessary by the chairperson of the Clare Railroad Depot Governing Body. This body meets quarterly.

DOWNTOWN DEVELOPMENT AUTHORITY: A minimum of 50% of the members must consist of commissioners that own or manage commercial property in the downtown and one member who lives within the DDA district. Members serve a three-year term. This body meets monthly. Please check below if you have experience in:

☐New Business Development
☐Business Recruitment and Retention
☐Marketing and Promotion
☐Real Estate Development
☐Banking/Finance

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representatives are appointed by the Mayor and approved by the City Commission to serve four-year terms. This body meets twice annually or as needed.

PARKS & RECREATION: Members are appointed by the city council. Members must be registered voters in the city qualified by experience and/or training in a variety of disciplines. This body meets quarterly. Please check below if you have experience in:

- ☐ Advertising/Marketing/Public Relations
- ☑ Banking/Finance
- ☑ Fitness/Recreation
- ☐ Forestry
- ☐ Land Use Planning
- ☑ Landscape Architecture
- ☐ Physical Education
- ☐ Public Administration

PLANNING COMMISSION: Members shall consist of residents representative of the general population of the City of Clare, its business community, and other special interest groups. Interest in land use related issues is beneficial. This body meets on the second Wednesday of each month. Please check below if you have experience in:

- ☐ Architecture/Landscape Architecture
- ☑ Building Construction
- ☐ Civil Engineering
- ☐ Land Use Planning
- ☐ Real Estate Development

TRAFFIC & SAFETY COMMITTEE This five-member body meets on an as-needed basis and makes recommendations to the City Planning Commission and City Commission related to all matters regarding traffic and safety matters.

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ZONING BOARD OF APPEALS: Members must be residents of the City. Interest or knowledge of land use related issues is beneficial. Members that do not serve by position on the Planning Commission or City Commission serve a three-year term. Please check below if you have experience in:

- ☐ Architecture
- ☐ Building Construction/Engineering
- ☐ Land Use Planning
- ☐ Real Estate/Development/Law

ARE YOU WILLING TO ATTEND TRAINING SEMINARS, IF NECESSARY? YES ☑ NO ☐

AVAILABILITY FOR MEETINGS: (PLEASE CIRCLE) MON TUES WED THURS FRI

TIME OF DAY: (PLEASE MARK) ☑ EARLY MORNING ☑ DAYTIME ☑ EVENING

PRESENT EMPLOYMENT:

AUTO OWNERS INSURANCE UNDERWRITING FIELD SERVICE

Name of Business/Firm/Owner Title of Position Type of Business

NOW RETIRED AFTER 36.5 YEARS

Number/Street City/Zip Telephone

LIST YOUR JOB DUTIES AND RESPONSIBILITIES:

COMMERCIAL LINES, FIELD AUDITOR & BUILDING PROPERTY INSPECTOR

PLEASE LIST COMMUNITY ACTIVITIES AND SPECIAL QUALIFICATIONS:

CLARE CO. VETERAN SOLDIER RELIEF BOARD - 4 YRS (EXPIRE 9/24)

VICE PRESIDENT/SECY OF CARRIAGE PLACE RESORT HOMEOWNERS ASSN, BRANSON MO 2019-2022

EDUCATION: (Optional)

ASSOC. DEGREE IN BUSINESS

PLEASE LIST TWO PERSONAL REFERENCES (Clare Residents)

1. RON SCHMIDT 705 NORTHRIDGE DR., CLARE

Name Address

Telephone (989) 644-8727

2. DAN SHIVELY 735 NORTHRIDGE DR., CLARE

Name Address

Telephone (989) 429-2385

I hereby certify that this form is true and accurate to the best of my knowledge.

Peter M. Spitzley JANUARY 10, 2023

Signature Date

Please return this application to: **City Clerk**
202 W. Fifth Street
Clare, MI 48617

City of Clare
202 W. Fifth Street
Clare, Michigan 48617

CODE OF CONDUCT

When appointed to a Board, Committee, or Commission, you will be required to sign the following Code of Conduct upon Oath of Office:

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I will do my best to inform myself on matters of concern to the City of Clare and my specific activities of the group. I will try to attend all meetings and give careful consideration to the business of the board, committee or commission.

As a member of the board, committee and/or commission of the City of Clare, I will disclose to the other members any conflict of interest I may have on matters before it.

I will hold in confidence information obtained in my role as a member of a board, committee or commission and will use such information exclusively for City purposes. I will not take advantage of my office in my contacts with representatives of the public or private sector, with other associations or with the City staff.

Peter M. Spitzley
Signature

JANUARY 10, 2023
Date

City of Clare

202 W. Fifth Street
Clare, Michigan 48617

APPLICATION FOR APPOINTMENT TO CITY BOARDS, COMMITTEES, AND COMMISSIONS

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NAME **KARL HAUSER** PHONE# **734-497-9058**

ADDRESS **330 Forest Ave** CITY **Clare,** MI ZIP **48617**

EMAIL **khausere7@yahoo.com**

CITY RESIDENT: ☒ YES ☐ NO IF YES, HOW LONG? **6 years**

DO YOU **PRESENTLY** OR HAVE YOU **PREVIOUSLY** SERVED ON A BOARD, COMMITTEE OR COMMISSION FOR THE CITY OF CLARE? ☐ YES ☒ NO

IF YES, PLEASE LIST THE BOARDS, COMMITTEES AND/OR COMMISSIONS AND THE TERM EXPIRATION DATE(S):

THE FOLLOWING IS A LIST OF OUR CURRENT BOARDS, COMMITTEES, AND COMISSIONS. PLEASE NOTE WHICH BOARD, COMMITTEE, OR COMMISSION THAT YOU WOULD BE INTERESTED IN SERVING (PLEASE RATE YOUR SELECTIONS WITH #1 BEING THE BOARD YOU WOULD PREFER TO SERVE ON FIRST).

____ AIRPORT ADVISORY BOARD
____ BOARD OF REVIEW*
____ BROWNFIELD REDEVELOPMENT AUTHORITY
____ CEMETERY ADVISORY BOARD
X CITY COMMISSION (ONLY IF VACANCY OCCURS)*
____ DEPOT GOVERNING BOARD
____ DOWNTOWN DEVELOPMENT AUTHORITY**
____ ECONOMIC DEVELOPMENT CORPORATION (EDC)
____ INDUSTRIAL DEVELOPMENT CORPORATION
____ LOCAL DEVELOPMENT FINANCE AUTHORITY
____ PARKS & RECREATION
____ PLANNING COMMISSION
____ TRAFFIC & SAFETY COMMITTEE
____ TREE ADVOCACY GROUP
____ ZONING BOARD OF APPEALS (ZBA)
____ OTHER: _____

*Residency required by Charter (9.6)

AIRPORT ADVISORY BOARD: The Board is charged with proposing and providing recommendations to the City Commission regarding all aspects of present and projected/future management and operations including operating rules,

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☐ Architecture
☐ Building Construction/Engineering
☐ Land Use Planning
☐ Real Estate/Development/Law

ARE YOU WILLING TO ATTEND TRAINING SEMINARS, IF NECESSARY? YES ☒ NO ☐

AVAILABILITY FOR MEETINGS: (PLEASE CIRCLE) MON TUES WED THURS FRI

TIME OF DAY: (PLEASE MARK) ☐ EARLY MORNING ☐ DAYTIME ☒ EVENING

PRESENT EMPLOYMENT:

Clare County	**Veterans Services Director**	**Government**
Name of Business/Firm/Owner	Title of Position	Type of Business
225 W Main St	**Harrison 48625**	**989-539-3273**
Number/Street	City/Zip	Telephone

LIST YOUR JOB DUTIES AND RESPONSIBILITIES:

Assist veterans with disability claims; manage emergency relief programs; manage veteran transportation

PLEASE LIST COMMUNITY ACTIVITIES AND SPECIAL QUALIFICATIONS:

Former Board Member, Harrison Chamber of Commerce; Board Member, Michigan Association of County Veterans Service Officers

EDUCATION: (Optional)
BBA & MBA, Baker College; AA Mid Michigan College

PLEASE LIST TWO PERSONAL REFERENCES (Clare Residents)

1. **Corinda Brown**
Name
Telephone **989-386-9956**

412 Forest Ave
Address

2. **Paul Fetzer**
Name
Telephone **989-424-0655**

1010 Vinewood St
Address

I hereby certify that this form is true and accurate to the best of my knowledge.

Signature

1/10/23
Date

Please return this application to:

City Clerk
202 W. Fifth Street
Clare, MI 48617
City of Clare
202 W. Fifth Street
Clare, Michigan 48617

RESOLUTION 2023-008

A RESOLUTION OF THE CLARE CITY COMMISSION APPOINTING _____ AS A SUCCESSOR TO COMMISSIONER JOHN MYERS.

WHEREAS, City Commissioner John Myers has tendered his resignation due to a change of residency; and

WHEREAS, in accordance with Section 5.4 of the Charter of the City of Clare, the City Commission has thirty (30) days to appoint a qualified individual to complete the term of the elected individual whose seat has been declared vacant; and

WHEREAS, the process used to appoint a successor to a vacant City Commission seat is not stipulated in the City Charter, thus it is left to the sole discretion of the City Commission; and

WHEREAS, the City Commission has reviewed applications and considered qualified City residents who have expressed their individual desires and applied to serve as a member of the City's commissions, boards, and committees.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Clare has selected and hereby approves the appointment of _____ to serve as a successor to Commissioner John Myers in accordance with the stipulations of Section 5.4 of the Charter of the City of Clare, said appointment becoming effective upon swearing in to office and terminating on December 31, 2026, said date being the date of the end of the elected term of Commissioner John Myers.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 16th day of January, 2023.

_____

Diane Lyon, City Clerk

AGENDA REPORT

TO: Mayor Pat Humphrey and the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: January 12, 2023
RE: *Board & Committee Appointment – Clare Planning Commission – Mr. Ken Hibl

For the Agenda of January 16, 2023

***Note: This is a Consent Agenda item and is considered as routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved agenda of the Clare City Commission for January 16, 2023.**

Background. A vacancy presently exists on the City Planning Commission created by the election of Mr. John Myers to the City Commission in November, 2022. Mayor Pat Humphrey has recommended the appointment of Mr. Ken Hibl, a Clare resident and former Clare City Manager to fill this vacant position. The City Commission is asked to approve this appointment.

Issues & Questions Specified. Should the City Commission approve the appointment of Mr. Ken Hibl to serve as a member of the City Planning Commission?

Alternatives.

1. Approve the appointment.
2. Select another Clare resident to serve in the vacant position.
3. Do not fill the vacancy.
4. Defer/delay the decision of this matter to a subsequently scheduled City Commission meeting.

Financial Impact. There is no direct financial impact on City. However, having a full complement of appointed members to the Planning Commission is considered essential as this body approves all business site and special use plans; is primarily responsible for overseeing Chapter 52 (Zoning) of the City's Ordinance Codes, and is the regulator of the City's Master Plan.

Recommendation. I recommend that the City Commission approve the appointment Mr. Ken Hibl by the adoption of Resolution 2023-009 (*copy att'd*).

Attachment.

1. Resolution 2023-009.

RESOLUTION 2023-009

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE APPOINTMENT OF MR. KEN HIBL TO SERVE AS A VOTING MEMBER OF THE CITY OF CLARE PLANNING COMMISSION.

WHEREAS, a vacancy presently exists on the City's Planning Commission due to the election of one of its appointed members to the Clare City Commission; and

WHEREAS, Mayor Pat Humphrey has recommended appointment of Mr. Ken Hibl, a Clare resident and former Clare City Manager, to serve in said vacant position; and

WHEREAS, the City Commission has duly considered said appointment and the qualifications of said appointee.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Clare hereby approves the appointment of Mr. Ken Hibl as a member of the City of Clare Planning Commission and stipulates that said appointment is effective the 15th day of January, 2023 and terminates on the 15th day of January, 2026.

BE IT FURTHER RESOLVED that said appointment is voluntary and without compensation and that said appointee may resign said appointment by providing the Mayor of Clare written notice of his intention to do so.

BE IT FURTHER RESOLVED THAT said appointment is voluntary and without compensation and can be terminated at the will of the Mayor of the City of Clare with or without cause.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 16th day of January, 2023.

_____

Diane Lyon, City Clerk

AGENDA REPORT

To: Mayor Pat Humphrey & the Clare City Commission
From: Jeremy Howard, City Manager
Date: January 12, 2023
Regarding: *Board & Committee Appointments – Cherry Grove Cemetery Advisory Board
Mr. Steve Haynak and Mrs. Carol Santini

For the Agenda of January 17, 2023

***Note: This is a Consent Agenda item and is considered routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved Clare City Commission agenda of January 16, 2023**.

Background. The Cherry Grove Cemetery Advisory Board member terms of Mr. Steve Haynak and Mrs. Carol Santini have expired. The City Staff considers Steve and Carol to be fully qualified for said board appointments and recommends the City Commission renew their appointments to the Board. Both individuals have agreed to continue serving as members of the Cemetery Board at the will and pleasure of the Clare City Commission. The Commission is asked to approve the reappointments.

Issues & Questions. Should the City Commission renew the appointments of Mr. Steve Haynak and Mrs. Carol Santini to serve as voting members of the Cherry Grove Cemetery Advisory Board?

Alternatives.

1. Approve the appointments.
2. Select other individuals for appointments.
3. Leave these positions vacant.
4. Set the decision aside to a subsequently scheduled public meeting.

Financial Impact. N/A.

Recommendation. I recommend that the City Commission approve the appointments of Mr. Steve Haynak and Mrs. Carol Santini to serve as members of the Cherry Grove Cemetery Advisory Board by adoption of Resolution 2023-010 (*copy att'd*).

*Attachment***.**

1. Resolution 2023-010.

RESOLUTION 2023-010

A RESOLUTION OF THE CLARE CITY COMMISSION RENEWING THE APPOINTMENTS OF STEVE HAYNAK AND CAROL SANTINI TO CONTINUE SERVING AS VOTING MEMBERS OF THE CITY OF CLARE CHERRY GROVE CEMETERY ADVISORY BOARD.

WHEREAS, the appointed terms of Steve Haynak and Carol Santini as members of the Cherry Grove Cemetery Advisory Board have expired; and

WHEREAS, Mr. Haynak and Mrs. Santini have expressed their respective desires to continue serving as voting members of said Board at the will and pleasure of the Clare City Commission; and

WHEREAS, the Clare City Commission considers Mr. Haynak and Mrs. Santini fully qualified to continue serving in said positions.

NOW THEREFORE BE IT RESOLVED THAT the Clare City Commission hereby renews the appointments of Mr. Steve Haynak and Mrs. Carol Santini to continue serving as voting members of the City of Clare Cherry Grove Cemetery Advisory Board, said appointments to be effective immediately and to continue until the 15th day of January, 2026, unless said individuals respectively offer their resignations to the Mayor of the City of Clare or the Mayor takes specific action to terminate said appointments prior to said date.

BE IT FURTHER RESOLVED THAT said appointments are voluntary and without compensation and can be terminated at the will of the Mayor of the City of Clare with or without cause.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner ____and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 16th day of January, 2023.

_____

Diane Lyon, City Clerk

AGENDA REPORT

To: Mayor Pat Humphrey and the Clare City Commission
From: Jeremy Howard, City Manager
Date: January 12, 2023
Regarding: *Board & Committee Reappointment – Local Development Finance Authority – Mr. Seth Sharp

For the Agenda of January 16, 2023

***Note: This is a Consent Agenda item and is considered routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved Clare City Commission agenda of January 16, 2023.**

Background The appointment term of Clare LDFA member Seth Sharp has expired. Mr. Sharp has expressed his willingness and desire to serve another three-year term at the will of the Mayor and City Commission. The City Commission is asked to approve the reappointment.

Issues & Questions. Should the City Commission approve the proposed reappointment?

Alternatives.

1. Approve the reappointment.
2. Appoint another individual to serve as a voting member of the Clare LDFA.
3. Leave the position vacant.
4. Set the decision aside for a subsequently scheduled public meeting.

Financial Impact. Members of the aforementioned Board & Committee receive no compensation for serving.

Recommendation. I recommend that the City Commission approve the reappointment of Mr. Seth Sharp to the Local Development Finance Authority by adoption of Resolution 2023-011 (*copy attached*).

Attachment.

1. Resolution 2023-011.

RESOLUTION 2023-011

A RESOLUTION OF THE CLARE CITY COMMISSION RENEWING THE APPOINTMENT OF MR. SETH SHARP AS A VOTING MEMBER OF THE CITY OF CLARE LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA).

WHEREAS, the appointed term of Seth Sharp as a member of the City of Clare Local Development Finance Authority (LDFA) has expired; and

WHEREAS, Mr. Sharp has agreed to serve another term as a member of said Board at the will of the Mayor of Clare and the Clare City Commission and the Chairperson of the LDFA; and

WHEREAS, the Mayor of Clare has recommended the renewal of said appointment.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Clare hereby renews the appointment of Seth Sharp as a voting member of the Clare Local Development Finance Authority, the said appointment is effective the 15th day of January, 2023 and terminates on the 15th day of January, 2027.

BE IT FURTHER RESOLVED that said appointment is voluntary and without compensation and that said appointee may resign said appointment by providing the Chairperson of the Clare LDFA with written notice of her intention to do so.

BE IT FURTHER RESOLVED that said appointment is an at-will appointment to the LDFA and may be terminated on his/her own volition or by the Mayor of the City of Clare in consultation with the Chairperson of the LDFA at their discretion with or without stated cause or prejudice and without prior notice.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 16th day of January, 2023.

_____

Diane Lyon, City Clerk

AGENDA REPORT

To: Mayor Pat Humphrey & the Clare City Commission
From: Jeremy Howard, City Manager
Date: January 12, 2023
RE: Ordinance 2023-001 – Marijuana

For the Agenda of January 16, 2023

Background. The City of Clare permits licensure of all categories of medical marihuana businesses (grow, process, transport, certification, and provisioning) as well as the same for adult-use recreational marihuana businesses with the exception of recreational sales within its jurisdictional boundaries as allowed by the State of Michigan and city zoning regulations.

Since the adoption of these ordinances, there have been very few issues with the ordinance. There have been a very small number of "complaints" of smell from other businesses in the Industrial Park. After meeting with the licensees as well as one of the business owners who has expressed concerns regarding the smell from time to time, further discussions were held with the City Attorney and the City Commission in late 2022. At that time, the City Commission asked City staff to work with the City Attorney to draft an ordinance amendment (*copy att'd*) that would clean up the language regarding the enforcement of smell. The proposed intent is to retain language which mandates filtration and odor control measures while minimizing Code Enforcement requirements. Additional amendments include language to prohibit greenhouses; to improve the administrative processes by creating one annual renewal date for all licenses; and to allow city staff to approve the Special Use permits administratively for annual renewals, change of name, transfer, or change of ownership; the Planning Commission would still approve the Special Use Permits/Site Plans in relation to new facility construction, additions to existing facilities, façade improvements of any sort, and new licensing.

The approval authority for all ordinance changes in the City is the Clare City Commission. But in matters related to Chapter 52 (Zoning), the City Planning Commission is required to provide a formal recommendation to be considered by the City Commission in its discussions regarding the proposed ordinance changes.

The City's Planning Commission held a public hearing on January 11, 2023 to consider the ordinance amendment. The city received and shared one public comment regarding the proposed ordinance amendment (*copy att'd*) with the Planning Commission. Following discussion and consideration of the proposed Ordinance amendment, the Planning Commission made the decision to recommend approval of Ordinance 2023-001 to the City Commission by the adoption of 2023-005PC (*copy att'd*).

All ordinance code amendments require the approval of the Clare City Commission. And all ordinances require two readings and approval of the Clare City Commission subsequent to a public hearing. The required public notice (*copy att'd*) announcing the hearing has been published. Subsequent to the conduct of the hearing, the Commission has the option of allowing a First Reading of the proposed Ordinance or denying the conduct of a First Reading, thereby rejecting the proposed ordinance.

The City Commission is asked to conduct the required public hearing, consider and discuss the proposed new ordinance, and direct a First Reading of that proposed Ordinance.

Issues & Questions Specified. Should the City Commission consider and discuss the proposed amendment, hold a public hearing, and approve the first reading of Ordinance 2023-001?

Alternatives.

1. Hold a public hearing and conduct a first reading of the proposed ordinance.
2. Do not hold a hearing, nor direct a first reading thereby declining to consider the new ordinance.
3. Hold the requisite public hearing and recommend further changes to the ordinance.
4. Set aside the decision regarding this matter to a later date.

Financial Impact. Presently indeterminable.

Recommendation. I recommend that the City Commission consider and discuss the ordinance, hold the requisite public hearing, and approve the First Reading of Ordinance 2023-001.

Attachments.

1. Ordinance 2023-001.
2. Resolution 2023-005PC
3. Public Comment-Tom Kunse.
4. Public Notice.

ORDINANCE NO. 2023 - 001

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF CLARE BY amending the City Code, Chapter 27.

Section 27 of the Clare City Code is hereby amended and restated as follows:

ARTICLE II – LICENSING OF MARIJUANA FACILITIES

Sec. 27-31. - License and annual fee required.

(a) No person shall establish or operate a marijuana commercial entity in the City without first having obtained from the City and the State a license for each such facility to be operated. License certificates shall be kept current and publicly displayed within the facility. Failure to maintain or display a current license certificate shall be a violation of this Chapter.

(b) A nonrefundable, initial application fee to defray the administrative and enforcement costs associated with marijuana facilities located in the City not more than $5,000.00 per license, for each facility; and an annual nonrefundable license renewal fee per licensed facility each year thereafter, as set by resolution adopted by the City Commission.

(c) The annual nonrefundable fee required under this Section <u>for a new license,</u> shall be due and payable with the application for a license and upon the application for renewal of any such license under this Chapter. <u>Applications for licenses will not be processed, when submitted without the required fee(s). Fees for renewals of all licenses shall be due on December 31st of each year, for the upcoming year.</u>

(d) The license fee requirement set forth in this Chapter shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by any other federal, state, or city ordinance, including by way of example any applicable zoning or building permits.

(e) The issuance of any license, pursuant to this Chapter, does not create an exception, defense, or immunity to any person in regard to

any potential criminal liability the person may have for the production, distribution, or possession of marijuana under federal law.

ARTICLE III. - SPECIFIC MARIJUANA FACILITY REQUIREMENTS

Sec. 27-61. - Grower license.

(a) A grower may not hold more than one class of grower license.

(b) A grower shall comply with all of the following:

(1) ~~Until December 31, 2021, have as an active employee an individual who has a minimum of two years' experience as a registered primary caregiver~~.

(2) While holding a license as a grower, not be a registered primary caregiver and not employ an individual who is simultaneously a registered primary caregiver.

(3) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marijuana tracking act.

(4) Sell or transfer marijuana seeds or marijuana plants only to another grower by means of a secure transporter.

(5) Sell or transfer marijuana, other than seeds, only to a processor or provisioning center by means of a secure transporter.

(c) No pesticides or insecticides, which are prohibited by applicable law for fertilization or production of edible produce, shall be used on any marijuana cultivated, produced, or distributed by a marijuana business.

