



ANNUAL CHRISTMAS OPEN HOUSE

Wednesday, December 15th
5:30 p.m. – 6:30 p.m.
Police Dept. Conference Room

Please join us for
Appetizers before the
Council Meeting at 6:30 p.m.



**CITY OF JONESVILLE
COUNCIL AGENDA
DECEMBER 15, 2021 - 6:30 P.M.
JONESVILLE POLICE DEPARTMENT, 116 W. CHICAGO STREET**

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE / A MOMENT OF SILENCE

2. APPROVAL OF AGENDA

3. PUBLIC COMMENTS

Citizens wanting to address the Council can do so at this time. Persons addressing the Council are requested to give their name and address for the record when called on by the Mayor.

4. PRESENTATIONS AND RECOGNITIONS

A. None

5. PUBLIC HEARING AND SUBSEQUENT COUNCIL ACTION

A. None

6. REPORTS AND RECOMMENDATIONS

A. Receive June 30, 2021 Audit Report – Bailey, Hodshire & Co. P.C. [ROLL CALL][Action Item]

B. Board and Commission Appointments [Action Item]

C. Consider Memorandum of Understanding – Low Income Household Water Assistance Program (LIHWAP) [Action Item]

D. 2022 Meeting Calendar [Action Item]

E. DDA and LDFA Annual Reports [Informational Item]

7. COUNCIL MINUTES

A. Consider Minutes of the November 17, 2021 Regular Meeting [Action Item]

8. ACCOUNTS PAYABLE

A. Accounts Payable for December 2021 totalling \$49,614.36 [Action Item]

9. BOARD AND COMMISSION MINUTES

[Action Item]

A. Downtown Development Authority (Arno)

B. Planning Commission (Drake)

Agenda continued on page 2

RULES FOR SPEAKING BEFORE THE JONESVILLE CITY COUNCIL (Adopted 09/05/01)

1. Speakers will have one opportunity to address the Council unless the Mayor allows additional opportunities.
2. Remarks shall be limited to 5 minutes per person and will also be limited to matters before the Council, to Council business or policy, or to issues of community concern or interest that the Council has authority to recommend or act upon. Comments about actions, inactions or performance of the Council are appropriate. Profane, vulgar or abusive language will not be tolerated.
3. The Mayor may grant a speaker additional time under unusual circumstances.
4. Council members and staff will not respond to general audience participation. Matters will be referred to the City Manager who will provide reports at a subsequent meeting/date.
5. The Mayor may call out of order any person who is being disorderly by speaking or otherwise disrupting the proceedings. Such person shall not be permitted to speak and if he/she continues in a disorderly manner, the Mayor may declare a recess and/or ask that the person leave or be removed from the meeting.

10. DEPARTMENT REPORTS

- A. Public Safety – Director Etter
- B. Water/Wastewater Treatment Plant – Superintendent Boyle
- C. Department of Public Works – Superintendent Kyser
- D. Cash Report – Finance Director Spahr
- E. Cemetery Report – Manager Gray


11. OTHER BUSINESS

- A. City Manager Performance Review

[ROLL CALL][Action Item]

12. ADJOURN



To: Jonesville City Council
From: Jeffrey M. Gray, City Manager 
Date: December 10, 2021
Re: Manager Report and Recommendations – December 15, 2021 Council Meeting

6. A. Receive June 30, 2021 Audit Report – Bailey, Hodshire & Co. P.C.[ROLL CALL][Action Item]
Greg Bailey will present the June 30, 2021 Audit Report. The Audit Report is included electronically in this packet. Please contact staff if you prefer a paper copy.

Per the opinion noted by Bailey, Hodshire & Co. P.C. in the auditor's report on page 1, *"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jonesville, as of June 30, 2021, 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."* Following the presentation, I would recommend a motion to receive the June 30, 2021 Audit Report, as presented. *Please refer to the enclosed Audit Report.*

6. B. Board and Commission Appointments [Action Item]
Various Board and Commission appointments are necessary due to the expiration of terms in 2017.

Library Board: The Library Board is recommending that Allison Hutchinson and Connie Hutchinson be reappointed to four-year terms on the District Library Board. Their current terms on the board are set to end on December 31, 2021. The Library Board has recommended her reappointment for a four-year term to end on December 31, 2025. *Please refer to the attached recommendation from the Library Board.*

Downtown Development Authority: Abe Graves – Reappoint to a four-year term through November of 2025.

A motion is necessary to make the reappointments to the respective boards.

6. C. Consider Memorandum of Understanding – Low Income Household Water Assistance Program (LIHWAP) [Action Item]

The Community Action Agency has secured funding from the State of Michigan to assist low-income households with payment of water and sewer utility bills, through September 30, 2023. In order for residents of the City to be eligible to utilize these funds, it is necessary to execute a Memorandum of Understanding (MOU) that illustrates the respective responsibilities of the City, Community Action Agency and Michigan Department of Health and Human Services. The City's responsibilities are primarily spelled out in Section 4(c) on pages 3 and 4 of the MOU. Staff has reviewed these expectations and find them reasonable. Additional provisions of the MOU address confidentiality of information and resolution of disputes. I recommend a motion to approve the MOU for the Low Income Household Water Assistance Program (LIHWAP) and to authorize the City Manager to execute the same. *Please refer to the attached MOU.*

6. D. 2022 Meeting Calendar

[Action Item]

Consistent with the current meeting schedule, the draft calendar proposes that meetings be held on the third Wednesday of each month at 6:30 p.m. Meeting location will vary, depending on the repair schedule for City Hall, with meetings expected to be held at the Police Department for the next several months. Meeting dates and times may be adjusted, as deemed appropriate by the Council. It will be necessary to take up a motion to approve the 2022 meeting calendar. *Please refer to the attached draft calendar.*

6. E. DDA and LDFA Annual Reports

[Action Item]

Effective January 1, 2019, the State of Michigan has adopted new public informational meeting requirements that effect both the DDA and the LDFA. These requirements include the preparation and publishing of an annual activity report. The attached reports for the two boards were presented at a public informational meeting held on November 9, 2021. A second informational meeting will be held on the morning of December 15th. I recommend a motion to receive the annual reports and place them on file. *Please refer to the DDA and LDFA Annual Reports and Informational Meeting Notice.*

9. BOARD AND COMMISSION MINUTES

[Action Item]

Board and commission minutes for the prior month are attached. The name of the Council/staff representative to the board is indicated in parentheses. Following any discussion or questions about the board minutes, the appropriate action of Council would be a motion to receive and place the minutes on file.

10. A. City Manager Performance Review

[ROLL CALL][Action Item]

In accordance with Section 8(a) of the Open Meetings Act, a public body may enter into a closed session to consider a periodic personnel evaluation of a public employee. Manager Gray is requesting a closed session for this purpose. The evaluation is a verbal dialogue between the Council and Manager. It is necessary to take a roll call vote to enter into a closed session. Following the closed session, it is necessary to enter back into open session and to take up a motion indicating the outcome of the Manager's evaluation (i.e. outstanding performance, expected performance, needs improvement). *Please refer to the request for closed session.*

Correspondence:

- Marc A. Lapham re: Kevin James
- Comcast re: price changes



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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Jonesville
Jonesville, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jonesville, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jonesville, as of June 30, 2021, 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.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 18 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and pages 35 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Jonesville's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021, on our consideration of the City of Jonesville'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 solely 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 the effectiveness of 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 Jonesville's internal control over financial reporting and compliance.

Bailey, Hodshire & Company, P.C.

Jonesville, Michigan
December 8, 2021

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

Introduction

This section of the annual financial report presents management's discussion and analysis of the City's financial performance during the year ended June 30, 2021. Please read it in conjunction with the City's financial statements, which immediately follow this section.

Financial Highlights

- The City's assets exceeded its liabilities by \$14,051,974 (net position) at the close of this fiscal year. Net position at the beginning of the fiscal year totaled \$13,783,328, showing an increase of \$268,646 during the current year.
- The City's governmental funds reported total ending fund balance of \$2,904,500 of which \$1,785,703 is unassigned and unrestricted, and available for spending at the City's discretion. This compares to the prior year ending fund balance of \$2,674,210 showing an increase of \$230,290 during the current year.
- At the end of the current year, fund balance for the General Fund was \$1,814,830 or 158% of General Fund expenditures. This is an increase of \$136,896 from last year's ending fund balance of \$1,677,934.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the City's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

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

Statement of Net Position - This statement presents information of all of the City's assets and liabilities, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the City's financial condition as a whole is improving or deteriorating.

Statement of Activities - This report shows how the City's net position changed during the fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid. An important purpose of this statement is to show the financial reliance of the City's distinct activities or functions on revenues provided by the taxpayers.

Both of the above statements distinguish governmental activities from business-type activities. Governmental activities include general government, public safety, public services, zoning, and recreation, and are principally supported by property taxes and revenues from other governments. Business-type activities include water and sewer, and are intended to recover all or a significant portion of their costs through user fees and charges.

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

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. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, these statements report short-term fiscal accountability focusing on the use of expendable resources during the year and balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-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 short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide reconciliations to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included as required supplementary information for the general fund and major special revenue funds. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

Proprietary Funds generally report services for which the City charges customers a fee. There are two types of proprietary funds: Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report functions presented as business-type activities, while Internal Service Funds primarily service the governmental unit and are included with governmental activities. The Water and Sewer Funds are Enterprise Funds, and the Motor Vehicle Pool is an Internal Service Fund.

The *Fiduciary Fund* (Current Tax Collection Fund) is reported in the fiduciary fund financial statements, but is excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City Programs.

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

Required Supplementary Information can be found immediately following the notes to the financial statements. This information includes budgetary comparison statements for all major funds.

Other Supplementary Information includes statements for non-major governmental funds.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's assets exceeded its liabilities by \$14,051,974 (net position) at the close of this fiscal year. Net position at the beginning of the fiscal year totaled \$13,783,328, showing an increase of \$268,646 over the prior year.

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

The following table provides a summary of the City's net position:

NET POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
Current Assets	\$ 3,113,919	\$ 3,512,384	\$ 2,480,941	\$ 2,637,779	\$ 5,594,860	\$ 6,150,163
Non-current Assets	5,468,657	5,353,084	8,821,445	8,415,287	14,290,102	13,768,371
Total Assets	\$ 8,582,576	\$ 8,865,468	\$ 11,302,386	\$ 11,053,066	\$ 19,884,962	\$ 19,918,534
Current Liabilities	\$ 201,277	\$ 314,515	\$ 666,878	\$ 196,259	\$ 868,155	\$ 510,774
Non-current Liabilities	349,178	237,040	4,884,301	5,118,746	5,233,479	5,355,786
Total Liabilities	\$ 550,455	\$ 551,555	\$ 5,551,179	\$ 5,315,005	\$ 6,101,634	\$ 5,866,560
Net Position:						
Net Investment in						
Capital Assets	\$ 5,038,627	\$ 5,181,060	\$ 3,800,027	\$ 3,147,721	\$ 8,838,654	\$ 8,328,781
Restricted	996,276	1,089,670	22,490	44,969	1,018,766	1,134,639
Unrestricted	1,997,218	2,043,183	1,928,690	2,545,371	3,925,908	4,588,554
Total Net Position	\$ 8,032,121	\$ 8,313,913	\$ 5,751,207	\$ 5,738,061	\$ 13,783,328	\$ 14,051,974

The City reported positive net position for governmental and business-type activities. Net position increased \$281,792 for governmental activities and decreased \$13,146 for business-type activities; therefore, the City's overall financial position improved during fiscal year 2021. The decrease in net position for business-type activities is due to a major Water improvement project, which was completed in this fiscal year.

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

The following table reflects the change in net position of the City's governmental and business-type activities:

CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Primary Government	
	2020	2021	2020	2021	2020	2021
Program Revenue						
Charges for Services	\$ 133,809	\$ 179,136	\$ 1,107,922	\$ 1,100,899	\$ 1,241,731	\$ 1,280,035
Operating Grants and Contributions	494,744	594,852	25,000	25,000	519,744	619,852
Capital Grants and Contributions	0	0	0	0	0	0
General Revenue						
Property Taxes	722,580	740,753	0	0	722,580	740,753
State Shared Revenue	225,612	260,476	0	0	225,612	260,476
Investment Income	42,996	3,148	35,751	2,422	78,747	5,570
Other	28,026	28,158	34,013	66,724	62,039	94,882
Total Revenue	<u>\$ 1,647,767</u>	<u>\$ 1,806,523</u>	<u>\$ 1,202,686</u>	<u>\$ 1,195,045</u>	<u>\$ 2,850,453</u>	<u>\$ 3,001,568</u>
Expenses						
General Government	\$ 520,572	\$ 559,789	\$ 0	\$ 0	\$ 520,572	\$ 559,789
Public Safety	387,570	427,241	0	0	387,570	427,241
Economic & Community Development	7,435	6,223	0	0	7,435	6,223
Public Works	93,529	85,640	0	0	93,529	85,640
Streets, Highways, Drains	358,365	402,781	0	0	358,365	402,781
Sanitation	203	12,520	0	0	203	12,520
Culture & Recreation	48,357	47,303	0	0	48,357	47,303
Interest on Long-Term Debt	22,181	16,488	0	0	22,181	16,488
Depreciation - Unallocated	62,208	30,030	0	0	62,208	30,030
Water Utility	0	0	429,122	421,841	429,122	421,841
Sewer Utility	0	0	744,199	723,066	744,199	723,066
Total Expenses	<u>\$ 1,500,420</u>	<u>\$ 1,588,015</u>	<u>\$ 1,173,321</u>	<u>\$ 1,144,907</u>	<u>\$ 2,673,741</u>	<u>\$ 2,732,922</u>
Excess (deficiency)	\$ 147,347	\$ 218,508	\$ 29,365	\$ 50,138	\$ 176,712	\$ 268,646
Transfers	61,128	63,284	(61,128)	(63,284)	0	0
CHANGE IN NET POSITION	<u>\$ 208,475</u>	<u>\$ 281,792</u>	<u>\$ (31,763)</u>	<u>\$ (13,146)</u>	<u>\$ 176,712</u>	<u>\$ 268,646</u>

Governmental Activities increased the City's net position by \$281,792. This represents an increase from last year's change in net position.

Revenues from governmental activities totaled \$1,806,523. Property tax revenue represented the largest portion of those revenues (41.0%), operating grants and contributions was 32.9%, and state shared revenue was 14.4%.

The largest components of governmental activities' expenses were general government (35.2%), public safety (26.9%), and streets, highways, and drains (25.4%). General government consists of City Council, Administration, Motor Vehicle Pool, etc. Public safety includes police and fire.

Business-type Activities decreased the City's net position by \$13,146. Net position will be used to repay debt on the sewer and water improvements, as well as to plan for future improvements in the water and sewer systems.

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

Governmental Funds - The focus of the City's governmental funds is to provide information on short-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of June 30, 2021, the City's governmental funds reported combined ending fund balances of \$2,904,500. Of this total, approximately 61.5% was unrestricted and unassigned, indicating availability for continuing City service requirements. Although a substantial amount is unrestricted, future plans include street repairs, park and cemetery improvements, and other projects.

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, the General Fund showed a healthy fund balance of \$1,814,830, representing an increase of \$136,896. Other Major Governmental Funds include Major and Local Streets. Non-major governmental funds include the State Highway and Debt Service funds. The Major Street Fund experienced an increase of \$101,947 in fund balance. The Local Street Fund experienced a decrease of \$11,063 in fund balance.

Proprietary Funds - The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The City's proprietary funds consist of the Water Fund, Sewer Fund, and the Motor Vehicle Pool. Total net position of the Water and Sewer Funds was \$5,738,061 at June 30, 2021, a decrease of \$13,146 from the previous fiscal year. The Motor Vehicle Pool's net position at the end of this fiscal year was \$843,428, an increase of \$8,941 from the previous fiscal year.