(d) ~~A marijuana business shall be ventilated so that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the marijuana business or at any adjoining use or property.~~

Sec. 27-96. - ~~Marijuana cultivation~~. <u>Miscellaneous Regulations.</u>

(a) Cultivation, generally:

(1) No marijuana cultivation shall be conducted openly or publicly.

(2) Marijuana cultivation shall comply with all applicable requirements of the laws and regulations of the City and the State.

(3) Marijuana cultivation shall not occur in detached outbuildings.

(4) All marijuana cultivation shall take place in a locked and enclosed space.

(5) Marijuana cultivation shall not occur in temporary greenhouses, but instead shall occur within a fully enclosed building.

(b) All marijuana products kept on premises where marijuana plants are grown shall be stored in a locked and enclosed space.

(c) The use of any lighting for indoor marijuana cultivation shall be limited to light-emitting diodes (LEDs), compact fluorescent lamps (CFLs) or other fluorescent lighting. All high-intensity discharge (HID) lighting, including, but not limited to, mercury vapor lamps, metal-halide (MH) lamps, ceramic MH lamps, sodium-vapor lamps, high-pressure sodium (HPS) lamps and xenon short-arc lamps, is prohibited.

(d) Pollution: No marijuana cultivation activity shall result in the release ~~emission~~ of any gas, vapors, odors, smoke, dust, heat or glare ~~that is noticeable at or beyond the property line of the dwelling at which the cultivation occurs~~. contrary to environmental regulations. Sufficient measures and means of preventing the escape of such substances ~~from a dwelling~~ must be provided at all times. In the event that any gas, vapors, odors, smoke, dust, heat or glare or other substances exit a dwelling, the owner of the subject premises shall be liable for such conditions and shall be responsible for immediate, full clean-up and correction of such condition. The owner shall properly dispose of all such materials, items and other substances in a safe, sanitary and secure manner and in accordance with all applicable federal, state and local laws and regulations. In the event there is a lessee of the subject premises, the owner and the lessee shall be jointly and severally liable for such conditions.

Sec. 27-97. - Odor control.

(a) No person, tenant, occupant, or property owner shall permit the emission of marijuana odor from any source to result in detectable odors that leave the premises upon which they originated and interfere with the reasonable and comfortable use and enjoyment of another's property, as set forth in this Section.

(b) Whether or not a marijuana odor emission interferes with the reasonable and comfortable use and enjoyment of a property shall be measured against the objective standards of a reasonable person of normal sensitivity, taking into account the following factors:

(1) Whether the impacted parcels are residences, or other uses. Impact upon residences will be deemed more impactful, than non-residential uses.

(2) The number of impacted parcels, as evidenced by complaints of parcel owners or occupants.

(3) The number of days, or length of time that the odor occurs.

(4) Whether the odor occurs occasionally, or on a persistent basis.

(5) The Zoning District that the odor originates from. In all instances, odor from residential parcels or residential adjacent parcels will be deemed more impactful than others.

(6) Any other factors deemed relevant, under the circumstances.

(c) A grower or a processor shall install and maintain in operable condition a system which ~~precludes~~ is designed to contain marijuana odor. ~~from the premises~~.

Sec. 27-102. - Financial statements.

Is repealed, in whole.

Section 52-351 - Special use regulations related to marijuana.

Marijuana land uses, because of their unique character and potential impacts on the welfare of adjacent properties and the City, require additional specific requirements. Such requirements are listed below

and shall be the specific standards and regulations that must be met in addition to any standards imposed elsewhere for approval.

(1) All marijuana licensed activities shall comply at all times with the Medical Marijuana Act, Public Act 281 of 2016, the Medical Marijuana Facilities Licensing Act, MCL § 333.27101, et seq., and the Michigan Regulation and Taxation of Marijuana Act, MCL § 333.27951, et seq., and the applicable rules of the State of Michigan, as they may be amended from time-to-time.

(2) Cultivation shall be conducted so as not to create dust, glare, noise, odors, or light spillage beyond the parcel and shall not be visible from an adjoining public way. Special use permit applications shall address measures contemplated to control all dust, glare, noise, odors, or light spillage. In addition, cultivation shall be conducted so as not to create discharge to the City wastewater treatment system that unduly burdens the City. The special use permit application shall address the amount and type of discharge that will be entering the City wastewater treatment system and subject to review and approval by the City.

(3) A marijuana facility shall not be located within 1,000 feet of an R-1 or R-2 residential zoning district or within 1,000 feet of any church, State-licensed day care facility, public library, public park, preschool, elementary school, middle school, high school, or public recreation facility.

(4) A marijuana facility shall obtain a zoning compliance certificate and if the applicant is not the owner of the parcel, such certificate shall include the property owners' consent to the use of the parcel as a ~~medical~~ marijuana cultivation facility.

(5) ~~To the extent cultivation occurs outside an enclosed building,~~ the special use permit application shall include and address all security matters, including security fencing, intrusion alarms to the satisfaction of the Planning Commission and City Commission.

(6) No marijuana facility may be established, operated, or maintained within 500 feet of any other ~~medical~~ marijuana facility, except as provided below.

(7) Distance limitations shall be measured in a straight line from the respective parcel or lot line of both the subject parcels and/or

parcels zoned R-1 or R-2, or occupied by special uses specified in this Subsection (b)(8).

(8) No person under 18 years will be admitted to the facility without his or her parent or legal guardian.

(9) Insofar as multiple State licensed facilities are permitted to be operated under the same roof or in the same facility, this Section shall be deemed to permit and encourage any combination of multiple State licensed marijuana operations at one location, or on the same property, or in the same building. For the purposes of this Section, multiple licensed facilities may operate on one zoning parcel.

(10) Uses permitted under Public Act 281 of 2016 the Medical Marijuana Facilities Licensing Act, MCL § 333.27101, et seq., and the Michigan Regulation and Taxation of Marijuana Act, MCL § 333.27951, et seq., and the applicable rules of the State of Michigan, being marijuana growers, secure transport, safety compliance facilities, provisioning centers, and processing centers, shall be subject to a separate license and permit from the City and:

> (a) The fee for the permit shall be as set by the City Commission from time-to-time, and
>
> (b) If at any time the business licensed under this Public Act has the State revoke, suspend, or the business otherwise loses its license, it must immediately shut its doors and the City permit will be considered to be null and void, and
>
> (c) The permits run annually January 1 to December 31st each year. <u>Permits issued mid-year shall expire December 31st in the year of issue. An initial application shall include a full site plan and regular Special Use approval. A subsequent application may be processed administratively as a renewal unless there is new licensing, new construction, additions to the facility, façade improvement of any sort and will not necessitate a full site plan.</u>

(11) <u>Should a Special Use Permit be issued under this Section, and a Certificate of Occupancy not acquired for the Facility within one year of issuance, the Special Use Permit shall lapse</u>.

Passed by the City Commission of the CITY OF CLARE on _____, at its regular meeting with _____ commissioners in attendance, _____ voting aye, _____ nay. Adopted by the City Commission of the City of Clare this _____ day of _____, 2022.

Signed: _____, Mayor.
Patrick Humphrey

****

I hereby certify that the foregoing was duly adopted by the CITY COMMISSION of CITY OF CLARE, Michigan, at its regular meeting on the _____ of _____, 2022, that of _____ members of the City Commission, _____ were in attendance and _____ voted for the adoption of the Ordinance. I further certify that the above and foregoing ordinance is recorded in Ordinances for the CITY OF CLARE.

Effective Date

This Ordinance shall take effect thirty (30) days following date of publication as required by law. All Ordinances or part Ordinances in conflict with any of the provisions of this Ordinance are hereby repealed.

_____
Diane Lyon, Clerk

RESOLUTION 2023-005PC

A RESOLUTION OF THE CLARE CITY PLANNING COMMISSION RECOMMENDING THAT THE CLARE CITY COMMISSION ADOPT ORDINANCE 2023-001.

WHEREAS, the City of Clare presently permits licensure of all categories of medical marihuana businesses and recreational businesses (excluding recreational sales) allowed by the State of Michigan; and

WHEREAS, the City Staff, City Attorney, City Planning Commission, and the City Commission have been discussing code enforcement in relation to odor for some time; and

WHEREAS, in response to discussions at many levels, it has been determined that an ordinance amendment to remove code enforcement in relation to odor "pollution", while maintaining the requirement for odor prevention plans and controls is in the best interest of the City; and

WHEREAS, a determination has been made that additional amendments shall include language to prohibit greenhouses; to improve the administrative processes by creating one annual renewal date for all licenses; and to allow city staff renewal of the annual Special Use permits unless there is new construction, additions to the facility, façade improvement of any sort, change of name, transfer, or change of ownership; and

WHEREAS, the first formal step in consideration of the proposed ordinances is a public hearing, a formal discussion, and formulation of recommendations by the City's Planning Commission to the City Commission with respect to whether the proposed ordinance changes should be adopted by the Clare City Commission; and

WHEREAS, the City Planning Commission has held a properly noticed public hearing regarding said proposed Ordinance and has subsequently discussed and considered said Ordinance; and

NOW THEREFORE BE IT RESOLVED THAT the City Planning Commission of the City of Clare hereby recommends that the Clare City Commission adopt Ordinance 2023-001, said ordinance considered to be in the best interests of the City of Clare and its residents.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner Wyman and supported by Commissioner Clark. The Resolution declared adopted by the following roll call vote:

YEAS: Glenda Carmoney, Josh Clark, Angie Cozat, Elaine Demasi, Jason Lowe, Brett Moser, and Nick Wyman.

NAYS: None.

ABSENT: None.

Resolution approved for adoption on this 11th day of January, 2023.

_____

Jason Lowe, Planning Commission Chair

Diane Lyon

To: Diane Lyon (dlyon@cityofclare.org)
Subject: FW: Proposed Ordinance Amendment

From: Tom Kunse <tkunse@nordry.com>
Sent: Monday, December 5, 2022 4:11 PM
To: Diane Lyon <DLyon@cityofclare.org>
Cc: Jeremy Howard <JHoward@cityofclare.org>
Subject: RE: Proposed Ordinance Amendment

Diane,

The proposed ordinance will not stop the pot stench from spreading to adjoining properties. It is vague and riddled with ambiguous terms. Jaynie did not do well on the original ordinance, and this is certainly no improvement.

Specifically:

27-96 (d)

i. Define "sufficient"
ii. Odor is listed as being one of the items prohibited, but that is contrary to what is listed later in the ordinance.

27-97 (a)

i. Define "reasonable"
ii. Define "comfortable use"
iii. Define "enjoyment"
    a. These are ambiguous and make the entire section unenforceable.

27-97 (b)

i. Define "objective"
ii. There are six factors listed, but a decision-making process is not defined.
iii. Do a certain number of events have to occur?
iv. A certain order of events?
v. Are certain events more important than others?
vi. The entire subsection is a word salad of incoherence, and it appears to be incomplete.

27-97(c)

i. Define "is designed to contain" This could mean anything. Designed by whom to what standards?
ii. What happens if the design is bad?
iii. Does the City have the authority to require a design change if it is insufficient as determined by the mess in 27-97 (b)? We don't know as that is not defined.

Either the City finds the fortitude to enforce a simple ordinance "No smell off the property" or nothing will change. This ordinance would be ineffective and do nothing but allow the issues we are experiencing to continue. I genuinely hope the City puts forth a better effort than this poorly worded and likely useless ordinance.

Please share with the City Commission and Planning Commission members.

Thank you,

Your humble (but disappointed) public servant,

Tom Kunse
Cell: (989) 205-4133
Office: (989) 386-2389

From: Diane Lyon <DLyon@cityofclare.org>
Sent: Monday, December 5, 2022 2:08 PM
To: Tom Kunse <tkunse@nordry.com>
Cc: Jeremy Howard <JHoward@cityofclare.org>
Subject: FW: Proposed Ordinance Amendment

Good afternoon Tom,
Following consideration and discussion by the Clare City Commission, the Commission has proposed that the city attorney develop an Ordinance amendment to chapter 27 and chapter 52 of the City's Codes of Ordinance. A copy of the proposed amendment, which will first be considered by the City Planning Commission on January 11, is attached.

If any of you have any questions or comments, feel free to contact me.

Diane Lyon, City Clerk
Clare City Hall
202 W. Fifth St.
Clare, MI 48617

Phone: (989) 386-7541 x106
Fax: (989) 386-4508
Email: dlyon@cityofclare.org
City Hall office hours Monday -Thursday 7:00am-5:30pm

PROPOSED ORDINANCE AMENDMENT

CITY OF CLARE
NOTICE OF PUBLIC HEARINGS

The City of Clare Planning Commission will hold a public hearing on Wednesday, January 11, 2023 at 6:30 p.m., at Clare City Hall and the Clare City Commission will hold a public hearing on Monday, January 16, 2023, at 6:00 p.m. at Clare City Hall to receive public comments pertaining to an Ordinance amendment to Chapter 27, Article III, Specific Marijuana Facility Requirements; and Chapter 52-351 Special Use Regulations Related to Marijuana. A copy of the proposed Ordinance amendments is available for review by contacting the Clerk's office at dlyon@cityofclare.org or calling 989-424-4068. The Planning Commission and City Commission will accept comments during the hearings or in writing if the written comments are received by the City Clerk not later than 4 p.m. on the date of each respective hearing. The City of Clare is an equal-opportunity employer and provider.

Diane Lyon
Clare City Clerk
.

To: **Mayor Pat Humphrey and the Clare City Commission**
From: **Shannon M. Sirpilla**
Treasurer, Finance and Technology Director
Date: **January 10, 2023**
Reference: **Treasurer's Report for January 16, 2023**

Municipal Streets: As of November 2022, a total of $134,016.50 has been paid for the work performed on Fourth Street.

Lead & Copper Pipe: As of December 2022, the City has invested and requested reimbursement from the State, a total of $664,294.38. This project is nearing the finish line.

Financials: Accounts have been reconciled and are in balance through the end of December 2022. All new bank accounts have been setup with Mercantile. All signatories have signed electronically, and online user accounts are being setup to mirror access previously granted. A check scanner has been requested, and is expected to arrive within the next week for the front office staff to create deposits.

INVOICE GL DISTRIBUTION REPORT FOR CITY OF CLARE
POST DATES 07/01/2022 - 01/10/2023
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

GL Number	Invoice Date	Vendor	Invoice Desc.	Invoice	Due Date	Amount	Check
Fund 204 MUNICIPAL STREET FUND							
Dept 449.001 CONSTRUCTION STREETS (INCL. ENG.& ROW)							
204-449.001-970.000	07/31/22	HUBSCHER & SON INC	45.28 TONS 23A ROAD GRAVEL - DPW/S	64603	08/16/22	498.08	77742
204-449.001-970.000	07/27/22	MICHIGAN PIPE & VALVE	VALVE BOX RISER - DPW/STREETS	M005418	08/16/22	70.00	77755
204-449.001-970.000	08/11/22	SEITER BROTHERS LUMBER INC	2X2-24" STAKES (BDL 25) - 4TH STRE	91983	09/07/22	25.00	77864
204-449.001-970.000	08/11/22	SEITER BROTHERS LUMBER INC	2X2-24" STAKES (BDL 25) - 4TH STRE	91998	09/07/22	25.00	77864
204-449.001-970.000	08/15/22	BOUCHEY AND SONS, INC.	31.83 TONS SCREENED TOP SOIL - DPW	10420	09/20/22	286.47	77897
204-449.001-970.000	09/16/22	MICHIGAN PIPE & VALVE	8 1" STEEL RISERS; 4 H ADJ RING 1"	M005665	10/04/22	3,336.00	77996
204-449.001-970.000	10/21/22	MCGUIRK SAND-GRAVEL, INC.	4TH ST RECON PROJECT - SCHOOLCREST	225001-1	11/08/22	22,225.09	78142
204-449.001-970.000	11/23/22	MCGUIRK SAND-GRAVEL, INC.	4TH ST. RECONSTRUCTION - CAPITAL I	225011-2	12/20/22	107,550.86	78342
			Total For Dept 449.001 CONSTRUCTION STREETS (INC			134,016.50	
			Total For Fund 204 MUNICIPAL STREET FUND			134,016.50	

4th Street Costs

INVOICE REGISTER

INVOICE NUMBER	DUE DATE	VENDOR	AMOUNT	STATUS	JNLIZED?
108626	01/18/22	GERBER CONSTRUCTION, INC	119,109.86	Paid	Y
108978	02/22/22	GERBER CONSTRUCTION, INC	114,825.36	Paid	Y
109341	03/22/22	GERBER CONSTRUCTION, INC	41,137.28	Paid	Y
110423	07/06/22	GERBER CONSTRUCTION, INC	103,858.37	Paid	Y
110922	08/16/22	GERBER CONSTRUCTION, INC	180,166.32	Paid	Y
111886	11/08/22	GERBER CONSTRUCTION, INC	27,536.78	Paid	Y
112296	12/20/22	GERBER CONSTRUCTION, INC	77,660.41	Paid	Y
		Total:	664,294.38		

Lead & Copper Project to Date.

CITY OF CLARE
CASH AND INVESTMENT SUMMARY (UNAUDITED) BY BANK
FROM 12/01/2022 TO 12/31/2022

Financial Institution/Account Description	Interest Rates	Balance 12/01/2022	Total Increases	Total Decreases	Balance 12/31/2022
City of Clare Accounts					
Huntington/Consolidated Account/Repo Sweep	0.010%	$ 6,412,972.59	$ 516,495.81	$ 811,204.63	6,118,263.77
Huntington/Rural Development Bond & Interest Acct	0.010%	113,424.94	28.90	-	113,453.84
Huntington/Rural Development RRI Acct	0.009%	97,920.88	24.95	-	97,945.83
Huntington/USDA Sewer Bond Pmt Reserve Acct	0.008%	11,672.61	2.97	-	11,675.58
Huntington/USDA Sewer Bond RRI Reserve Acct	0.010%	36,597.62	9.33	-	36,606.95
Huntington/USDA Water Bond Pmt Reserve Acct	0.010%	34,839.99	8.87	-	34,848.86
Huntington/USDA Water Bond RRI Reserve Acct	0.009%	98,894.86	25.20	-	98,920.06
Mercantile/Money Market Account	0.050%	74,775.38	19.67	-	74,795.05
Huntington/Property Tax Account	0.009%	45,126.71	612,166.65	315,221.38	342,071.98
Petty Cash and Cash on Hand	N/A	750.00	-	-	750.00
Huntington/ACH Receipt Acct	0.009%	1,000.00	-	-	1,000.00
Mercantile/Hatton Township Landfill Trust Fund	0.900%	209,635.94	-	-	209,635.94
Total - City of Clare Accounts		**$ 7,137,611.52**	**$ 1,128,782.35**	**$ 1,126,426.01**	**$ 7,139,967.86**
City of Clare Component Unit Accounts					
Huntington/DDA Account	0.009%	144,664.54	1,263.60	7,693.05	138,235.09
Total - City of Clare Component Unit Accounts		**$ 144,664.54**	**$ 1,263.60**	**$ 7,693.05**	**$ 138,235.09**

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE

PERIOD ENDING 12/31/2022

% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 101 - GENERAL FUND						
000.000 - GENERAL	3,071,596.96	2,791,288.41	2,241,698.69	142,056.25	549,589.72	80.31
931.000 - TRANSFERS IN AND OTHER SOURCES	46,982.88	74,447.96	17,500.00	0.00	56,947.96	23.51
TOTAL REVENUES	3,118,579.84	2,865,736.37	2,259,198.69	142,056.25	606,537.68	78.83
101.000 - CITY COMMISSION	45,641.32	47,350.00	32,624.21	121.95	14,725.79	68.90
172.000 - CITY MANAGEMENT/ADMINISTRATION	133,950.25	146,731.66	67,805.32	15,907.72	78,926.34	46.21
191.000 - FISCAL SERVICES	163,622.77	164,853.32	62,664.13	13,552.44	102,189.19	38.01
215.000 - CLERK	218,102.77	247,293.72	114,483.17	24,203.69	132,810.55	46.29
247.000 - BOARD OF REVIEW	2,074.73	2,245.63	154.12	154.12	2,091.51	6.86
257.000 - ASSESSOR	38,626.49	36,650.00	17,233.10	2,400.00	19,416.90	47.02
262.000 - ELECTIONS	4,440.13	19,945.00	5,538.55	104.01	14,406.45	27.77
265.000 - BUILDING AND GROUNDS	65,176.05	85,022.62	62,177.41	3,817.80	22,845.21	73.13
266.000 - ATTORNEY	21,665.10	22,500.00	9,176.50	2,210.75	13,323.50	40.78
268.000 - CEMETERY	79,606.70	112,932.87	46,003.34	2,949.63	66,929.53	40.74
301.000 - POLICE	921,525.00	985,646.59	457,387.43	96,026.03	528,259.16	46.40
371.000 - BLDG INSPECTION / CODE ENFORCEMENT	18,318.10	19,050.00	9,732.50	1,500.00	9,317.50	51.09
441.000 - DEPARTMENT OF PUBLIC WORKS	56,697.76	56,900.73	32,459.91	4,735.72	24,440.82	57.05
445.000 - DRAINS - PUBLIC BENEFIT	15,158.01	16,156.74	13,364.42	0.00	2,792.32	82.72
448.000 - STREET LIGHTING	67,714.94	59,650.95	25,793.71	5,012.50	33,857.24	43.24
526.000 - LANDFILL CLOSURE	70,751.70	99,903.09	6,805.19	394.28	93,097.90	6.81
528.000 - REFUSE COLLECTION/DISPOSAL	231,818.33	216,126.91	101,138.74	16,812.13	114,988.17	46.80
595.000 - AIRPORT	163,148.30	244,900.91	130,476.20	4,927.42	114,424.71	53.28
701.000 - PLANNING	35,063.98	35,800.00	19,448.74	0.00	16,351.26	54.33
906.000 - DEBT SERVICE	41,576.35	43,381.62	8,699.85	8,699.85	34,681.77	20.05
955.000 - NON DEPARTMENTAL	83,284.73	5,050.00	0.00	0.00	5,050.00	0.00
999.000 - TRANSFERS (OUT) AND OTHER USES	505,206.59	489,084.25	152,350.45	2,138.86	336,733.80	31.15
TOTAL EXPENDITURES	2,983,170.10	3,157,176.61	1,375,516.99	205,668.90	1,781,659.62	43.57
Fund 101 - GENERAL FUND:						
TOTAL REVENUES	3,118,579.84	2,865,736.37	2,259,198.69	142,056.25	606,537.68	78.83
TOTAL EXPENDITURES	2,983,170.10	3,157,176.61	1,375,516.99	205,668.90	1,781,659.62	43.57
NET OF REVENUES & EXPENDITURES	135,409.74	(291,440.24)	883,681.70	(63,612.65)	(1,175,121.94)	303.21

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 151 - CEMETERY TRUST FUND						
000.000 - GENERAL	3,041.84	1,550.00	10,815.48	2.70	(9,265.48)	697.77
TOTAL REVENUES	3,041.84	1,550.00	10,815.48	2.70	(9,265.48)	697.77
268.000 - CEMETERY	600.00	0.00	0.00	0.00	0.00	0.00
999.000 - TRANSFERS (OUT) AND OTHER USES	0.00	5,000.00	0.00	0.00	5,000.00	0.00
TOTAL EXPENDITURES	600.00	5,000.00	0.00	0.00	5,000.00	0.00
Fund 151 - CEMETERY TRUST FUND:						
TOTAL REVENUES	3,041.84	1,550.00	10,815.48	2.70	(9,265.48)	697.77
TOTAL EXPENDITURES	600.00	5,000.00	0.00	0.00	5,000.00	0.00
NET OF REVENUES & EXPENDITURES	2,441.84	(3,450.00)	10,815.48	2.70	(14,265.48)	313.49

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 202 - MAJOR STREETS						
000.000 - GENERAL	389,497.78	378,669.00	135,609.54	26,414.20	243,059.46	35.81
TOTAL REVENUES	389,497.78	378,669.00	135,609.54	26,414.20	243,059.46	35.81
444.000 - SIDEWALKS	6,287.67	9,909.23	4,435.82	877.75	5,473.41	44.76
446.001 - STATE TRUNKLINE MAINTENANCE	75,082.71	90,666.16	51,055.13	5,592.82	39,611.03	56.31
449.002 - PRESERVATION STREETS	114,836.63	129,818.51	73,683.18	9,194.14	56,135.33	56.76
449.003 - WINTER MAINTENANCE	14,069.97	22,500.00	6,349.95	0.00	16,150.05	28.22
449.004 - ADMIN, ENGINEERING & RECORD KEEPING	17,097.66	23,307.00	8,673.66	1,383.91	14,633.34	37.21
999.000 - TRANSFERS (OUT) AND OTHER USES	155,000.00	164,000.00	68,333.35	0.00	95,666.65	41.67
TOTAL EXPENDITURES	382,374.64	440,200.90	212,531.09	17,048.62	227,669.81	48.28
Fund 202 - MAJOR STREETS:						
TOTAL REVENUES	389,497.78	378,669.00	135,609.54	26,414.20	243,059.46	35.81
TOTAL EXPENDITURES	382,374.64	440,200.90	212,531.09	17,048.62	227,669.81	48.28
NET OF REVENUES & EXPENDITURES	7,123.14	(61,531.90)	(76,921.55)	9,365.58	15,389.65	125.01

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 203 - LOCAL STS FUND						
000.000 - GENERAL	148,544.75	146,830.72	51,976.72	12,364.58	94,854.00	35.40
931.000 - TRANSFERS IN AND OTHER SOURCES	160,000.00	169,000.00	68,333.35	0.00	100,666.65	40.43
TOTAL REVENUES	308,544.75	315,830.72	120,310.07	12,364.58	195,520.65	38.09
444.000 - SIDEWALKS	8,261.23	9,909.23	4,353.16	1,050.61	5,556.07	43.93
449.001 - CONSTRUCTION STREETS (INCL. ENG.& ROW	2,900.00	4,450.00	1,583.35	0.00	2,866.65	35.58
449.002 - PRESERVATION STREETS	256,246.20	269,378.39	134,629.11	16,705.52	134,749.28	49.98
449.003 - WINTER MAINTENANCE	9,169.28	13,400.00	4,141.60	0.00	9,258.40	30.91
449.004 - ADMIN, ENGINEERING & RECORD KEEPING	14,098.16	17,407.00	7,049.30	1,384.07	10,357.70	40.50
TOTAL EXPENDITURES	290,674.87	314,544.62	151,756.52	19,140.20	162,788.10	48.25
Fund 203 - LOCAL STS FUND:						
TOTAL REVENUES	308,544.75	315,830.72	120,310.07	12,364.58	195,520.65	38.09
TOTAL EXPENDITURES	290,674.87	314,544.62	151,756.52	19,140.20	162,788.10	48.25
NET OF REVENUES & EXPENDITURES	17,869.88	1,286.10	(31,446.45)	(6,775.62)	32,732.55	2,445.10

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 204 - MUNICIPAL STREET FUND						
000.000 - GENERAL	269,667.64	267,358.60	296,859.93	4,459.44	(29,501.33)	111.03
TOTAL REVENUES	269,667.64	267,358.60	296,859.93	4,459.44	(29,501.33)	111.03
449.001 - CONSTRUCTION STREETS (INCL. ENG.& ROW	203,934.87	194,642.00	255,530.25	107,550.86	(60,888.25)	131.28
955.000 - NON DEPARTMENTAL	975.00	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	204,909.87	194,642.00	255,530.25	107,550.86	(60,888.25)	131.28
Fund 204 - MUNICIPAL STREET FUND:						
TOTAL REVENUES	269,667.64	267,358.60	296,859.93	4,459.44	(29,501.33)	111.03
TOTAL EXPENDITURES	204,909.87	194,642.00	255,530.25	107,550.86	(60,888.25)	131.28
NET OF REVENUES & EXPENDITURES	64,757.77	72,716.60	41,329.68	(103,091.42)	31,386.92	56.84

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 206 - FIRE FUND						
000.000 - GENERAL	1,071,057.41	217,275.00	33,924.25	442.14	183,350.75	15.61
931.000 - TRANSFERS IN AND OTHER SOURCES	103,143.38	105,206.25	94,143.38	0.00	11,062.87	89.48
TOTAL REVENUES	1,174,200.79	322,481.25	128,067.63	442.14	194,413.62	39.71
336.000 - FIRE DEPARTMENT	851,511.26	342,170.04	158,835.60	20,252.33	183,334.44	46.42
906.000 - DEBT SERVICE	7,164.58	60,114.46	53,429.35	0.00	6,685.11	88.88
999.000 - TRANSFERS (OUT) AND OTHER USES	21,373.49	19,252.00	23,403.11	1,425.91	(4,151.11)	121.56
TOTAL EXPENDITURES	880,049.33	421,536.50	235,668.06	21,678.24	185,868.44	55.91
Fund 206 - FIRE FUND:						
TOTAL REVENUES	1,174,200.79	322,481.25	128,067.63	442.14	194,413.62	39.71
TOTAL EXPENDITURES	880,049.33	421,536.50	235,668.06	21,678.24	185,868.44	55.91
NET OF REVENUES & EXPENDITURES	294,151.46	(99,055.25)	(107,600.43)	(21,236.10)	8,545.18	108.63

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 208 - PARKS AND RECREATION						
000.000 - GENERAL	190,318.78	504,857.42	459,391.82	3,437.93	45,465.60	90.99
931.000 - TRANSFERS IN AND OTHER SOURCES	365,000.00	350,000.00	0.00	0.00	350,000.00	0.00
TOTAL REVENUES	555,318.78	854,857.42	459,391.82	3,437.93	395,465.60	53.74
751.001 - PARKS	205,371.02	624,274.29	103,551.52	11,182.84	520,722.77	16.59
751.002 - RECREATION	106,676.50	112,115.76	61,346.35	9,493.84	50,769.41	54.72
751.003 - RAILROAD DEPOT	15,567.72	19,000.00	7,870.88	551.39	11,129.12	41.43
751.004 - LAKE SHAMROCK DREDGING/IMPROVEMENTS	66,409.52	121,298.70	36,815.17	16,705.64	84,483.53	30.35
906.000 - DEBT SERVICE	152,447.65	152,202.82	137,975.48	0.00	14,227.34	90.65
955.000 - NON DEPARTMENTAL	2,243.78	3,000.00	833.35	0.00	2,166.65	27.78
TOTAL EXPENDITURES	548,716.19	1,031,891.57	348,392.75	37,933.71	683,498.82	33.76
Fund 208 - PARKS AND RECREATION:						
TOTAL REVENUES	555,318.78	854,857.42	459,391.82	3,437.93	395,465.60	53.74
TOTAL EXPENDITURES	548,716.19	1,031,891.57	348,392.75	37,933.71	683,498.82	33.76
NET OF REVENUES & EXPENDITURES	6,602.59	(177,034.15)	110,999.07	(34,495.78)	(288,033.22)	62.70

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 214 - LOCAL DEVELOPMENT FINANCE AUTH						
000.000 - GENERAL	4,979.83	4,447.96	4,428.09	0.03	19.87	99.55
TOTAL REVENUES	4,979.83	4,447.96	4,428.09	0.03	19.87	99.55
222.000 - DEBT SERVICE	577.81	1.50	284.51	47.70	(283.01)	18,967.33
999.000 - TRANSFERS (OUT) AND OTHER USES	4,982.88	4,447.96	0.00	0.00	4,447.96	0.00
TOTAL EXPENDITURES	5,560.69	4,449.46	284.51	47.70	4,164.95	6.39
Fund 214 - LOCAL DEVELOPMENT FINANCE AUTH:						
TOTAL REVENUES	4,979.83	4,447.96	4,428.09	0.03	19.87	99.55
TOTAL EXPENDITURES	5,560.69	4,449.46	284.51	47.70	4,164.95	6.39
NET OF REVENUES & EXPENDITURES	(580.86)	(1.50)	4,143.58	(47.67)	(4,145.08)	276,238.6

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 243 - BROWNFIELD REDEVELOPMENT AUTHORITY FUND						
000.000 - GENERAL	0.62	2.00	0.23	0.04	1.77	11.50
TOTAL REVENUES	0.62	2.00	0.23	0.04	1.77	11.50
Fund 243 - BROWNFIELD REDEVELOPMENT AUTHORITY FUN						
TOTAL REVENUES	0.62	2.00	0.23	0.04	1.77	11.50
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.62	2.00	0.23	0.04	1.77	11.50

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
000.000 - GENERAL	110,205.97	96,367.13	88,503.60	1,263.60	7,863.53	91.84
TOTAL REVENUES	110,205.97	96,367.13	88,503.60	1,263.60	7,863.53	91.84
737.001 - DDA - OPERATIONS	24,883.15	22,500.00	43,408.37	7,693.05	(20,908.37)	192.93
737.002 - DDA - MAINSTREET	359.40	530.00	159.75	0.00	370.25	30.14
737.003 - DDA - ART ALLEY	0.00	200.00	0.00	0.00	200.00	0.00
906.000 - DEBT SERVICE	68,894.88	69,398.10	40,085.29	0.00	29,312.81	57.76
999.000 - TRANSFERS (OUT) AND OTHER USES	2,000.00	3,000.00	833.35	0.00	2,166.65	27.78
TOTAL EXPENDITURES	96,137.43	95,628.10	84,486.76	7,693.05	11,141.34	88.35
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES	110,205.97	96,367.13	88,503.60	1,263.60	7,863.53	91.84
TOTAL EXPENDITURES	96,137.43	95,628.10	84,486.76	7,693.05	11,141.34	88.35
NET OF REVENUES & EXPENDITURES	14,068.54	739.03	4,016.84	(6,429.45)	(3,277.81)	543.53

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Fund 265 - DRUG LAW ENFORCEMENT FUND						
000.000 - GENERAL	0.38	1.00	0.12	0.02	0.88	12.00
TOTAL REVENUES	0.38	1.00	0.12	0.02	0.88	12.00
301.000 - POLICE	0.00	0.69	318.14	0.00	(317.45)	46,107.25
TOTAL EXPENDITURES	0.00	0.69	318.14	0.00	(317.45)	46,107.25
Fund 265 - DRUG LAW ENFORCEMENT FUND:						
TOTAL REVENUES	0.38	1.00	0.12	0.02	0.88	12.00
TOTAL EXPENDITURES	0.00	0.69	318.14	0.00	(317.45)	46,107.25
NET OF REVENUES & EXPENDITURES	0.38	0.31	(318.02)	0.02	318.33	102,587.1

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Fund 287 - POLICE TRAINING 302 FUND						
000.000 - GENERAL	397.04	0.00	427.84	0.00	(427.84)	100.00
TOTAL REVENUES	397.04	0.00	427.84	0.00	(427.84)	100.00
301.000 - POLICE	639.45	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	639.45	0.00	0.00	0.00	0.00	0.00
Fund 287 - POLICE TRAINING 302 FUND:						
TOTAL REVENUES	397.04	0.00	427.84	0.00	(427.84)	100.00
TOTAL EXPENDITURES	639.45	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	(242.41)	0.00	427.84	0.00	(427.84)	100.00

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 303 - PUBLIC SAFETY BLDG DEBT SERVIC						
931.000 - TRANSFERS IN AND OTHER SOURCES	53,436.70	48,130.00	81,610.18	3,564.77	(33,480.18)	169.56
TOTAL REVENUES	53,436.70	48,130.00	81,610.18	3,564.77	(33,480.18)	169.56
222.000 - DEBT SERVICE	101,580.46	48,130.00	3,705.59	0.00	44,424.41	7.70
TOTAL EXPENDITURES	101,580.46	48,130.00	3,705.59	0.00	44,424.41	7.70
Fund 303 - PUBLIC SAFETY BLDG DEBT SERVIC:						
TOTAL REVENUES	53,436.70	48,130.00	81,610.18	3,564.77	(33,480.18)	169.56
TOTAL EXPENDITURES	101,580.46	48,130.00	3,705.59	0.00	44,424.41	7.70
NET OF REVENUES & EXPENDITURES	(48,143.76)	0.00	77,904.59	3,564.77	(77,904.59)	100.00

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ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 590 - SEWER SYSTEM FUND						
000.000 - GENERAL	1,028,861.11	962,842.33	449,035.60	95,030.18	513,806.73	46.64
TOTAL REVENUES	1,028,861.11	962,842.33	449,035.60	95,030.18	513,806.73	46.64
536.001 - SEWER TREATMENT AND PUMPING	568,630.91	1,037,916.58	278,558.20	57,747.09	759,358.38	26.84
536.002 - SEWER COLLECTION	226,351.25	328,838.67	125,635.35	17,035.50	203,203.32	38.21
906.000 - DEBT SERVICE	69,058.17	90,977.28	33,245.56	4,842.43	57,731.72	36.54
999.000 - TRANSFERS (OUT) AND OTHER USES	10,000.00	23,500.00	4,166.65	0.00	19,333.35	17.73
TOTAL EXPENDITURES	874,040.33	1,481,232.53	441,605.76	79,625.02	1,039,626.77	29.81
Fund 590 - SEWER SYSTEM FUND:						
TOTAL REVENUES	1,028,861.11	962,842.33	449,035.60	95,030.18	513,806.73	46.64
TOTAL EXPENDITURES	874,040.33	1,481,232.53	441,605.76	79,625.02	1,039,626.77	29.81
NET OF REVENUES & EXPENDITURES	154,820.78	(518,390.20)	7,429.84	15,405.16	(525,820.04)	1.43

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 591 - WATER SYSTEM FUND						
000.000 - GENERAL	1,254,631.24	1,601,998.88	845,365.08	78,506.09	756,633.80	52.77
TOTAL REVENUES	1,254,631.24	1,601,998.88	845,365.08	78,506.09	756,633.80	52.77
536.003 - TREATMENT, PUMPING AND STORAGE	303,341.20	342,192.54	323,034.29	38,988.46	19,158.25	94.40
536.004 - WATER DISTRIBUTION	294,244.03	917,181.67	514,899.34	147,174.51	402,282.33	56.14
536.005 - PRINCIPAL RESPONSIBLE PARTY #1	137,331.52	149,296.28	54,726.68	9,793.63	94,569.60	36.66
906.000 - DEBT SERVICE	51,466.35	84,151.20	24,846.64	8,092.19	59,304.56	29.53
999.000 - TRANSFERS (OUT) AND OTHER USES	10,000.00	33,404.39	4,166.65	0.00	29,237.74	12.47
TOTAL EXPENDITURES	796,383.10	1,526,226.08	921,673.60	204,048.79	604,552.48	60.39
Fund 591 - WATER SYSTEM FUND:						
TOTAL REVENUES	1,254,631.24	1,601,998.88	845,365.08	78,506.09	756,633.80	52.77
TOTAL EXPENDITURES	796,383.10	1,526,226.08	921,673.60	204,048.79	604,552.48	60.39
NET OF REVENUES & EXPENDITURES	458,248.14	75,772.80	(76,308.52)	(125,542.70)	152,081.32	100.71

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 636 - DATA PROCESSING						
000.000 - GENERAL	61,382.37	58,505.00	24,376.55	0.25	34,128.45	41.67
TOTAL REVENUES	61,382.37	58,505.00	24,376.55	0.25	34,128.45	41.67
228.000 - DATA PROCESSING, INFORMATION TECHNOLO	42,581.23	46,850.00	27,472.79	820.48	19,377.21	58.64
999.000 - TRANSFERS (OUT) AND OTHER USES	11,000.00	16,000.00	4,583.30	0.00	11,416.70	28.65
TOTAL EXPENDITURES	53,581.23	62,850.00	32,056.09	820.48	30,793.91	51.00
Fund 636 - DATA PROCESSING:						
TOTAL REVENUES	61,382.37	58,505.00	24,376.55	0.25	34,128.45	41.67
TOTAL EXPENDITURES	53,581.23	62,850.00	32,056.09	820.48	30,793.91	51.00
NET OF REVENUES & EXPENDITURES	7,801.14	(4,345.00)	(7,679.54)	(820.23)	3,334.54	176.74

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 640 - DPW EQUIPMENT REVOLVING FUND						
000.000 - GENERAL	874,813.16	467,486.65	225,180.26	2,556.60	242,306.39	48.17
TOTAL REVENUES	874,813.16	467,486.65	225,180.26	2,556.60	242,306.39	48.17
441.000 - DEPARTMENT OF PUBLIC WORKS	380,535.87	407,014.87	162,767.93	26,875.58	244,246.94	39.99
906.000 - DEBT SERVICE	35,778.70	63,782.88	60,217.49	0.00	3,565.39	94.41
999.000 - TRANSFERS (OUT) AND OTHER USES	1,000.00	2,000.00	416.65	0.00	1,583.35	20.83
TOTAL EXPENDITURES	417,314.57	472,797.75	223,402.07	26,875.58	249,395.68	47.25
Fund 640 - DPW EQUIPMENT REVOLVING FUND:						
TOTAL REVENUES	874,813.16	467,486.65	225,180.26	2,556.60	242,306.39	48.17
TOTAL EXPENDITURES	417,314.57	472,797.75	223,402.07	26,875.58	249,395.68	47.25
NET OF REVENUES & EXPENDITURES	457,498.59	(5,311.10)	1,778.19	(24,318.98)	(7,089.29)	33.48

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 703 - PROPERTY TAX FUND						
000.000 - GENERAL	0.00	0.00	(15.00)	0.00	15.00	100.00
TOTAL REVENUES	0.00	0.00	(15.00)	0.00	15.00	100.00
Fund 703 - PROPERTY TAX FUND:						
TOTAL REVENUES	0.00	0.00	(15.00)	0.00	15.00	100.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	(15.00)	0.00	15.00	100.00

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 765 - HATTON TOWNSHIP LANDFILL TRUST FUND						
000.000 - GENERAL	418.82	500.00	0.00	0.00	500.00	0.00
TOTAL REVENUES	418.82	500.00	0.00	0.00	500.00	0.00
Fund 765 - HATTON TOWNSHIP LANDFILL TRUST FUND:						
TOTAL REVENUES	418.82	500.00	0.00	0.00	500.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	418.82	500.00	0.00	0.00	500.00	0.00

REVENUE AND EXPENDITURE REPORT FOR CITY OF CLARE
PERIOD ENDING 12/31/2022
% Fiscal Year Completed: 50.41

ACCOUNT DESCRIPTION	END BALANCE 06/30/2022 NORM (ABNORM)	2022-23 AMENDED BUDGET	YTD BALANCE 12/31/2022 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/22 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 902 - GENERAL LONG-TERM DEBT						
000.000 - GENERAL	(267,952.05)	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	(267,952.05)	0.00	0.00	0.00	0.00	0.00
Fund 902 - GENERAL LONG-TERM DEBT:						
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	(267,952.05)	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	267,952.05	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES - ALL FUNDS	9,207,978.66	8,246,764.31	5,129,165.71	370,098.82	3,117,598.60	62.20
TOTAL EXPENDITURES - ALL FUNDS	7,367,780.21	9,256,306.81	4,286,928.18	728,131.15	4,969,378.63	46.31
NET OF REVENUES & EXPENDITURES	1,840,198.45	(1,009,542.50)	842,237.53	(358,032.33)	(1,851,780.03)	83.43

Airport Manager Report

January 2023

2022 fuel sales ended the year up 33% at the airport. The wholesale price continues to fluctuate wildly from week to week, indicating another year of speculation. When I purchase a tanker of fuel (8500 gallons) I set the price at the pump based upon my wholesale cost and a markup of 60 cents a gallon. We keep this price until I receive another load of fuel. Weekly, I am seeing wholesale price fluctuations of 40 to even 90 cents sometimes. Bottom line, timing of when to purchase a load without running out of fuel is paramount.

We have been notified that the Clare Municipal Airport has received an ARPA grant in the amount of $32,000. Contracts have been submitted to MDOT Aeronautics and the contract was executed on January 9th, 2023. Based upon the FAA restrictions of usage of grant funds, we will be working on how this funding will be best used to comply.

Last month we had a 60% design meeting for the upcoming airport projects in 2023. It was suspected that we will not be able to do all 3 projects this year with increased material costs. Our plan is to bid the Apron paving as the base bid, and then break out the two taxi lane paving projects as option 1 and option 2. When bids come in, we hope to have enough saved and allocated grant funding to do at least the base plus option 1 in 2023. We plan on putting bids out in March.

We have been working with Consumers Energy to find a solution to help energize the new hangar built by Jay Hoffman. The existing bank of meters is maxed out with zero spaces remaining. Due to a back order of 8-10 months on products needed, we agreed on a work around that will allow access to power next week. The cost to the airport is $1,200 to upgrade our electrical

infrastructure, then the hangar owner will have his electrician trench over to this to energize his panel.

Best regards,

Gary Todd

Airport Manager

"This is a Consent Agenda item and is considered as routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests that the item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved Agenda of the Clare City Commission."

DEPARTMENT OF PUBLIC WORKS
DEPARTMENT REPORT
DECEMBER 2022
LUKE POTTER, DIRECTOR

STREET WORK. We bladed roads a couple days this month. We also worked on Way Finding Signs including pouring concrete for them on several days through out the month. We dug out and formed a new curb from water main break and cold patched, poured the curb and backfilled on Eastwood and put up a new street sign and did cold patching. We trimmed trees on the plow route on the 15th, salted highways, lots and majors on the 16th for ½" snow. On the 17th came in to salt everything for ½" snow. On the 19th we salted stop signs. On the 22nd we prepped for snow and on the 23rd came in to plow and salt 1-1/2" snow, the 24th came in early to plow everything for 3" snow. And on the 27th and 28th we hauled snow from lots. And on the 9th we got sign posts from the road commission.

WATER & SEWER WORK: Water and sewer work this month included our regular schedule of Miss Digs, meter readings, shut offs for non-payment, manual reads, meter work, and washing sewers/preventive maintenance. We washed some sewers, replaced a fire hydrant by the middle school and cleaned the drains at the garage.

CEMETERY WORK: We had one full burial at Cherry Grove.