Major Governmental Funds Budgeting and Operating Highlights

General Fund – The difference between the original and final amended budget for General Fund revenues was \$191,640 (\$1,421,921 vs. \$1,230,281). The increase between the appropriations originally budgeted and the final appropriations budget was \$133,640 (\$1,266,831 vs. \$1,133,191). There were minor increases in City Manager, Elections, General Office, Assessor, Data Processing, City Hall, Cemetery, Fire Department, Landfill, Fringe Benefits, Insurance, Public Works, Parks, and Rail/Trail. Capital Outlay was \$141,522, which included the following: Refurbish the DPW Salt Pad (\$3,216), New entrance doors at City Hall and the Fire Department (\$1,850 each), New BS&A/Cemetery Software Server (\$4,544), Cemetery electric work (\$1,324), Downtown Traffic Signal Replacement (\$106,858), Police Department Equipment (\$2,399), Surveillance Cameras (\$10,079), Fire Department Equipment (\$4,249), and a new generator at the Radio Tower (\$5,153).

City of Jonesville, Michigan
Management's Discussion and Analysis (MD&A)
For the year ended June 30, 2021

Capital Asset and Debt Administration

Capital assets at year-end were as follows:

	Governmental Activities		Business-type Activities		Primary Government	
	2020	2021	2020	2021	2020	2021
Land	\$ 204,995	\$ 204,995	\$ 2,061	\$ 2,061	\$ 207,056	\$ 207,056
Construction in Progress	\$ 0	\$ 0	\$ 0	\$ 0	0	0
Land Improvements	183,383	186,599	0	0	183,383	186,599
Buildings and Improvements	963,312	967,012	0	0	963,312	967,012
Facilities and Mains	0	0	16,804,352	16,821,267	16,804,352	16,821,267
Furniture and Equipment	967,603	996,169	1,029,761	1,050,525	1,997,364	2,046,694
Vehicles	1,386,745	1,436,022	0	0	1,386,745	1,436,022
Infrastructure	6,878,279	7,068,223	0	0	6,878,279	7,068,223
Less: Acc. Depreciation	(5,115,660)	(5,505,936)	(9,014,729)	(9,458,567)	(14,130,389)	(14,964,503)
Total Capital Assets, Net Of Depreciation	<u>\$ 5,468,657</u>	<u>\$ 5,353,084</u>	<u>\$ 8,821,445</u>	<u>\$ 8,415,286</u>	<u>\$ 14,290,102</u>	<u>\$ 13,768,370</u>

Bonds and contracts outstanding at year-end were as follows:

	Governmental Activities		Business-type Activities		Primary Government	
	2020	2021	2020	2021	2020	2021
General Government	\$ 427,000	\$ 282,000	\$ 0	\$ 0	\$ 427,000	\$ 282,000
Revenue Bonds	0	0	2,185,039	2,551,528	\$ 2,185,039	2,551,528
General Obligation Bonds	0	0	2,825,000	2,710,000	2,825,000	2,710,000
Total Long-Term Debt	<u>\$ 427,000</u>	<u>\$ 282,000</u>	<u>\$ 5,010,039</u>	<u>\$ 5,261,528</u>	<u>\$ 5,437,039</u>	<u>\$ 5,543,528</u>

Factors Bearing on the City's Future

The City of Jonesville continues to experience modest increases in property values. Aggressive sale prices are driving increased property values that is expected to continue for the near term. This stabilization in revenues has assured that the City can maintain quality services. We continue to monitor potential impacts resulting from personal property tax reform.

The City looks forward to future growth with potential redevelopment. Redevelopment of the former Klein Tool building has been identified as a priority.

Planning and investment in infrastructure also remains a priority. Street improvement projects continue to be budgeted. Engineering is underway for future improvements to Maumee and West Streets, the Downtown Streetscape, and the South Parking Lot.

The City will continue efforts toward small business development. Increased efficiencies will be explored through public/private partnerships and, when advantageous, with other units of government. The City has recently improved efficiencies in the Fire Department through automatic aid agreements and joint grant applications with the Cities of Hillsdale and Litchfield.

Contacting the City's Financial Management

This report is designed to provide a general overview of the City of Jonesville's finances. Questions or comments concerning any of the information provided in this report should be addressed to Jeff Gray, City Manager, or Lenore Spahr, Finance Director/Treasurer, City of Jonesville, 265 East Chicago St, Jonesville, MI 49250 (temporary location: 116 W. Chicago St, Jonesville, MI 49250).

CITY OF JONESVILLE
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities		
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 112,417	\$ 91,456	\$ 203,873	\$ 16,534
Investments	3,250,563	2,513,246	5,763,809	2,476,028
Accounts Receivable	58,401	16,593	74,994	0
Internal Balances	25	(25)	0	0
Due from Other Governmental Units	60,869	0	60,869	0
Inventory	3,666	7,568	11,234	0
Prepaid Expense	26,443	8,916	35,359	126
Total Current Assets	<u>\$ 3,512,384</u>	<u>\$ 2,637,754</u>	<u>\$ 6,150,138</u>	<u>\$ 2,492,688</u>
Noncurrent Assets				
Capital Assets - Not Depreciated	\$ 204,995	\$ 2,061	\$ 207,056	\$ 97,544
Other Capital Assets - Net of Depreciation	5,148,089	8,413,226	13,561,315	0
Total Noncurrent Assets	<u>\$ 5,353,084</u>	<u>\$ 8,415,287</u>	<u>\$ 13,768,371</u>	<u>\$ 97,544</u>
Total Assets	<u>\$ 8,865,468</u>	<u>\$ 11,053,041</u>	<u>\$ 19,918,509</u>	<u>\$ 2,590,232</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 156,056	\$ 20,589	\$ 176,645	\$ 918
Internal Balances	0	0	0	0
Accrued Payroll	44,435	8,424	52,859	1,083
Customer Deposits	0	200	200	0
Interest Payable	2,024	14,021	16,045	0
Unearned Revenue	0	0	0	0
Current Portion of Long-Term Debt	112,000	153,000	265,000	0
Total Current Liabilities	<u>\$ 314,515</u>	<u>\$ 196,234</u>	<u>\$ 510,749</u>	<u>\$ 2,001</u>
Noncurrent Liabilities				
Bonds Payable (net of discount)	\$ 170,000	\$ 5,100,545	\$ 5,270,545	\$ 0
Compensated Absences	67,040	18,201	85,241	0
Total Noncurrent Liabilities	<u>\$ 237,040</u>	<u>\$ 5,118,746</u>	<u>\$ 5,355,786</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 551,555</u>	<u>\$ 5,314,980</u>	<u>\$ 5,866,535</u>	<u>\$ 2,001</u>
NET POSITION				
Net Investment in Capital Assets	\$ 5,181,060	\$ 3,147,721	\$ 8,328,781	\$ 97,544
Restricted for:				
Streets	1,089,670	0	1,089,670	0
Bond Covenants	0	44,969	44,969	0
Unrestricted	2,043,183	2,545,371	4,588,554	2,490,687
Total Net Position	<u>\$ 8,313,913</u>	<u>\$ 5,738,061</u>	<u>\$ 14,051,974</u>	<u>\$ 2,588,231</u>

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

CITY OF JONESVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 559,789	\$ 90,983	\$ 239,801	\$ 0	\$ (229,005)
Public Safety	427,241	85,208	0	0	(342,033)
Economic and Community Development	6,223	2,945	0	0	(3,278)
Public Works	85,640	0	0	0	(85,640)
Streets, Highways, and Drains	402,781	0	355,051	0	(47,730)
Sanitation	12,520	0	0	0	(12,520)
Culture and Recreation	47,303	0	0	0	(47,303)
Interest on Long-Term Debt	16,488	0	0	0	(16,488)
Depreciation - Unallocated ¹	30,030	0	0	0	(30,030)
Total Governmental Activities	<u>\$ 1,588,015</u>	<u>\$ 179,136</u>	<u>\$ 594,852</u>	<u>\$ 0</u>	<u>\$ (814,027)</u>
Business-type Activities:					
Water	\$ 421,841	\$ 346,758	\$ 25,000	\$ 0	\$ (50,083)
Sewer	723,066	754,141	0	0	31,075
Total Business-type Activities	<u>\$ 1,144,907</u>	<u>\$ 1,100,899</u>	<u>\$ 25,000</u>	<u>\$ 0</u>	<u>\$ (19,008)</u>
Total Primary Government	<u>\$ 2,732,922</u>	<u>\$ 1,280,035</u>	<u>\$ 619,852</u>	<u>\$ 0</u>	<u>\$ (833,035)</u>
Component Units:					
Downtown Development Authority	\$ 214,983	\$ 10,600	\$ 10,600	\$ 0	\$ (193,783)
Local Development Finance Authority	147,203	0	53,500	0	(93,703)
Total Component Units	<u>\$ 362,186</u>	<u>\$ 10,600</u>	<u>\$ 64,100</u>	<u>\$ 0</u>	<u>\$ (287,486)</u>
		Primary Government			Component Units
		Governmental Activities	Business-type Activities	Total	
Change in Net Position:					
Net (Expense) Revenue		<u>\$ (814,027)</u>	<u>\$ (19,008)</u>	<u>\$ (833,035)</u>	<u>\$ (287,486)</u>
General Revenue:					
Property Taxes Levied for General Purposes		\$ 740,753	\$ 0	\$ 740,753	\$ 0
Property Taxes Captured		0	0	0	495,263
State Shared Revenue		260,476	0	260,476	0
Investment Income		3,148	2,422	5,570	2,364
Miscellaneous		28,158	66,724	94,882	19,138
Total General Revenue		<u>\$ 1,032,535</u>	<u>\$ 69,146</u>	<u>\$ 1,101,681</u>	<u>\$ 516,765</u>
Excess (deficiency)		<u>\$ 218,508</u>	<u>\$ 50,138</u>	<u>\$ 268,646</u>	<u>\$ 229,279</u>
Transfers		<u>63,284</u>	<u>(63,284)</u>	<u>0</u>	<u>0</u>
Change in Net Position		<u>\$ 281,792</u>	<u>\$ (13,146)</u>	<u>\$ 268,646</u>	<u>\$ 229,279</u>
Net Position – Beginning		<u>8,032,121</u>	<u>5,751,207</u>	<u>13,783,328</u>	<u>2,358,952</u>
Net Position – Ending		<u>\$ 8,313,913</u>	<u>\$ 5,738,061</u>	<u>\$ 14,051,974</u>	<u>\$ 2,588,231</u>

¹This amount does not include depreciation that is reported in the direct expenses of the various programs

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

CITY OF JONESVILLE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Major Streets	Local Streets	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 67,357	\$ 17,791	\$ 15,897	\$ 10,682	\$ 111,727
Investments	1,752,671	461,919	610,826	0	2,825,416
Accounts Receivable	17,466	0	1,178	0	18,644
Due from Other Funds	645	0	3,282	0	3,927
Due from Other Governmental Units	42,171	39,757	12,427	6,271	100,626
Inventory	3,666	0	0	0	3,666
Prepaid Expenditures	25,461	0	0	0	25,461
Total Assets	<u>\$ 1,909,437</u>	<u>\$ 519,467</u>	<u>\$ 643,610</u>	<u>\$ 16,953</u>	<u>\$ 3,089,467</u>
LIABILITIES					
Accounts Payable	\$ 50,600	\$ 18,255	\$ 68,664	\$ 0	\$ 137,519
Due to Other Funds	3,282	1	0	609	3,892
Salaries Payable	40,725	1,408	1,181	242	43,556
Total Liabilities	<u>\$ 94,607</u>	<u>\$ 19,664</u>	<u>\$ 69,845</u>	<u>\$ 851</u>	<u>\$ 184,967</u>
FUND BALANCES					
Nonspendable	\$ 29,127	\$ 0	\$ 0	\$ 0	\$ 29,127
Restricted	0	499,803	573,765	16,102	1,089,670
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	1,785,703	0	0	0	1,785,703
Total Fund Balances	<u>\$ 1,814,830</u>	<u>\$ 499,803</u>	<u>\$ 573,765</u>	<u>\$ 16,102</u>	<u>\$ 2,904,500</u>
Total Liabilities and Fund Balances	<u>\$ 1,909,437</u>	<u>\$ 519,467</u>	<u>\$ 643,610</u>	<u>\$ 16,953</u>	<u>\$ 3,089,467</u>

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

CITY OF JONESVILLE
Reconciliation of Fund Balances on the Balance Sheet
for Governmental Funds to Net Position of
Governmental Activities on the Statement of Net Position
June 30, 2021

Fund Balances - total governmental funds	\$ 2,904,500
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Add: Capital assets	10,859,020
Deduct: Accumulated depreciation	(5,505,936)
An Internal Service Fund is used by management to charge the cost of equipment and vehicle usage to individual funds. Assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	
Add: Internal Service Fund assets	426,809
Deduct: Internal Service Fund liabilities	(19,416)
Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deduct: Bonds and notes payable	(282,000)
Deduct: Accrued interest on bonds and notes payable	(2,024)
Deduct: Compensated absences	(67,040)
Net position of governmental activities	<u><u>\$ 8,313,913</u></u>

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

CITY OF JONESVILLE
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General	Major Streets	Local Streets	Other Governmental Funds	Total Governmental Funds
REVENUE					
Property Taxes	\$ 769,065	\$ 0	\$ 0	\$ 0	\$ 769,065
Licenses and Permits	1,902	0	0	0	1,902
State Shared Revenue	260,476	250,932	78,430	0	589,838
Grants	39,816	0	0	0	39,816
Charges and Fees	114,933	0	0	0	114,933
State Highway Contract	0	0	0	24,865	24,865
Recreation	0	0	0	0	0
Rents and Royalties	24,999	0	0	0	24,999
Cemetery Revenue	33,989	0	0	0	33,989
Contributions	4,306	0	0	0	4,306
Interest	2,125	373	649	1	3,148
Contributions from Component Units	137,507	0	0	58,172	195,679
Miscellaneous	3,159	0	824	0	3,983
Total Revenue	<u>\$ 1,392,277</u>	<u>\$ 251,305</u>	<u>\$ 79,903</u>	<u>\$ 83,038</u>	<u>\$ 1,806,523</u>
EXPENDITURES					
General Government	\$ 538,804	\$ 0	\$ 0	\$ 0	\$ 538,804
Public Safety	358,759	0	0	0	358,759
Economic & Community Development	6,223	0	0	0	6,223
Public Works	37,321	0	0	0	37,321
Streets, Highways, and Drains	32,115	101,468	170,345	19,943	323,871
Sanitation	12,520	0	0	0	12,520
Culture and Recreation	24,491	0	0	0	24,491
Capital Outlay	141,522	0	0	0	141,522
Debt Service					
Principal	0	0	0	145,000	145,000
Interest	0	0	0	17,494	17,494
Total Expenditures	<u>\$ 1,151,755</u>	<u>\$ 101,468</u>	<u>\$ 170,345</u>	<u>\$ 182,437</u>	<u>\$ 1,606,005</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>\$ 240,522</u>	<u>\$ 149,837</u>	<u>\$ (90,442)</u>	<u>\$ (99,399)</u>	<u>\$ 200,518</u>

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

CITY OF JONESVILLE
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(continued)

	General	Major Streets	Local Streets	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	\$ 143,209	\$ 0	\$ 210,567	\$ 104,322	\$ 458,098
Operating Transfers Out	(246,835)	(47,890)	(131,188)	(2,413)	(428,326)
Total Other Financing Sources (Uses)	<u>\$ (103,626)</u>	<u>\$ (47,890)</u>	<u>\$ 79,379</u>	<u>\$ 101,909</u>	<u>\$ 29,772</u>
NET CHANGE IN FUND BALANCES	\$ 136,896	\$ 101,947	\$ (11,063)	\$ 2,510	\$ 230,290
FUND BALANCES – Beginning	<u>1,677,934</u>	<u>397,856</u>	<u>584,828</u>	<u>13,592</u>	<u>2,674,210</u>
FUND BALANCES – Ending	<u><u>\$ 1,814,830</u></u>	<u><u>\$ 499,803</u></u>	<u><u>\$ 573,765</u></u>	<u><u>\$ 16,102</u></u>	<u><u>\$ 2,904,500</u></u>

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

CITY OF JONESVILLE
Reconciliation of Statement of Revenue, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2021

Net changes in fund balances - total governmental funds \$ 230,290

Amounts reported for governmental activities in the statement of activities are 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	223,283
Deduct: Depreciation expense	(390,276)

An Internal Service Fund is used by management to charge the cost of equipment and vehicle usage to individual funds. Net revenue of the Internal Service Fund of (before depreciation) is reported with governmental activities in the statement of net position. 72,351

Debt proceeds provide current financial resources to governmental funds in the period issued, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Add: Principal payments on long-term debt	145,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Add: Decrease in interest payable on long-term liabilities	1,006
Add: Decrease in accrual for compensated absences	138

Change in net position of governmental activities	\$ 281,792
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The accompanying notes are an integral part of these financial statements.