MISCELLANEOUS WORK: We chipped brush, washed and waxed trucks, and cleaned and did maintenance at the garage on several days. We worked on windows at city hall and installed new desks in Sarah's area. We hung the wreaths at the depot, hung Christmas banners and hung the cameras downtown for the Police Department. We took scrap metal to Fairs, cleaned the pole barn, got silt fence digger from Bo Dunkle and moved Santa's house. We spent a couple days cleaning up the old dump for snow and moved dirt to the dam. We started renovating the DPW breakroom and painted it. And the whole crew got DOT physicals from a mobile doctor's office. And we enjoyed the Christmas and New Year's Holidays.

Attachments. Manhour Report, Utility Work Order, Report, Fuel Report, Equipment Report

DECEMBER 2022

UTILITY WORK ORDERS

WORK ORDER TYPE	# OF CUSTOMERS
Service Turned ON	1
Customer Request Off	3
Sewer Problems	
Off for Non Payment	5
New Meter Head	3
New RF	3
Estimated Meters	
High Usage Check	
	15

MANNATEC FUEL REPORT FOR PERIOD:

DECEMBER 1-31, 2022

DEPT:	GALLONS REGULAR	TOTAL COST	AVERAGE RATE	GALLONS DIESEL	TOTAL COST	AVERAGE RATE	AMOUNT BILLED 0.00
City Hall							0.00
Fire Dept	39.167	90.11	2.301	78.269	330.56	4.223	420.67
Police Dept	662.960	1,536.34	2.317				1,536.34
DPW	208.438	473.27	2.271	797.095	3,267.66	4.099	3,973.14
Parks	67.136	156.15	2.326	18.079	76.06	4.207	
W/WWT	117.810	269.41	2.287				269.41
	Average Rate for Regular:		2.300	Average Rate for Diesel:		3.132	**$6,199.56**
						Total Bill:	

EQUIPMENT RENTAL - December 2022

GENERAL FUND				
General Operations	101-265.000-943.641	580.27		
Depot	101-265.000-943.641	317.26		
Cemetery	101-276.000-943.641	363.32		
Police	101-301.000-943.641	13,082.21		
Parking Lots/Flags	101-441.000-943.641	2,372.61		
Airport	101-537.000-943.641	299.91		
			101-000.000-001	**-$17,015.58 cr**
MAJOR STREETS & TRUNKLINES				
Trunklines	202-446.001-943.641	1,975.23		
Tkline Winter Cleanup	202-446.001-943.641	109.87		
Major Streets	202-449.000-943.641	3,544.84		
			202-000.000-001	**-$5,629.94 cr**
LOCAL STREETS:	203-449.000-943.641	5,137.53		
			203-000.000-001	**-$5,137.53 cr**
PARKS & DAM MTS.:				
Parks	208-751.001-943.641	2,832.28		
Dam Mts	208-751.001-943.641	681.90		
Dredging	208-741-004-702	93.84		
			208-000.000-001	**-$2,832.28 cr**
SEWER FUND				
Sewer Treatment	590-536.001-943.641	1,139.39		
Sewer Collection	590-536.002-946.641	4,345.97		
			590-000.000-001	**-$5,485.36 cr**
WATER FUND				
Water Trmt/Pumping	591-536.003-946.641	839.24		
Water Dist./Meters	591-536.004-946.641	200.65		
			591-000.000-001	**-$1,039.89 cr**

MOBILE EQUIPMENT FUND			
Cash Received	641-000-001	**$37,916.32**	
General Fund	641-000-669.101		-$17,015.58
Major Sts/Tklines	641-000-669.202		-$5,629.94
Local Sts	641-000-669.203		-$5,137.53
Parks	641-000-669.208		-$2,832.28
Sewer	641-000-669.590		-$5,485.36
Water	641-000-669.591		-$1,039.89
CONSOLIDATED FUND: Checks Written For:			
General Fund	102-000-669.101		$17,015.58
Major Sts/Tklines	102-000-669.202		$5,629.94
Local Sts	102-000-669.203		$5,137.53
Parks	102-000-669.208		$2,832.28
Sewer	102-000-669.590		$5,485.36
Water	102-000-669.591		$1,039.89
EQUIPMENT RENTAL, ALL DEPOSITS:	**102-000.000-067**	**$37,140.58**	
	102-000.000-001.001		
	102-000.000-067.102		

DPW MANHOUR REPORT FOR: Dec-22

FUND	FUND NAME	REGULAR			TOTAL	OVERTIME			TOTAL	CLERICAL			TOTAL	O/T
101-265.000-702	GF - City Hall		75.5	16	91.50				0.00				0.00	
	Railroad													
101-276.000-702	Cemetery		7	1	8.00		1		1.00		4.2	1.2	5.40	
101-528.000-702	Refuse Collection				0.00				0.00		15.32	6.12	21.44	
101-441.000-702	Par/Flag/Pk Lot		13		13.00				0.00				0.00	
	DDA Pk Lot			19	19.00		2.25		2.25				0.00	
101-445.000-702	City Trees/Lites		2		2.00				0.00				0.00	
	DDA Trees/Lites	25			25.00				0.00				0.00	
101-537.000-702	Airport				0.00		2		2.00				0.00	
202-446.001-702	Roadway Inspection				0.00				0.00				0.00	
	TK Surface Mts				0.00				0.00				0.00	
	TK Shoulder Mts				0.00				0.00				0.00	
	TK Sweeping				0.00				0.00				0.00	
	Drain/Bkslopes				0.00				0.00				0.00	
	TK Signs				0.00				0.00				0.00	
	Snow & Ice		5	2	7.00		18	1	19.00				0.00	
	Hauling Snow			5	5.00				0.00				0.00	
202-444.002-702	Major Sts Sidewalks				0.00		3		3.00				0.00	
202-499.002-702	Major Sts Maint.	6	19		25.00		2		2.00				0.00	
202-499.003-702	Snow & Ice		4	18	22.00		8		8.00				0.00	
202-499.004-702	Administration				0.00				0.00		3.2	1.2	4.40	
203-444.002-702	Local Sts Sidewalks				0.00		2.5		2.50				0.00	
203-499.002-702	Local Sts Maint.	23	19	14	56.00		2		2.00				0.00	
203-499.003-702	Snow & Ice		3.5	19	22.50		9		9.00				0.00	
203-499.004-702	Administration				0.00				0.00		3.2	1.2	4.40	
208-751.000-702	Lake Sham/Dam		14		14.00				0.00				0.00	
	Lake Sham/Parks				0.00				0.00				0.00	
	Lake Sham/Dredging		10		10.00				0.00				0.00	
590-536.002-702	Sewer	3	134.5		137.50				0.00		16.64	6.24	22.88	
591-536.004-702	Water	10	12.5	1	23.50		2		2.00		16.64	6.24	22.88	
641-444.000-702	DPW	9	222.5	49	280.50				0.00		4.8	1.8	6.60	
	DPW Equip	8	71	16	95.00	0.25	2.25	0.5	3.00				0.00	
	Fire Equip		1		1.00		3		3.00				0.00	
	Police Equip			8	8.00				0.00				0.00	
	Holiday/Funeral		72	144	216.00				0.00		8	16	24.00	
	OFF TIME	54	34.5	48	136.50				0.00	10	8		18.00	
TOTALS		138.00	720.00	360.00	1218.00	0.25	57.00	1.50	58.75	10.00	80.00	40.00	130.00	0.00
		1218.00				58.75				130.00				0.00

DPW: PARKS/BLDG & GROUNDS *MANHOUR REPORT FOR:* Dec-22

FY 22-23 FUND	HOURLY WAGE FUND NAME	FULL TIME EMPLOYEES REGULAR HOURS				FULL TIME EMPLOYEES OVERTIME HOURS				SEASONAL EMPLOYEES REGULAR HOURS				SEASONAL EMPLOYEES OVERTIME HOURS			
208-751.001-702	Holiday Funeral		8.00	16.00	48.00												
	Sick Vacation		16.00	8.00													
	PARKS	12.00	34.50		46.50				0.00		38.00	5.00	43.00				0.00
	DDA Work		4.50		4.50				0.00		4.00		4.00				0.00
	BLDG & GRUNDS	4.00	17.00	16.00	37.00				0.00	16.00	30.00	16.00	62.00				0.00
101-276.000-702	Cemetery				0.00				0.00				0.00				0.00
101-265.000-702	Trustees				0.00				0.00				0.00				0.00
101-537.000-702	Airport Maint				0.00				0.00				0.00				0.00
					0.00				0.00				0.00				0.00
					0.00				0.00				0.00				0.00
		16.0	**80.0**	**40.0**	**136.0**	**0.0**	**0.0**	**0.0**	**0.0**	**16.0**	**72.0**	**21.0**	**109.0**	**0.0**	**0.0**	**0.0**	**0.0**
GRAND TOTAL		**136.00**				**0.00**				**109.00**				**0.00**			

PAY PERIOD: December 2022

EQUIPMENT	2022-23 RATE	101-265-943 General Op	101-265-943 Railroad	101-276-943 Cemetery	101-441-943 Prad/Flg & PkLots	101-445-943 Trees/Lights	101-537-943 Airport	202-466.001-943 Roadway Inspection	202-466.001-943 TK Surface	202-466.001-943 TK Shoulders	202-466.001-943 TK Sweep	202-466.001-943 TK Drain/Backslopes	202-466.001-943 TK Signs/Signals	202-466.001-943 TK Snow & Ice	202-444.002-943 Mj Sts Sidewalks	202-499.002-943 Mj Sts Preservation	202-499.002-943 Mj Sts Snow & Ice	203-444.002-943 Lo Sts Sidewalks	203-499.002-943 Lo Sts Preservation	203-499.002-943 Lo Sts Snow & Ice	208-751-702 Dam	208-751-702 Parks	208-751.004-702 Dredging Lake Shamrock	590-536.002-943 Sewer	591-536.004-943 Water	HOURS TOTAL	DOLLAR TOTAL
3 - GMC Pickup	$17.24				8.00											2.00			5.00						1.00	16.00	275.84
6 - Pickup 4x4	$12.34	6.00		1.00												4.00			4.00				2.00			17.00	209.78
7 - Chevy Bucket Truck	$11.12	4.00			6.00	1.00										2.00			1.00			4.00				18.00	200.16
8 - Int'l Dump Truck	$55.53	6.00	1.00		6.00		1.50						4.00	3.00			4.00			4.00						29.50	1,638.14
9 - Ford Dump Truck	$55.53		4.00			2.00	1.50						3.00			4.00	8.50		7.00	10.00	8.00			1.00	1.00	50.00	2,776.50
10- Sterling Dump Truck	$55.53				0.25								18.00				15.00			11.00						44.25	2,457.20
11- Ford Dump Truck	$40.03																7.00			7.00						14.00	560.42
12- Sterling Dump Truck	$55.53						1.00						3.00				8.00			8.50						20.50	1,138.37
18- Case Loader	$39.61	1.00	1.00	4.00	4.00									2.00		3.00			20.00		6.00					41.00	1,624.01
20- Hyundai Loader	$77.76			2.00	12.00											4.00	1.00		4.00	2.00						25.00	1,944.00
23- Root UB Scraper	$8.19						1.50						3.00				2.50			4.00						11.00	90.09
24- Monroe UB Scraper	$8.19						1.00						3.00				8.00			6.50						18.50	151.52
25- Root UB Scraper	$8.15												1.75				3.00			4.50						9.25	75.39
36- Brush Chipper	$26.29					2.00																				2.00	52.58
37- Street Sweeper	$100.65																		8.00							8.00	805.20
39- Chevy Pickup	$11.12	8.00																				16.00				24.00	266.88
53A- Truck Unit	$55.53					4.00																		55.00		59.00	3,276.27
53B- Sewer Washer Unit	$19.13					4.00																		53.00		57.00	1,090.41
59- Ford Uitlity Truck	$11.12																		2.00					20.00	11.50	33.50	372.52
73- Wausau UB Scraper	$8.19						1.50						4.00				4.00			4.00						13.50	110.57
75- Tailgate Spreader	$5.81																			2.00						2.00	11.62
81- Trackless Tractor	$47.92														3.00			2.50				27.00				32.50	1,557.40
82- Snow Plow	$14.07																					12.00				12.00	168.84
83- Cyclone Mower	$38.08																					13.50				13.50	514.08
86- Salt Spreader	$17.45																					1.50				1.50	26.18
89 - Ford Pickup (Parks)	$12.34																					35.00				35.00	431.90
93 - Kubota Tractor	$43.62																					3.00				3.00	130.86
93A - Pallet Forks	$6.50																					3.00				3.00	19.50
96- Swenson Spreader	$14.21				0.25								13.25				12.00			4.50						30.00	426.30
97- Chevy Pickup	$11.12					3.00																	4.00			7.00	77.84
99- Snow Blower	$18.42						4.00																			4.00	73.68
100- Snow Box Blade	$13.66						4.00																			4.00	54.64
105- Ford Pickup	$12.34			3.00	6.00	5.00														2.00		2.00	2.00			20.00	246.80
1009- Trimmer/Edger	$3.77																									0.00	0.00
		25.00	6.00	10.00	42.50	21.00	16.00	0.00	0.00	0.00	0.00	0.00	53.00	5.00	3.00	19.00	73.00	2.50	51.00	70.00	14.00	117.00	8.00	129.00	13.50	678.50	22855.47

PERIOD: December 2022 EQUIPMENT	2022 Rate	GENERAL OP		DEPOT/SPECIAL EVENTS		CEMETERY		PARADES/FLAGS & pking lots		AIRPORT		TRUNKLINES		MAJOR STREETS		LOCAL STREETS		ALL PARKS		DAM		DREDGING LAKE SHAMROCK		SEWER		WATER		TOTAL HOURS	TOTAL DOLLARS
3 - GMC Pickup	$17.24		0.00		0.00		0.00	8.00	137.92		0.00		0.00	2.00	34.48	5.00	86.20		0.00		0.00		0.00		0.00	1	17.24	16.00	275.84
6 - GMC Pickup	$12.34	6.00	74.04		0.00	1.00	12.34		0.00		0.00		0.00	4.00	49.36	4.00	49.36		0.00		0.00	2.00	24.68		0.00		0.00	17.00	209.78
7 - Ford Bucket Truck	$11.12	4.00	44.48		0.00		0.00	7.00	77.84		0.00		0.00	2.00	22.24	1.00	11.12	4.00	44.48		0.00		0.00		0.00		0.00	18.00	200.16
8 - Int'l Dump Truck	$55.53	6.00	333.18	1.00	55.53		0.00	6.00	333.18	1.50	83.30	7.00	388.71	4.00	222.12	4.00	222.12		0.00		0.00		0.00		0.00		0.00	29.50	1,638.14
9 - Ford Dump Truck	$55.53		0.00	4.00	222.12		0.00	3.50	194.36		0.00	3.00	166.59	12.50	694.13	17.00	944.01		0.00	8.00	444.24		0.00	1.00	55.53	1.00	55.53	50.00	2,776.50
10- Sterling Dump Truck	$55.53		0.00		0.00		0.00	0.25	13.88		0.00	18.00	999.54	15.00	832.95	11.00	610.83		0.00		0.00		0.00		0.00		0.00	44.25	2,457.20
11 - Ford Dump Truck	$40.03		0.00		0.00		0.00		0.00		0.00		0.00	7.00	280.21	7.00	280.21		0.00		0.00		0.00		0.00		0.00	14.00	560.42
12- Sterling Dump Truck	$55.53		0.00		0.00		0.00		0.00	1.00	55.53	3.00	166.59	8.00	444.24	8.50	472.01		0.00		0.00		0.00		0.00		0.00	20.50	1,138.37
18- Case Loader	$39.61	1.00	39.61	1.00	39.61	4.00	158.44	4.00	158.44		0.00	2.00	79.22	3.00	118.83	20.00	792.20		0.00	6.00	237.66		0.00		0.00		0.00	41.00	1,624.01
20- Hyundai Loader	$77.76		0.00		0.00	2.00	155.52	12.00	933.12		0.00		0.00	5.00	388.80	6.00	466.56		0.00		0.00		0.00		0.00		0.00	25.00	1,944.00
23 - Root UB Scraper	$8.19		0.00		0.00		0.00		0.00	1.50	12.29	3.00	24.57	2.50	20.48	4.00	32.76		0.00		0.00		0.00		0.00		0.00	11.00	90.09
24 - Monroe UB Scraper	$8.19		0.00		0.00		0.00		0.00	1.00	8.19	3.00	24.57	8.00	65.52	6.50	53.24		0.00		0.00		0.00		0.00		0.00	18.50	151.52
25 - Root UB Scraper	$8.15		0.00		0.00		0.00		0.00		0.00	1.75	14.26	3.00	24.45	4.50	36.68		0.00		0.00		0.00		0.00		0.00	9.25	75.39
36- Brush Chipper	$26.29		0.00		0.00		0.00	2.00	52.58		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	2.00	52.58
37 - Street Sweeper	$100.65		0.00		0.00		0.00		0.00		0.00		0.00		0.00	8.00	805.20		0.00		0.00		0.00		0.00		0.00	8.00	805.20
39 - Chevy Pickup	$11.12	8.00	88.96		0.00		0.00		0.00		0.00		0.00		0.00		0.00	16.00	177.92		0.00		0.00		0.00		0.00	24.00	266.88
53A- Truck Unit	$55.53		0.00		0.00		0.00	4.00	222.12		0.00		0.00		0.00		0.00		0.00		0.00		0.00	55.00	3054.15		0.00	59.00	3,276.27
53B- Sewer Washer Unit	$19.13		0.00		0.00		0.00	4.00	76.52		0.00		0.00		0.00		0.00		0.00		0.00		0.00	53.00	1013.89		0.00	57.00	1,090.41
59- Chevy Pickup 4x2	$11.12		0.00		0.00		0.00		0.00		0.00		0.00		0.00	2.00	22.24		0.00		0.00		0.00	20.00	222.40	11.50	127.88	33.50	372.52
73 - Wausau UB Scraper	$8.19		0.00		0.00		0.00		0.00	1.50	12.29	4.00	32.76	4.00	32.76	4.00	32.76		0.00		0.00		0.00		0.00		0.00	13.50	110.57
75 - Tailgate Spreader	$5.81		0.00		0.00		0.00		0.00		0.00		0.00		0.00	2.00	11.62		0.00		0.00		0.00		0.00		0.00	2.00	11.62
81- Trackless Tractor	$47.92		0.00		0.00		0.00		0.00		0.00		0.00	3.00	143.76	2.50	119.80	27.00	1293.84		0.00		0.00		0.00		0.00	32.50	1,557.40
82 - Snow Plow	$14.07		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	12.00	168.84		0.00		0.00		0.00		0.00	12.00	168.84
83 - Cyclone Mower	$38.08		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	13.50	514.08		0.00		0.00		0.00		0.00	13.50	514.08
86 - Salt Spreader	$17.45		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	1.50	26.18		0.00		0.00		0.00		0.00	1.50	26.18
89- Ford Pickup	$12.34		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	35.00	431.90		0.00		0.00		0.00		0.00	35.00	431.90
93 - Kubota Tractor	$43.62		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	3.00	130.86		0.00		0.00		0.00		0.00	3.00	130.86
93A - Pallet Forks	$6.50		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	3.00	19.50		0.00		0.00		0.00		0.00	3.00	19.50
96 - Swenson Spreader	$14.21		0.00		0.00		0.00	0.25	3.55		0.00	13.25	188.28	12.00	170.52	4.50	63.95		0.00		0.00		0.00		0.00		0.00	30.00	426.30
97- Chevy Pickup	$11.12		0.00		0.00		0.00	3.00	33.36		0.00		0.00		0.00		0.00		0.00		0.00	4.00	44.48		0.00		0.00	7.00	77.84
99 - Snow Blower	$18.42		0.00		0.00		0.00		0.00	4.00	73.68		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	4.00	73.68
100 - Snow Box Blade	$13.66		0.00		0.00		0.00		0.00	4.00	54.64		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	4.00	54.64
105- Ford Pickup	$12.34		0.00		0.00	3.00	37.02	11.00	135.74		0.00		0.00		0.00	2.00	24.68	2.00	24.68		0.00	2.00	24.68		0.00		0.00	20.00	246.80
		25.00	580.27	6.00	317.26	10.00	363.32	65.00	2372.61	14.50	299.91	58.00	2085.10	95.00	3544.84	123.50	5137.53	117.00	2832.28	14.00	681.90	8.00	93.84	129.00	4345.97	13.50	200.65	678.50	22855.47
																												678.50	22,855.48

December-22		Police		Water		Waste Water		TOTAL	TOTAL
EQUIPMENT	2022 RATES	Department		Treatment		Treatment		HOURS	DOLLARS
1 - 2012 Ford Pickup	$12.34		0.00	26.50	327.01	35	431.90	61.50	758.91
61- Western Snow Plow	$14.07		0.00		0.00		0.00	0.00	0.00
16- 2008 Ford	$12.81		0.00	26.50	339.47	35	448.35	61.50	787.82
65- Push Mower	$11.59		0.00		0.00		0.00	0.00	0.00
4 - 2009 Ford Pickup	$12.34		0.00	14.00	172.76	21	259.14	35.00	431.90
PATROL CARS	$12.81	1021.25	13082.21		0.00		0.00	1021.25	13082.21
		1021.25	13082.21	67.00	839.24	91.00	1139.39	1179.25	$15,060.84
								1179.25	*15,060.84*

	1		4		16	
	WA	WWT	WA	WWT	WA	WWT
Dec 1-3	2.5	3.00	2.00	1.00	2.50	3.00
Dec 4-10	6	8.00	3.00	5.00	6.00	8.00
Dec 11-17	6	8.00	3.00	5.00	6.00	8.00
Dec 18-24	6	8.00	3.00	5.00	6.00	8.00
Dec 25-31	6	8.00	3.00	5.00	6.00	8.00
	26.5	35	14	21	26.5	35

	46-1	46-2	46-3	46-4	46-5	Tahoe
END HOURS	6175	16102	24468	9006	16744	897
START HOURS	5696	15807	24412	8964	16595	731
	479	295	56	42	149	166
						1021.25 Total Hrs

15,060.84

0.00

$15,060.84

DEPARTMENT OF PUBLIC WORKS- MANHOUR December 2022)

FUND	% OF HOURS	DEPARTMENT	December-22	
			REG.	O/T
GENERAL FUND	7.17%	General Fund	91.50	
	0.00%	Depot	0.00	
	0.70%	Cemetery	8.00	1.00
	1.02%	Parades/Flags/Pking Lots	13.00	
	1.66%	DDA Parking Lots	19.00	2.25
	0.16%	City Trees/Lites	2.00	
	1.96%	DDA Trees/Lites	25.00	
	0.16%	Airport		2.00
TKLINE'S	0.00%	Surface Maintenance		
	0.00%	Sweeping		
	0.00%	TK Shoulder Maintenance		
	2.04%	TK Snow/Ice	7.00	19.00
	0.39%	Cleanup winter debris (sand, etc)	5.00	
MAJOR STREETS	2.35%	MJ STS Preservation	25.00	5.00
	2.35%	MJ STS Snow/Ice	22	8
LOCAL STREETS	4.74%	LO STS Preservation	56.00	4.50
	2.47%	LO STS Snow/Ice	22.5	9
PARKS	0.00%	Lake Shamrock Dam		
PARKS	1.10%	Park work	14.00	
	0.78%	Dredging Lake Shamrock	10.00	
SEWER	10.77%	Collection	137.50	
WATER	2.00%	Distribution & Meter Mts.	23.50	2.00
DPW	21.97%	DPW Admin/Bldg/Equip	280.50	
	7.68%	DPW: Equip	95.00	3.00
	0.31%	FIRE Truck	1.00	3.00
	0.63%	DPW: PD Equipment	8.00	
	0.00%	COVID 19		
	16.92%	Holiday (Birthday)	216.00	
	10.69%	PAID TIME OFF:	136.50	
1276.75	**100%**	**TOTALS:**	**1218**	**58.75**

FUND	% OF HOURS	DEPARTMENT	December-22	
			REG.	O/T
DPW Clerical	4.15%	Cemetery Admin	5.4	
	16.49%	Refuse Collection	21.44	
	3.38%	Major Sts Admin	4.4	
	3.38%	Local Sts Admin	4.4	
	17.60%	Sewer Collection	22.88	
	17.60%	Water Distribution	22.88	
	5.08%	DPW Administration	6.6	
	18.46%	Holiday (Birthday)	24	
	13.85%	PAID TIME OFF:	18	
130	**100%**	**TOTALS:**	**130**	**0**

FUND	% OF HOURS	DEPARTMENT	December-22	
			REG.	O/T
FULL TIME EMPLOYEE PARKS WORK	34.19%	Parks Work	46.5	
	3.31%	DDA Work	4.5	
	27.21%	Bldgs & Grounds	37	
	17.65%	Holiday/Funeral	24	
	17.65%	PAID TIME OFF	24	
136	**100%**	**TOTALS:**	**136**	**0**

FUND	% OF HOURS	DEPARTMENT	December-22	
			REG.	O/T
SEASONAL EMPLOYEES	39.45%	PARKS WORK	43	
	3.67%	DDA WORK	4	
	56.88%	BLDG & GROUNDS	62	
	0.00%	TRUSTEE SUPERVISION*		
	0.00%	CEMETERY MAINTENANCE		
	0.00%	DPW		
	0.00%	AIRPORT MAINTENANCE		
109	**100%**	**TOTALS:**	**109**	**0**

FUND	% OF HOURS	DEPARTMENT	December-22 REG.
*TRUSTEE WORK AREAS	#DIV/0!		
	#DIV/0!		
	#DIV/0!		
	#DIV/0!		
	#DIV/0!		
0	100%	TOTALS:	**0**

Clare Fire Department
207 W. Fifth Street Clare, Michigan 48617 Ph: (989) 386-2151 Fax: (989) 386-3020

Monthly Fire Department Activity Report
December 2022 Incident Response:
Monthly Total: 15 Year End Total: 246

December was a quiet month numbers wise. We had about half the run as in a typical month. We finished the year with 23 fewer runs than we had last year. We had a seven day stretch around Christmas with no calls. A nice way to spend the holidays. We responded to two vehicle accidents; both had no injuries. We respond to two requests from HFD on two structure fires. Other incidents as listed.