CITY OF JONESVILLE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Enterprise Funds		Total Enterprise Funds	Internal Service Funds
	Water	Sewer		
ASSETS				
Current Assets				
Cash	\$ 33,945	\$ 57,511	\$ 91,456	\$ 680
Investments	835,804	1,677,442	2,513,246	425,147
Accounts Receivable	4,551	12,042	16,593	0
Due from Other Funds	0	0	0	0
Inventory	2,793	4,776	7,569	0
Prepaid Expense	214	8,702	8,916	982
Total Current Assets	<u>\$ 877,307</u>	<u>\$ 1,760,473</u>	<u>\$ 2,637,780</u>	<u>\$ 426,809</u>
Noncurrent Assets				
Capital Assets - Not Depreciated	\$ 2,061	\$ 0	\$ 2,061	\$ 0
Other Capital Assets, Net of Accumulated Depreciation	3,602,721	4,810,504	8,413,225	436,035
Total Noncurrent Assets	<u>\$ 3,604,782</u>	<u>\$ 4,810,504</u>	<u>\$ 8,415,286</u>	<u>\$ 436,035</u>
Total Assets	<u>\$ 4,482,089</u>	<u>\$ 6,570,977</u>	<u>\$ 11,053,066</u>	<u>\$ 862,844</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 6,738	\$ 13,851	\$ 20,589	\$ 18,537
Accrued Payroll	3,758	4,666	8,424	879
Due to Other Funds	25	0	25	0
Customer Deposits	100	100	200	0
Total Current Liabilities	<u>\$ 10,621</u>	<u>\$ 18,617</u>	<u>\$ 29,238</u>	<u>\$ 19,416</u>
Liabilities Payable from Restricted Assets				
Accrued Interest Payable	\$ 14,021	\$ 0	\$ 14,021	\$ 0
Bonds Payable - Current	38,000	115,000	153,000	0
Total Liabilities Payable from Restricted Assets	<u>\$ 52,021</u>	<u>\$ 115,000</u>	<u>\$ 167,021</u>	<u>\$ 0</u>
Noncurrent Liabilities				
Bonds Payable	\$ 2,513,528	\$ 2,595,000	\$ 5,108,528	\$ 0
Bond Discount	0	(7,983)	(7,983)	0
Compensated Absences	0	18,201	18,201	0
Total Noncurrent Liabilities	<u>\$ 2,513,528</u>	<u>\$ 2,605,218</u>	<u>\$ 5,118,746</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 2,576,170</u>	<u>\$ 2,738,835</u>	<u>\$ 5,315,005</u>	<u>\$ 19,416</u>
NET POSITION				
Net Investment in Capital Assets	\$ 1,039,234	\$ 2,108,487	\$ 3,147,721	\$ 436,035
Restricted by Bond Covenants	44,969	0	44,969	0
Unrestricted	821,716	1,723,655	2,545,371	407,393
Total Net Position	<u>\$ 1,905,919</u>	<u>\$ 3,832,142</u>	<u>\$ 5,738,061</u>	<u>\$ 843,428</u>

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

CITY OF JONESVILLE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Enterprise Funds		Total Enterprise Funds	Internal Service Funds
	Water	Sewer		
OPERATING REVENUE				
Sales	\$ 342,308	\$ 744,090	\$ 1,086,398	\$ 0
Equipment Rental	4,450	10,051	14,501	89,227
Other	51,499	15,225	66,724	0
Total Operating Revenue	<u>\$ 398,257</u>	<u>\$ 769,366</u>	<u>\$ 1,167,623</u>	<u>\$ 89,227</u>
OPERATING EXPENSES				
Sewage Disposal	\$ 0	\$ 330,555	\$ 330,555	\$ 0
Water Plant Operation	103,089	0	103,089	0
Water Distribution Expenses	74,786	0	74,786	0
Depreciation	165,127	278,711	443,838	63,410
Motor Vehicle Expense	0	0	0	65,497
Total Operating Expenses	<u>\$ 343,002</u>	<u>\$ 609,266</u>	<u>\$ 952,268</u>	<u>\$ 128,907</u>
OPERATING INCOME (LOSS)	<u>\$ 55,255</u>	<u>\$ 160,100</u>	<u>\$ 215,355</u>	<u>\$ (39,680)</u>
NON-OPERATING REVENUE (EXPENSES)				
Interest Income	\$ 835	\$ 1,587	\$ 2,422	\$ 377
Interest Expense	(78,839)	(113,800)	(192,639)	0
Total Non-operating Revenue (Expense)	<u>\$ (78,004)</u>	<u>\$ (112,213)</u>	<u>\$ (190,217)</u>	<u>\$ 377</u>
Income (Loss) Before Contributions and Transfers	<u>\$ (22,749)</u>	<u>\$ 47,887</u>	<u>\$ 25,138</u>	<u>\$ (39,303)</u>
CONTRIBUTIONS AND TRANSFERS				
Contributions from Other Governments	\$ 0	\$ 0	\$ 0	\$ 14,732
Contributions from Component Units	25,000	0	25,000	0
Transfers From Other Funds	0	8,578	8,578	44,268
Transfers To Other Funds	(38,220)	(33,642)	(71,862)	(10,756)
Total Contributions and Transfers	<u>\$ (13,220)</u>	<u>\$ (25,064)</u>	<u>\$ (38,284)</u>	<u>\$ 48,244</u>
CHANGE IN NET POSITION	<u>\$ (35,969)</u>	<u>\$ 22,823</u>	<u>\$ (13,146)</u>	<u>\$ 8,941</u>
NET POSITION – Beginning	<u>1,941,888</u>	<u>3,809,319</u>	<u>5,751,207</u>	<u>834,487</u>
NET POSITION – Ending	<u><u>\$ 1,905,919</u></u>	<u><u>\$ 3,832,142</u></u>	<u><u>\$ 5,738,061</u></u>	<u><u>\$ 843,428</u></u>

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

CITY OF JONESVILLE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Water	Sewer	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 349,727	\$ 756,150	\$ 1,105,877	\$ 0
Cash received from interfund services provided	0	0	0	89,248
Cash payments to suppliers for goods and services	(167,724)	(189,244)	(356,968)	(22,977)
Cash payments to employees and professional contractors for services	(74,137)	(141,966)	(216,103)	(24,379)
Other operating receipts	51,499	15,225	66,724	0
Net cash provided (used) by operating activities	<u>\$ 159,365</u>	<u>\$ 440,165</u>	<u>\$ 599,530</u>	<u>\$ 41,892</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Contributions from other governments	\$ 0	\$ 0	\$ 0	\$ 14,732
Contributions from component units	25,000	0	25,000	0
Transfers from other funds	0	8,578	8,578	44,268
Transfers to other funds	(38,220)	(33,642)	(71,862)	(10,756)
Net cash provided (used) by non-capital financing activities	<u>\$ (13,220)</u>	<u>\$ (25,064)</u>	<u>\$ (38,284)</u>	<u>\$ 48,244</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	\$ (444,630)	\$ (21,178)	\$ (465,808)	\$ (51,420)
Revenue bonds issued	543,961	0	543,961	0
Principal paid on bonds and loans	(177,472)	(115,000)	(292,472)	0
Interest paid on bonds and loans	(76,198)	(113,302)	(189,500)	0
Net cash provided (used) by capital and related financing activities	<u>\$ (154,339)</u>	<u>\$ (249,480)</u>	<u>\$ (403,819)</u>	<u>\$ (51,420)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	\$ 835	\$ 1,587	\$ 2,422	\$ 377
Net cash provided (used) by investment activities	<u>\$ 835</u>	<u>\$ 1,587</u>	<u>\$ 2,422</u>	<u>\$ 377</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ (7,359)</u>	<u>\$ 167,208</u>	<u>\$ 159,849</u>	<u>\$ 39,093</u>
CASH AND CASH EQUIVALENTS - Beginning	<u>877,108</u>	<u>1,567,745</u>	<u>2,444,853</u>	<u>386,734</u>
CASH AND CASH EQUIVALENTS - Ending	<u><u>\$ 869,749</u></u>	<u><u>\$ 1,734,953</u></u>	<u><u>\$ 2,604,702</u></u>	<u><u>\$ 425,827</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 55,255	\$ 160,100	\$ 215,355	\$ (39,680)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	165,127	278,711	443,838	63,410
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	2,969	2,009	4,978	21
(Increase) decrease in due from other funds	0	0	0	0
(Increase) decrease in inventories	944	(1,878)	(934)	0
(Increase) decrease in prepaid expense	(13)	414	401	16
Increase (decrease) in accounts payable	(42,722)	775	(41,947)	17,697
Increase (decrease) in wages and benefits payable	(2,939)	(1,071)	(4,010)	428
Increase (decrease) in due to other funds	4	(1,413)	(1,409)	0
Increase (decrease) in customer deposits	(100)	(100)	(200)	0
Increase (decrease) in compensated absences	(19,160)	2,618	(16,542)	0
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 159,365</u></u>	<u><u>\$ 440,165</u></u>	<u><u>\$ 599,530</u></u>	<u><u>\$ 41,892</u></u>

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

CITY OF JONESVILLE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021

	<u>Custodial Fund</u> <u>Current Tax</u> <u>Collection</u>
ASSETS	
Cash	\$ 10
LIABILITIES	
Due to General Fund	\$ 10
NET POSITION	<u>\$ 0</u>

CITY OF JONESVILLE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Custodial Fund</u> <u>Current Tax</u> <u>Collection</u>
ADDITIONS	
Collection of taxes for other governments	\$ 1,899,737
DEDUCTIONS	
Payment of taxes collected for other governments	<u>1,899,737</u>
Net change in fiduciary net position	\$ 0
NET POSITION - Beginning	<u>0</u>
NET POSITION - Ending	<u>\$ 0</u>

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

CITY OF JONESVILLE
 COMBINING STATEMENT OF NET POSITION
 COMPONENT UNITS
 JUNE 30, 2021

	DDA	LDFA	Total Component Units
ASSETS			
Current Assets			
Cash	\$ 2,473	\$ 14,061	\$ 16,534
Investments	121,093	2,354,935	2,476,028
Prepaid Expense	126	0	126
Total Current Assets	<u>\$ 123,692</u>	<u>\$ 2,368,996</u>	<u>\$ 2,492,688</u>
Noncurrent Assets			
Capital Assets			
Land	\$ 0	\$ 97,544	\$ 97,544
Total Noncurrent Assets	<u>\$ 0</u>	<u>\$ 97,544</u>	<u>\$ 97,544</u>
Total Assets	<u>\$ 123,692</u>	<u>\$ 2,466,540</u>	<u>\$ 2,590,232</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 449	\$ 468	\$ 917
Due to Primary Government	1	0	1
Accrued Payroll	458	625	1,083
Unearned Revenue	0	0	0
Total Liabilities	<u>\$ 908</u>	<u>\$ 1,093</u>	<u>\$ 2,001</u>
NET POSITION			
Net Investment in Capital Assets	\$ 0	\$ 97,544	\$ 97,544
Unrestricted	122,784	2,367,903	2,490,687
Total Net Position	<u><u>\$ 122,784</u></u>	<u><u>\$ 2,465,447</u></u>	<u><u>\$ 2,588,231</u></u>

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

CITY OF JONESVILLE
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

	DDA	LDFA	Total Component Units
EXPENSES			
Downtown Development	\$ 55,234	\$ 0	\$ 55,234
Industrial Development	0	86,273	86,273
Contributions to City activities	159,749	60,930	220,679
Total Expenses	<u>\$ 214,983</u>	<u>\$ 147,203</u>	<u>\$ 362,186</u>
PROGRAM REVENUE			
Charges for Services	\$ 10,600	\$ 0	\$ 10,600
Operating Grants and Contributions	10,600	53,500	64,100
Capital Grants and Contributions	0	0	0
Total Program Revenue	<u>\$ 21,200</u>	<u>\$ 53,500</u>	<u>\$ 74,700</u>
NET (EXPENSE) REVENUE	<u>\$ (193,783)</u>	<u>\$ (93,703)</u>	<u>\$ (287,486)</u>
GENERAL REVENUE			
Property Taxes Captured	\$ 131,693	\$ 363,570	\$ 495,263
Land Rent	0	19,138	19,138
Investment Income	166	2,198	2,364
Other Income	0	0	0
Total General Revenue	<u>\$ 131,859</u>	<u>\$ 384,906</u>	<u>\$ 516,765</u>
CHANGE IN NET POSITION	\$ (61,924)	\$ 291,203	\$ 229,279
NET POSITION – Beginning	<u>184,708</u>	<u>2,174,244</u>	<u>2,358,952</u>
NET POSITION - Ending	<u><u>\$ 122,784</u></u>	<u><u>\$ 2,465,447</u></u>	<u><u>\$ 2,588,231</u></u>

See Note 1 for descriptions of component units shown in column headings

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

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Jonesville comprises a population of approximately 2,258 residents in Hillsdale County, Michigan. It is governed by a seven-member council with a Mayor as its head. As required by generally accepted accounting principles, these financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationship with the City (as distinct from legal relationships).

The following component units are reported in the City's financial statements:

- The Local Development Finance Authority (LDFA) was created under Public Act 281 of 1986 of the State of Michigan. The LDFA's purpose is to work towards the elimination of the causes of unemployment, underemployment and joblessness, and to promote economic growth in the City of Jonesville.
- The Downtown Development Authority (DDA) was created under Public Act 197 of 1975 of the State of Michigan. The DDA's purpose is to eliminate the causes of deterioration of property values in the business district of the City and to promote economic growth.

The City appoints the majority of the Boards of Directors of the LDFA and DDA. The budgets of both entities require the City's approval, and their main revenue source (tax increment financing) is a financial burden to the City.

The accounting policies of the City of Jonesville conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of significant accounting policies used by City of Jonesville:

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The statement of net position and the statement of activities display financial information about the City as a whole, excluding fiduciary activities. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by property taxes and City general revenue, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Property taxes, State Revenue Sharing, and other items not properly included among program revenues are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements - Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus and Basis of Accounting

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP) and all relevant pronouncements of the Governmental Accounting Standards Board (GASB).

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments. Proprietary fund and component unit financial statements also report using this same focus and basis of accounting. Revenue is recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is to be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if it is collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Under the modified accrual basis, property taxes, State revenue sharing, interest, and grants are considered to be both measurable and available at fiscal year-end. Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue.

Operating income reported in proprietary fund financial statements includes revenue and expenses related to the primary, continuing operations of the fund. Principal operating revenue for proprietary funds is charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenue and expenses are classified as non-operating in the financial statements.

Financial Statement Presentation

The City uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

The City reports the following major governmental funds:

General Fund - used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the laws of the State of Michigan.

Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes (i.e. Major Streets and Local Streets).

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City reports the following major enterprise funds:

Water Utilities Fund - accounts for the operating activities of the City's water utilities services.

Sewer Utilities Fund - accounts for the operating activities of the City's sewer utilities services.

Additionally, the City reports the following non-major fund types:

Special Revenue Fund – State Highway Fund

Debt Retirement Fund - used to account for the accumulation of resources for and the payment of principal and interest on the City's general obligation debt.

Internal Service Fund - accounts for the financing of goods and services provided by one department to other departments within the City on a cost-reimbursement basis (i.e. equipment and vehicle usage). This is a proprietary fund reported with governmental activities in the government-wide statements.

Fiduciary Fund - accounts for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others (i.e. property taxes collected for other governments).

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

Bank Deposits 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. Investments in this account are stated at cost which equals market value.

Inventories - Inventories are stated at cost, which approximates market, using the first-in/first-out method.

Capital Assets - General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets paid for by component units are transferred to the primary government and are also reported in the government-wide statements. Proprietary Fund capital assets are reported in their respective fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$1,000. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Improvements	50 years
Furniture & Equipment	5 - 20 years
Vehicles	5 years
Infrastructure	20 - 30 years

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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. The City has no items that qualify for reporting in this category.

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 no items that qualify for reporting in this category.

Compensated Absences (Vacation and Sick Leave) - It is the City's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Vacation and sick leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation, retirement, or death.

Interfund Balances - On fund financial statements, receivables and payables resulting from short-term interfund loans are reported as "due to/from other funds." These amounts are eliminated on the government-wide statement of net position.

Long-Term Obligations - In the government-wide financial statements, all payables, accrued liabilities and long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred 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 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 retirement expenditures.

Fund Balance - In accordance with Governmental Account Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, the fund financial statements report the following components of fund balance:

- **Nonspendable:** Amounts that are not in a spendable form or are legally or contractually required to be maintained intact.
- **Restricted:** Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.
- **Committed:** Amounts that have been formally set aside by the City Council for use for specific purposes. Commitments are made and can be rescinded only by a resolution of the City Council.
- **Assigned:** Amounts that are intended to be spent on specific purposes, as expressed by the City Council or by a committee or individual designated by the City Council.
- **Unassigned:** Amounts that are available for day-to-day operations.

The City considers restricted funds to be spent first when expenditures are incurred for which both restricted and unrestricted amounts are available.

The City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Activity - Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information - The budgetary process is prescribed by provisions of the State of Michigan Budget Act and entails the preparation of budgetary documents within an established timetable. The legal level of budgetary control has been established by the City Council at the function level. Any budgetary modifications may only be made by resolution of the City Council. All annual appropriations lapse at fiscal year end.

The City follows these procedures in establishing the budgets for the individual funds as reflected in the financial statements:

- 1) Prior to June 30, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing on July 1.
- 2) A public hearing is conducted during June to obtain taxpayer comments.
- 3) Prior to June 30, the budget is legally enacted through passage of a resolution.
- 4) For purposes of meeting emergency needs of the City, transfer of appropriations may be made by the authorization of the City Manager. Such transfers appropriations must be approved by the City Council at its next regularly scheduled meeting.
- 5) The City Manager is charged with general supervision of the budget and shall hold the department heads responsible for performance of their responsibilities.
- 6) During the year the budget is monitored, and amendments to the budget resolution are made when deemed necessary.

NOTE 3 - DEPOSITS AND INVESTMENTS

State of Michigan laws authorize the City to invest in bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The City's investment policy puts no further limits on its investment choices.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Deposits

Following are the components of the City's bank deposits at June 30, 2021:

	Primary Government	Component Units
Cash on hand	\$ 450	\$ 0
Checking and savings accounts	203,423	16,534
	\$ 203,873	\$ 16,534

Investments

Following are the components of the City's investments at June 30, 2021:

MBIA CLASS Investment Pool	\$ 5,763,809	\$ 2,476,028
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The City's deposits and investments are subject to several types of risk, which are examined in more detail as follows:

Interest Rate Risk - In accordance with its investment policy, the City manages its exposure to declines in fair values due to changes in general interest rates by structuring the portfolio to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate securities at a loss prior to maturity.

Credit Risk – The City minimizes credit risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to the safest types of securities, pre-qualifying the financial institutions with which the City will do business, and diversifying the portfolio so that potential losses on individual securities will be minimized. As of June 30, 2021, the City's investment in the MBIA CLASS Investment Pool was rated AAAM by Standard & Poors.

Concentration of credit risk – The City minimizes the risk associated with placing a large portion of the portfolio with a single issuer by diversifying the portfolio so that the impact of potential losses from any one investment will be minimized.

Custodial credit risk – Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. At June 30, 2021, the carrying amount of the City's deposits was \$219,957 and the bank balance was \$229,415. The entire bank balance was covered by federal depository insurance. The City minimizes custodial credit risk by holding all investments in the City's name.

Foreign currency risk – The City is not authorized to invest in investments which have this type of risk.

NOTE 4 - RECEIVABLES

Receivables at June 30, 2021, consist of State revenue sharing, State highway contract revenue, utility and other receivables. All receivables are considered collectible in full due to the ability to lien for the nonpayment of utility bills and the stable condition of State programs.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – RECEIVABLES (continued)

A summary of the principal items of receivables follows:

	General Fund	Major Street	Local Street	State Highway Fund	Proprietary Funds	Total
State Revenue Sharing	\$ 42,171	\$ 39,757	\$ 12,427	\$ 0	\$ 0	\$ 94,355
Property Taxes	14,793	0	1,178	0	0	15,971
State Highway Contract	0	0	0	6,271	0	6,271
Utility customers	0	0	0	0	15,505	15,505
Other Receivables	2,673	0	0	0	1,088	3,761
Total	<u>\$ 59,637</u>	<u>\$ 39,757</u>	<u>\$ 13,605</u>	<u>\$ 6,271</u>	<u>\$ 16,593</u>	<u>\$ 135,863</u>

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
PRIMARY GOVERNMENT				
<u>Governmental Activities</u>				
Capital assets not being depreciated				
Land	\$ 204,995	\$ 0	\$ 0	\$ 204,995
Capital assets being depreciated				
Land Improvements	\$ 183,383	\$ 3,216	\$ 0	\$ 186,599
Buildings & Improvements	963,312	3,700	0	967,012
Furniture & Equipment	967,603	28,566	0	996,169
Vehicles	1,386,745	49,277	0	1,436,022
Infrastructure	6,878,279	189,944	0	7,068,223
Less accumulated depreciation	(5,115,660)	(390,276)	0	(5,505,936)
Total capital assets being depreciated, net	\$ 5,263,662	\$ (115,573)	\$ 0	\$ 5,148,089
Total capital assets, net	\$ 5,468,657	\$ (115,573)	\$ 0	\$ 5,353,084
<u>Business-Type Activities</u>				
Capital assets not being depreciated				
Land	\$ 2,061	\$ 0	\$ 0	\$ 2,061
Capital assets being depreciated				
Facilities & Mains	\$ 16,804,352	\$ 16,915	\$ 0	\$ 16,821,267
Machinery & Equipment	1,029,761	20,764	0	1,050,525
Less accumulated depreciation	(9,014,729)	(443,838)	0	(9,458,567)
Total capital assets being depreciated, net	\$ 8,819,384	\$ (406,159)	\$ 0	\$ 8,413,225
Total capital assets, net	\$ 8,821,445	\$ (406,159)	\$ 0	\$ 8,415,286
PRIMARY GOVERNMENT				
Total capital assets, net	<u>\$ 14,290,102</u>	<u>\$ (521,732)</u>	<u>\$ 0</u>	<u>\$ 13,768,370</u>
COMPONENT UNITS				
Capital assets not being depreciated				
Land	\$ 97,544	\$ 0	\$ 0	\$ 97,544

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 - CAPITAL ASSETS (continued)

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

Governmental Activities:

General Government	\$ 21,123
Public Safety	68,482
Public Improvements	48,319
Streets, Highways and Drains	199,510
Culture and Recreation	22,812
Unallocated	30,030
Total	<u>\$ 390,276</u>

Business-Type Activities:

Water	\$ 165,127
Sewer	278,711
Total	<u>\$ 443,838</u>

NOTE 6 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances at June 30, 2021, is as follows:

Fund	Interfund Receivable	Fund	Interfund Payable
General Fund	\$ 609	State Highway	\$ 609
General Fund	1	Major Street	1
General Fund	25	Water Fund	25
Local Streets	3,282	General Fund	3,282
Current Tax	10	General Fund	10
	<u>\$ 3,927</u>		<u>\$ 3,927</u>

Interfund transfers during the year consisted of the following:

	Transfer From						Motor Vehicle Pool	Total
	General Fund	Major Streets	Local Streets	State Highway	Water	Sewer		
Transfer to:								
General Fund	\$ 0	\$ 12,208	\$ 62,548	\$ 2,413	\$ 27,642	\$ 27,642	\$ 10,756	\$ 143,209
Local Streets	210,567	0	0	0	0	0	0	210,567
Debt Service	0	35,682	68,640	0	0	0	0	104,322
Sewer	0	0	0	0	8,578	0	0	8,578
Motor Vehicle Pool	36,268	0	0	0	2,000	6,000	0	44,268
Total	<u>\$ 246,835</u>	<u>\$ 47,890</u>	<u>\$ 131,188</u>	<u>\$ 2,413</u>	<u>\$ 38,220</u>	<u>\$ 33,642</u>	<u>\$ 10,756</u>	<u>\$ 510,944</u>

Transfers are used to (1) account for overhead services provided by the General Fund to other funds, (2) move resources for the payment of long-term debt, and (3) to provide for future acquisition of capital assets.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 - LONG-TERM DEBT

The City 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.

North Parking Lot Bonds - During the year 2011-12, the City issued bonds in the amount of \$550,000 for improvements to the parking lot on the north side of the downtown district. The bond payments are to be made from the tax increment revenues of the DDA; however, they are also backed by the full faith and credit of the City.

East Street Bonds – During the year 2007-08, the City issued bonds in the amount of \$700,000 for the reconstruction of East Street between Liberty Street and Adrian Street.

Murphy Street Bonds – During the year 2010-11, the City issued bonds in the amount of \$300,000 for the reconstruction of Murphy Street between US-12 and the City limits. These bonds were paid off this year.

Refunding Bonds - During the year 2005-06, the City completed construction on a new sewage treatment plant, funded partially by a \$4,065,000 loan from the USDA Rural Development Office. In March, 2014, the City issued \$3,485,000 in general obligation bonds to refund the USDA loan.

Water Revenue Bonds – During the year 2018-19, the City issued revenue bonds in the amount of \$2,765,000 for the acquisition, construction, and equipping of improvements to the water supply system.

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	Balance 6/30/2020	Increases	Decreases	Balance 6/30/2021
Primary Government				
<i>Governmental Activities</i>				
North Parking Lot Bonds	\$ 212,000	\$ 0	\$ (50,000)	\$ 162,000
East Street Bonds	180,000	0	(60,000)	120,000
Murphy Street Bonds	35,000	0	(35,000)	0
Compensated Absences	67,178	0	(138)	67,040
Total Governmental Activities	<u>\$ 494,178</u>	<u>\$ 0</u>	<u>\$ (145,138)</u>	<u>\$ 349,040</u>
<i>Business-type Activities</i>				
Refunding Bonds – Sewer Fund	\$ 2,825,000	\$ 0	\$ (115,000)	\$ 2,710,000
Revenue Bonds - Water Fund	2,185,039	543,961	(177,472)	2,551,528
Compensated Absences	34,743	0	(16,542)	18,201
Total Business-type Activities	<u>\$ 5,044,782</u>	<u>\$ 543,961</u>	<u>\$ (309,014)</u>	<u>\$ 5,279,729</u>
Total Primary Government Long-Term Debt	<u><u>\$ 5,538,960</u></u>	<u><u>\$ 543,961</u></u>	<u><u>\$ (454,152)</u></u>	<u><u>\$ 5,628,769</u></u>

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 - LONG-TERM DEBT (continued)

Interest rates, maturity dates, and current portions for the above obligations are as follows:

	<u>Interest Rate(s)</u>	<u>Maturity Date</u>	<u>Current Portion</u>
North Parking Lot Bonds	2.9% - 4.0%	5/1/2024	\$ 52,000
East Street Bonds	3.00% - 4.90%	5/1/2023	60,000
Refunding Bonds – Sewer Fund	2.00% - 4.15%	1/1/2038	115,000
Revenue Bonds – Water Fund	3.125%	5/1/2059	38,000
			<u>\$ 265,000</u>

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities*</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 112,000	\$ 12,142	\$ 153,000	\$ 195,226
2023	114,000	7,286	159,000	190,589
2024	56,000	2,240	165,000	184,570
2025	0	0	167,000	178,320
2026	0	0	173,000	172,008
2027-2031	0	0	986,000	755,036
2032-2036	0	0	1,195,000	550,082
2037-2041	0	0	745,000	317,845
2042-2046	0	0	373,000	236,625
2047-2051	0	0	436,000	174,563
2052-2056	0	0	508,000	102,094
2057-2059	0	0	201,528	21,531
Total	<u>\$ 282,000</u>	<u>\$ 21,668</u>	<u>\$ 5,261,528</u>	<u>\$ 3,078,489</u>

NOTE 8 – COMPONENT UNIT CONTRIBUTIONS

During the year, the City's Local Development Finance Authority (LDFA) and Downtown Development Authority (DDA) contributed the following amounts to support the City's operations:

<u>LDFA:</u>		<u>DDA:</u>	
<u>General Fund</u>		<u>General Fund</u>	
Salaries and wages	\$ 29,126	Salaries and wages	\$ 27,546
Street light electricity	5,304	Parking Lot Maintenance	16,000
Other	1,500	Capital Outlay	53,531
		Other	4,500
<u>Water Fund</u>		<u>Debt Service Fund</u>	
Debt service	25,000	Bond payments	58,172
TOTAL	<u>\$ 60,930</u>	TOTAL	<u>\$ 159,749</u>

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 - COMPENSATED ABSENCES

Vested or accumulated vacation days and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. The entire compensated absence liability is reported on the government-wide financial statements. Employees of the City can accumulate vacation pay up to a maximum of 16 to 39 days depending on years of service, and employees have a vested right of 100% of allowable accumulated vacation pay upon termination. Accumulated sick time is vested based on years of service and the vested amount is payable upon termination.

NOTE 10 - PROPERTY TAXES

Real estate and personal property taxes are recorded as revenue in amounts equal to the total taxes levied. The total levy for 2020 was 16.388 mills. From this total, 4.6823 was transferred to the Local Streets Fund by vote of the City Council. The 2019 total state taxable value was approximately \$54,812,000 (\$51,638,000 ad valorem and \$3,174,000 industrial facilities tax). City properties are assessed as of December 31 (the lien date) - taxes levied July 1 of the succeeding year and are due without interest to September 15. After the final collection date, unpaid real property taxes are added to the county delinquent tax rolls. Personal property taxes unpaid continue to be collected by the City Treasurer.

NOTE 11 - SEGMENT INFORMATION

The City issues separate revenue bonds to finance its water and sewer departments. The fund financial statements report major funds with revenue - supported debt for the water and sewer funds. Services provided by these funds are described in Note 1.

NOTE 12 - DEFINED CONTRIBUTION PENSION PLAN

The City of Jonesville provides pension benefits for all of its full-time employees through a defined contribution money purchase plan administered by the International City Managers Association Retirement Corporation (ICMA-RC). All full-time employees are eligible to participate in the plan after 6 months of full-time service. Participants are vested incrementally, with full vesting after four years of continuous full-time service. The City is required to contribute 5% of covered payroll. If the employee makes a voluntary contribution of 5%, then the City contributes an additional 2%. Employees hired after January 1, 2010, must contribute at least 5% to be eligible for the 5% employer match.