Training:
2.0 hrs. Truck Check
2.0 hrs. Electric Vehicle Incident Response

Clare Fire Department
207 W. Fifth Street Clare, Michigan 48617 Ph: (989) 386-2151 Fax: (989) 386-3020

Incident Reports by Incident Number

Incident	Alarm Date/Time	Incident Type	Address
2200232	12/3/2022 06:11	735 - Alarm system sounded due to malfunction	8747 Pere Marquette RD, Clare, MI 48617
2200233	12/4/2022 17:17	142 - Brush or brush-and-grass mixture fire	2868 Lone Pine RD, Farwell, MI 48622
2200234	12/8/2022 00:25	735 - Alarm system sounded due to malfunction	639 Industrial CT, Clare, MI 48617
2200235	12/10/2022 20:40	322 - Motor vehicle accident with injuries	E Coleman RD & N Shepherd RD, Clare, MI
2200236	12/14/2022 10:06	111 - Building fire	1386 Bringold, Harrison, MI 48625
2200237	12/14/2022 16:55	611 - Dispatched & canceled en route	Surrey Rd. East of Grant Ave, Clare, MI 48617
2200238	12/14/2022 22:22	6112 - Dispatched & cancelled at Hall	8531 Beaverton RD, Clare, MI 48617
2200239	12/15/2022 07:24	445 - Arcing, shorted electrical equipment	11228 Grant AVE, Clare, MI 48617
2200240	12/15/2022 12:07	412 - Gas leak (natural gas or LPG)	612 Forest AVE, Clare, MI 48617
2200241	12/16/2022 18:39	463 - Vehicle accident, general cleanup	NB 127 at MM 162, Clare, MI 48617
2200242	12/18/2022 19:21	111 - Building fire	5505 Grant N, Harrison, MI 48625
2200243	12/19/2022 18:46	311 - Medical assist, assist EMS crew	5705 E Washington RD, Clare, MI 48617
2200244	12/23/2022 18:44	441 - Heat from short circuit (wiring), defective/worn	325 John ST, Clare, MI 48617
2200245	12/23/2022 20:13	611 - Dispatched & canceled en route	Beaverton RD & E Brand AVE, Clare, MI
2200246	12/30/2022 19:19	6111 - Dispatched & cancelled on scene	2074 E North County Line RD, Clare, MI 48617

Total Number of Incidents: 15

Incident	Alarm Date/Time	Incident Type	Address

Report Filter Settings

Report File Name: Incident Reports by Incident Number

Filter Name: Last Month

Filter Expression: (Not Is Null [IncidentNumber]) And ([AlarmDateTime] is between '12/1/2022 00:00' and '12/31/2022 23:59')

Monthly Director's Report, January 2023
City of Clare Parks and Recreation
Prepared by Joy Simmer

Current and Upcoming Programs/Events

Senior Cards and Coffee takes place on Thursdays at the Pere Marquette District Library from 10-12 p.m. in one of the small group rooms. The senior group is supplied with coffee and card decks. The card games that are played is determined by what the group wants to play.

Art in Sculpture is a collaboration between Parks and Recreation, Middle Michigan Development Corporation, the Clare County Arts Council, local artist Jeff Best and is headed by C. Santini. The current sculptures that were a part of the 2022 sculpture walk, will be removed on May 1, 2023 and the new entries will be installed prior to the May 9, 2023 Art in Sculpture Reception.

Past Events/Programs

The Pere Marquette District Library and Clare Parks and Recreation held a **Gingerbread House Decorating Contest** during December 2nd – 16th. Participants were able to bring in their entries to be placed on display for public voting. Library visitors were able to view them and vote for their favorite creation. The top 3 entries who accumulated the most votes were able to win some prizes.

Grants

MDNR – SPARKS GRANT PROGRAM is the newest grant rollouts that took place over the fall, there were a couple of grants that were specific to parks and recreation for funding. The SPARKS grant program is a highly anticipated and competitive grant program that was opened up. Simmer worked with local contractors and DPW Director Potter to get quotes for some of the parks and recreation priority projects we have within the City of Clare. Howard, Potter and Simmer attended webinars specific to the program to make sure that our projects would align with the goals for the SPARKS grant program and determined that we would submit requests for funding for the outdoor restroom of the Clare Union Railroad Depot and the parking lot at the Emerald Isle Recreation Complex. There will be a second wave of grants that will be accepted and we plan on submitting a request for the restroom/concession area at the Emerald Isle Recreation Complex at that time.

Simmer wrote sample support letters and sent out requests for support letters to some of our partner organizations and got everything attached and ready for the submission as soon as the Resolutions passed through the commission on 12/19/22. Submissions were due by 11:45 p.m. that evening and were submitted. Now we are awaiting notification if we passed phase one of the grant process. Notifications should be made by the end of January.

CLARE COUNTY COMMUNITY FOUNDATION is accepting grant applications for the 1ST grant cycle of 2023 until January 15, 2023. Parks and Recreation plans on submitting a funding request for $10,000 to help fund the permanent back deck on the Clare Union Railroad Depot and a couple of benches and trashcans that can be placed outside of the building and used during programs/events and once the Pere Marquette Rail-Trail Extension is completed.

Park Information and Updates:

Emerald Isle Recreation Complex

Playground Area – The Pour-in-Place (PIP) surfacing will be completed in 2023. The company we are working with has a waitlist of jobs they are working on, due to supply chain issues.

Additional Information

- We are still looking at getting sign holders that would be placed along the PMR-T to have story walks monthly will a different theme on a more permanent basis (between Clare Parks and Rec, Friends of Clare County Parks and Rec, and the Pere Marquette District Library). Simmer spoke with the shop teacher at Clare High School about the potential of partnering up for the project. Will continue to work towards the completion of this potential project.
- The Pere Marquette District Library youth services librarian and Simmer have been working on the 2023 programming and partner programs.
- 2023 programming and dates have been scheduled and the 2023 outlook calendar was available online starting on 12/20/2022.
- Scheduling for the 2023 Clare Summer Concert series is underway and the slots are being filled. The series will run from June 8, 2023 to August 17, 2023.

Outlook Calendar Attached

*Program and Event Flyer Attached

2023 CALENDAR

January

Parks and Recreation Advisory Board Meeting - January 17, 2023
Senior Cards and Coffee: Every Thursday 10-12 p.m.
Little League sign-up (through independent group)

February

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Time for Tea: February 12, 2023 @ 3 p.m.
- Pre-registration required

March

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Irish Pet Photo Contest: *Entry Deadline is March 15th*
Step Into Spring Story Walk along the Pere Marquette Rail-Trail
- *April 3 - April 16, 2023*

April

Parks and Recreation Advisory Board Meeting - April 18, 2023
Senior Cards and Coffee: Every Thursday 10-12 p.m.
The Great EGGstravaganza (at the Clare Municipal Airport)
- *April 8, 2023*
Earth Day Story Walk along the Pere Marquette Rail-Trail
- *April 17 - April 30, 2023*

May

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Early Soccer Registration Starts May 15, 2023

June

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Trail Trotters - Weekly Walking Program - TBA
Late Soccer Registration Starts on June 16, 2023
Summer Concert Series (Thursday evenings 6-8 p.m.)
- *June 8, 2023 - August 17, 2023*
Summer Concert Kick-Off June 8th
Soccer Camp: TBA

July

Parks and Recreation Advisory Board Meeting - July 17, 2023
Senior Cards and Coffee: Every Thursday 10-12 p.m.
Trail Trotters - Weekly Walking Program - TBA
Junior Fire Academy: TBA
Water Camp - TBA
Summer Concert Series (Thursday evenings 6-8 p.m.)
- *June 8, 2023 - August 17, 2023*
Soccer registration ends July 17, 2023
Youth Police Academy (CPD) - TBA

August

Trail Trotters - Weekly Walking Program - TBA
Science Heroes: Saving Earth Together
- Held at the Pere Marquette District Library—Lower Level @ 1 p.m.
Senior Cards and Coffee: Every Thursday 10-12 p.m.
Soccer Coaches Meeting August 16, 2023
Referee Meeting *TBA
Summer Concert Series (Thursday evenings 6-8 p.m.)
- *June 8, 2023 - August 17, 2023*

September

Fall Youth Soccer Starts
Soccer runs each Saturday: 9/9 - 10/14/2023
Soccer Raffle Starts September 2023
Soccer Pictures - DATE TBA
Senior Cards and Coffee: Every Thursday 10-12 p.m.

October

Parks and Recreation Advisory Board Meeting - October 17, 2023
Senior Cards and Coffee: Every Thursday 10-12 p.m.
Soccer runs each Saturday: 9/9 - 10/14/2023
Soccer Raffle Drawing: October 14, 2023
Pumpkin Run and the Halloween Tract-or-Treat
- October 28, 2023
- Clare Pumpkin Run registration starts at 9 a.m. with the run/walk following at 10 a.m.
- Tract-or-Treat will start at 12:30 p.m.

November

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Stuffed Animal Slumber Party
- November 17, 2023 at 5 p.m.

December

Senior Cards and Coffee: Every Thursday 10-12 p.m.
Clare Christmas Festival - December 9, 2023
North Pole Calling - December 6, 2023
- Registration by 3 p.m. 12/06/2023
- Calls will take place from 6 - 7 p.m. on 12/06/2023
Santa Mail: Letters must be received by 3 p.m. December 6, 2023
Gingerbread Contest - Dates TBA

Check for program and schedule updates at www.cityofclare.org or by following us on Facebook under Clare Parks and Recreation
For more information contact: jsimmer@cityofclare.org or call (989) 424-4074
The Parks and Recreation Advisory Board Meets at 5:30 p.m.
TBA - To Be Announced

Clearly Clare MICHIGAN
Clearly another way of life.
Where the north begins at the crossroads of Rt 10 and 127.
202 West Fifth Street, Clare, Michigan 48617 phone: (989) 386-7541 fax: (989) 386-4508
www.cityofclare.org

MEMORANDUM

TO: Jeremy Howard and the Clare City Commission

FROM: Clare Police Department

SUBJECT: December police activity

Dear Mr. Howard & City Commission:

Monthly activity
There was a greater amount of traffic this December and our officers increased traffic patrol, traffic stops, and wrote more citations than in previous years.

Year-end review
Attached is an overview of department activity comparing 2021 to 2022. We saw a 64.1% increase in overall incidents, and 39% increase in complaints.

Another area to note is the increase in SIFA (Self Initiated Field Activity)

Traffic stops
2021 / 606
2022 / 1153

Property Checks
2021 / 1762
2022 / 2886

Training:
Dec 6th Officer Jared Stotzel and Sergeant Thomas Francisco attended LASO training.

Events:
Dec 8th Gladwin lockdown drill
Dec 10th Craft show and Santa at Railroad Depot
Dec 16,17,18th Walk Through Bethlehem
Dec 17th Santa Escort from PSB

New and noteworthy
Cameras have been installed at the intersections of 5th and McEwan and 4th and McEwan. We want to thank the Clare DPW for their assistance with this. As discussed before, these were donated by the Chamber of Commerce. We hope to get electrical installed to make these operational shortly.

Thanks to the generous donations of several businesses a camera was installed at the intersection of Wheaton and McEwan. This camera covers the intersection and school zone crossing area.

School
See attached report from Liaison Officer Brian David

David Saad
Clare Police Chief

CITY CLERK OFFICE
202 W. Fifth Street
Clare, Michigan 48617
989.386.7541
FAX: 989.386.4508

2022 year end review

	Clare Police Department / Clare County Sheriff Department incident and complaint comparison				
	Total officers	Incidents	Average incidents per officer	Cases	Average cases per officer
CPD	6 full time one part time	14,600	2,085	737	105
CCSD	24 road officers	18,895	787	2880	120
	CPD year to year comparison				
	Total officers	Incidents	Average incidents per officer	Cases	Average cases per officer
2021	6 full time two part time	8,382	1,197	531	76
2022	6 full time one part time	14,600	2,085	737	105
	Increase amount	6,218 increase	888 increase per officer	206 more cases per year	29 more cases per officer
	Percentage increase 2021 to 2022	74.1% increase		39% increase	
	Complaints per population				
	Agency	Total population	Incidents and cases	Complaint average	
CPD	City of Clare polulation	3,272	15,337	4.68 complaint or incidents per city resident	
CCSD	Clare County population	31,065	19,682	1.57 complaints or incidents per county resident	

CLARE POLICE DEPT

INCIDENTS BY INCIDENT TYPE
DECEMBER 2022

01/10/2023

INCIDENT TYPE	DESCRIPTION	NUMBER THIS TYPE
11001	CSC 1 Penis/ Vagina	1
13001	Non-Aggravated Assault	1
13003	Intimidation/ Stalking	11
22001	Burglary - Forced Entry	4
23007	Larceny - Other	13
26002	Fraud - Credit Card/ ATM	2
29000	Damage to Property	2
30002	Retail Fraud - Theft	1
35001	Violation of Controlled Substance	3
36004	Sex Offense - Other	6
37000	Obscenity	1
38001	Family - Abuse/ Neglect Non-Violent	2
38003	Family - Other	2
50000	Obstructing Justice	6
52002	Weapson Offense - Explosives	1
52003	Weapons Offense - Other	1
53002	Public Peace - Other	2
54001	Hit & Run Motor Vehicle Accident	1
54002	Operating Under the Influence of Liquor or Drugs	2
54003	Traffic Violations	2
55000	Health and Safety	3
91001	Juvenile Deliquent	4
93001	Traffic Accident	14
93001CD	Car/ Deer Accident	3
93002	Accident, Non-Traffic/ Private Property	2
94001	Valid Alarm Activation	3
94002	False Alarm Activation	7
95001	Accident, Fire	2
98006	Civil	1
98007	Suspicious Persons	19
98008	Lost & Found Property	1
99001	Suicide	2
99008	General Assistance	46
99009	General Non-Criminal	3
ACO	Animal Control Complaint	1
AMBRUN	Ambulance Run	40
BOL	Be On the Look Out	3
BOL-WW	BOL Wrong Way Driver	1
LI	LIQUOR INSPECTION	3
LINES DN	LINES DOWN	1
LOCK	SCHOOL LOCKDOWN DRILL	1
MA	Motorist Assist	4
PC	Property Check	345
RD HAZAR	Vehicle/Object Road Hazard	3

INCIDENTS BY INCIDENT TYPE
DECEMBER 2022

INCIDENT TYPE	DESCRIPTION	NUMBER THIS TYPE
SALV INS	SALVAGE INSPECTION	5
TP	TRAFFIC PATROL	28
TR-52	ABANDONED VEHICLE	2
TRANS	Inmate Transport	1
TSTOP	Traffic Stop	117
Total Incidents		**729**

Ticket Totals Report

From 12/1/2022 12:00:00 AM to 12/31/2022 12:00:00 AM

Agency Name	Voided Ticket Count	Warning Violation Count	Total Ticket Count	Total Violation Count
Clare City Police Dept	0	1	6	9
		HAND WRITTEN	6	
			12	

R+S, Sgt. Chinoare
1/3/2023

Auxiliary Division

2022

December	Road Hours	Special Events	Meeting Hours	Training Hours	Other	Monthly Totals
Blackwell, Doug	15					15
Chinavare, Ken	14		2	1		17
Defoy, Mick	10		1	1		12
Gilmore, Travis			1	1		2
Harger, Greg	8		1	1		10
Jenkins, Dan	21.5		1	1		23.5
Lemke, Shane	8	11	1	1		21
Lynch, Steve	8	8.5	1.5	1		19
Papenfus, Joel	7		0.5	1		8.5
Pedjac, John	8					8
Squires, Emily (resigned 9/1/22)						0
Winter, Nick	10		0.5	1		11.5
Fritz, Mike (resigned 9/25/22)						0
Hahn, Bill	8	4.5	0.5	1		14
Lombard, Rebeka	8		1	1		10
Fassett, Lori	9	12	0.5	1		22.5
0						0
0						0
0						0
0						0
0						0
0						0
0						0
0						0
0						0
Officer Totals	**134.5**	**36**	**11.5**	**12**	**0**	**194**

Auxiliary Division

2022	Road Hours	Special Events	Meeting Hours	Training Hours	Other	Monthly Totals
January	148	0	4	0	7.5	**159.5**
February	112	7.5	6	0	7.5	**133**
March	127	182	10	4.5	24	**347.5**
April	113.5	8	4	117	1.5	**244**
May	118	41.5	11.5	4.5	4.5	**180**
June	110.5	12	4	19.5	0	**146**
July	120.5	16.5	4.5	7	2	**150.5**
August	126.5	38.5	5	26.5	1	**197.5**
September	96.5	35	2	133	4.5	**271**
October	99.5	25	3.5	37.5	2	**167.5**
November	116	0	20.5	29.5	1	**167**
December	134.5	36	11.5	12	0	**194**
Annual Totals	**1422.5**	**402**	**86.5**	**391**	**55.5**	**2357.5**
Blackwell, Doug	186.5	15	2	34	11.5	249
Chinavare, Ken	128.5	44.5	9.5	48.5	12.5	243.5
DeFoy, Mick	86.5	16.5	3.5	15	10	131.5
Fritz, Mike (resigned 9/25/22)	78	26.5	4.5	5.5	0.5	115
Gilmore, Travis	96.5	20.5	8.5	43.5	4	173
Hahn, Bill	109	34	7.5	47.5	2	200
Harger, Greg	69	36	6.5	15.5	3	130
Jenkins, Dan	113.5	27	5.5	3	4	153
Lemke, Shane	109.5	20.5	8	34.5	0.5	173
Lombard, Rebeka	115	16	7	39.5	1	178.5
Lynch, Steve	24.5	11.5	3.5	1	0.5	41
Papenfus, Joel	77.5	18.5	5.5	23.5	0	125
Pedjac, John	64	10.5	2	0	0	76.5
Squires, Emily (resigned 9/1/22)	0	0	0	0	0	0
Winter, Nick	99.5	39	8	33	1.5	181
Fassett, Lori	65	66	5	47	4.5	187.5
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
Officer Totals	**1422.5**	**402**	**86.5**	**391**	**55.5**	**2357.5**

WATER TREATMENT DIRECTOR'S MONTHLY OPERATING REPORT DECEMBER 2022

Wastewater Treatment Plant

In addition to their routine duties, our Operators performed the following tasks:

- Pulled lift station 7
- Completed IPP sampling for Advanced Battery Concepts and County Wide Septic
- Changed oil in screw pump bearing
- Repaired rotation on aerator
- New starter installed in truck 4
- Performed maintenance of lift station 8

Water Treatment Plant

In addition to their routine duties, our Operators performed the following tasks:

- Repaired sump pump to control leak at WTP
- Repaired discharge flange on airstripper discharge pump.
- Chlorinated, sampled and switched to airstripper 2
- Cleaned well houses
- Met with Kennedy and John E Green at booster station
- Reset booster station pump 1

Landfill

In addition to their routine duties, our Operators performed the following tasks:

- Finished gas monitoring at landfill.
- Started working on the report.

Administrative Functions

During the month, the following administrative tasks were performed:

- Submitted PFAS monitoring report to EGLE
- Met with GFA to discuss new well project

CITY MANAGER REPORT

TO: Mayor Pat Humphrey & Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: January 12, 2023
RE: City Manager's Report

For the Agenda of January 16, 2023

DDA Meeting. The DDA held a meeting on January 12. They had several items and discussion topics on their agenda which included:

- Review and approval of Bylaws
- Discussion regarding dumpster enclosures
    - Possible addition to existing enclosure on 5th Street in current hospital parking lot
    - Cleanup of old enclosure in 4th street parking lot
- Discussion with Doherty Hotel regarding their new sign that was approved and the future replacement of awnings and canopies on the building

Planning Commission Meeting. The Planning Commission had several items on their last agenda which included:

- Elected 2023 Chairperson – Jason Lowe
- Elected 2023 Vice Chairperson – Josh Clark
- Annual review of bylaws
- Approval of the 2022 Annual Report – will be presented to the City Commission at the joint meeting
- Review and Recommendation of Ordinance 2023-001 to update the marijuana ordinance regarding enforcement of odor and other various administrative changes.
- Continued discussion of Ordinance Amendment to Section 52-308 – Vehicle Storage and Parking. It was a good discussion and lasted several hours. Further discussions/meetings will still need to take place to draft an ordinance that will hopefully address many of the issues that the City Commission asked them to look at.