The activity in the plan for 2020-21 is as follows:

Asset Value - June 30, 2020	\$ 2,067,936
Employer Contributions	38,731
Employee Contributions	39,830
Investment Gain (Loss)	598,573
Distributions	(173,593)
Asset Value - June 30, 2021	<u><u>\$ 2,571,477</u></u>

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries, as well as medical benefits provided to employees. The City has purchased commercial insurance for each of these areas of risk and there have been no significant reduction in insurance coverages. Settled claims have not exceeded the amount of insurance coverage for the current or the three prior years.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - UNEMPLOYMENT TAXES

The City is a reimbursing employer to the Michigan Unemployment Insurance Agency and, as such, is responsible to pay the Agency for those benefits paid and charged to its account. As of June 30, appropriate liabilities have been recorded for all claims paid by the Agency. However, no provision has been made for future payments that might result from claims in process or not filed.

NOTE 15 – FUND BALANCE CONSTRAINTS

Fund balances have been constrained for the following purposes:

	General Fund	Major Streets	Local Streets	State Highway
Nonspendable:				
Inventory	\$ 3,666	\$ 0	\$ 0	\$ 0
Prepaid Expenditures	25,461	0	0	0
Restricted:				
Streets	0	499,803	573,765	16,102

NOTE 16 – TAX ABATEMENTS

Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, requires the disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenue. Disclosure of information about the nature and magnitude of tax abatements is intended to make these transactions more transparent to financial statement users.

The City receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions they have granted. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities. The property taxes abated for all funds under this program totaled \$23,174.

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 8, 2021, the date on which the financial statements were available to be issued.

NOTE 18 – CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No. 84, *Fiduciary Activities*, establishes specific criteria for identifying activities that should be reported as fiduciary activities. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Any activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The City has one fund that meets the criteria: custodial fund for tax collections.

NOTE 19 – GLOBAL PANDEMIC

The COVID-19 pandemic developed rapidly in 2020, with a significant number of infections, both locally and worldwide. The extent of the impact on the City's operational and financial performance will depend on the duration and spread of the outbreak, the impact on the state economy, taxpayer, employees, and vendors, all of which are uncertain and cannot be predicted.

CITY OF JONESVILLE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 20 – UPCOMING ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 87, *Leases*, was issued in June 2017 and will be effective for the City's 2022 year-end. The objective of the Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows and of resources of outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

CITY OF JONESVILLE
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budget Amounts			Actual Over (Under)
	Original	Final	Actual	Final Budget
REVENUE				
Property Taxes	\$ 747,225	\$ 810,025	\$ 769,065	\$ (40,960)
Licenses and Permits	1,100	1,100	1,902	802
State Shared Revenue	223,595	261,535	260,476	(1,059)
Grants	0	37,400	39,816	2,416
Charges and Fees	71,550	71,550	114,933	43,383
Recreation	22,500	22,500	0	(22,500)
Rents and Royalties	26,000	26,000	24,999	(1,001)
Cemetery Revenue	21,000	21,000	33,989	12,989
Contributions	4,500	4,500	4,306	(194)
Interest	30,000	30,000	2,125	(27,875)
Contributions from Component Units	82,811	136,311	137,507	1,196
Miscellaneous	0	0	3,159	3,159
Total Revenue	\$ 1,230,281	\$ 1,421,921	\$ 1,392,277	\$ (29,644)
EXPENDITURES				
General Government				
City Council	\$ 26,000	\$ 26,000	\$ 21,068	\$ (4,932)
City Manager	111,990	116,190	115,509	(681)
Elections	5,800	6,100	6,053	(47)
General Office	215,362	222,927	222,881	(46)
Board of Review	1,575	1,575	766	(809)
Treasurer	2,900	2,900	2,614	(286)
Assessor	11,725	14,925	14,745	(180)
Data Processing	22,100	22,200	22,194	(6)
City Hall	17,117	18,517	18,228	(289)
Cemetery	52,128	57,028	57,017	(11)
Freedom Memorial	1,900	1,900	687	(1,213)
Fringe Benefits	32,220	42,320	42,256	(64)
Insurance	14,000	14,800	14,786	(14)

CITY OF JONESVILLE
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021
(continued)

	Budget Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Public Safety				
Police	310,949	310,949	258,624	(52,325)
Fire	87,522	100,222	100,135	(87)
Economic & Community Development				
Planning & Zoning	11,421	11,421	6,223	(5,198)
Public Works				
Parking Lots	16,015	16,015	14,697	(1,318)
Sidewalks	1,405	1,405	0	(1,405)
Other	18,120	22,920	22,624	(296)
Streets, Highways, and Drains				
Street Lighting	35,000	32,200	32,115	(85)
Sanitation				
Landfill	6,290	12,790	12,520	(270)
Culture and Recreation				
Recreation	44,852	44,852	107	(44,745)
Parks	14,225	16,995	16,941	(54)
Rail/Trail	6,275	7,475	7,443	(32)
Capital Outlay	66,300	142,205	141,522	(683)
Total Expenditures	<u>\$ 1,133,191</u>	<u>\$ 1,266,831</u>	<u>\$ 1,151,755</u>	<u>\$ (115,076)</u>
REVENUE OVER (UNDER)				
EXPENDITURES	<u>\$ 97,090</u>	<u>\$ 155,090</u>	<u>\$ 240,522</u>	<u>\$ 85,432</u>
OTHER FINANCING				
SOURCES (USES)				
Operating Transfers In	\$ 139,580	\$ 139,580	\$ 143,209	\$ 3,629
Operating Transfers Out	<u>(233,000)</u>	<u>(291,400)</u>	<u>(246,835)</u>	<u>44,565</u>
Total Other				
Financing Sources (Uses)	<u>\$ (93,420)</u>	<u>\$ (151,820)</u>	<u>\$ (103,626)</u>	<u>\$ 48,194</u>
NET CHANGE IN FUND BALANCES	\$ 3,670	\$ 3,270	\$ 136,896	\$ 133,626
FUND BALANCES - Beginning	<u>1,677,934</u>	<u>1,677,934</u>	<u>1,677,934</u>	<u>0</u>
FUND BALANCES - Ending	<u><u>\$ 1,681,604</u></u>	<u><u>\$ 1,681,204</u></u>	<u><u>\$ 1,814,830</u></u>	<u><u>\$ 133,626</u></u>

CITY OF JONESVILLE
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR STREETS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
REVENUE				
State Shared Revenue	\$ 245,793	\$ 245,793	\$ 250,932	\$ 5,139
Interest	4,000	4,000	373	(3,627)
Grants	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenue	<u>\$ 249,793</u>	<u>\$ 249,793</u>	<u>\$ 251,305</u>	<u>\$ 1,512</u>
EXPENDITURES				
Street Construction	\$ 83,500	\$ 83,500	\$ 21,707	\$ (61,793)
Routine Maintenance	63,100	68,100	64,106	(3,994)
Traffic Control	4,100	4,100	1,872	(2,228)
Winter Maintenance	23,065	23,065	13,783	(9,282)
Total Expenditures	<u>\$ 173,765</u>	<u>\$ 178,765</u>	<u>\$ 101,468</u>	<u>\$ (77,297)</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>\$ 76,028</u>	<u>\$ 71,028</u>	<u>\$ 149,837</u>	<u>\$ 78,809</u>
OTHER FINANCING SOURCES (USES)				
Contributions from Component Units	\$ 67,000	\$ 67,000	\$ 0	\$ (67,000)
Transfers In	5,000	5,000	0	(5,000)
Transfers Out	(47,890)	(47,890)	(47,890)	0
Total Other Financing Sources (Uses)	<u>\$ 24,110</u>	<u>\$ 24,110</u>	<u>\$ (47,890)</u>	<u>\$ (72,000)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 100,138</u>	<u>\$ 95,138</u>	<u>\$ 101,947</u>	<u>\$ 6,809</u>
FUND BALANCES - Beginning	<u>397,856</u>	<u>397,856</u>	<u>397,856</u>	<u>0</u>
FUND BALANCES - Ending	<u><u>\$ 497,994</u></u>	<u><u>\$ 492,994</u></u>	<u><u>\$ 499,803</u></u>	<u><u>\$ 6,809</u></u>

CITY OF JONESVILLE
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LOCAL STREETS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budget Amounts			Actual Over (Under)
	Original	Final	Actual	Final Budget
REVENUE				
State Shared Revenue	\$ 77,097	\$ 77,097	\$ 78,430	\$ 1,333
Grants	0	0	0	0
Interest	10,000	10,000	649	(9,351)
Miscellaneous	0	0	824	824
Total Revenue	\$ 87,097	\$ 87,097	\$ 79,903	\$ (7,194)
EXPENDITURES				
Street Construction	\$ 92,000	\$ 92,000	\$ 81,824	\$ (10,176)
Routine Maintenance	67,320	72,320	70,436	(1,884)
Traffic Control	2,314	2,314	1,809	(505)
Winter Maintenance	18,530	18,530	16,276	(2,254)
Total Expenditures	\$ 180,164	\$ 185,164	\$ 170,345	\$ (14,819)
REVENUE OVER (UNDER) EXPENDITURES	\$ (93,067)	\$ (98,067)	\$ (90,442)	\$ 7,625
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 205,000	\$ 205,000	\$ 210,567	\$ 5,567
Transfers Out	(131,188)	(131,188)	(131,188)	0
Total Other Financing Sources (Uses)	\$ 73,812	\$ 73,812	\$ 79,379	\$ 5,567
NET CHANGE IN FUND BALANCES	\$ (19,255)	\$ (24,255)	\$ (11,063)	\$ 13,192
FUND BALANCES - Beginning	584,828	584,828	584,828	0
FUND BALANCES - Ending	\$ 565,573	\$ 560,573	\$ 573,765	\$ 13,192

CITY OF JONESVILLE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Debt Service Fund	Special Revenue State Highway Fund	Total
ASSETS			
Cash	\$ 0	\$ 10,682	\$ 10,682
Due from Other Governmental Units	0	6,271	6,271
Total Assets	<u>\$ 0</u>	<u>\$ 16,953</u>	<u>\$ 16,953</u>
LIABILITIES			
Due to Other Funds	\$ 0	\$ 609	\$ 609
Accounts Payable	0	242	242
Total Liabilities	<u>\$ 0</u>	<u>\$ 851</u>	<u>\$ 851</u>
FUND BALANCE			
Nonspendable	\$ 0	\$ 0	\$ 0
Restricted	0	16,102	16,102
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0
Total Fund Balances	<u>\$ 0</u>	<u>\$ 16,102</u>	<u>\$ 16,102</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 16,953</u>	<u>\$ 16,953</u>

CITY OF JONESVILLE
 COMBINING STATEMENT OF REVENUE, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Debt Service Fund	State Highway Fund	Total
REVENUE			
State Highway Contract	\$ 0	\$ 24,865	\$ 24,865
Contribution from Component Units	58,172	0	58,172
Interest Income	0	1	1
Total Revenue	<u>\$ 58,172</u>	<u>\$ 24,866</u>	<u>\$ 83,038</u>
EXPENDITURES			
Streets, Highways, Drains			
Routine Maintenance	\$ 0	\$ 10,027	\$ 10,027
Traffic Control	0	570	570
Winter Maintenance	0	9,346	9,346
Debt Service			
Principal	145,000	0	145,000
Interest	17,494	0	17,494
Total Expenditures	<u>\$ 162,494</u>	<u>\$ 19,943</u>	<u>\$ 182,437</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ (104,322)</u>	<u>\$ 4,923</u>	<u>\$ (99,399)</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	\$ 104,322	\$ 0	\$ 104,322
Operating Transfers Out	0	(2,413)	(2,413)
Total Other Financing Sources (Uses)	<u>\$ 104,322</u>	<u>\$ (2,413)</u>	<u>\$ 101,909</u>
NET CHANGES IN FUND BALANCES	<u>\$ 0</u>	<u>\$ 2,510</u>	<u>\$ 2,510</u>
FUND BALANCES - Beginning	0	13,592	13,592
FUND BALANCES - Ending	<u><u>\$ 0</u></u>	<u><u>\$ 16,102</u></u>	<u><u>\$ 16,102</u></u>



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the City Council
City of Jonesville
Jonesville, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jonesville as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Jonesville's basic financial statements and have issued our report thereon dated December 8, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Jonesville's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Jonesville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Jonesville's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency*, is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Jonesville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bailey, Hodshire & Company, P.C.

Jonesville, Michigan
December 8, 2021

BH | **BAILEY, HODSHIRE
& COMPANY, P.C.**
CERTIFIED PUBLIC ACCOUNTANTS

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December 8, 2021

To the City Council
City of Jonesville
Jonesville, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jonesville as of and for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 1, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

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 Jonesville are described in Note 1 to the financial statements. As described in Note 18 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the year ended June 30, 2021. We noted no transactions entered into by the governmental unit 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 sensitive estimate affecting the financial statements was the calculation of depreciation expense on capital assets.

Management's estimate of the depreciation expense is based on estimating the useful lives of capital assets and spreading the assets cost out over their useful lives as depreciation expense. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

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 all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 8, 2021.

Management 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 City of Jonesville's financial statements or a determination of the type of auditor's opinion that may be expressed on those statement, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

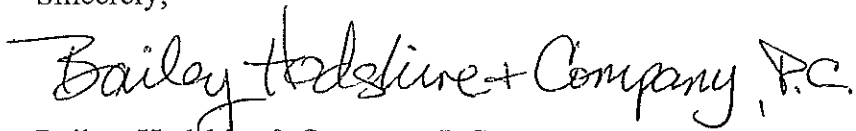
We applied certain limited procedures to the Management's Discussion And Analysis and the Budgetary Comparison Schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the combining statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, 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 supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Sincerely,

A handwritten signature in cursive script that reads "Bailey, Hodshire & Company, P.C.".

Bailey, Hodshire & Company, P.C.

RECEIVED
NOV 19 2021

BY: _____

Jonesville District Library

Board of Trustees

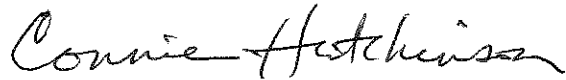
November 19, 2021

Olivia Johnson, Administrative Assistant

City of Jonesville

Please be advised that the representatives to the Jonesville District Library Board of Trustees whose terms are set to expire at the end of this calendar year—Connie Hutchinson and Allison Hutchinson—have indicated their willingness to be re-appointed for another four-year term should that be the desire of the City Council.

Respectfully,



Connie Hutchinson, Secretary

JDL Board of Trustees

MEMORANDUM OF UNDERSTANDING NUMBER:**Between****THE STATE OF MICHIGAN****MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES****And**

PARTNER / ENTITY NAME Community Action Agency	PRIMARY CONTACT Toby L Berry
EMAIL tberry@caajlh.org	TELEPHONE 517-539-8311

And

PARTNER / ENTITY NAME City of Jonesville	PRIMARY CONTACT Jeffrey M. Gray
EMAIL jgray@jonesville.org	TELEPHONE 517-849-2104

MDHHS CONTACT	NAME Ben Gulker	TELEPHONE 517-285-8053	EMAIL MDHHS-LIHWAP@michigan.gov
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MEMORANDUM OF UNDERSTANDING SUMMARY

BRIEF DESCRIPTION OF PURPOSE	Agreement between the water/wastewater provider, Community Action Agency and MDHHS for participation in the Low Income Household Water Assistance Program.
BEGIN DATE November 16, 2021	END DATE September 30, 2023

The individual or officer signing this agreement certifies by his or her signature that he or she is authorized to sign this agreement on behalf of the responsible governing board, official or agency.

Community Action AgencyCommunity Action AgencyMichigan Department of Health and Human ServicesSignature of Authorized DesigneeSignature of Director or Authorized DesigneeToby L Berry, Chief Executive OfficerJeanette HenslerDirector-Grants Division, Bureau of Grants and PurchasingPrint Name / TitlePrint Name / Title11/16/2021DateDateCity of JonesvilleCity of JonesvilleSignature of Authorized DesigneeJeffrey M. Gray, City ManagerPrint Name / TitleDecember 16, 2021Date

Memorandum of Understanding Number:

This Memorandum of Understanding (MOU) establishes the responsibilities and procedures for the Michigan Department of Health and Human Services (MDHHS), Community Action Agency (Community Action Agency), and City of Jonesville (City of Jonesville) for the purpose described below.

1. Background

Access to safe and affordable drinking water and wastewater services is a fundamental element of health, safety, and well-being for households across America. Yet water affordability is a significant and growing concern in communities across the country, and many communities have faced significant challenges related to water safety, aging water infrastructure, and even water shortages due to drought. Moreover, water affordability concerns and the growing crisis of household indebtedness disproportionately impacting low-income individuals and communities of color can be related to multiple adverse household impacts in terms of service disconnections and lien sales, leading to home foreclosures and evictions.

For many low-income households across America, water affordability needs have been significantly exacerbated by the COVID-19 public health crisis, and while water is required to follow the federal guidance from the Centers for Disease Control and Prevention (CDC) advising washing hands frequently in order to reduce the transmission of Covid-19, the pandemic has made it significantly more difficult for individuals and families to pay their home drinking water and wastewater bills.

While water costs and accessibility vary significantly from state to state, the Low Income Household Water Assistance Program (LIHWAP) provides critical nationwide emergency support on behalf of low-income households so that these households are not forced to choose between paying for water services and other necessities like housing, food, and medicine.

2. Purpose

As recommended in Information Memorandum LIHPWAP-IM-2021-02 issued from the US Department of Health and Human Services, agreements are to be put into place between participating parties of the Low Income Household Water Assistance Program (LIHWAP) to ensure payments made on behalf of low-income households are processed efficiently and in the best interest of the household. Participating parties include MDHHS, the Community Action Agency (CAA) and Water/Wastewater Utility (Utility) referenced on Page 1 of this agreement.

3. Period of Agreement

This MOU becomes effective on the date signed by all parties through September 30, 2023.

4. Work Statement of Each Party

- a. The utility, MDHHS and the CAA will:
 - 1) Follow Low-Income Water Assistance Program (LIHWAP) policies and procedures in the Community Services Policy Manual 1405.
 - 2) Agree to not release any private data, to any third party without written authorization from the subject of the data.
 - 3) Collaborate to ensure continuation or reconnection of service to households determined eligible for LIHWAP benefits.
 - 4) Establish a dispute resolution process to resolve issues arising during the term of this agreement.
 - 5) Encourage regular payments from the household.
 - 6) Work together to ensure LIHWAP payments are appropriately applied to accounts and used for LIHWAP services as designated by the CAA.
- b. The MDHHS and CAA will:
 - 1) Determine customer eligibility.
 - 2) Issue payment directly to the utility on behalf of the customer to resolve the arrearage and ensure continuation or reconnection of service.
- c. The utility will:
 - 1) Ensure LIHWAP eligible households are not treated adversely compared to other households.
 - 2) Not disconnect services for 90 days after payment is received on behalf of a customer. If the account is in arrears after 90 days, a new disconnection notice must be issued if applicable.
 - 3) Not charge the eligible household any more than the difference between the normal charge for the service and the payment amount received or expected from the Michigan Department of Health and Human Services (MDHHS) or Community Action Agency (CAA).
 - 4) Supply account number format to the CAA.
 - 5) Timely provide at the request of the customer, the CAA or MDHHS, information on applicant households' home water costs, bill payment history, or arrearage history. This information will be provided in the format requested.
 - 6) Register with the MDHHS in [SIGMA Vendor Self Service](#) to receive LIHWAP SER payments if not a currently registered vendor.
 - 7) Use the warrant or EFT date as the LIHWAP payment date.
 - 8) Apply all LIHWAP payments to the household's account within 5 business days of receipt of payment.
 - 9) Apply the assistance payments to arrears and applicable fees with reconnection services only. Payments resulting in a credit on the customer's account balance are not allowable.
 - 10) Process and refund any refunds requested by the CAA or MDHHS within 60 business days. The refund must include the client's name, service address, and the MDHHS case number, if available.
 - 11) Not charge an eligible household, the MDHHS, or CAA any administrative fees for

Memorandum of Understanding Number:

- providing services.
- 12) Accept all customer payments.
 - 13) Use LIHWAP funds to pay for home water and sewer costs, as designated by the CAA and MDHHS.
 - 14) Continue or reconnect service to households as negotiated by the CAA on behalf of the household.
 - 15) When addressing household water emergencies, accept early notification authorization by telephone, fax, or electronic communication.
 - 16) Notify the CAA or MDHHS if there is reason to believe LIHWAP funds have been misused.
 - 17) Comply with the provisions of Act 453, PA 1976, which prohibits discrimination on the basis of race, color, religion, national origin, age, sex, height, weight, or marital status.

Each party shall furnish all labor, equipment, materials, and supplies necessary for the performance of the MOU activities, and meet operational standards, unless otherwise specified above.

5. Termination & Amendments

A party may terminate this MOU at any time by giving 30 days prior written notice to the other parties. This MOU may be amended upon written approval of all parties at any time.

This MOU contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this MOU will be deemed to exist or to bind any of the parties.

6. Notices

All notices and other communications required or permitted under this MOU must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to MDHHS:	If to Community Action Agency:
<i>Ben Gulker</i> <i>MEAP Specialist</i> <i>MDHHS-LIHWAP@michigan.gov</i>	<i>[Name]</i> <i>[Title]</i> <i>[Email]</i> <i>[Phone]</i>
If to City of Jonesville:	
<i>Jeffrey M. Gray</i> <i>City Manager</i> <i>jgray@jonesville.org</i>	

517-849-2104

7. Reserved

8. MDHHS Data

All data and information provided to Community Action Agency by or on behalf of MDHHS, and all data and information derived therefrom, is the exclusive property of MDHHS ("MDHHS Data"); this definition is to be construed as broadly as possible. Upon request, Community Action Agency must provide to MDHHS, or a third party designated by MDHHS, all MDHHS Data within 10 calendar days of the request and in the format requested by MDHHS. Community Action Agency will assume all costs incurred in compiling and supplying MDHHS Data. No MDHHS Data may be used for any marketing purposes.

Community Action Agency shall comply with all MDHHS physical and IT security policies and standards which will be made available upon request.

9. Non-Disclosure of Confidential Information

The parties acknowledge that each party may be exposed to or acquire communication or data of the other parties that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this MOU.

- a. Meaning of Confidential Information. For the purposes of this MOU, the term "Confidential Information" means all information and documentation of the other parties that:

- 1) Has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party;
- 2) If disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning;
- 3) Should reasonably be recognized as confidential information of the disclosing party;
- 4) Is unpublished or not available to the general public; or
- 5) Is designated by law as confidential.

The term "Confidential Information" does not include any information or documentation that was:

- 1) Subject to disclosure under the Michigan Freedom of Information Act (FOIA);
- 2) Already in the possession of the receiving party without an obligation of confidentiality;

Memorandum of Understanding Number:

- 3) Developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights;
- 4) Obtained from a source other than the disclosing party without an obligation of confidentiality;
- 5) Publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party).

For purposes of this MOU, in all cases and for all matters, MDHHS Data is deemed to be Confidential Information.

- b. Obligation of Confidentiality. The parties agree that they will use Confidential Information solely for the purposes of this MOU. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this MOU or to use such Confidential Information for any purposes whatsoever other than the performance of this MOU. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible when all of the following are met:

- 1) Use of a subcontractor is authorized under this MOU;
- 2) The disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and
- 3) Community Action Agency or City of Jonesville obligates the subcontractor in a written contract to maintain MDHHS's Confidential Information in confidence.

At MDHHS's request, any employee of Community Action Agency or any subcontractor of the City of Jonesville may be required to execute a separate agreement to be bound by the provisions of this Section.

- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other parties in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Each party must notify the other parties within one business day after discovering any unauthorized use or disclosure of Confidential Information. Each party will cooperate with the other parties to regain possession of Confidential Information, to prevent further unauthorized use or disclosure of Confidential information, and to notify any appropriate person of the unauthorized use or disclosure of Confidential Information. In addition, each party must advise the other parties immediately in the event the party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this MOU and each party will

Memorandum of Understanding Number:

cooperate with the other parties in seeking injunctive or other equitable relief against any such person.

- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other parties, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of MDHHS, at the sole election of MDHHS, the immediate termination, without liability to MDHHS, of this MOU or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this MOU or a Statement of Work, in whole or in part, each party must, within five calendar days from the date of termination, return to the other parties any and all Confidential Information received from the other parties, or created or received by a party on behalf of the other parties, which are in such party's possession, custody, or control; provided, however, that Community Action Agency and/or City of Jonesville must return MDHHS Data to MDHHS following the timeframe and procedure described further in this MOU. Should Community Action Agency, City of Jonesville, or MDHHS determine that the return of any non-MDHHS Data Confidential Information is not feasible, such party must destroy the non-MDHHS Data Confidential Information and must certify the same in writing within five calendar days from the date of termination to the other parties.

10. Compliance with Laws

Community Action Agency and City of Jonesville must comply with all applicable federal, state, and local laws, administrative rules and regulations.

11. Nondiscrimination

Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Community Action Agency, City of Jonesville, and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status or mental or physical disability. Breach of this covenant is a material breach of this MOU.

12. Unfair Labor Practice

Under MCL 423.324, MDHHS may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

13. Governing Law

This MOU is exclusively governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this MOU are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this MOU must be resolved in Michigan Court of Claims. Community Action Agency and City of Jonesville consent to venue in the Michigan Court of Claims, and waive any objections, such as lack of personal jurisdiction or forum non conveniens. Community Action Agency and City of Jonesville must appoint agents in Michigan to receive service of process.

14. Force Majeure

A party will not be in breach of this MOU because of any failure arising from any disaster or acts of God that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Community Action Agency and City of Jonesville will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, MDHHS may immediately contract with a third party.

15. Dispute Resolution

The parties will endeavor to resolve any MOU dispute in accordance with this provision. The dispute will be referred to the parties' respective Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' respective senior executive, and either senior executive concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit MDHHS's right to terminate the MOU.

16. Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the MOU or project to which it relates must not be made without prior written MDHHS approval, and then only in accordance with the explicit written instructions of MDHHS.

17. Website Incorporation

MDHHS is not bound by any content on the other parties' websites unless expressly incorporated directly into this MOU. MDHHS is not bound by any end user license agreement or terms of use unless specifically incorporated into this MOU or any other agreement signed by MDHHS.

18. Severability

If any part of this MOU is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this MOU and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining MOU will continue in full force and effect.

19. Waiver

Failure to enforce any provision of this MOU will not constitute a waiver.

20. Survival

The provisions of this MOU that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this MOU.

21. Entire MOU

This MOU is the entire agreement and replaces all previous agreements between the parties for the MOU Activities.



City of
Jonesville

265 E. Chicago Street, Jonesville, MI 49250

(517) 849-2104
(517) 849-9037 Fax

www.jonesville.org
manager@jonesville.org

**CITY COUNCIL
2022 ANNUAL MEETING CALENDAR
THIRD WEDNESDAY OF THE MONTH**

WEDNESDAY	JANUARY 19, 2022	6:30 P.M.
WEDNESDAY	FEBRUARY 16, 2022	6:30 P.M.
WEDNESDAY	MARCH 16, 2022	6:30 P.M.
WEDNESDAY	APRIL 20, 2022	6:30 P.M.
WEDNESDAY	MAY 18, 2022	6:30 P.M.
WEDNESDAY	JUNE 15, 2022	6:30 P.M.
WEDNESDAY	JULY 20, 2022	6:30 P.M.
WEDNESDAY	AUGUST 17, 2022	6:30 P.M.
WEDNESDAY	SEPTEMBER 21, 2022	6:30 P.M.
WEDNESDAY	OCTOBER 19, 2022	6:30 P.M.
WEDNESDAY	NOVEMBER 16, 2022	6:30 P.M.
WEDNESDAY	DECEMBER 21, 2022	6:30 P.M.

The meeting location will be shown on each meeting agenda.

The City of Jonesville will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon 20 days' notice to the City of Jonesville. Individuals with disabilities requiring auxiliary aids or services should contact the City of Jonesville by writing, calling, or e-mailing the following:

City of Jonesville
265 E. Chicago Street
Jonesville, MI 49250
(517) 849-2104
www.jonesville.org

Cindy Means, Clerk
clerk@jonesville.org



City of Jonesville Downtown Development Authority FY 2020-21 Annual Report

This report is provided in accordance with the Michigan Recodified Tax Increment Financing Act, Public Act 57 of 2018. It reports the Authority's operations during the 2020-21 fiscal year and is intended to fulfill the requirements of the annual synopsis of activities of the authority, required in Section 910(1)(h) of the Act. The authority fiscal year begins on July 1st and ends June 30th.

Authority Accomplishments

- Restarted the Façade Improvement Program, including updated guidelines allowing for a grant of up to \$2,500 to match 10% of total project costs.
- Partnered with Consumer's Energy's Our Town Gift Card Match program and a private contributor. The \$10,600 in donations matched individual gift card purchases to distribute \$21,200 to Downtown businesses before Christmas.
- Appointed a Redevelopment Committee and a Facilities and Design Committee to assist the board with planning of Downtown activities. The DDA also established the following board priorities: Klein Tool building redevelopment; streetscape reconstruction; and South Parking Lot improvements.

Projects and Investments

- Engaged the services of Wolverine Engineers & Surveyors, Inc. for design services for the Chicago Street Streetscape and South Parking Lot improvements.
- Completed the final investment to maintain mast arm traffic signals associated with the Michigan Department of Transportation (MDOT) signal modernization project.
- Provided annual operation and maintenance for the Downtown streetscape.
- Completed the annual debt service payment for the North Parking Lot improvement project.

Events and Promotions

- Provided financial support for the Downtown fall display.
- The DDA supported costs associated with park and Downtown decorations, including additional lights in Carl Fast Park and electricity costs to support the Lion's Club Lights of Love project. The City received many compliments about the appearance of the park and the Downtown during the holiday season.

Fund Balance and Capital Project Planning

The DDA retains an estimated fund balance at the close of the fiscal year of approximately \$157,000. The DDA eliminated the \$25,000 reserve for a revolving loan fund, out of the interest of assuring maximum flexibility for the use of those funds for eligible projects and Downtown investments.

The DDA has several capital projects planned for the next 5 years whose cost exceeds the current reserve funds. The DDA Budget Committee met through the spring and developed a tentative prioritization of future capital projects to commence after debt obligations are completed for the North Parking Lot project in 2024.

Upcoming projects include streetscape improvements, South Parking Lot enhancements, and wayfinding signs. Future projects, as prioritized during review by the Budget Committee are summarized on pages 21-23 of the FY2021-22 through 2026-27 Capital Improvement Plan, available for review at City Hall or on the City's website, www.jonesville.org.



City of Jonesville Local Development Finance Authority FY 2020-21 Annual Report

This report is provided in accordance with the Michigan Recodified Tax Increment Financing Act, Public Act 57 of 2018. It reports the Authority's operations during the 2020-21 fiscal year and is intended to fulfill the requirements of the annual synopsis of activities of the authority, required in Section 910(1)(h) of the Act. The authority fiscal year begins on July 1st and ends June 30th.

Authority Accomplishments

- Through a \$53,500 grant from the Michigan Economic Development Corporation (MEDC), \$100,000 in support from Comcast and a \$5,000 local match, funded installation of fiber optic broadband internet in the Industrial Park. The project provided additional internet options for businesses already in the park and is intended to attract investment to vacant parcels.
- Completed preventative maintenance on Industrial Park streets.