Planning Commission / City Commission Annual Joint Meeting: Every year the City Commission and Planning Commission hold a joint meeting to discuss the Planning Commission Annual Report for the previous year along with any other topics of interest. This year after talking with the Planning Commission at their January 12 meeting, I would again suggest that the City Commission attend the night of the Planning Commission meeting as has been done the last several years. Their next two meeting dates are Wednesday, February 8th at 6:30 p.m. and Wednesday, March 8th at 6:30 p.m. I would recommend, as in the past, that we meet at 5:30 p.m. on one of those two next meeting nights of the Planning Commission so that the joint meeting can be completed in the hour before their regular meeting. Please let me know if you have a preference and we can work on getting that special meeting set and noticed. I have attached the approved 2022 Planning Commission Annual Report for you to check it out as a preview for the meeting.

Lake Shamrock Dredging Project. As I mentioned at the last meeting, we did receive our permit to dredge the first section of Lake Shamrock (Year one section). We have been building a haul road at the airport for the spoils trucks and have started moving material at the West end of the lake. So far, we have been hauling the material with city trucks, but we will begin utilizing our contract with Heintz very soon which will speed up the process as we will be using 40-yard trucks instead of 5-yard trucks. This is all exciting news and I am glad we are able to begin the process again. Continued efforts are being made with EGLE on the rest of the retesting of materials and new permits and the RFP for hydraulic dredging should be going out yet this month hopefully. I have included a few pictures of the excavator barge at work with this report.

City Website. More exciting news. We have launched a new City of Clare website that has been some time in the making. I mentioned at one time a while ago that we had secured our cityofclare.gov address and that is the new address for the website (www.cityofclare.gov). The old address of cityofclare.org still works and just forwards you to the .gov address. This new version is a modern clean update and most importantly will allow staff to be able to make quick changes if need to the website ourselves so that we don't have to send them and wait for the update to be made by a third party.

Verizon Cell Tower. Update – Continued work by the lineman on the antenna itself has been occurring regularly and as far as I know we are still waiting on the fiber to be run so that Verizon can finalize and activate the antennas.

Attachments:

1. 2022 Planning Commission Annual Report.
2. Dredging Pictures.

2022 Annual Report
City of Clare Planning Commission
January 11, 2023
Encompassing the Period January to December 2022

Purpose. The Michigan Planning Act of 2008 mandates the submittal of an annual report of the municipal planning commission to the legislative body of the municipality regarding the operations and status of planning activities, including recommendations to the legislative body related to municipal planning and development.

Period of Report. This report is inclusive of actions of the City of Clare Planning Commission during the period January 1, 2022, to December 31, 2022.

General. The City of Clare Planning Commission consists of nine members appointed by the Mayor of the City of Clare with the approval of the majority of the Clare City Commission. Six of the nine members are required to be qualified electors of the City; the other three members are not required to be qualified electors. The current composition of the Clare Planning Commission is eight qualified electors of the City and one non-resident Clare business owner; the current slate of commissioners is attached to this report. The Planning Commission elects its own chairperson annually; the current chair is Commissioner Jason Lowe. The Planning Commission Chair concurrently serves as a representative on the Clare Zoning Board of Appeals. Commissioner Nick Wyman serves in the position of vice chair. The commission is scheduled to meet once monthly on the second Wednesday of the month at 6:30 p.m. at Clare City Hall. Special meetings may be called by the commission chairperson, the city manager, or the city clerk. All meetings are required to be open to the public. The City of Clare Planning Commission met on twelve (9) occasions during the period of this report. The City Commission and Planning Commission will conduct the required annual combined meeting at the beginning of 2023 to review the Planning Commission's 2022 Annual Report to the City Commission and discuss other topics of mutual interest.

Public Engagement, Primary Accomplishments, and Notable Activities.

a. *Ordinance Amendments*. Public engagement announcements were made for the City Planning Commission to hold public hearings for the following Ordinance Amendments. The Planning Commission accepted public comments and then considered and made recommendations regarding the three (3) following ordinance amendments.

   1. *Ordinance 2022-001 - Zoning, Chapter 52 – Permitted Uses in the DDA*. Provided language to allow for use by right, second-floor dwelling units, in the Downtown Development District.

   2. *Ordinance 2022-002 - Chapter 30 – Camping in Pettit Park*. This Ordinance established rules to prohibit park users from disturbing or annoying other park users or occupying the campground as a permanent or semi-permanent residence.

   3. *Ordinance 2022-003 - Chapter 52 – Rezoning Commercial (C-2) to Industrial (I).* With both the North and South Industrial Parks being full, the city rezoned city-owned property south of Industrial Parkway from Commercial (C-2) to Industrial (I) with the intent to create a third industrial park.

b. *Site Plans, Façade Changes, & Special Use Permits*. The Planning Commission conducted public hearings for and approved four (4) site plans, two (2) Façade Improvement Plans, and two (2) Special Use Permits.

1. *Renosol Corporation Site Plan.* Renosol experienced a structure at their Bay City facility in 2021 and while they do not intend to close that facility, they desired to construct a new facility on the last remaining parcel in Clare's North Industrial Park. Thus, they submitted a Site Plan for consideration by the Planning Commission. A public hearing was held and the Commission voted to approve the site plan as submitted.

2. *Special Use Permit and Site Plan Annual Renewal –Recreational Marijuana License – 555 Industrial Drive – Vault, LLC.* Following a public hearing, the Planning Commission approved the annual special use permit and site plan for one adult-use marijuana cultivation facility for Vault, LLC.

3. *McEwan Street Fudge & Ice Cream Shop Façade Improvement.* Mr. John Gross purchased the former Clare Electronics store at 511 N. McEwan Street with the intent of giving the storefront a much-needed facelift prior to completing interior renovations and opening a fudge and ice cream shop. The DDA recommended approval of the façade. The Planning Commission held a public hearing and then approved the proposed façade improvement design.

4. *Special Use Permit and Site Plan Annual Renewal –Recreational Marijuana License – 380 Industrial Drive – THC (Chronicseur Farms).* The Commission approved annual special use permits and site plans for one medical marijuana grow facility, one adult-use grow facility, and one adult-use processing facility for THC.

5. *Ideal Theater Façade Improvement.* The DDA recommended approval of proposed façade improvements to the historic Ideal Theater located at 609 North McEwan. Sandra Wright and Lisa Benic have taken on the enormous and costly task of rehabilitating and renovating the exterior as well as the interior of this building. Following a public hearing by the Planning Commission, the façade improvement was unanimously approved by the Commission. NOTE: The theater was also able to secure a Revitalization and Placemaking Program Grant for just under one million dollars to help with the renovations.

6. *Airport Lot 207 Site Plan – Mr. Donald Nevill*. The Planning Commission approved a site plan application from Mr. Donald Nevill to construct a 960-square-foot addition to his current airplane hangar at the Clare Municipal Airport on Lot 207.

c. *Master Plan Update and Alignment with Master Plan Zoning.* A major accomplishment of the Planning Commission in 2022 was to complete an update to the city's Master Plan to align with community goals through strategic planning. With the assistance of McKenna & Associates in 2022, the Planning Commission completed a review of their accomplishments in aligning with the city's zoning plan as part of the Master Plan update. The Planning Commission took advantage of opportunities to modernize and streamline zoning as a proactive measure in aligning with the City's Master Plan to provide for growth and new development. The alignment with the Master Plan, which is meant to support the community's values, is an ongoing process to be reviewed annually as a means to promote the desired outcomes in community growth. The Planning Commission successfully navigated the city's Master Plan update with input from the community via community outreach (online and targeted email survey, solicited calls) for input and several public hearings.

d. *Redevelopment Ready Communities.* The Planning Commission worked on several items that were required in order to achieve Redevelopment Ready Community status. One of those items was creating and adopting a Public Participation Plan to serve as a guide for the City to effectively foster citizen feedback. The plan was developed to engage citizens and encourage public input by providing a detailed outline for soliciting feedback and involvement in community activities. It is also designed to provide direction to city staff, current boards, and future board members, to effectuate public communication and collaboration throughout the City of Clare. The City of Clare was able to obtain Redevelopment Ready Community Essentials status in 2022 which has opened up additional funding opportunities and grants for local businesses. Match on Main grants are now available and one business has already been awarded $25,000 (McEwan Street Fudge and Ice Cream Shop).

e. *Review of Proposed Capital Projects*. The Planning Act requires that the planning commission review all public capital projects recommended for construction or implementation within the City's geographical boundaries. The planning commission conducted a preliminary review of all proposed capital projects for the City's 2022/2023 fiscal year prior to submittal to the City Commission in conjunction with the City's budget approval process and determined that the projects appear to support the goals and objectives outlined in the Comprehensive Master Plan of the City.

Professional Development & Budgetary Considerations. The Planning Commission's professional development budget was used to further the education and knowledge of Planning Commission members at various training events and educational classes. The budget for 2023/2024 allocated for continued education should be increased in order to keep up with the rising costs of memberships, educational publications, training, and travel. The City's funding for public capital projects appears to be adequate.

Recommendations. See ***Other Comments*** below.

Other Comments. The Clare City Commission and the City's Planning Commission are tentatively scheduled to conduct an annual joint meeting in conjunction with one of the City's scheduled Planning Commission meetings in early 2023 to discuss items of mutual importance and to review general philosophy, vision, and objectives for the City. The Planning Commission continues to view this annual meeting as of significant importance and strongly recommends that these annual meetings continue. As in years past, the Planning Commission again suggests continuing discussions related to a Rental Ordinance, though this still remains a tough discussion with the recent action in the Legislature to allow for short-term rentals (VRBO, Airbnb, etc.). Input from the City Commission is welcome as the Planning Commission will soon be making recommendations regarding Ordinance amendments relating to the odor issues from Marijuana facilities in the south industrial park; changes to the ordinance regarding recreational vehicle/trailer storage; and now that the sign has been installed at Peterbilt, the sign ordinance should be revisited in light of the ZBA approving a sign height/dimension variance for the Peterbilt sign.

Attachment. Planning Commission Member Slate.

Respectfully Submitted,

Jason Lowe
Chairperson, City of Clare Planning Commission

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AGENDA REPORT

TO: Mayor Pat Humphrey & Clare City Commissioners
FROM: Diane Lyon, City Clerk
DATE: January 12, 2023
RE: *Communications

For the Agenda of January 16, 2023

***Note: This is a Consent Agenda item and is considered as routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved Clare City Commission agenda of January 16, 2023.**

FOIA Requests & Responses: The most recent FOIA requests and responses are attached for information.

Charter Communications Programming Change: Charter has announced a rate adjustment notice for their programming.

Governors State of the State Address: Governor Whitmer has announced that she will deliver her State of the State address on January 25.

Attachments. As noted above.

Diane Lyon

Subject: FW: FOIA Reqest

From: cityclare@web4.shumakergroup.com <cityclare@web4.shumakergroup.com>
Sent: Tuesday, January 10, 2023 9:56 AM
To: Diane Lyon <DLyon@cityofclare.org>; Shannon Sirpilla <SSirpilla@cityofclare.org>; Jeremy Howard <JHoward@cityofclare.org>; Sarah Schumacher <SSchumacher@cityofclare.org>; Jennifer Kinberg <JKinberg@cityofclare.org>; FOIA <FOIA@cityofclare.org>; Elections <Elections@cityofclare.org>
Subject: FOIA Reqest

Name: Susan Central MI District Health Dept
Date of Birth: 10/21/1967
Address: 815 N Clare Ave, Suite B, Harrison, MI 48625
Phone: 989-539-6731 Ext 3
Email: SWentworth@cmdhd.org

Request Information
Date/Time of Incident: 07/25/2022
CPD Comp #: unknown
Type of Incident: Water Test Results
Location of Incident: Water Test Results

Records Requested
Records Requeted: Coliform water testing analysis results for 10130 Rock Rd. The water sample was taken on 07/25/2022 by Dan Moore.

Purpose of Request: Copying
True Copy: on

Where the north begins at the crossroads of Rt 10 and 127.

202 West Fifth Street, Clare, Michigan 48617
www.cityofclare.org
phone: (989) 386-7541 fax: (989) 386-4508

January 11, 2023

DENIAL OF REQUEST FOR PUBLIC RECORD

Sue Wentworth
Central Michigan District Health Department
815 N. Clare Ave.
Harrison MI 48625

Tel: (989) 539-6731 X3
SWentworth@cmdhd.org

RE: **FOIA Request #2023-002 via email dated 01/10/2023. Coliform water testing analysis results for 10130 Rock Rd. The water sample was taken on 7/25/22 by Dan Moore.**

__X__ Your request as described is denied because it does not exist under information. The date of sampling specified within the request does not exist.

NOTICE: This correspondence constitutes a certification that the public records, as indicated, do not exist. You have the right to appeal this denial to the City Manager in writing that specifically states the word "APPEAL" and indicates the reason or reasons for reversal of the denial, or seek judicial review in the Circuit Court within 180 days of a final determination to deny a request. If the Court determines a public record is not exempt from disclosure, it shall order its release or production. The burden of proof in Court is on the public body. If the Court determines that the public body has been arbitrary and capricious in not disclosing a public record, it may award, in addition to actual and compensatory damages, punitive damages not exceeding $500.00

The City of Clare's FOIA Procedures and Guidelines and Summary are available for review on our website at www.cityofclare.org.

If your FOIA request has been denied in whole or in part, you may do one of the following at your option:

(1) Commence an action in the circuit court to compel disclosure of the public records or information within 180 days after the governmental unit's final determination to deny your request. If the circuit court orders disclosure of all or a portion of the public record or information, you have the right to receive reasonable attorney's fees, costs, and disbursements. If the circuit court determines that the governmental unit arbitrarily and capriciously denied your request, you also have the right to receive punitive damages in the amount of $500.00. Please see MCL 12.231 *et seq.* for further information on the Freedom of Information Act.

(2) Submit to the City Manager a written appeal that specifically states the word **"appeal"** and identifies the reason(s) for reversal of the denial. Your appeal should be sent to City of Clare – City Manager, 202 West Fifth Street, Clare, MI 48617-1490.

A copy of this request will be kept on file for no less than one (1) year.

Diane M. Lyon
FOIA Coordinator or Authorized Representative

January 11, 2023
Date Denial Approved

The City of Clare is an Equal Opportunity Provider and Employer

EQUAL HOUSING OPPORTUNITY

Diane Lyon

From: TWG Acquisitions <acquisitions@thewarrengroup.com>
Sent: Wednesday, January 11, 2023 7:47 AM
To: TWG Acquisitions
Subject: Winter Tax Roll 2022 Request
Attachments: Exporting Current Season Tax roll.pdf

Good morning,

We are writing today to formally request your Winter Tax Roll for 2022 in the BS&A format. We cannot use the mortcomp format. The BS&A format will include the following files:

ADJUST	Text Document
INFO.EQ	EQ File
LEGALS	Text Document
NAMES	Text Document
TAXES	Text Document
VALUES	Text Document

If there are costs involved in acquiring this information, I will need to get those approved prior to receiving any files, so please first reply with the cost.

For your convenience, I have attached the export instructions for the information requested. The tax roll requested can be sent in a digital format to my email listed above or upload the file to https://twg-acquisitions.wetransfer.com/

Thank you for your time and assistance.

Best,
Christina

Christina Doucette
Parcel Acquisitions Coordinator

THE WARREN GROUP Since 1872
Real Estate & Financial Information

The Warren Group, LLC
2 Corporation Way | Suite 250 | Peabody, MA 01960
617-896-5379 | cdoucette@thewarrengroup.com

LinkedIn | Twitter | Facebook

This communication is for its intended recipient only, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify The Warren Group immediately by telephone (617) 428-5100 or email reply, delete it from your system, and destroy any hard copy you may have printed. Thank you.

Charter
COMMUNICATIONS

December 21, 2022

City of Clare
202 W. Fifth Street
Clare, MI 48617-1490

Re: Charter Communications – Upcoming Changes

Dear Franchise Official:

On Friday, December 16, 2022, the rate adjustment notice provided to your community stated that the *Spectrum TV Latino Tier* would increase $2.00 on or around January 17, 2023. This was a misprint and the Spectrum TV Latino Tier will *not* be increasing $2.00.

We remain committed to providing excellent communications and entertainment services in your community. If you should have any questions about this change, please feel free to contact me at (906) 553-7866.

Sincerely,

Joan Movrich

Joan Movrich
Manager – State Government Affairs, Michigan
Charter Communications

115 East McLeod Avenue
Ironwood, MI 49938

Diane Lyon

From: Michigan Executive Office of the Governor <mieog@govsubscriptions.michigan.gov>
Sent: Tuesday, January 3, 2023 9:02 AM
To: Diane Lyon
Subject: Gov. Whitmer to Deliver 2023 State of the State Address on January 25th

FOR IMMEDIATE RELEASE
January 3, 2023
Contact: press@michigan.gov

Gov. Whitmer to Deliver 2023 State of the State Address on January 25th

LANSING, Mich – Governor Gretchen Whitmer will deliver her fifth State of the State Address on Wednesday, January 25th. The address will be held in the Michigan House Chambers in front of a joint session of the Michigan House of Representatives and the Michigan Senate and broadcast live throughout the state.

"The State of the State address is an opportunity to talk about the issues that make a real difference in people's lives and focus on what we're going to get done this year," said **Governor Whitmer.** "I can't wait to share my vision for our state as we move towards our bright future, and lay out my plans to lower costs, bring supply chains and manufacturing home to Michigan, and ensure Michiganders have unparalleled economic opportunity and personal freedom."

During her 2023 State of the State address, Governor Whitmer will lay out her plans to tackle the challenges Michiganders are facing right now. Her proposals will lower costs, make Michigan more competitive, expand opportunity, and protect people's fundamental rights. Together, they represent the future and will move Michigan forward.

HOW TO WATCH THE 2023 STATE OF THE STATE ADDRESS

- Local TV Channel
- Online at michigan.gov/StateOfTheState
- Facebook
- YouTube

###

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This email was sent to dlyon@cityofclare.org using GovDelivery Communications Cloud on behalf of: Michigan Executive Office of the Governor · 111 S. Capitol Ave · Lansing, Michigan 48901

govDELIVERY

Clare, Michigan
A Cool City Michigan Main Street Community

PAYABLES REPORT FOR COMMISSIONERS

EXP CHECK RUN DATES 01/17/2023 - 02/06/2023BOTH JOURNALIZED AND UNJOURNALIZED OPEN BANK CODE: CONSO

VENDOR	INVOICE #	DESCRIPTION	›sting Dat	Check Run	AMOUNT
AMAZON CAPITAL SERVICES	1GMX-JQ1Y-JPH	USB PORT (10PORTS) - I.T.	01/17/2023	01/17/2023	68.99
AMAZON CAPITAL SERVICES	197Q-VWXG-C4H	"PAID" DATE STAMP - CLERK'S C	01/17/2023	01/17/2023	27.95
AMAZON CAPITAL SERVICES	1QPG-K7CJ-QGL	METAL LOCATOR: BURIED WATER E	01/17/2023	01/17/2023	965.00
AMAZON CAPITAL SERVICES	1JWL-K39F-1QV	NOTARY STAMP (SCHUMACHER) - C	01/17/2023	01/17/2023	21.65
CLARE AUTOMOTIVE SUPPLY	100531022073	2 CONTROL ARMS - CPD #46-K9	01/17/2023	01/17/2023	303.92
CLARE AUTOMOTIVE SUPPLY	100531022504	SHAMPOO PLUS 5G - FIRE DEPT	01/17/2023	01/17/2023	163.99
CLARE AUTOMOTIVE SUPPLY	100531022978	BATTERY - CFD #1849	01/17/2023	01/17/2023	108.95
CLARE AUTOMOTIVE SUPPLY	100531023006	BATTERY CORE RETURN (INV 1022	01/17/2023	01/17/2023	-18.00
CLARE AUTOMOTIVE SUPPLY	100531022706	BATTERY CORE RETURN (INV 1022	01/17/2023	01/17/2023	-96.00
CLARE AUTOMOTIVE SUPPLY	100531021862	OIL FILTER - DPW #53	01/17/2023	01/17/2023	57.86
CLARE COUNTY COMMUNITY	FEBRUARY 2023	CODE ENFORCEMENT SERVICES: FE	01/17/2023	01/17/2023	1,500.00
CLARE COUNTY SHERIFF DE	01042023	PD MODEMS, CELLPHONES (12/14/	01/17/2023	01/17/2023	375.07
CONSUMERS ENERGY	206258055964	TRAFFIC LIGHT(S) (12/01/22-12	01/25/2023	01/25/2023	6.31
CONSUMERS ENERGY	206258055965	STREET LIGHT(S) (12/01/22-12/	01/25/2023	01/25/2023	757.63
CONSUMERS ENERGY	206258055966	STREET LIGHT(S) (12/01/22-12/	01/25/2023	01/25/2023	2,613.03
CONSUMERS ENERGY	205457243801	48617 LED LIGHT RD (12/01/22-	01/25/2023	01/25/2023	1,255.27
CONSUMERS ENERGY	206969568382	11175 S EBERHART AVE (12/06/2	01/31/2023	01/31/2023	7,109.18
COUNTY WIDE SEPTIC, LLC	118056	SERVICE PORTA JONS 12/6-12/27	01/17/2023	01/17/2023	360.00
DTE ENERGY	01172023 1199	1551 MCEWAN ST (11/24/22-12/2	01/17/2023	01/17/2023	42.91
DTE ENERGY	01172023 3692	202 W 5TH ST (11/24/22-12/22/	01/17/2023	01/17/2023	712.84
DTE ENERGY	01172023 9024	307 MAPLE ST (11/24/22-12/22/	01/17/2023	01/17/2023	1,875.83
DTE ENERGY	01172023 3680	207 W 5TH ST (11/24/22-12/22/	01/17/2023	01/17/2023	1,045.83
DTE ENERGY	01172023 2429	201 W 4TH ST ((11/24/22-12/22	01/17/2023	01/17/2023	160.70
DTE ENERGY	01172023 1145	1532 N MCEWAN ST (11/24/22-12	01/17/2023	01/17/2023	159.66
DTE ENERGY	01172023 1158	11175 S EBERHART AVE (11/24/2	01/17/2023	01/17/2023	937.14
DTE ENERGY	01172023 1171	305 MAPLE ST (11/24/22-12/22/	01/17/2023	01/17/2023	132.83
DTE ENERGY	01172023 1184	305 MAPLE ST APT FP (11/24/22	01/17/2023	01/17/2023	661.45
DTE ENERGY	01172023 2413	4715 COLONVILLE RD (11/24/22-	01/17/2023	01/17/2023	59.11
EMMET COUNTY SHERIFF'S	01042023	2023 ERT TRAINING SPECIAL ASS	01/17/2023	01/17/2023	375.00
ETNA SUPPLY	S104901804001	DRIVEWAY FABRIC: LK SHAMROCK	01/17/2023	01/17/2023	1,005.00
FAMILY FARM & HOME	4589/Q	DOG FOOD (50#) - PD K-9 OFFIC	01/17/2023	01/17/2023	82.99
GARY L TODD	01172023-GT	AIRPORT MANAGER SERVICES	01/17/2023	01/17/2023	1,325.50
GERBER CONSTRUCTION, IN	2021049-8	2021 WATER LINE REPLACEMENT -	01/17/2023	01/17/2023	30,000.00
GFL ENVIRONMENTAL	0059064138	DECEMBER-22 COLLECTION	01/17/2023	01/17/2023	14,787.00
HACH COMPANY	13370012	LAB SUPPLIES - WWTP	01/17/2023	01/17/2023	160.50
HOERAUF AND NEVILL, P.C	52700	LEGAL SERVICES: DECEMBER 2022	01/17/2023	01/17/2023	1,119.25
HUTSON, INC	9787536	5 SEALING WASHERS - DPW #36	01/17/2023	01/17/2023	13.35
JEREMY HOWARD	01052023 MILE	REIMBURSE MILEAGE: OCT, NOV,	01/17/2023	01/17/2023	185.94
JOY SIMMER	01042023-MILE	REIMBURSE MILEAGE: 12/1/22 (I	01/17/2023	01/17/2023	25.31
MAURER'S TEXTILE RENTAL	2650869	YODER UNIFORMS - DPW	01/17/2023	01/17/2023	33.85

PAYABLES REPORT FOR COMMISSIONERS

EXP CHECK RUN DATES 01/17/2023 - 02/06/2023BOTH JOURNALIZED AND UNJOURNALIZED OPEN BANK CODE: CONSO

VENDOR	INVOICE #	DESCRIPTION	Posting Dat	Check Run	AMOUNT
MILL BROOK WATER COMPAN	10316	5GAL BOTTLED WATER (6BTLS) -	01/17/2023	01/17/2023	43.50
MISS DIG SYSTEM INC	20230090	2023 MBRSHIP, MAINTENANCE, ED	01/17/2023	01/17/2023	1,292.78
MOTOROLA SOLUTIONS, INC	8281538710	5 MOBILE RADIOS & ACCESSORIES	01/17/2023	01/17/2023	15,372.50
MUNICIPAL EMERGENCY SER	IN1810425	COMPRESSOR PARTS:1/4" FEMALE	01/17/2023	01/17/2023	14.00
PERSONNEL CONCEPTS	PA2709	4 MI LABOR POSTERS - DPW, CIT	01/17/2023	01/17/2023	65.75
PRECISE MRM, LLC.	200-1040524	SALT TRUCKS DATA PLAN: NOV 20	01/17/2023	01/17/2023	20.00
PRINTING SYSTEMS INC	225997	200 DEPOSIT TICKETS; TAX ACCT	01/17/2023	01/17/2023	87.61
PROGRESSIVE AE	00191002	2021-2022 DREDGING CONTRACT:	01/17/2023	01/17/2023	1,200.00
ROBBIN HARSH EXCAVATING	23266	CRUSHED CONCRETE (137.23TN):	01/17/2023	01/17/2023	4,442.76
ROBBIN HARSH EXCAVATING	23267	CRUSHED CONCRETE (53.99TN): I	01/17/2023	01/17/2023	1,730.69
ROBBIN HARSH EXCAVATING	23290	CRUSHED CONCRETE (135.19TN):	01/17/2023	01/17/2023	4,378.49
ROBBIN HARSH EXCAVATING	23736	24.11 TONS CRUSHED CONCRETE-I	01/09/2023	01/17/2023	759.47
SEITER BROTHERS LUMBER	95396	MATERIALS FOR CITY HALL WINDC	01/17/2023	01/17/2023	71.90
SHARPCO WELDING AND FAB	4597	12' 3/4" SOLID SQUARE; 3/16X2	01/17/2023	01/17/2023	48.19
STATE OF MICH WITHHOLD:	DECEMBER 2022	DEC 2022 W/H & SALES/USE TAX	01/17/2023	01/17/2023	8,289.36
TEAMSTERS LOCAL #214	FEBRUARY 2023	FEB 2023 TEAMSTER DUES: SUPEF	01/17/2023	01/17/2023	711.00
TRACE ANALYTICAL LABORA	2120348	SAMPLE TESTS, PICK-UP, HANDLI	01/17/2023	01/17/2023	1,817.76
TRACE ANALYTICAL LABORA	3010570	SAMPLE TESTS, PICK-UP, HANDLI	01/17/2023	01/17/2023	944.15
UNIQUE PAVING MATERIALS	71060	COLD MIX (5.76TN): PATCH WATE	01/17/2023	01/17/2023	702.72
USDA RURAL DEVELOPMENT	FEBRUARY 2023	INTEREST PAYMNT: 91-20 WATER	02/01/2023	02/01/2023	15,119.37
			Sub Total:		127,594.79

Clare, Michigan
A Cool City Michigan Main Street Community

PAYABLES REPORT FOR COMMISSIONERS

(RUN DATES 01/05/2023 - 01/16/2023BOTH JOURNALIZED AND UNJOURNALIZED PAID BANK CODE: CONSO - CHECK TYPE: PAI

VENDOR	VENDOR ID	INVOICE #	DESCRIPTION	POSTING DATE	AMOUNT
DETROIT SALT COMPANY	6678	SI22-16747	ROAD SALT: 151.37 TONS - STRI	01/09/2023	9,260.81
VPS CONVENIENCE STORE	6623	NP 63600011	DPW GAS: DEC 2022 (BG:210536	01/05/2023	3,973.14
VPS CONVENIENCE STORE	6623	NP 63600012	FIRE DEPT GAS: DEC 2022 (BG::	01/05/2023	420.67
VPS CONVENIENCE STORE	6623	NP 63600013	POLICE DEPT GAS: DEC 2022 (B	01/05/2023	1,536.34
VPS CONVENIENCE STORE	6623	NP 63600014	W/WWT GAS: DEC 2022 (BG:2105	01/05/2023	269.41
					15,460.37

OPEN INVOICE TOTAL: _____

Grand Total: _____

COMMISSION APPROVAL:

_____

_____

_____

_____

_____

AGENDA REPORT

TO: Mayor Pat Humphrey & Clare City Commissioners
FROM: Diane Lyon, City Clerk
DATE: January 12, 2023
RE: *Professional & Education Training Opportunities

For the Agenda of January 16, 2023.

***Note: This is a Consent Agenda item and is considered as routine by the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved Clare City Commission agenda of January 16, 2023.**

Commissioners are encouraged to attend educational and training events. Please submit the attached Professional Development Training Request to the City Clerk if you are interested in attending any educational or training event(s).

1. Michigan Municipal League Upcoming Events. The MML also provides many opportunities for training and professional development including a vast selection of webinars available for viewing. The current offerings are attached for review & consideration.

2. American Planning Association-Michigan Chapter. The Michigan APA likewise offers training sessions and onsite workshops for city officials. If you are interested in having the City host an onsite workshop, please contact the City Clerk. The most current opportunities for professional development are attached for your consideration.

Attachments: as outlined above.

Clearly another way of life.

CITY OF CLARE
Professional Development Training Request

Today's Date:_____

Your Name & Title:_____

Name of Training Event:_____

Location of Training Event: _____

Date(s) & Times of Training Event:_____

If you are required to sign up for break-out sessions, which break-out sessions & times would you like to attend:

_____

_____

_____

_____

Do you have and special food requirements (if the event is serving food)?

_____

Will you need a city vehicle to attend this event? Yes ☐ No ☐
(If the answer is no, a mileage reimbursement form will be provided)

Will you need overnight accommodations? Yes ☐ No ☐

Do you have special needs regarding accommodations? _____

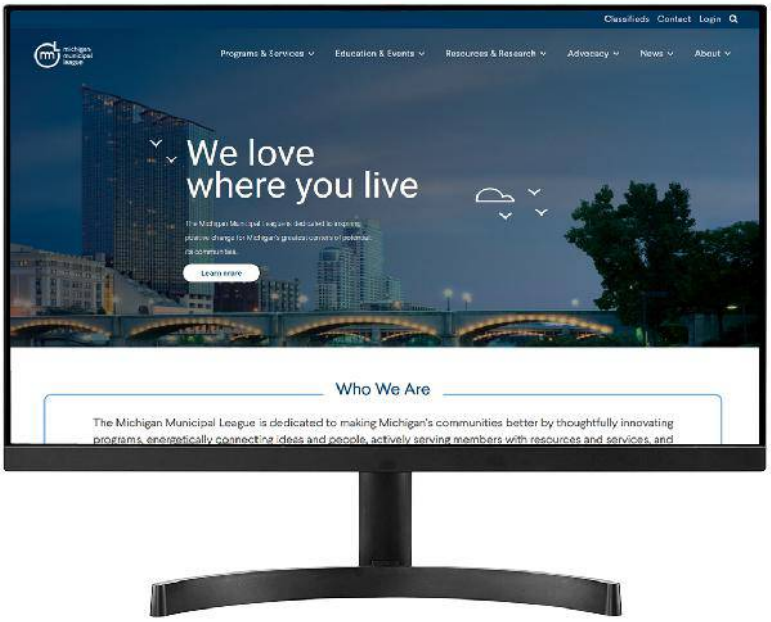
Please return this completed form to: Diane Lyon, City Clerk
202 W. Fifth St.
Clare, MI 48617

Or you may email the form to: dlyon@cityofclare.org

Diane Lyon

From: Michigan Municipal League <mbach@mml.org>
Sent: Tuesday, January 10, 2023 10:03 AM
To: Diane Lyon
Subject: Same Leading Edge, Update Links

January 5, 2023



New Website, New Links

The new Michigan Municipal League website launched on January 6, completing Phase One of an improved online League experience for our members. Due to the technicalities of the website update, links in the previous Leading Edge will no longer work. As a result, we are re-sending this Leading Edge newsletter to our members today with the updated links. We apologize for any inconvenience this has caused.

Please don't hesitate to contact CEO and Executive Director Dan Gilmartin directly if you have any questions, or you can reach out to Dene Westbrook, IT & Operations Director, at **dwestbrook@mml.org**.

Newly Elected Officials (NEO) Trainings in January

Recently elected officials—there are still two opportunities this month to learn about essential government functions and processes at one of the League's Newly Elected Officials (NEO) trainings. There is an in-person training **Jan. 12 in Ann Arbor** and a virtual option on **Jan. 21**. These are the last NEO trainings for the recent Nov. 2022 election cycle.

UPCOMING

January 9
Live with the League

January 12
Newly Elected Officials Training

January 21

EVENTS

Newly Elected Officials Training (Virtual)

February 10–11
Elected Officials Academy Core Weekender

February 10–11
Elected Officials Academy Advanced Weekender

Live with the League

Live with the League returned Jan. 9, at noon (**watch here**) and our shows in 2023 will take place on the second and fourth Monday of every month. We are looking forward to a new year and new legislative discussions with our Lansing team.

CapCon 2023 Registration Opening Soon

Keep an eye on your inbox for the opening of CapCon 2023 registration. The League's annual legislative conference will take place on April 19-20, 2023, at the Lansing Center in Lansing, Michigan.

SMC Data-Driven Decision-Making Workshop

If you missed this crucial workshop last year presented by ServeMICity, here's your chance to learn what long-needed projects, programs, and infrastructure should be priorities when applying for new state and federal resources.

This **workshop on Jan. 25** will help local leaders understand how to access and use reliable data to make these decisions, as well as help them make their grant applications more competitive.

Explore the fundamentals of data use, learn where to easily access data (with a focus on housing), discover tools for identifying good data sources, and find simple ways to incorporate data into your decision-making process.

Elected Officials Academy Winter Weekender Feb. 10–11

Elected Officials Academy (EOA)

A voluntary continuing education program encouraging and recognizing the efforts of local elected officials to become effective leaders.

Core Weekender (Virtual)

This weekend seminar offers the most critical information in four short courses: Legal Framework, Leadership Roles & Responsibilities, Financial Management, and Planning & Zoning. The compact format facilitates achievement of Level One of the Michigan Municipal League's Elected Officials Academy. Attendees earn 8 EOA credits.

Advanced Weekender (Virtual)

This weekender will include formal presentations on municipal budgeting, understanding financial statements and audits, priority-based budgeting, utility rate settings, ServeMICity, and funding community projects, as well as discussions in a relaxed environment. Attendees earn 9 EOA credits.

Join us on social media!

Michigan Municipal League Foundation | 1675 Green Road, Ann Arbor, MI 48105

Unsubscribe dlyon@cityofclare.org

Constant Contact Data Notice

Sent by mbach@mml.org

Volume 1, No. 2
January 2022

Each January at their annual retreat the MAP Board identifies a policy priority - an issue or challenge facing our industry – and over the course of the year seeks to learn more about that topic, ultimately developing a policy to guide the work of MAP, and of our members.

To that end, the board "links" with experts throughout the year, inviting leaders from planning or other industries to join the board for conversations about the topic, deepening our understanding, and informing our policy direction. What we learn is incorporated into our policies, and ultimately shared with our members through educational programming, Michigan Planner features, and advocacy. Sometimes it results in new partnerships or grants.

These board linkage conversations are so rich with content that we believe our members will find useful that we developed this series of Board Linkage Summaries to highlight the key findings of these exchanges with others – typically non-planners – who join us in the space of community building.

The objective of this series of to allow you to also better understand who the board is meeting with, the objectives of those meetings, and the takeaways that will help us all understand the interconnectedness we share with other disciplines and professions, and how we can apply this knowledge to our work as planners.

Board Linkage Briefs
Allowing Most Housing By Right

Administrative approvals occur in Michigan communities every day. These are routine development approvals that receive sign-off from a designated staff person. If a development project complies with local regulations, then it can be administratively approved. Most communities already have administrative review for single family home construction; if the house meets the zoning ordinance requirements, it is permitted. Further, minor improvements, like an addition to a single-family home, or construction of a deck, are not typically reviewed in a public hearing or require permission from a board or commission. Administrative approvals are intended to make it easy to build a single family home, or for a property owner to improve their property by allowing development projects of a specified size and scope to be quickly processed by staff. Determining whether it meets the ordinance requirements is left to building department staff.

Contrast this process with the one usually required for housing other than a single family home. The midrise apartment building often requires site plan review and a public hearing before the planning commission. Even a duplex or a triplex typically requires site plan review. And this is where development approval can get stuck. Time and again rezoning to higher density housing, even if it's in the master plan, is met with angry citizens. Furthermore, in many communities, there are no housing options between detached single-family homes and mid-rise apartment buildings or multiple family complexes.

There are many housing options that could work well as infill development in a single family residential district. Accessory dwelling units, duplexes, triplexes, quadplexes, attached single family/townhomes, and cottage courts are all housing types that are not as large and dense as an apartment building and can more easily be administratively approved, like a single family home.

Including a range of additional housing types, and allowing administrative review, means a community must do its homework ahead of time to determine what kind of development is acceptable and desirable. This will entail a community campaign that includes meetings and discussions with staff, the commission, the legislative body and the public to both educate and inform as well as come to agreement on outcomes and processes everyone wants to see. This is a big shift for many communities; the single family model has been the norm for new residential development for many decades. Housing type, density, landscaping, screening, parking, and building materials must be considered and codified well in

advance of a building permit application, to ease the comfort levels of both the public and elected leaders. The goals and objectives of the new paradigm must be adopted into the master plan and codified in the zoning ordinance ahead of any development proposal.

Creating a predictable development review process for all types of housing can expedite housing variety AND assure that municipal policies and codes are honored.

The developer will know clearly what is expected, and can better anticipate the cost of development. This takes the guesswork out of what will be permitted, and opens the door to the creation of new housing units in neighborhoods that can support them. The community wins because they know they are going to get the pre-approved minimum in terms of use/density and aesthetics without having a contentious planning commission meeting.

Administrative approvals, when done correctly, can increase predictability and consistency while also implementing a community's vision. Finally, an added benefit is that power is appropriately placed in plans and ordinances, rather than at the dais in potentially politically charged meetings.

TERMS:

Duplex: A multi-family home that has two units in the same building. These two units always share a common wall, but the floor plan can vary. Units can be arranged either side by side or stacked on top of one another, each occupying an entire floor or two of the building.

Triplex: Three individual dwelling units combined into one building, with the individual units sharing one or two common walls. Each unit of a triplex has its own kitchen, bathroom(s), living room, separate doors to the outside, and its own address or unit number.

Fourplex or Quadplex: A multifamily property with four attached units under one roof.

Cottage Court: A group of small (1 to 1.5-story), detached structures arranged around a shared court visible from the street. The shared court is an important community-enhancing element and unit entrances should be from the shared court. It replaces the function of a rear yard.

Townhouse: A small-to medium-sized attached structure that consists of 2 to 16 multi-story dwelling units placed side-by-side. Entries are on the narrow side of the unit and typically face a street or courtyard. The street façades have entrances and avoid garages.

Published by the
MICHIGAN ASSOCIATION OF PLANNING
1919 West Stadium Boulevard, Suite 4
Ann Arbor, Michigan, 48103
734.913.2000
www.planningmi.org
info@planningmi.org

APA MI

Volume 1, No. 3
February 2022

Board Linkage Briefs
Building Collaboration: Planners Can't Do It Alone

Each January at their annual retreat the MAP Board identifies a policy priority - an issue or challenge facing our industry – and over the course of the year seeks to learn more about that topic, ultimately developing a policy to guide the work of MAP, and of our members.

To that end, the board "links" with experts throughout the year, inviting leaders from planning or other industries to join the board for conversations about the topic, deepening our understanding, and informing our policy direction. What we learn is incorporated into our policies, and ultimately shared with our members through educational programming, Michigan Planner features, and advocacy. Sometimes it results in new partnerships or grants.

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The housing shortage in Michigan started 40 years ago and continues to worsen. Solving this problem will take a collective effort of many players including municipal elected leaders and professionals – including planners - developers, banks and CDFIs, investors, non-profit housing providers, and many others. It is a complex problem requiring many interventions. Planners have a role, but cannot do it alone.

The homes that are being built by the private market primarily serve the shelter needs of higher-income households. A developer must consider many factors when determining what type of housing to build including the economy, the cost of construction materials, labor, and land, whether federal, state or local incentives are available, and the price the market can bear. The total cost of development is based on the following:

- Land cost
- Developing the site: infrastructure, parking, landscaping
- Construction: building construction, permits, property taxes, materials, skilled trades and construction workers
- Marketing: advertising, realtor expenses, promotional materials

Denser housing types such as townhomes and apartments, stacked units, and tri-and quad-plexes might be more affordable to build, but even these units (particularly if they are market-rate and in a desirable area) will not be affordable to many Michigan residents.

The development of affordable housing without incentives or subsidies is practically impossible. Government must intervene with assistance to developers. However, there is no readily available, dedicated project financing that communities or developers can consistently tap to make projects more affordable. Multiple financing and incentive tools are often necessary to fill a funding gap—a stack of funding to make the project viable and affordable – to "pencil in" a profit for the developer. Federal, state, and local subsidies and incentives can make development more affordable, while providing guarantees that the homes remain affordable over the long term. Developers are business people, and seek to make a profit for their efforts.

Long before the project is is queued up for approval, planners and community leaders must forge relationships and alliances with organizations who can assist in making affordable housing projects a reality. This means meeting and discussing the housing problem

ahead of time, before the design is put to paper, before permits are pulled. Planners can take the lead, here, to inform stakeholders about the issue: Bankers, neighborhood groups, developers, city government--all see the world from different perspectives and it is time consuming - but critically important – that each entity receives targeted messages about the critical need for housing, and their role in making it happen. Once partners are assembled and understand the need, creative, out of the box thinking can make projects viable.

Decision makers, citizens, and developers recognize that local government has a big part to play in new housing development. However, sometimes stakeholders assume that role is bigger than it actually is. Be clear about the responsibilities of the municipality, and clarity the roles of the myriad other players. The state and federal government must also recognize the housing crisis and work to solve it through changes in their policies and regulations, too. Planners are trained to talk to different groups and reach across divides. Planners are also trained to review, analyze, and explain data. That training makes planners invaluable to have in the room when these conversations happen.

Where this is happening?

- Housing North/Networks Northwest in Charlevoix
- Housing Next in Grand Haven
- Equitable development initiative in Grand Rapids

RESOURCES:

- Michigan State Housing Development Authority (MSHDA)
- The Federal Home Loan Bank of Indianapolis (FHLBI), part of the Federal Home Loan Bank system
- Michigan Community Capital
- Community development finance institutions (CDFIs)
- The Michigan Economic Development Corporation (MEDC)
- Housing trust funds
- Philanthropic institutions
- Local tax incentives are available through payments in lieu of taxes, neighborhoods enterprise zones, brownfield redevelopment, and land bank authorities
- The State Land Bank Authority
- County land banks
- Downtown Development Authorities, Brownfield Redevelopment Authorities, Corridor Improvement Authorities, Tax Increment Financing Authorities

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American Planning Association
Michigan Chapter

Creating Great Communities for All

EPP Coffee Hour

Wednesday, February 08, 2023
8:30 AM - 9:30 AM EST
Category: Emerging Planning Professional

Join us for our virtual coffee hour, an opportunity to connect with planners around the state to discuss shared issues with a friendly crowd. Contact Wendy Rampson for the Zoom link.

Contact: Wendy Rampson - wrampson@planningmi.org

Download as iCal file

Quick Links

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Upcoming Events

Wed Jan 11, 2023
EPP Professional Development: Tools for Zoning Reform
Category: Emerging Planning Professional

Wed Jan 18, 2023
Housing in Four Parts
Category: MAP Events

Wed Jan 18, 2023
FAICP Nomination Deadline
Category: APA Events

Fri Jan 20, 2023
AICP Certification Q & A
Category: APA Events

Wed Feb 8, 2023
EPP Coffee Hour
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American Planning Association
Michigan Chapter

Creating Great Communities for All

EPP Professional Development: Tools for Zoning Reform

Wednesday, January 11, 2023
9:00 AM - 10:00 AM EST
Category: Emerging Planning Professional

MAP's Leah DuMouchel, AICP and MML's Richard Murphy, AICP will highlight MAP's Zoning Reform Toolkit and the Michigan Municipal League's Code Reform guides. Contact Wendy Rampson for the Zoom link.