Projects and Investments

- Maintained a high priority on infrastructure maintenance. The LDFA invested over \$90,000 in milling and resurfacing Gaige Street.
- Continued annual investment of \$15,000 to support the collaborative economic development activities of the Hillsdale County EDP.
- Invested in the City's water system improvement project with a commitment of \$25,000 per year for the third of 10 years to maximize affordability of water utility costs, especially for industrial customers, with benefits to residential and commercial customers, as well.
- Invested \$105,000 in dedicated reserves for future projects – \$45,000 for future expansion of the Industrial Park, \$35,000 for future infrastructure needs, and \$35,000 for other special projects called out in the development plan.

Events and Promotions

- Engaged in business recruiting, marketing vacant parcels to two different prospects. One of these prospects is in the process of purchasing the recently vacated Fastenal building to relocate their business to Jonesville.

Fund Balance and Capital Project Planning

The LDFA retains an estimated fund balance at the close of the fiscal year of approximately \$2.1 million. Due to sizable future projects, as well as uncertainty of future revenues following the elimination of personal property taxes in Michigan, the LDFA has established several designated reserves. \$240,000 is reserved for future expansion, \$200,000 for special projects and development incentives, and \$240,000 for future infrastructure improvements. The balance of the reserve is undesignated for projects authorized in the Development Plan.

Savings will be needed to accomplish the long-term goals of the Development Plan, including Industrial Park expansion. These investments are more likely to take place nearer the end of the term of the plan in 2036. Projects are summarized in the LDFA Development and Tax Increment Financing Plan, available for review at City Hall or on the City's website, www.jonesville.org.



City of
Jonesville

265 E. Chicago Street, Jonesville, MI 49250

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NOTICE OF PUBLIC ACT 57 INFORMATIONAL MEETINGS

DOWNTOWN DEVELOPMENT AUTHORITY LOCAL DEVELOPMENT FINANCE AUTHORITY

PLEASE TAKE NOTICE that the City of Jonesville Downtown Development Authority (DDA) and Local Development Finance Authority (LDFA) will hold Informational Meetings, pursuant to Public Act 57 of 2018.

The meetings will be held on Tuesday, November 9, 2021 at 8:30 a.m. and Wednesday, December 15, 2021 at 8:30 a.m. in the Jonesville Police Department, located at 116 W. Chicago Street, Jonesville, MI 49250. The meetings are open to the public. Following the November Informational Meeting, the DDA will hold its regular business meeting; the LDFA regular business meeting will follow the December Informational Meeting.

Individuals with disabilities requiring auxiliary aids or services should contact the City of Jonesville in writing at 116 W. Chicago Street, Jonesville, MI 49250 or by calling (517) 849-2104.

Respectfully,

Cynthia D. Means, Clerk

****Subject to Approval****

**JONESVILLE CITY COUNCIL
Minutes of November 17, 2021**

A meeting of the Jonesville City Council was held on Wednesday, November 17, 2021 at the Jonesville Police Department, 116 W. Chicago Street, Jonesville, MI. Mayor Gerry Arno called the meeting to order at 6:30 p.m. Council members present were: Jerry Drake, Brenda Guyse, George Humphries Jr, Delesha Padula and Andy Penrose. Absent: Tim Bowman.

Also Present: Manager Gray, Attorney Lovinger, Finance Director Spahr, WWTP Supt. Boyle, Public Safety Director Etter, Public Works Supt. Kyser, Margaret Hughes, Carol Burton, Carolyn Petrie, Corey Murray, Lisa Adair, and Deb Hollister.

The Pledge of Allegiance and moment of silence was led by George Humphries Jr.

A motion was made by Andy Penrose and supported by Delesha Padula to approve the agenda as presented. All in favor. Absent: Tim Bowman. Motion carried.

A motion was made by Jerry Drake and supported by Brenda Guyse to grant the bid award to Apollo Fire Equipment Company in the amount of \$441,000 for Self-Contained Breathing Apparatus (SCBA). The City completed a FEMA Assistance to Firefighters Grant application with the City of Hillsdale and City of Litchfield. Notification was received in August that \$420,000 would be received in grant dollars, to be matched with a local contribution by the three municipalities of \$21,000. The Grant will allow the purchase of 63 SCBAs, being divided equally among the three communities. All in favor. Absent: Tim Bowman. Motion carried.

A motion was made by Brenda Guyse and supported by Jerry Drake to authorize filing the Certification of Accountability and Transparency with the Department of Treasury. The Department of Treasury requests the following by December 1, 2021 to qualify for the CVTRS payments; 1) a citizen's guide to our most recent local finances; 2) a performance dashboard; 3) a debt service report; and 4) a projected budget report of revenues and expenditures comparing the current fiscal year with next fiscal year. All in favor. Absent: Tim Bowman. Motion carried.

A motion was made by Delesha Padula and supported by Brenda Guyse to appoint and re-appoint the following board and commission members:

Board of Review:

Dana Kyser	Re-Appoint	3 Year Term (2024)
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Cemetery Committee:

Shea Dow	Re-Appoint	3 Year Term (2024)
Brenda Guyse (Council Rep.)	Re-Appoint	3 Year Term (2024)
Charles Pfau	Re-Appoint	3 Year Term (2024)

Downtown Development Authority:

Don Toffolo	Re-Appoint	4 Year Term (2025)
Gale Fix	Re-Appoint	4 Year Term (2025)

Planning Commission:

Annette Sands	Re-Appoint	3 Year Term (2024)
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Zoning Board of Appeals:

George Humphries (Council Rep.)	Re-Appoint	3 Year Term (2024)
Larry Jose	Re-Appoint	3 Year Term (2024)
Todd Shroats	Re-Appoint	3 Year Term (2024)

Staff will be seeking applicants to fill vacancies on the Planning Commission (replacing Jim Taipalus). All in favor. Absent: Tim Bowman. Motion carried.

The Fiscal Year 2021-22 1st Quarter Budget Comparison was provided for Council's review.

Jerry Drake made a motion and was supported by Andy Penrose to approve the minutes of the October 20, 2021 regular meeting. All in favor. Absent: Tim Bowman. Motion carried.

A motion was made by Brenda Guyse and supported by Delesha Padula to approve the minutes of the November 3, 2021 special meeting. All in favor. Absent: Tim Bowman. Motion carried.

Andy Penrose made a motion and was supported by Delesha Padula to approve the Accounts Payable for November 2021 in the amount of \$63,824.13. All in favor. Absent: Tim Bowman. Motion carried.

A motion was made by Brenda Guyse and supported by Jerry Drake to approve the RFP Review Committee minutes for October 27, 2021. All in favor. Absent: Tim Bowman. Motion carried.

Updates were given by Department Heads, Manager Gray and Council.

Mayor Arno adjourned the meeting at 7:06 p.m.

Cynthia D. Means
Clerk

Gerald E. Arno
Mayor

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
AT&T	LOCAL/LONG DISTANCE	3,286.43
BAKER, VICKI/B & B CLEANING,	JPD/JFD CLEANING SERVICES	720.00
BRINER OIL CO., INC.	MVP - BULK TANK	218.32
	MVP - BULK TANK	391.95
	JFD - GASOLINE/ACCT 25	182.84
		793.11
BUTTERS EXCAVATING & LAWN CAFCEMETERY MAINT/SEXTON SERVICES		3,425.00
CAPITAL ONE	WALMART - SUPPLIES	354.32
CLEAR VIEW B.R. LLC	JPD - OUTSIDE WINDOW CLEANING	15.00
CMP DISTRIBUTORS, INC.	JPD - UNIFORMS	169.95
COLER, DAVID	CHRISTMAS IN JONESVILLE	100.00
CONSUMERS ENERGY	DDA BUILDING ELECTRICITY	418.50
	IRON REMOVAL PLANT ELECTRICITY	1,300.62
	JPD ELECTRICITY	258.39
	DOWNTOWN/STREETSCAPE LIGHT ELECTRICITY	719.81
	CITY-WIDE LED LIGHT ELECTRICITY	84.98
	FREEDOM MEMORIAL ELECTRICITY	46.48
	DDA - METERED PARKING LOT LIGHT ELECTRICITY	101.32
	FAST PARK ELECTRICITY	62.23
	JFD TRAINING ROOM ELECTRICITY	59.57
	JFD TRUCK BAY ELECTRICITY	161.72
	RADIO TOWER ELECTRICITY	36.05
	CITY HALL ELECTRICITY	105.17
	DPW ELECTRICITY	131.07
	WRIGHT ST PARK ELECTRICITY	38.57
	598 IND PKWY SPRINKLER METER ELECTRICITY	29.52
	WATER TOWER ELECTRICITY	93.61
	100 DEAL PKWY SPRINKLER METER ELECTRICITY	34.11
	DDA - UNMETERED PARKING LOT LIGHT ELECTRICITY	32.09
	WWTP ELECTRICITY	4,988.76
	500 IND PKWY SPRINKLER METER ELECTRICITY	32.35
	CEMETERY ELECTRICITY	38.16
		8,773.08
DETROIT SALT COMPANY	SALT	2,628.45
DMCI BROADBAND, LLC	CEMETERY - REINSTALL CAMERAS	352.76
DR LAB SERVICES, LLC	WWTP LAB PREVENTIVE MAINT AGREEMENT	1,420.00
FIRST NATIONAL BANK OMAHA	ZOOM MEMBERSHIP	14.99
	DDA - FALL DISPLAY	271.68
	SUPPLIES/CONFERENCES	355.40
		642.07
FLEIS & VANDENBRINK ENG, INC.	WWTP - ENGINEERING/US-12 SEWER REHAB PROJECT	3,720.28
GALLS	JPD - UNIFORMS	83.79
GERKEN MATERIALS	WATER - STREET PATCHING	503.28
GREENMARK EQUIPMENT	MVP - VEHICLE REPAIRS	26.80
HILLSDALE HOSPITAL	MVP - CDL PHYSICALS	140.00
HILLSDALE MEDIA GROUP	JFD - AD/SCBA BIDS	53.70
	LDFA - LAND LEASE BIDS	53.70
		107.40
HUGHES, ED	WWTP - MILEAGE/C LICENSE EXAM	85.28
HYDROCORP, INC	WATER - CROSS CONNECTION PROGRAM	520.00
JACKSON, CITY OF	JPD - TRAINING CONSORTIUM	125.00
JONESVILLE HARDWARE	SUPPLIES/REPAIRS/DECORATIONS	664.67
JONESVILLE, CITY OF	CITY HALL WATER/SEWER	49.53
	JFD WATER/SEWER	177.32
	JPD WATER/SEWER	49.53
	DPW WATER/SEWER	49.53
	WWTP WATER/SEWER	242.63
	WRIGHT ST PARK WATER/SEWER	37.23
		605.77
KEN STILLWELL FORD-MERCURY, I	JPD - BRAKES/2019 FORD	663.04
MICHIGAN GAS UTILITIES	IRON REMOVAL PLANT GAS SERVICE	129.96
	JFD GAS/HEAT SERVICE	201.64
	JPD GAS/HEAT SERVICE	73.51

12/09/2021
User: LSPAHR
DB: Jonesville

CITY OF JONESVILLE
INVOICE APPROVAL LIST
12/16/2021

Page: 2/2

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
	WWTP GAS/HEAT SERVICE	1,245.47
	GAS LIGHT SERVICE	61.97
	DPW GAS/HEAT SERVICE	91.69
	CITY HALL GAS/HEAT SERVICE	51.12
		1,855.36
MICHIGAN LAWN & LANDSCAPE	MOWING/LEAF SERVICES	1,276.94
MISS DIG SYSTEM, INC.	ANNUAL MEMBERSHIP FEE	1,614.62
MONAHAN, NICHOLAS	CHRISTMAS IN JONESVILLE - HORSES/WAGONS	500.00
NAPOLEON FEED MILL, INC	CALCIUM CHLORIDE	135.00
NORM'S TIRE & SERVICE	MVP - TIRE REPAIR	89.70
NORTH EAST FABRICATION CO, INC	MVP - LEAF VAC REPAIRS	208.72
NYE UNIFORM COMPANY	JPD - UNIFORMS	148.50
PARAGON LABORATORIES, INC.	WATER - PFAS TESTING	710.00
PERFORMANCE AUTOMOTIVE	MVP - OPERATING SUPPLIES	108.68
PM DOORS, LLC	DPW - OVERHEAD DOOR REPAIR	100.00
	JFD - OVERHEAD DOOR OPENERS	4,000.00
		4,100.00
POINT RENTAL & SALES	MVP - REPAIRS	5.20
POSTMASTER	POSTAGE - WATER/SEWER BILLS	279.06
	POSTAGE - WINTER 2021 TAX BILLS	261.12
		540.18
STATE OF MICHIGAN	WWTP - NPDES ANNUAL PERMIT FEE	1,950.00
	COLLINS - WATER LICENSE RENEWAL	95.00
	KYSER - WATER LICENSE RENEWAL	95.00
	HUGHES - WATER LICENSE RENEWAL	95.00
		2,235.00
STOCKHOUSE CORPORATION	POSTAGE PERMIT WINDOW ENVELOPES	142.40
THOMPSON RICK	UB refund for account: 000257-51	19.17
UNIFIRST CORPORATION	WWTP - UNIFORM RENTAL	28.98
	MVP - SHOP TOWELS	26.22
	WWTP - UNIFORM RENTAL	35.37
	WWTP - UNIFORM RENTAL	29.97
	JPD - FLOOR MATS	29.50
	MVP - SHOP TOWELS	26.22
	WWTP - UNIFORM RENTAL	29.97
		206.23
USA BLUEBOOK	WWTP - SUPPLIES/REPAIRS	399.41
USALCO LLC	WWTP - OPERATING SUPPLIES	4,551.72
VERIZON WIRELESS	DPW CELL PHONE	25.00
	JPD/DPW-CELL PHONES/RADIO TOWER/JPD-MODEMS	317.05
		342.05
WNWN-FM	CHRISTMAS IN JONESVILLE RADIO AD	500.00
	Total:	49,614.36

**Jonesville Downtown Development Authority
Local Development Finance Authority
PA 57 Informational Meeting
Minutes of November 9, 2021**

Present: Don Toffolo, Gerry Arno, and Gale Fix.

Absent: Abe Graves, Penny Sarles, Chris Fast, Joe Ruden and Mary Ellen Sattler.

Also Present: Jeff Gray and Rick Schaerer (LDFA Chairman).

Chairman Don Toffolo called the meeting was called to order at 8:30 a.m.

Effective January 1, 2019, the State of Michigan has adopted new public informational meeting requirements that effect both the DDA and the LDFA. This item on the agenda is reserved for updates in the 2021 calendar year from the DDA and the LDFA regarding recent development projects and near-term priorities. LDFA Chairman Rick Schaerer updated the DDA regarding LDFA activities. Chairman Don Toffolo will attend the LDFA meeting on December 15th to provide a similar update. The proposed Fiscal Year 2020-21 DDA Annual Report was also discussed. Notice of the meeting has been provided to the City Council and Hillsdale County Board of Commissioners, as required in the act.

The PA 57 Informational meeting was adjourned at 8:37 a.m.

**Jonesville Downtown Development Authority
Regular Meeting
Minutes of November 9, 2021**

There was no quorum for the meeting, the meeting was not convened and no action was taken.

Manager Gray provided informational updates for those present on Christmas in Jonesville, RFP Review Committee, US-12 resurfacing in 2023, and Consumers Energy Gift Card program.

The next scheduled DDA Meeting is Tuesday, January 11, 2022 at 8:30 a.m.

Submitted by;

Cynthia D. Means
Clerk

**CITY OF JONESVILLE
PLANNING COMMISSION
Minutes of November 10, 2021**

A City of Jonesville Planning Commission meeting was held on Wednesday, November 10, 2021 at the Jonesville Police Department, 116 W. Chicago Street, Jonesville, MI. Chair Christine Bowman called the meeting to order at 7:00 p.m.

Present: Christine Bowman, Jerry Drake, Charles Crouch and Jim Ackerson.

Absent: Jim Taipalus, Annette Sands and Olivia Stemen.

Also Present: Jeff Gray, Councilman Tim Bowman and Stephanie Peña (RRC Planner).

Jerry Drake led the Pledge of Allegiance and the moment of silence.

Councilman Tim Bowman thanked the Planning Commission members for all they do for the community.

A motion was made by Jerry Drake and supported by Jim Ackerson to approve the agenda as presented. All in favor. Absent: Jim Taipalus, Annette Sands and Olivia Stemen. Motion carried.

Charles Crouch made a motion and was supported by Jim Ackerson to approve the minutes from October 13, 2021. All in favor. Absent: Jim Taipalus, Annette Sands and Olivia Stemen. Motion carried.

A presentation was provided by Stephanie Peña, our Redevelopment Ready Communities (RRC) Planner from the Michigan Economic Development Corporation (MEDC), regarding the application of the updates to the RRC program to the City of Jonesville. The updates have been termed RRC 2.0. Ms. Peña went through the list of RRC Best Practices which were 1. Plans & Public Engagement, 2. Zoning, 3. Development Review, 4. Boards and Commissions, 5. Economic Development and Marketing, and 6. Redevelopment Ready Sites.

A motion as made by Jerry Drake and supported by Charles Crouch to approve the 2022 Meeting Calendar. The meetings will be held the 2nd Wednesday of each month at 7:00 p.m., which is consistent with the current meeting calendar. All in favor. Absent: Jim Taipalus, Annette Sands and Olivia Stemen. Motion carried.

Updates were provided by Manager Gray on the following: Council approved new fire truck, The lawsuit against the city for the Open Meetings Act Violation was dismissed by Judge Lisznyai, Christmas in Jonesville will be held on December 3rd, and the Klein Tool building. Charles Crouch provided updates of the meeting that was held to discuss the RFP's for the Klein Tool building.

The next meeting is scheduled for December 8, 2021 at 7:00 p.m.

The meeting was adjourned at 8:30 p.m.

Submitted by,

Cynthia D. Means
Clerk



JONESVILLE DEPARTMENT OF PUBLIC SAFETY



116 W. Chicago St.
Jonesville, MI 49250-1106

(517) 849-2101
Fax (517) 849-2520

I have just a few items to mention concerning both departments. I completed a five-year traffic crash study and I am very please with out extreme reduction of vehicle accidents from previous years. In 2018 we peaked at fifty-six roadway crashes and we have steadily declined each year since. We currently have only had fourteen crashes this year. This is direct result from educating drivers and proactive traffic enforcement.

The fire department had a quiet month with only eight dispatched calls for service which is fantastic. Unfortunately, it's like the calm before the storm with the winter snow season starting. The vehicle accidents will be picking up quickly with the slippery roads. Also, for the lucky people with fireplace's please remember to have your chimneys cleaned before you start using them this year. I am looking into sending our outdated turnout gear to a third world county where it would be greatly appreciated. We will be hosting the executive level fire officer one and two training course which is expected to start in mid-March of 2022.



JONESVILLE

DEPARTMENT OF PUBLIC SAFETY



116 W. Chicago St.
Jonesville, MI 49250-1106

(517) 849-2101
Fax (517) 849-2520

ACTIVITY SUMMARY FOR NOVEMBER 2021

Total reports written: 47
Break and Enter: 1 (entry w/o auth.)
Damage to Property: 0
Larceny: 3
OUIL: 0
Alcohol Violations: 0
Retail Fraud: 1
Obstructing Justice: 0
Public Roadway Accidents: 5
Private Property Accidents: 2
Other Arrests: 10 (warrants, traffic-DWLS/Revoked, etc.)
Medical Emergency: 6
Overdose: 0
Mental Petitions Served: 0
Nuisance Animals: 0
General Assistance: 9
Traffic/Moving Violations: 27
Carrying Concealed Weapon: 0
Suspicious Situation: 1
Burglary Alarm: 0
Domestic Violence: 3
Natural Death: 0
Felony Assault:
Flee & Eluding: 1
CSC: 3
Assault: 1
Fraud: 1
Trespass: 1

JONESVILLE FIRE DEPARTMENT
November 2021 SUMMARY

114 W. Chicago St.
Jonesville, MI 410250



(517) 849-2101
(517) 849-2520 Fax

Total Calls in November 14
Total calls for 2021 239

City	Fayette	Scipio	Mutual	Training
64	48	28	59	40
1	2	2	3	6

Members	Date	Type of call	Location	City	Fayette	Scipio	Mutual	Training
6	11/1/2021	STRUCTURE FIRE	74 SUPERIOR ST HILLSDALE				X	
12	11/3/2021	MEETING	STATION					X
8	11/3/2021	TRAINING	WILLIAMS ELEMENTARY					X
8	11/3/2021	WIRES DOWN	3611 W CHICAGO		X			
7	11/7/2021	HOSE TESTING	STATION					X
7	11/8/2021	ILLEGAL BURN	7000 MILNES RD			X		
7	11/8/2021	ASSIST MEDICAL	413 PARKWOOD DR APT A13				X	
8	11/10/2021	TRAINING	STATION					X
7	11/11/2021	WIRES DOWN	6282 RIDGE DR		X			
11	11/12/2021	APPLIANCE FIRE	502 DRAKE ST	X				
11	11/17/2021	CLEAN UP	STATION					X
8	11/21/2021	HOSE TESTING	STATION					X
5	11/23/2021	WASHDOWN	GENESEE /HOMER			X		
5	11/30/2021	ASSIST MEDICAL	1452 RED CLOVER HILLS				X	

MONTHLY OPERATING REPORT

November 2021

SUBMITTED: 2021

WATER FLOW

MAXIMUM	186,000
MINIMUM	114,000
AVERAGE	159,000
TOTAL	4.771 MG

WASTEWATER FLOW

MAXIMUM	332,700
MINIMUM	271,500
AVERAGE	295,900
TOTAL	8.8765 MG

CALLOUTS: 2 at the Wastewater Plant 1 at the Water Plant

OPERATION & MAINTENANCE

The plant was in compliance with the NPDES permit limitations during the month of November 2021.

The Wastewater Plant Laboratory processed 83 Bacteria tests, 22 Nitrate tests and 17 Nitrite tests. The annual totals are as follows:

- Bacteria Test----1,014
- Nitrate Tests----262
- Nitrite Tests-----133

The total paid walk-in business was \$1035,00.

The lab performed lagoon analysis for Reading, Quincy, Camden, Lake Diane, Merry Lake, and North Adams.

5-Day Biochemical Oxygen Demand

NPDES Permit 30 Day Average Limit is 20 mg/l

NPDES Permit Daily Maximum is 30 mg/l

The BOD-5 test tells us how much of the oxygen in the water is being used up or demanded by the waste in the water. High oxygen demand will deplete the oxygen in the receiving water. This will have adverse effects on the quality of life (fish) in the Receiving stream.

Jonesville Monthly Average—2.0 mg/l

Average Percent Removal from the Raw Wastewater—98.8 %

Daily Maximum—3 mg/l

Total Suspended Solids

NPDES Permit Limit is 20 mg/l

Suspended solids are very important in controlling the process in the plant. Suspended solids are removed via settling clarifiers and are pumped to the anaerobic digester for treatment. The digested biosolids are applied to farmland at agronomic rates as fertilizer.

Jonesville Monthly Average—2.6 mg/l

Average Percent Removal from the Raw Wastewater—95.6%

Total Phosphorus

NPDES Permit Limit 1 mg/l Year Round

Phosphorus is a nutrient that promotes growth. In fact, farmers use phosphorus as a fertilizer on crop lands. Phosphorus is found in many cleaning agents and industrial processes. Excessive phosphorus in wastewater promotes the excessive growth of micro and macro-organisms in the receiving stream. In other words, phosphorus promotes excessive growth of algae and seaweed. These plants demand oxygen from the water and tend to decrease the quality of life in the receiving stream.

Jonesville Monthly Average—0.30 mg/l

Average Percent Removal from the Raw Wastewater—91.4%

Ammonia Nitrogen

NPDES Permit 30 Day Average Limit is 0.5 mg/l

NPDES Permit Daily Maximum is 2 mg/l

Ammonia Nitrogen is the result of bacterial decomposition of organic nitrogen. Examples Of organic nitrogen include animal and plant protein, amino acids and urea from urine. Ammonia nitrogen is a very unstable form of nitrogen. In wastewater plants ammonia nitrogen is oxidized to form nitrite nitrogen. Further oxidation of nitrite nitrogen will form the stable compound called nitrate nitrogen. This process is called nitrification and occurs in the trickling filter towers. If nitrification does not occur in the treatment plant, it will occur in the receiving stream once again depriving oxygen from the aquatic population. Because of the sensitive nature of the microorganisms involved in the nitrification process, the ammonia nitrogen limits are about the hardest to hit.

Jonesville Monthly Average—0.034mg/l

Average Percent Removal from the Raw Wastewater—98.8%

Jonesville Daily Maximum—0.45 mg/l

Brian Boyle

Jonesville Dept of Public Works

November 2021

Monthly Report

	Maintenance	Salt	Chloride	Top Dirt	COLD MIX
STATE HIGHWAYS	1 HR DT 0 HR OT	4 Tons	0 Bag	0 Yd	0 Ton
MAJOR STREETS	1 HR DT 0 HR OT	4 Tons	0 Bag	0 Yd	0 Ton
LOCAL STREETS	0 HR DT 1.75 HRS OT	6 Tons	0 Bag	0 Yd	.125 Ton
PARKING LOTS	0 HR DT .50 HR OT	.50 Ton	0 Bag		0 Ton
POLICE STATION	0 HR OT	0 Ton	0 Bag		
FIRE DEPARTMENT	.25 HR OT	.25 Ton	0 Bag		
SEWER DEPT	0 HR DT	0 Ton			
LDFA	0 HR OT		0 Bag		0 Ton
WATER	0 HR DT 0 HR OT			0 Yd	0 Ton
State Police	0 HR OT	0 Ton	0 Bag		

There was one call out.

The call out was for plowing and salting from the snow storm on 11-29-21.

We installed 2 new LED lights on the outside of the Cemetery building.

The water system at the Cemetery was winterized.

We have been picking up leaves with the leaf vac.

Christmas lights were put up in the Fast Park and the light poles for the DDA.

Stumps on MDOT ROW and at the Cemetery were ground out and top dirt was put down.

Sidewalk was replaced on Evans Street and Wright Street.

We repaired the pavement on Dewitt Street from a broken water main with hot mix.

We repaired the pavement on West Street from a new water service with hot mix.

We made another pass around town picking up brush.

Mike Kyser



City of
Jonesville

265 E. Chicago Street, Jonesville, MI 49250

(517) 849-2104
(517) 849-9037 Fax
www.jonesville.org

SUNSET VIEW CEMETERY ACTIVITY REPORT NOVEMBER 2021

	Lot Sales*	Interments				Foundations Purchased	Burial Rights Transfers	Disinterments
		Adult	Child	Infant	Cremation			
January	0	1	0	0	0	0	0	0
February	0	0	0	0	0	0	0	0
March	1	2	0	0	0	0	0	0
April	2	0	0	0	1	4	0	0
May	3	2	0	0	1	2	0	0
June	2	0	0	0	4	2	0	0
July	0	0	0	0	3	2	0	0
August	2	1	0	0	1	1	0	0
September	3	1	0	0	2	1	0	0
October	0	1	0	0	1	0	0	0
November	0	1	0	0	2	1	0	0
2021 Totals	13	9	0	0	15	13	0	0

* Number shows total burial spaces sold; may have been sold in lots of 1, 2, or 4 spaces

November/December Activities:

- Finish pole barn – lighting and camera reinstall
- Cemetery annual fall clean-up
- Leaf clean-up


January/February Focus:

- Database software



MEMORANDUM

TO: City Council

FROM: Jeffrey M. Gray, City Manager 

DATE: December 9, 2021

SUBJECT: Request Closed Session – Periodic Personnel Evaluation

Pursuant to Section 8(a) of the Michigan Open Meetings Act, I am requesting that my performance review be conducted in a closed session of Council. Thank you for your consideration.

From: Marc A. Lapham <marclapham@gmail.com>
Sent: Friday, November 19, 2021 3:55 PM
To: Jeff Gray
Subject: Re: Question

Mr. Gray,

Thank you for your response. I feel that a sign at the city limits, "Hometown of Kevin James" or renaming of a street or park in town in his honor would be appropriate. Again thank you for your time and attention to this issue.

Marc Lapham

On November 19, 2021, at 3:34 PM, Jeff Gray <JGray@jonesville.org> wrote:

Mr. Lapham,

I appreciate your note and questions about Jonesville native and famous magician Kevin James. I agree that Mr. James often mentions us. My Google news alerts often pick up an interview where he has spoken favorably about his hometown.

The City has not discussed any plans for an honor; we've not had anyone else bring it to our attention. I am not aware of any groups or individuals that have organized an effort.

I will provide a copy of your email in the City Council packet for their December 15th meeting. If you had any particular honors in mind, or if there is an effort that you are interested in organizing, feel free to pass along another email and I will share that with them as well.

Thank you for your thoughts on this. I hope that you have a wonderful Thanksgiving!

Jeff

Jeffrey M. Gray· City Manager
City of Jonesville
Please note our temporary location:
116 W. Chicago Street· Jonesville, MI 49250
(517) 849-2104

-----Original Message-----

From: Marc A. Lapham <marclapham@gmail.com>
Sent: Wednesday, November 10, 2021 1:56 PM
To: Jeff Gray <JGray@jonesville.org>
Subject: Question

Mr. Gray,

I was wondering if the city of Jonesville has any plans to honor Kevin James the magician who grew up in Jonesville as Kevin Lowery? He has become world famous in the entertainment industry and has always acknowledged his hometown in interviews and onstage in his show The Illusionists on Broadway.

I think that someone who has attained this level of fame should be honored in some way by the small hometown from whence he came.

Respectfully,

Marc Lapham



RECEIVED
NOV 15 2021

November 11, 2021

BY: _____

City Manager
City of Jonesville
265 East Chicago Street
Jonesville, MI 49250-1002

RE: Important Information—Price Changes

Dear City Manager,

At Comcast, we are always committed to delivering the entertainment and services that matter most to our customers in Jonesville, as well as exciting experiences they won't find anywhere else. We are also focused on making our network stronger in order to meet our customers' current needs and future demands. As we continue to invest in our network, products, and services, the cost of doing business rises. Rising programming costs, most notably for broadcast TV and sports, continue to be the biggest factors driving price increases. While we absorb some of these costs, these fee increases affect service pricing. As a result, starting January 1, 2022, prices for certain services and fees will be increasing, including the Broadcast TV Fee and the Regional Sports Network Fee. Please see the enclosed Customer Notice for more information.

We know you may have questions about these changes. Please feel free to contact me at 616-560-1922 if you have any questions.

Sincerely,

Jeffrey Snyder
Manager, External Affairs
Comcast, Heartland Region
3500 Patterson Ave., SE
Grand Rapids, MI 49512

Enclosure

Important information regarding your Xfinity services and pricing

Effective January 1, 2022

Xfinity TV	Current	New
Digital Starter	\$62.45	\$65.45
Entertainment	\$15.00	\$17.00
Choice TV Select	\$30.00	\$32.50
Choice TV Select - - with TV Box (Flex upgrade)	\$37.50	\$41.00
Broadcast TV Fee	\$15.10	\$16.90
Regional Sports Fee	\$9.10	\$9.50
Service to Additional TV	\$7.50	\$8.50

Xfinity Internet	Current	New
Connect	\$56.00	\$59.00
Connect More	\$76.00	\$79.00
Fast	\$86.00	\$89.00

Xfinity Equipment	Current	New
TV Box	\$7.50	\$8.50