Contact: Wendy Rampson - wrampson@planningmi.org

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American Planning Association
Michigan Chapter

Creating Great Communities for All

Housing in Four Parts

Wednesday, January 18, 2023
11:00 AM - 1:00 PM EST
Category: MAP Events

Four Part Series via Zoom

Reference Book Included with Registration | Sessions will be recorded for future viewing

Register Now

Master Planning for Housing | January 18, 2023 | 11 AM to 1 PM

The housing element of a master plan focuses not just on today's shelter goals for current residents, but also for the residents a community hopes to attract and retain well into the future. A housing element that includes a thoughtful and robust analysis of appropriate demographic data, coupled with a comprehensive community engagement program, can establish the framework to get the community on board and informed about local housing needs and gaps. It can also introduce "hidden density" opportunities like 2, 3 and 4 units nestled on the edges of single family neighborhoods, which are often misunderstood and opposed by existing residents. Understanding a community's market context will help identify the housing solutions appropriate for its unique characteristics. This workshop will reveal what data must be considered and how to get your community on board from the beginning of the planning process, so that there is buy in at the end for policies that embrace an appropriate mix of housing now and into the future. *Instructor: Leah DuMouchel, AICP*

Zoning Reform in Michigan | January 25, 2023 | 11 AM to 1 PM

MAP's Zoning Reform Toolkit for Housing Supply and Choice, completed in June 2022, was created to provide local regulatory solutions that can be implemented now, without changes to the State Zoning Enabling Act. This session provides background on the national housing shortage and its effects in our State, an overview of the 15 tools included in the Toolkit, insight about selecting the tools that match your housing market, and talking points to get you past

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common obstacles to implementing successful housing solutions. *Instructors: Suzanne Schulz, FAICP and Andrea Brown, AICP*

Stand by Your Plan | February 1, 2023 | 11 AM to 1 PM

Density resistant neighbors can have a chilling effect on new housing development, even if the density increases are modest and "around the edges." Countering opposition is a challenge, but equipping elected and appointed leaders with the tools to defend plans and policies is key. This workshop provides step by step guidance for navigating the "hot seat" of public input to anyone responsible for project approval. It includes new research on public participation in development review, including a first-ever dive into the data of who participates and why. The workshop offers specific advice for connecting the proposal to the plan during the meeting, and for bringing representative community engagement findings into the conversation. It also presents strategies for laying the groundwork for future successful projects: informing the community well ahead of potential new housing development proposals about the social and economic value new housing brings to the community; the what and why of new housing (the current unit type configuration does not meet the needs of changing population demographics, for example); and getting past single family zoning as a property rights protection mechanism with stories, case studies, and design images that bring new housing types to life. *Instructor: Leah DuMouchel, AICP*

Accessory Dwelling Units | February 8, 2023 | 11 AM to 1 PM

ADUs because of their size and the ad hoc nature of their development fit into almost all Michigan communities. This session dives into the five elements of ADUs (what, where, when, how, why). The workshop includes several hands on exercises where participants try their hand at placing an ADU on a property, ADUs in a neighborhood, as well as a whole municipality. Participants will be asked to bring some current and historical census data about their own community. *Instructor: Amy Vansen, AICP*

MAP Member Price: $150 | Nonmember Price: $175 | Student Member Price: $35

RRC Communities: you are eligible for discount pricing. Contact your RRC advisor for details! See map of RRC communities here.

Interested in watching as a group? Contact MAP (734) 913-2000 for group pricing.

Eligible for 8 AICP CM Credits

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Volume 1, No. 6
June 2022

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Board Linkage Briefs

How to Talk about Housing in Your Community

The increasing cost of housing has made it prohibitive for those with more modest incomes to afford the purchase or rent of a home in the community where they have stakes.

An acute housing shortage across much of the United States, and in Michigan, makes the problem worse. High housing costs and an inadequate supply contribute to, but are not the only sources, of the problem. Density resistant homeowners who own homes in predominantly single-family neighborhoods are often the most vociferous opponents to new housing units that are not single family, detached dwellings. They've been conditioned to oppose new development that they perceive will affect their property value, cause traffic congestion and parking problems, increase school classroom sizes, and negatively impact the "neighborhood character". Arguments about your children being able to move back to your community after college to start a family, or allowing your parents to age in place, often fall on deaf ears.

Density resistant residents are one aspect of the challenge, but elected officials, conditioned to respond to constituent concerns, are also culpable. Elected officials, along with professional planners and planning commissioners, must become advocates and messengers of community building that includes allowing a range of appropriate housing along with livability and context sensitivity. Having state and federal legislation reinforce good, local decisions is also vital.

Getting beyond community resistance to establish a common understanding of the value of creating a range of housing types, with a variety of densities, and with many price points is not easy, but it is possible. Through education and engagement, the benefits to a community can be reinforced, and opposition lessened.

- ***Show, Don't Tell.*** Provide photographs of local examples already in your community, or in a nearby town, along with an address if possible, showing the type of housing being proposed. Be ready with "bad examples" of the same housing and be prepared to explain why the "bad" wouldn't be allowed and how the "good example" would. A visual of an Accessory Dwelling Unit, Duplex or Quad, when considered in the context of a traditional neighborhood, might sway concerned neighbors.
- ***Use Language Carefully.*** Avoid "density," which describes the effect of these policies from a city's perspective. Instead, talk about how this new housing would benefit an individual: "proximity to stores, parks, and schools". Avoid "zoning"; "single-family zoning" sounds abstract. Instead, use concrete, colloquial language like "it is currently illegal to build a duplex almost anywhere in [insert your community's name here]."
- ***Talk about your Community's Specific History.*** It is helpful to track

down the date(s) when zoning changed in your community. Was there a time when duplexes became nonconforming? What else was going on in the state or the country at that time? Single-family zoning can then move from "almost-holy abstract concept" into "potentially reversible policy decision." Understanding when the laws changed can perhaps capture some of the class and racial context of exclusionary zoning.

- ***Meet People Where They Are.*** Make a good slideshow. Get on organizations' agendas (e.g., parent teacher associations, historic societies, places of worship). Go to meetings; answer any questions. Never prematurely assume that anyone will be your opponent.
- ***Find Partners.*** Housing affects everything. Find potential partners and allies at your school districts, chambers of commerce and visitors' bureaus, and the AARP to craft nuanced policies and show officials the benefits a variety of housing bring.
- ***Collaborate with Housing Developers.*** Developers have the technical expertise, and a financial incentive, to promote better zoning. With skyrocketing materials costs and a dearth of construction laborers, there are economies for their bottom line usually, to construct more units per acre, attached units, and new housing proximate to existing public utilities. Ultimately, any new housing will be built by a developer. Meet with them to hear what type of housing they think would work in your community and what hurdles they may have encountered.
- ***Review your Master Plan.*** Does the master plan include a housing, transportation, or equity component? A Housing Needs Assessment is a frequently absent, but critically important plan element that takes a hard look at the number and type of housing units your community needs. Equipped with proper data, keen analysis, and a compelling story, most residents can begin to understand the long-term value of a more diverse range of housing. At their best, hard numbers like median household income, average commute, and the number of housing starts, transform ideological debates into problems that can be solved and tradeoffs that can be balanced.
- ***Find Common Ground and Be Willing to Compromise.*** YIMBYs (Yes In MY Back Yard) may often be at odds with NIMBYs, but remember to not throw away the good because it isn't perfect. For example, should fourplexes be permitted in single family detached housing districts? YIMBYs may say yes, NIMBYs may say no. The answer may be to compromise: YIMBYs and NIMBYs say no to fourplexes, but yes to duplexes with triplexes as a special land use.
- ***Start Now.*** The best day to start building new housing was 10 years ago; the second best day is today. When reaching out to partners and other community members, remember the values you share. This will take patience and persistence, but it must start now.

Officials and professionals must understand the housing needs of the community, as well as listen to the concerns raised in opposition. Potential problems like traffic, noise, and parking can be solved not only through zoning provisions (e.g., screening requirements, minimum parking spaces), but probably more effectively through other local police power regulations like noise, traffic, and nuisances.

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April 2021

Michigan Association of Planning
A Chapter of the American Planning Association

Housing Linkage Statement
Policy Rationale

Each year, the Michigan Association of Planning Board of Directors identifies priority issues it wishes to learn more about and then seeks input from industry leaders, stakeholders and others to inform itself, and begin the process of developing or improving organizational policy. At its January 2021 meeting the MAP board identified HOUSING as a priority issue and they will now initiate "linkage" efforts to elevate organizational acumen and evaluate next steps.

Planning and Housing

Planners have the skills and ethical responsibility to create communities where diverse housing options are available to existing and future residents.

"In order for communities to function, there must be an adequate supply of housing in proximity to employment, public transportation, and community facilities, such as public schools. The housing stock must include affordable and accessible for sale and rental units, not only to meet social equity goals, but in order to ensure community viability. The development of a diverse and affordable housing stock must be carried out without sacrificing sound regulations that are in place to protect the environment and public health." *

* American Planning Association - Housing Policy, 2006

Problem Statement:

Housing demand has been growing in many markets throughout the country, even as new construction lags well below historic averages, resulting in housing shortages for a broad range of household types. These shortages are driven by trends that have impacted both the demand for housing and new construction nationwide:

- The high and growing costs of building materials, land, infrastructure, and taxes make development too expensive for housing to be affordable to many people across a broad range of incomes
- High costs, complex development processes, and a shortage of skilled labor have suppressed new construction, with new home starts well below a 50-year average
- Because household sizes are shrinking, more homes are needed to house the same or fewer numbers of people – and, those smaller households are looking for smaller housing types that meet evolving family composition needs.
- National population and household growth contributes to an increased demand—particularly from young adults that are ready to form their own households

- Local policies and community opposition limit the construction of smaller or more dense housing types needed by young adults, small households, and seniors
- The market for second homes has been strong and growing, and is predicted to continue to grow with the rise of short-term rentals – taking existing housing units off the market for year-round use
- Seniors are transitioning out of their homes more slowly—partially due to lack of options—resulting in fewer homes "cycling through" the market to first-time homebuyers

These trends have created housing demand in nearly every market, leading to an increase in prices, and, in some communities, stiff competition for any available homes. At the same time, communities that have experienced disinvestment or decreases in property values find themselves struggling not only with limited housing stock, but experiencing further complications in financing redevelopment or rehabilitation of deteriorating homes, due to appraisal and lending practices.

Like so many other conditions, the pandemic exacerbated housing demand and need. As the economy started to re-open, housing markets across the country began to see an increase in sales, even as many households lost income, leaving them at risk of eviction. Meanwhile, building costs skyrocketed, and home construction has become even more costly. And, as the large-scale shift to remote work creates opportunities for individuals and families to leave the communities where they work, there is the potential for major changes to migration patterns that could further impact housing markets throughout the country.

Today's housing shortages and costs come with far-reaching impacts on nearly every facet of our lives, from earnings, job opportunities, educational attainment, health, and safety. And housing development practices themselves underlie and perpetuate many of our communities' and nation's racial and economic inequities. But, they are rooted in a system of policies, practices, and beliefs at the local, state, and federal level that extend far beyond the reach of a single jurisdiction.

As planners face the reality that housing development and redevelopment issues challenge nearly every aspect of community vitality and sustainability, the MAP Board seeks replicable approaches to mitigating housing development costs, ensuring equitable access to housing and the opportunities it creates, creating equitable development and redevelopment in low-income communities, building support for new housing solutions, and creating impactful, state (and, through partnership with the national APA, federal) policy to address the systemic roots of our current housing crisis. To that end, the MAP Board seeks to learn from community representatives, regions, housing-related interest groups, affordable housing developers, lenders, and community groups about issues including:

- What are some examples of successful housing development that offers opportunities for equity, affordability, and opportunity?
- What innovative approaches has your community, region, or organization taken to address housing costs? What are the limitations of these approaches? How might they

be improved or brought to scale?
    - Zoning changes
    - Public-private-nonprofit partnership (i.e. with land bank authorities, skilled trades training programs, etc)
    - New resources, like housing millages (Ann Arbor and Kalamazoo)
- How might planners address housing needs in low-income communities that face declining property value and significant home rehabilitation needs, while preventing displacement and gentrification?
- What are some communications approaches that have worked to minimize or resolve community opposition?
- What policy changes at the state level and federal level are needed to provide more tools and resources to communities? (including, for example, issues related to: tax code; securitization of
- mortgages for single and multi-family units; regional cooperation on fair-share, neighborhood services, and sprawl-prevention; support for manufactured housing; etc)
- What creative solutions have been tried/implemented to address high land costs in densely populated areas? (like NYC's Big Ideas for Small Lots)
- What local regulations unnecessarily contribute to the cost of construction that can be removed/change to bring down the cost new housing?
- What are some collective ownership models proven successful and what elements of the model were most important?
- How to balance City-wide housing goals with the needs of a specific neighborhood ?
- How can new housing impact individual/family wealth generation?
- How do we expand housing opportunities in the non-A markets?

APA MI

Volume 1, No. 1
January 2022

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Board Linkage Briefs

What is a CDFI?

A CDFI is Community Development Financial Institution. In 1994, the CDFI Fund was authorized by the Riegle Community Development and Regulatory Improvement Act of 1994 in order to help revitalize economically distressed communities in rural and urban areas. The fund is housed in the United States Department of Treasury.

The CDFI fund and the Community Reinvestment Act (CRA) of 1977 helped insure that business loans were made in economically depressed neighborhoods and real estate loans were made without bias restrictions (red-lining).

There are four types of CDFIs:

- banks and bank holding companies
- credit unions
- loan funds
- venture capital funds

Hundreds of chartered CDFIs operate in the United States.

CDFI loan funds represent the largest percentage of CDFIs. They are non-depository financial institutions. Their borrowers are small businesses, nonprofit organizations, charter schools, individuals, and organizations involved in affordable housing and community development. CDFI loan funds often specialize in financing certain types of borrowers: housing (affordable housing developers), business, microenterprise (very small businesses), and community service organizations (nonprofits).

How Can CDFIs Help with Housing?

Traditional banks are cautious. They look at types of development, locations and individuals and assess whether or not they are worthy of a loan. Their standards often eliminate developments, locations, and individual from loan eligibility. CDFIs were designed to assist geographic areas-- zip codes and the individuals who live and work there--that had been left out of the American Dream.

And they still do that by providing financial assistance to developers building in neighborhoods that are economically distressed, and to the individuals that want to own those homes but can't qualify for a traditional mortgage.

But they also have a role in investing in places that would not be considered economically distressed, like typical single family neighborhoods. Because there are few duplexes, triplexes, townhomes in these neighborhoods, having been largely been zoned

out of existence, the banks have no "comparables", or comps, to consider to determine value, marketability, or SOMETHING. Without comps, banks are skeptical of the ability of non single family detached dwellings to turn a profit.

CDFIs are valuable partners. They increase the capacity of borrowers. CDFI financing often closes structural financing gaps in deals, allowing mainstream financial institutions to participate in transactions that otherwise would not have happened. When CDFIs finance pre-development and development stages of real estate construction, it attracts banks to also participate.

Materials and labor to build, as well as the cost to purchase land, make market rate housing expensive. CDFIs can fill that financing gap by providing down payment assistance to new buyers or by providing mortgages to individuals who have not been approved by traditional banks.

And this is where a CDFI can make alternative and/or affordable housing a reality.

Community development financial institutions (CDFIs) emerged to fill gaps in financing for economically disadvantaged people and communities. They intermediate between banks and borrowers where and when direct financing is difficult or unavailable.

Most CDFI loan funds are structured as nonprofit organizations. CDFI loan funds are subject to the state laws in which they operate and operate under agreed-upon financial covenants by various funding sources, such as philanthropic funds, that impose operational safeguards and guidance.

By financing community businesses—including small businesses, microenterprises, nonprofit organizations, commercial real estate, and affordable housing—CDFIs spark job growth and retention in hard-to serve markets across the country.

To learn more, click on the following links:

US Department of Treasury Community Development Financial Institutions Fund
Community Development Financial Institutions Fund - CDFI Certification
What is a Community Development Financial Institution? by James Chen
What is a CDFI by Opportunity Finance Network
What are Community Development Financial Institutions by Amber Murakami-Fester
What is a Community Development Financial Institution by Emily Guy Birken and Daphne Foreman
Banker Resource Center, Community Reinvestment Act, Federal Deposit Insurance Corporation
Taking Stock: CDFIs Look Ahead after 25 Years of Community Development Finance by Mark Pinsky
CDFI Statute and History by CDFI Coalition
CDFIs in Michigan

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Volume 1, No. 4
March 2022

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Board Linkage Briefs

Why is There a Housing Shortage? *(part one)*

What is the Technical Definition of a Shortage?

According to microeconomics, if a market is not in equilibrium a situation of a surplus or a shortage may exist. A shortage, also called excess demand, is the amount by which the quantity of a good demanded by consumers is greater than the quantity supplied by producers and occurs when prices are below the equilibrium price.

The difference with a housing shortage is that people do need to be sheltered and live someplace. In this way, the demand for housing is very different than other goods like a Tickle Me Elmo doll or diamond pendant. While housing prices may increase due to demand, people typically cannot choose to not live someplace, like they could choose to not buy the doll or jewelry. Furthermore, housing is a fixed asset, so a surplus of housing in North Dakota does not alleviate the need for housing in Oregon.

Not Enough Starter Homes

The majority of people in Michigan can afford a home that is valued at $250,000 or less. The inventory that is affordable to middle income households is shrinking. Millennials are coming of age to buy their first house and there aren't enough homes available to purchase.

Demand is increasing, but wages have not kept pace with housing costs. Even residents with technically good paying jobs will be unable to purchase a home, due to high cost. ALICE (Asset Limited, Income Constrained, Employed) is a new way of defining and understanding the struggles of households that earn above the Federal Poverty Level, but not enough to afford a bare-bones household budget. In Michigan in 2019, 26% of the state's population lived above the Federal Poverty Level, but less than the cost of living in the county where they lived.

Homes that are being constructed by the developers with only conventional financing continue to serve the needs of higher-income households. For a developer, determining what type of housing to build is a balancing act between the economy, the actual cost of construction, and the price the market can bear. The total cost of development is based on the following:

- Land cost
- Developing the site: infrastructure, parking, landscaping

- Construction: building, permits, property taxes, materials, skilled trades and construction workers
- Marketing: advertising, realtor expenses, promotional materials

The total cost is then divided by the number of housing units that can be built on the property to determine the cost per unit, and the profit a developer can make on a project. There is little difference in these fixed costs between a high value unit and an affordable unit.

The big question is what price is the market willing to pay? Many factors need to be considered, such as the quality of the school system, access to work and shopping, recreational attraction in the area, etc. – the overall desirability of the area. Based on this criteria, the developer must determine whether the project is viable to develop. Often these calculations mean that houses not affordable to the majority of Michigan residents are being constructed.

Since new starter homes are not being constructed, there is a limited supply. People who currently live in these homes are often reluctant to sell because they are concerned about being priced out of another home in this market. This means that the supply of modest homes—homes that were built years ago - are very attractive to new buyers . . . the very ones who can't afford the new houses built for higher-income households. In many areas, bidding wars are occurring, resulting in fewer and fewer units available within a price range that is truly affordable to a median-income family.

In sought after locations such as Ann Arbor and Traverse City, home values have increased as those areas attracted high-paying jobs and subsequent population growth. During the Great Recession, the period between 2007 and 2013, the production of new housing slowed drastically. While Michigan lost population during that time period, housing construction still fell behind, leading to an ever increasing demand and driving prices upward.

MAP's Board Linkage *Why is There a Housing Shortage, Part Two* looks into other causes of the housing shortage.

Did You Know?

In Kent County, 22,000 new housing units are needed per year just to match growing demand. The new housing units don't account for growing families, families that would rather relocate to something more affordable, or families that are in housing that is substandard. There has been a 68% increase in the average sale price of houses and a 39% increase in average rent over last 6 years. Wages have not kept pace with the rising price of housing.

Published by the
MICHIGAN ASSOCIATION OF PLANNING
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Volume 1, No. 5
March 2022

Each January at their annual retreat the MAP Board identifies a policy priority - an issue or challenge facing our industry – and over the course of the year seeks to learn more about that topic, ultimately developing a policy to guide the work of MAP, and of our members.

To that end, the board "links" with experts throughout the year, inviting leaders from planning or other industries to join the board for conversations about the topic, deepening our understanding, and informing our policy direction. What we learn is incorporated into our policies, and ultimately shared with our members through educational programming, Michigan Planner features, and advocacy. Sometimes it results in new partnerships or grants.

These board linkage conversations are so rich with content that we believe our members will find useful that we developed this series of Board Linkage Summaries to highlight the key findings of these exchanges with others – typically non-planners – who join us in the space of community building.

The objective of this series of to allow you to also better understand who the board is meeting with, the objectives of those meetings, and the takeaways that will help us all understand the interconnectedness we share with other disciplines and professions, and how we can apply this knowledge to our work as planners.

Board Linkage Briefs

Why is There a Housing Shortage? *(part two)*

Short Term Rentals

In some communities, short term rentals have further exacerbated the housing shortage by reducing supply. Commercialized short-term rentals (STR) artificially inflate rental costs, and remove housing units from the available inventory. They make it difficult for people to break into the housing market to either rent or purchase a home. As long-term residents get priced out of a neighborhood, who remains? Only those who already own a home (and don't rent it out as a STR). New families are not able to buy or rent those properties on a permanent basis. Aside from the changing neighborhood character, the supply of housing decreases. This leads to housing prices increasing, pricing out many.

Materials and Labor

Costs are driven up by supply unable to keep pace with demand and by a historical increase in land, labor, and materials, which is particularly relevant in high growth areas.

A lumber shortage, which occurred largely from wildfires in the western United States, drove up the price of lumber, making it even tougher for affordable homes to enter the market. But shortages of steel and copper as well as other building materials continue to impact construction. There are also limited lots on which to build and a deficit of skilled labor.

The Bureau of Labor Statistics (BLS) reported that as of April 2021 there were 357,000 unfilled construction jobs. Some experts believe that could be a significant undercount because BLS bases its numbers on payroll data, and many contractors are self-employed, so they don't maintain a payroll roster. NAHB estimated that as of 2019, 2.4 million construction workers — roughly 22 percent of the labor force, a record low rate for the industry — were self-employed.

Construction's labor shortage problem threatens to worsen as homebuilding continues to boom and infrastructure projects increase over the next few years. To support this level of growth, trade associations and industry advocates will need to invest even more time and resources into recruiting the industry's future workforce.

The COVID factor

In this latest housing shortage, the coronavirus pandemic played a

role. When the country first locked down in March 2020, people feared another housing crisis similar to what happened in 2008. During spring 2020, demand for housing was low.

By summer 2020, people began moving. Record low mortgage rates continue to make moving attractive. But at the same time, there was less building happening, even though there was increased demand. Building starts were slow for several reasons. It was harder to do business during lockdowns which led to construction taking longer, but there were also supply-chain issues (sinks, appliances, and other building components). There continue to be supply shortages as the pandemic endures worldwide.

Zoning

Overly restrictive zoning codes continue to restrict housing choice by prioritizing a single family development model, rather than a range of housing options. Implementing zoning reforms and easing restrictions can play a major role to increase housing supply that meets the needs of current and future residents. For example, Grand Rapids has allowed 50% more by right residential development which has had a huge impact on its housing supply. However, it is also a highly desirable community.

Denser housing types such as townhomes and apartments, stacked units, and tri-and quad plexes, can be more affordable, but even townhomes and apartments (particularly if they are market-rate) cannot completely compensate for a location that is highly desirable or not so desirable.

Articulating a community vision for a range of housing in the master plan, and then allowing housing by right that meets that vision, avoids lengthy and unpredictable development review processes and vociferous residents who oppose new development that isn't single family. Rather than have the difficult conversations at the site plan review meeting or rezoning public hearing, the time to have them is during the master plan process.

Still more is needed

Because of the factors outlined above, it is sometimes very difficult to make housing affordable for everyone. A local unit of government cannot set land value, or secure the cost of materials or provide construction workers, but there are ways a local unit of government can make housing more affordable. In the next tear sheet, we explore the partnerships and collaboration that are needed to increase housing affordability in Michigan.

It's Not Just Michigan

According to the National Association of Realtors, in May 2020, there was a 4.8-month supply of homes which is a fairly normal inventory, but it's been steadily dropping ever since. In December 2020, there was only a 1.9-month supply of homes, the lowest ever recorded. This means that nationally there is a housing shortage. Freddie Mac estimates that nationally 2.5 million houses need to come on the market to combat the shortage.

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